TVS HOLDINGS LIMITED

(Formerly known as Sundaram-Clayton Limited)

Annual Report of Subsidiary Companies for the year 2025-2026

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TVS

34th Annual Report 2025-26

SHAPING TOMORROW'S MOBILITY, TODAY.

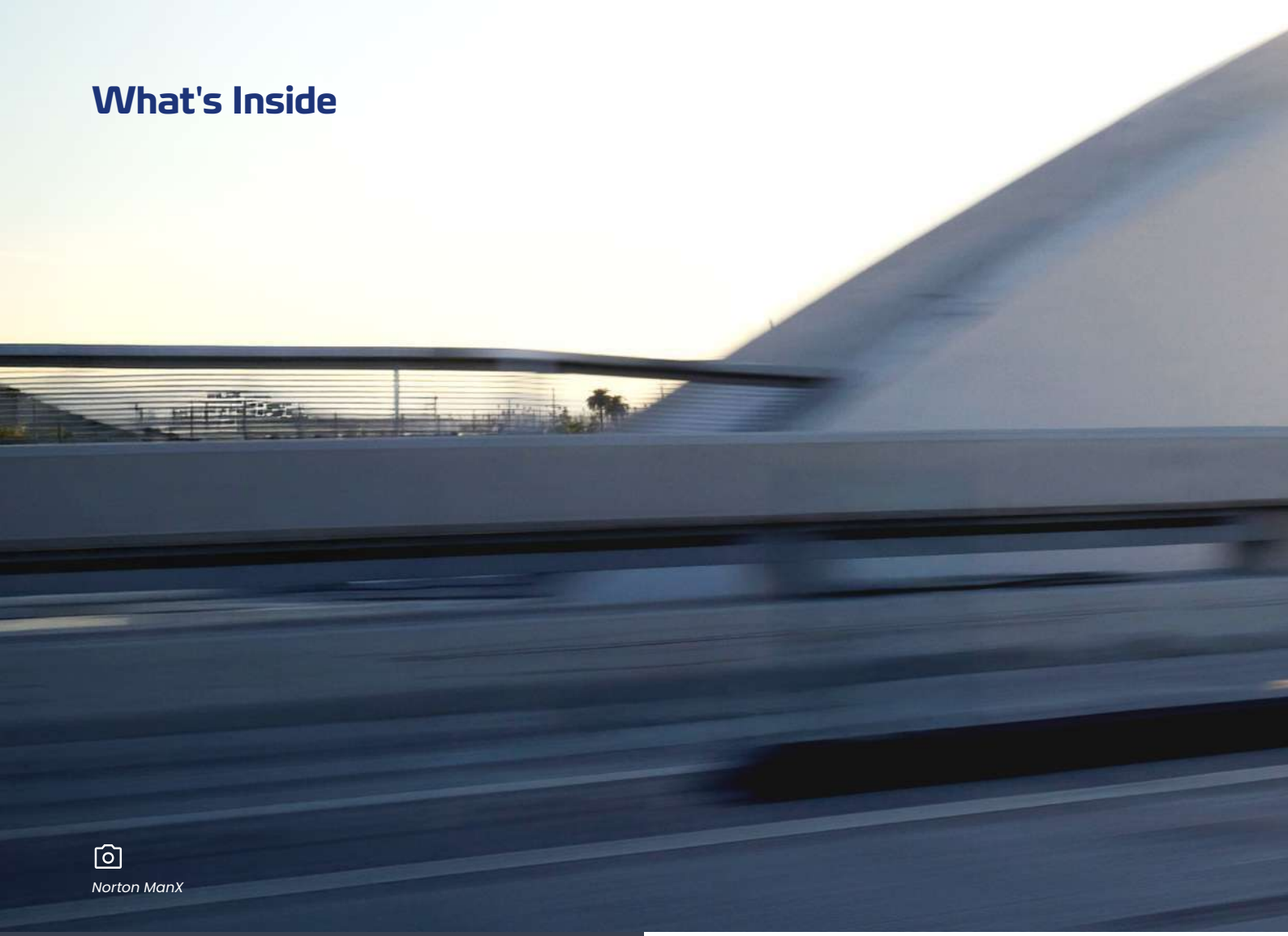
Exciting | Responsible | Sustainable | Safe







What's Inside



Norton ManX

TVS Motor Company is a leading global mobility solutions brand, serving personal and commercial mobility needs across markets. With 5.89 million units sold in FY 2025-26 (highest-ever), cutting-edge manufacturing in India and Indonesia, and a strong distribution network in 90+ countries, TVSM combines engineering excellence with a customer-first approach to deliver world-class experiences.

This report captures how the Company progressed on its strategic goals in FY 2025-26. Anchored in the theme 'Shaping Tomorrow's Mobility, Today.', it reflects a year in which the Company strengthened its domestic and international presence, deepened its premium and electric portfolio, advanced commercial mobility, and continued progress in design, technology, and performance engineering.



Stay connected with more updates at www.tvsmotor.com

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Shaping tomorrow's mobility, today.

Mobility across the world is being reshaped by electrification, connected technologies, intelligent systems, sustainability expectations and the evolving aspirations of modern customers. At TVS Motor Company, our deep connection with customers helps us to understand this pivotal shift not only as a change in technology, but as a change in how people want to commute, ride, work and experience movement. We are using this shift to fuel our innovations and drive the next phase of our growth.

In FY 2025-26, this direction gathered further momentum and translated into strong, visible progress. With our highest-ever annual sales, we reinforced the strength of deep consumer understanding across segments. From evolving our brands with our customers to creating new possibilities across formats, we continued to grow, adapt and deepen the relevance of our portfolio across motorcycles, scooters, electric vehicles and three-wheelers. This was supported by design, technology, reliability, thoughtful functionality and a holistic ownership experience from product to after-sales support.

Our brands reflect this ability to evolve with customers while staying true to their core. As TVS Apache completed two decades, it continued to represent our racing DNA, track-to-road philosophy and deep bond with a global community of riders. In scooters, TVS NTORQ extended its performance-led identity into the 150cc segment, opening new possibilities for young riders who seek style, technology and excitement in everyday mobility.

We also continued to build our electric portfolio across personal and commercial mobility with new offerings, strengthening our role in a more sustainable and future-ready ecosystem.

Beyond products and performance, we expanded our global ambition and deepened future-ready capabilities. In our maiden presence at EICMA, we showcased our global product line-up and mobility vision, while Norton Motorcycles marked a significant step forward with a resurgent new range — signalling its shift from revival to resurgence and bringing together British heritage, design excellence and advanced engineering for a new generation of luxury motorcycling.

As mobility continues to transform, we remain focused on shaping tomorrow's mobility, today.

5 honours

Won in JD Power 2025 India Two-wheeler Studies (IQA & APEAL)

TVS Apache RTX

Recognised at IMOTY as Indian Motorcycle of the Year 2026



Top 7 Globally

S&P Global ESG ranking
(automotive sector; Score 65/100)

A- (Leadership)

CDP Climate Change rating

FY 2025-26 saw us advance stridently in our chosen direction, register strong progress across business growth and leadership, profitability, and responsible and sustainable operations.

FINANCIAL

₹47,270 Cr
Revenue
30.4% ↑

₹6,079 Cr	EBITDA 37% ↑	**12.9%**	EBITDA Margin 60 bps ↑
₹4,945 Cr	Profit Before Tax 40.4 % ↑	**₹12 per share**	Dividend 20% ↑

FORWARD.
FASTER.
FURTHER.

NON-FINANCIAL

76,708.24 tCO_2e	Emissions avoided in India operations	**1.6 Mn**	CSR beneficiaries
169,155 Kl	Water recycled in India operations	**21%** *Blue collar* **15.5%** *White collar*	Women in the workforce
97.13%	Renewable energy used in India operations	**3%**	Differently-abled employees

Design meets the future of mobility

In FY 2025-26, TVSM launched the TVS Indus Design Honours, an annual platform to nurture design-led innovation in mobility. The 2025 edition draws inspiration from four distinctive regions of India — Thar, Sahyadri, Kutch and Mumbai — encouraging solutions rooted in diverse landscapes, lifestyles and cultural contexts. By bringing together emerging talent and industry expertise, the initiative reinforces TVSM's commitment to design excellence and future-ready mobility.



TVS NtorQ 150

BUSINESS

5.89 Mn units	Sales volume [2W+3W] 24% ↗	**2.19** Lakh units	Three-wheeler sales 63% ↗
3.87 Mn units	Two-wheeler domestic ICE sales | 19% ↗	**>206,000**	BMW Motorrad customers across key markets
3.71 Lakh units	EV sales 33% ↗	**617**	Dealers calibrated under My Sustainability Index

Building strong momentum through the year

Q1









Refreshing performance portfolio

- Updated TVS Apache RR 310 launched in April 2025
- Refreshed Apache RTR 200 4V and Apache RTR 160 variants introduced in June 2025
- Reinforced premium and performance positioning

Expanding everyday mobility choices

- Introduced Jupiter 125 DT SXC in May 2025
- Refreshed iQube S and iQube ST range
- Through these, strengthened scooter and EV portfolio across practicality, style and usability

Laying the groundwork for electric growth

- Expanded EV portfolio and strengthened market readiness
- Created the foundation for stronger EV momentum throughout the year

Strengthening premium and lifestyle appeal

- Continued focus on experience-led and lifestyle-oriented positioning
- Deepened connect with aspirational and performance-seeking riders

03

Major product refreshes introduced across Apache, Jupiter, and iQube portfolios in Q1

Read more in Corporate Portrait and Products and Services on pages 12–27

FY 2025-26 unfolded as a year of consistent progress, with each quarter building on the last to strengthen scale, expand the portfolio and deepen global presence. From early product refreshes to record-breaking performance, and growing EV and export momentum, the year reflects disciplined execution across multiple growth levers.

Q2











Record quarterly momentum

- Achieved highest-ever quarterly revenue, EBITDA and profits in Q2 FY 2025-26
- Operating revenue rose to ₹11,905 crore
- Operating EBITDA reached ₹1,509 crore, supported by stronger scale, richer mix and disciplined execution

Expanding into emerging mobility segments

- Launched TVS Orbiter in August 2025, strengthening our electric mobility offering
- Introduced TVS NTORQ 150 in September 2025, expanding our performance scooter portfolio
- Celebrated two decades of Apache with the launch of Apache 20th Anniversary Limited Editions in September 2025
- Entered a new touring segment with the launch of TVS Apache RTX 300 in October 2025

Scaling international business

- Recorded highest-ever exports of around 4 lakh units during Q2
- Export revenues rose to ₹2,885 crore
- Growth reflected improving traction across key international markets and stronger overseas relevance

EV strategy gains breadth

- Electric two-wheeler sales reached 80,000 units
- EV revenues stood at around ₹1,269 crore
- Continued to strengthen the scale and reach of the electric mobility portfolio

Strengthening commercial mobility

- Three-wheeler sales rose 41% to 53,000 units
- Growth was driven by stronger demand in last-mile passenger and goods mobility
- Reinforced commercial mobility as an increasingly important growth driver for the business

80,000 units

Electric two-wheeler sales in Q2

Read more in Charging ahead with purpose on page 52-53

Q3







Highest-ever quarterly sales

- Recorded highest-ever quarterly sales of 15.44 lakh two- and three-wheelers in FY 2025-26
- Performance reflected strong demand across segments and sustained operating momentum

International business steps up

- International business volumes rose 40% Y-o-Y to 4.10 lakh units in Q3
- Growth was supported by stronger demand across key overseas markets

Encouraging response to our EV portfolio

- Demand remained encouraging for both TVS iQube and TVS Orbiter
- EV sales reached a highest-ever 1.06 lakh units during the quarter

Earning recognition in performance motorcycling

- TVS Apache RTX was recognised as IMOTY 2026 during the quarter
- Reinforced the product's appeal as a segment-opening motorcycle
- Strengthened TVSM's position in premium and performance motorcycling

4.10 Lakh units

International business volume in Q3

Read more in Revving up global presence on page 28-29

Q4









Achieving record export momentum

- Highest ever quarterly sale of 15.6 lakh units, registering 28% growth from Q4 2025
- Recorded highest-ever monthly exports of 1,58,268 units in February 2026

Expanding commercial mobility offerings

- Launched TVS King Kargo HD CNG in February 2026
- Strengthened presence in last-mile cargo mobility
- Enhanced offering for urban transport operators through higher payload, mileage and operating efficiency

Strengthening the EV ecosystem

- Introduced TVS Orbiter V1 BaaS variant in March 2026
- Expanded accessibility within the Orbiter range and strengthened urban electric mobility play
- Extended Battery-as-a-Service across the EV portfolio, offering greater ownership flexibility

Advancing global ambitions

- Crossed 1 million unit cumulative production in Indonesia
- Apache RTR 310 makes its debut in Morocco
- Displayed TVS Jupiter 125 in Milan as part of 'Art on Wheels'

Closing the year on record highs

- Ended FY 2025-26 with record highs in sales, revenue and operating profitability
- Reflected disciplined execution across multiple growth engines

1,58,268 units

Highest-ever monthly export volume recorded in February 2026

Read more in Reaffirming our place on the world stage on page 54-57

Recognition reinforces our resolve

The recognitions received during the year reflect the strength of our leadership, products, practices, and purpose-led progress. They further bolster our commitment to building a mobility business defined by excellence, responsibility, and sustained forward momentum.

Steering TVSM to the next horizon

Mr. Sudarshan Venu, Chairman and Managing Director, was named 'Person of the Year' by Autocar India, underscoring the strength of the Company's strategy, performance and future mobility vision.













Honouring a lifetime of leadership, quality and purpose

1. Our Chairman Emeritus, Venu Srinivasan conferred with **CII President's Award for Lifetime Achievement** at the CII Annual Summit 2026

Product quality excellence and customer satisfaction

2. JD Power 2026 India Two-wheeler studies (IQS & APEAL)
   - **Five honours** across categories
   - **TVS Jupiter 110, TVS Ronin, TVS Raider** ranked highest in their respective segments in the Initial Quality Study (IQS)
   - **TVS Sport and TVS Jupiter 110 ranked highest** in the Automotive Performance Execution & Layout (APEAL Study)

Product and innovation

3. **TVS Apache RTX:** IMOTY 2026 and multiple leading platforms (Autocar, Car&Bike, TopGear, etc.)
4. **TVS NTORQ 150:** 'Scooter of the Year' at Car&Bike Awards 2026
5. **TVS Orbiter:** Recognised in the 'innovation EV' category and received a High Potential Innovation Star certificate at the 16th Aegis Graham Bell Awards, supported by MeitY and Swissnex

Sustainability and ESG

6. TVS received the Outstanding Accomplishment Award in Corporate Excellence from CII-ITC Sustainability Awards platform
7. Received the prestigious **Golden Peacock Award** for Sustainability from the Institute of Directors (IOD) at the Annual Global Convention on Corporate Governance & Sustainability in London, UK, underscoring our commitment to responsible growth
8. TVS Jupiter 125, TVS iQube, TVS Apache RTR 160 4V & TVS Apache RR310, TVS Apache RTR 310 have received the **GreenPro ecolabel** from the CII Green Business Centre
9. TVS Nalagarh received the **CII GreenCo Gold Rating**, while TVS Hosur achieved the prestigious **GreenCo Platinum Rating** in recognition of their excellence in resource efficiency and sustainable manufacturing practices



Governance and reporting

10. TVSM's FY 2024-25 Annual Report was recognised as the **Best Annual Report** at the Asia Business Responsibility Summit 2025, reflecting the strength of our reporting and communication practices

Brand, design and communication excellence

11. Design-led communication work was recognised at the **ET awards for Design & Creativity 2026** and **Kyoorius 2025**

Crafting the NEXT in mobility

TVSM has strengthened its global standing in the mobility landscape by rising from being the world's fifth-largest two-wheeler manufacturer in FY 2020-21, to seize its place among the top three this year. This progress reflects the Company's relentless pursuit of technical precision, engineering excellence and customer relevance. By merging decades of track-honed expertise with a rapidly expanding electric ecosystem, the Company is reshaping mobility globally, from high-performance motorcycles to sustainable urban solutions. TVSM blends its manufacturing heritage with a modern focus on intelligent connectivity and sophisticated design to serve riders over 90+ countries. As an international manufacturer, the Company remains committed to shaping a future where high performance and responsible innovation move together on a global scale.

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



Performance at Scale

Read more on page 42-45

20 years of TVS Apache's racing-led performance legacy

2 new-ground launches TVS Apache RTX and TVS Orbiter

Progress with Purpose

Read more on page 76-81

100% Coverage on values across our organisation through a structured five-phase embedding approach

72.28 Average My Safety Index (MSI) score achieved across Hosur, Mysuru, Nalagarh, PT TVS Indonesia and Norton Motorcycles



What lends us as an unbeatable edge

Track-to-road multi-category mastery

TVSM commands a unique leadership position by translating over 40 years of racing heritage into everyday mobility. This approach ensures that racing-bred technology — focused on agility, precision, and performance — is democratised across the entire spectrum, from entry-level mopeds and hyper-sport scooters to 1,200cc super-premium superbikes.

Expansive global footprint

With a significant presence in over 90+ countries, TVSM has established itself as a leading global manufacturer of two-and three-wheelers. Its strategic manufacturing hubs in India and Indonesia, combined with market-leading growth in Africa, Latin America, and Southeast Asia, provide a resilient and diversified engine for international scale.

Pioneering design & engineering R&D

The Company leverages a sophisticated global R&D ecosystem through our Centres of Excellence in Bologna (Italy), Jakarta (Indonesia), Hosur (India) & Solihull (UK). By integrating world-class design [Engines Engineering], iconic British heritage [Norton], and High-quality manufacturing at-scale in India & Indonesia, TVSM accelerates the creation of future-ready, premium mobility platforms that set new global benchmarks.

Agile multi-fuel & sustainable mobility

TVSM leads the transition toward green energy with a versatile portfolio spanning Electric Vehicles (EV), CNG, and biofuels like ethanol. This technological agility, evidenced by its leadership in the Indian electric two-wheeler market, ensures a sustainable and future-proven business model capable of meeting diverse global regulatory requirements.

Next-gen digital & connected ecosystem harnessing AI, IoT, and augmented reality

TVSM redefines rider engagement through the TVS SmartXonnect suite and AR-enabled Heads-Up Display (HUD) technology. These digital innovations, combined with immersive global communities like the Apache Owners Group (AOG) and Ronin CuLT, transform traditional vehicle ownership into a high-energy, lifestyle-led brand experience.

Driven by mobility
Defined by experience

Our products are engineered to address varied customer needs across motorcycles, scooters, electric scooters, mopeds and commercial mobility.



MOTORCYCLES

TVS Apache
RR 310



TVS Apache
RTR 310



TVS Apache
RTR 160 4V/200 4V



This breadth remains one of our key strengths, allowing us to participate across multiple segments while responding to changing customer expectations through technology, design and reliability-led engineering. We provide a holistic ownership experience through TVS Care, our comprehensive after-sales service ecosystem, dedicated to ensuring peak performance and peace of mind for every customer worldwide.

5,888,828 units — Highest-ever 2W & 3W sales — **24.1%** ↗

371,387 units — Highest-ever EV sales — **33.12%** ↗

↗ Y-o-Y growth



TVS Apache
RTR 160 2V/180 2V



TVS Raider



TVS Radeon



MOTORCYCLES

TVS StaR City+



TVS Sport



TVS HLX
Series



SCOOTERS

TVS Jupiter
125



TVS NTORQ
150



TVS NTORQ
125



TVS Jupiter
110



TVS Zest
110



TVS Neo
AMI



ELECTRIC TWO-WHEELERS

TVS Orbiter



TVS X



TVS iQube



MOPEDS

TVS XL
100



THREE-WHEELERS

TVS King
Deluxe



TVS King
EV Max



TVS King
Kargo



TVS King
Duramax Plus



TVS King
Duramax Plus CNG



Products that pushed boundaries

TVS Apache RTX 300

Launched in October 2025, this addition in the adventure rally-tourer segment won Indian Motorcycle of the Year 2026



TVS Apache 20th Anniversary Limited Editions

Introduced in September 2025 across the RTR 160, 180, 200, RTR 310, and RR 310 series, these feature a signature black-champagne-gold livery



During FY 2025-26, TVSM executed a bold product offensive by entering four high-growth categories — urban electric commuting, electric commercial mobility, hyper-sport scooters, and adventure touring — effectively bridging its 40-year racing heritage with sustainable, next-generation mobility.

Urban EV commuting: The launch of the TVS Orbiter expanded participation in the electric two-wheeler space with a product specifically designed for younger, style-conscious urban riders.

Electric Commercial Mobility: The TVS King Kargo HD EV marked a move into urban logistics, providing a purpose-built electric platform for sustainable cargo movement.

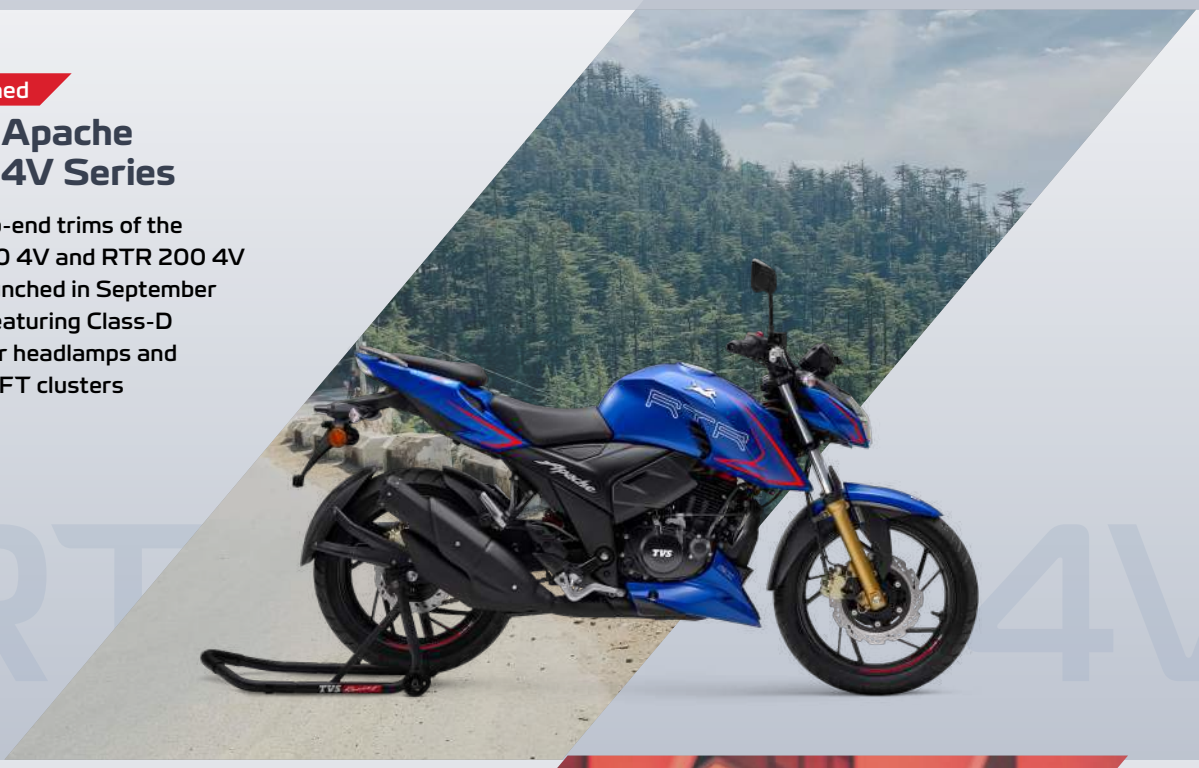
Hyper-sport scooters: The TVS NTORQ 150 entered the hyper-scooter category, stretching the portfolio into an enthusiast-oriented, high-performance space.

Adventure touring: The TVS Apache RTX 300 opened a new category for the brand, translating racing DNA into an endurance and exploration-focused adventure tourer.

Refreshed

TVS Apache RTR 4V Series

New top-end trims of the RTR 160 4V and RTR 200 4V were launched in September 2025, featuring Class-D projector headlamps and 5-inch TFT clusters



TVS Apache RR 310

Adding to TVSM's race-derived performance portfolio through segment-first technologies, advanced rider aids and a new Sepang Blue Race Replica edition



TVS Ronin Agonda

A limited-edition variant launched in December 2025, featuring a white-led colour palette and retro graphics inspired by Agonda Beach



TVS Raider iGO

A new version of the 125cc motorcycle launched with iGO start-stop technology and a boost in acceleration



TVS NTORQ 150

India's quickest and first hyper-sport scooter, featuring a 149.7cc race-tuned engine and stealth aircraft-inspired winglets



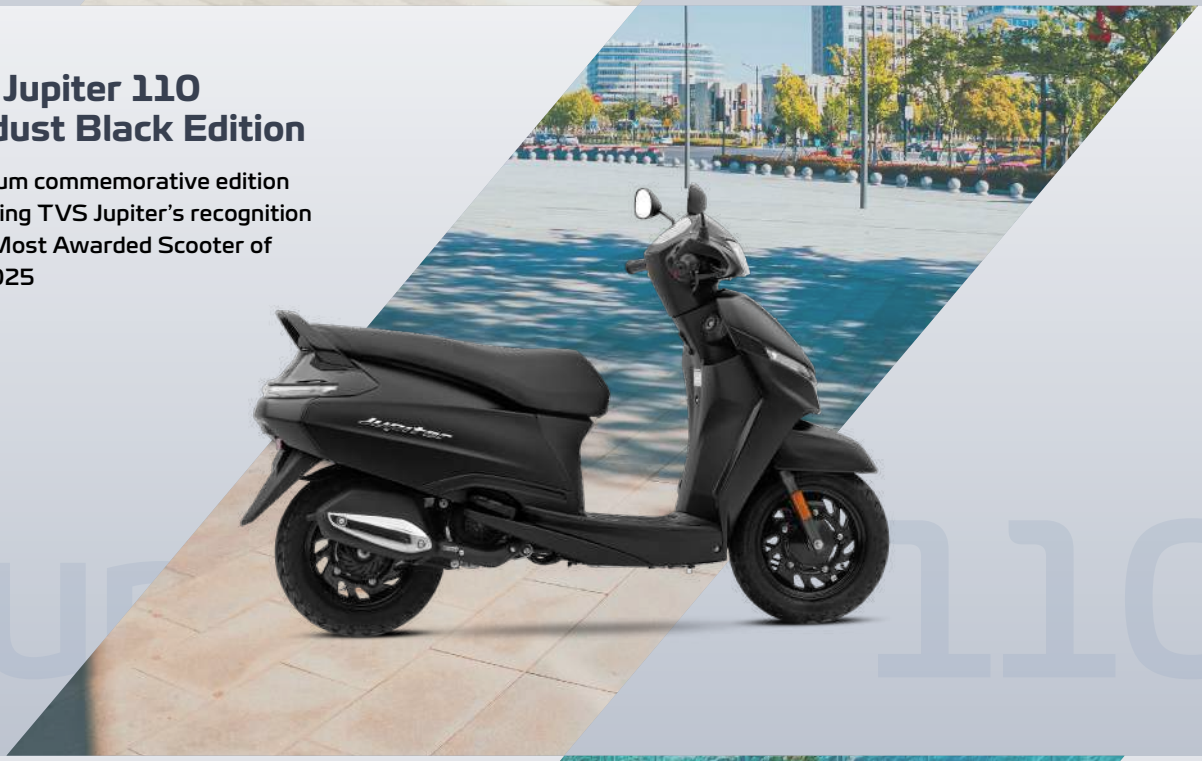
TVS Jupiter 125 DT SXC

A sophisticated new variant that strengthens our leadership in the family scooter segment



TVS Jupiter 110 Stardust Black Edition

A premium commemorative edition celebrating TVS Jupiter's recognition as the 'Most Awarded Scooter of India' 2025



TVS Zest 110 SXC

A connected and style-focused variant equipped with SmartXonnect features and refreshed urban styling



TVS Orbiter

Our newest smart, sustainable urban EV, offering a class-leading 158 km IDC range and an industry-first 14-inch front wheel for enhanced stability



TVS Orbiter V1 BaaS

A specific variant introduced to offer mobility-as-a-service through a Battery-as-a-Service model, making premium EVs more accessible



TVS iQube 3.1 kWh

A versatile new variant of our flagship electric scooter, designed for enhanced range and featuring hill-hold assist



Refreshed

TVS XL 100

Introduced alloy wheels, a digital speedometer and updated styling



TVS King Kargo HD EV

A zero-emission logistics powerhouse designed for urban cargo movement with a superior 6.6-foot payload deck and dedicated power gear mode



TVS King Kargo HD CNG

A new CNG three-wheeler engineered for last-mile efficiency, featuring segment-first fully rolling windows for driver comfort



Redefining total ownership trust

Wide range of TVSM consumables

24x7 roadside assistance

Accidental claim and cashless insurance support

Repairs by certified technicians

Quick repair service, door-step service & pick-up & drop facility



The TVS Care advantage



Resolve. Refresh. Ride.

We launched the nationwide 'Resolve, Refresh & Ride' service campaign in December 2025, to encourage proactive vehicle maintenance for the new year. The initiative provided comprehensive 40-point health checks covering critical components like the engine, brakes, and electrical systems. Beyond technical inspections, the campaign offered exclusive vehicle health reports for TVS Apache and TVS Ronin owners, along with benefits like Annual Maintenance Plans and extended warranties. Digital convenience was a priority, with customers booking appointments via the TVS Connect app or WhatsApp.

For us, mobility is a holistic experience that extends well beyond the ride. Through TVS Care, we continue to strengthen that promise with an ownership ecosystem built on convenience, reliability and transparency. Our service network today includes 4,500 authorised service centres, connects 3,800+ cities, and is supported by 10,000+ certified technicians and 30+ years of customer care expertise.

Annual maintenance contract with warranty

Genuine parts purchase

Tyre and battery replacement support

Service centres open all days

WhatsApp-enabled service access and digital support touchpoints



MotoShield for premium ownership

For premium motorcycle customers, TVSM MotoShield offers a differentiated aftersales experience through tools such as the Vehicle Health Report, self-care kits and technician-led track-day learning. Since its launch in 2024, around 3.15 lakh customers availed of the Vehicle Health Report service, reflecting the value placed on transparency and performance-focused support.

Strengthening services beyond sale

Our Parts and Oil business remained a key lever for customer satisfaction during the aftersales journey, delivering ~19% year-on-year growth in FY 2025-26. Growth was driven by expanded market touchpoints, stronger dealer performance and deeper aftermarket penetration, supported by the TruChamp platform connecting 24,000+ retailers and 90,000 technicians. Digital initiatives such as the Distributor Management System (DMS) and Automated Ordering System (AOS) and Dealer capability-building programmes further improved operational speed, service levels, parts availability and also strengthened technical expertise across the network.

Revving up global presence

Our footprint in 90+ countries follows from the sustained scaling of our International Business from a predominantly export-led model to a more structured global operation. During the year, this vertical reinforced its position as a strategic growth engine, led by strong performance in core markets, such as Africa, Latin America and Asia. We continue to strengthen our presence across Asia, Africa, Latin America and Europe through a focused portfolio, strong partnerships and a differentiate approach to serving diverse market needs.

▲ Manufacturing facilities
▲ Global offices



90+
Countries globally

~25%
Contribution to overall business

1.6 Mn+
Units in FY 2025-26

#3
Global two-wheeler player, with strong presence in Africa, LATAM and Asia

Winning in key markets

Africa
Leadership position

LATAM
Scaling retail footprint

Asia
Stronghold markets

Europe
Expanding rapidly with local office setup in Rome and distributors/dealers across Europe

From expanding presence to building a scaled and globally competitive business

INDIA
Metropolitan, urban and rural markets

3.87 Mn
Domestic ICE two-wheeler sales

3.67 Lakh
EV two-wheeler sales

ASIA
Nepal, Sri Lanka, Bangladesh, Indonesia and ASEAN markets

19.3%
Growth in PT TVS Indonesia two-wheeler sales

$8 Mn
Operating EBITDA reported by PT TVS Indonesia



Map not to scale and for representation purpose only

AFRICA AND THE MIDDLE EAST

Morocco, South Africa and select African and Middle Eastern markets

7

Models launched during South African market re-entry

Apache RTR 300

Launched in Morocco

LATIN AMERICA

Mexico, Colombia, Honduras and other growth markets

100%

Y-o-Y growth in commercial vehicle sales in the region in FY 2025-26

EUROPE

Italy, Spain, Portugal and France

6

Products unveiled at EICMA

100%

Ownership of Engines Engineering S.p.A., an Italian automotive design and engineering powerhouse in FY 2025-26

The arena that shapes tomorrow's engines



For TVSM, racing remains the testbed for innovation, sharpening engineering, pushing talent to its limits and feeding performance learnings back into products. TVS Racing continued to strengthen TVSM's performance credentials during FY 2025-26 across rallying, circuit racing, endurance formats and electric motorsport. From historic international wins and lap records to grassroots rider development and electric racing innovation, the year reflected the growing depth and global relevance of TVSM's racing ecosystem.



99%

Podium finish rate achieved during FY 2025-26

8 out of 9

National championships won during the year

Landmark success for the Sherco-TVS Factory team

Our international rally credentials reached new heights with the **Sherco-TVS Factory Rally Team** securing critical victories on the European circuit. Highlighted by a decisive E3 class triumph in Spain, the team's performance validated our high-performance off-road engineering against the world's most elite competitors.



Record-breaking performance in the ARRC

The 2025 season of the **FIM Asia Road Racing Championship (ARRC)** saw TVS Racing unleash global talent aboard upgraded TVS Apache RR 310 machines. The race-spec platform established dominance on the international tarmac, setting new lap timing track records twice during the season and demonstrating superior engineering in high-pressure global environments.

Four years of pioneering electric motorsport

FY 2025-26 marked the successful completion of the 4th consecutive year of **Asia's first electric one-make racing programme** featuring the **TVS Apache RTE**. This championship remains a vital testing ground for advanced electric powertrains and battery management systems, directly informing our future consumer EV roadmap.

Pioneering a new era in the Indian National Motorcycle Racing Championship

In a landmark development for Indian motorsport, TVSM became the first manufacturer to be entrusted with providing race-tuned machines for a national category. During the 2025 season (June 2025-January 2026), the Company served as the official machine provider for the Pro-Stock 200 class, supplying independent teams with race-tuned **TVS Apache GP200R** motorcycles to democratise the sport and elevate competition levels.

Inaugural international season of the TVS ARE GP

Spanning June 2025 to March 2026, the first international season of the **TVS Apache Racing Experience (ARE) GP** drew over 1,100 riders across India, Mexico, Colombia, and Nepal. The grand finale at the Madras International Circuit featured 60 finalists, effectively taking our grassroots motorsport culture to a global audience.



Harith Noah's relentless desert odyssey

Building on his historic class victory, TVS Factory racer Harith Noah embarked on his seventh **Dakar Rally campaign in January 2026**. Despite facing a challenging crash in Stage 1, his journey through nearly 8,000 kilometres of Saudi Arabian desert continues to showcase the resilience and world-class endurance of our riders and machines.

The mobility landscape we operate in

Globally, mobility markets are being reshaped by the convergence of electrification, premiumisation, digital connectivity, and the rising demand for efficient last-mile transport. In India, these shifts are accelerating across two-wheelers, EVs, and commercial segments, creating one of the world's most dynamic mobility environments. For us, this context matters not only because India remains our largest opportunity, but also because many of the trends shaping it increasingly resonate across the wider markets in which we operate.



$38.68 Bn

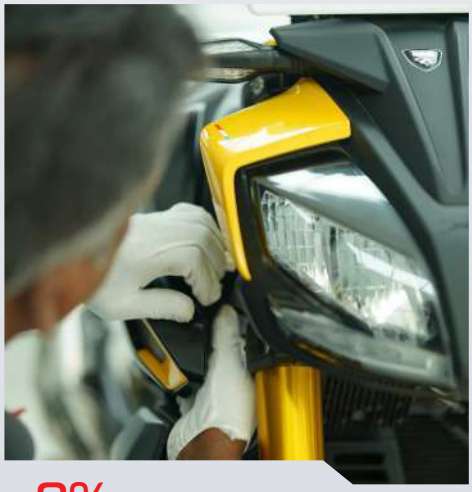
Projected market for India's two-wheeler industry by 2031

Two-wheelers remain at the heart of India's mobility story

In India, the two-wheeler is more than a product; it is the primary engine of socio-economic mobility, uniquely capable of navigating the country's dense urban areas and underserved rural last miles. Its enduring centrality is rooted in its role as the most efficient, affordable, and versatile solution for personal and commercial transit across India's complex terrain.

The two-wheeler market in India remained structurally strong in FY 2025-26, with wholesale volumes rising 10.7% to 21.7 million units, surpassing the previous peak achieved in FY 2018-19 driven by strong policy backing for electrification, a recovery in export demand, and widening digital retail channels. This trajectory is reinforced by the expansion of logistics fleets and the scaling of electric vehicle ecosystems through improved battery-swapping economics.

Sources: SIAM, FADA, Mordor Intelligence



~8%

Projected Y-o-Y growth of two-wheeler industry volumes in FY 2026-27

Affordability & replacement demand are supporting growth

Demand conditions in FY 2025-26 were supported by a favourable operating environment and proactive policy interventions. A critical growth driver was the implementation of GST 2.0 reforms, which improved vehicle affordability and stimulated significant retail momentum. This was supported by healthier rural incomes and recovering urban demand as important growth drivers. This development was further reinforced by a strengthening replacement cycle, as consumers who deferred purchases in previous years returned to the market. Looking ahead, CRISIL Ratings projects the industry to maintain this momentum into FY 2026-27, with total volumes expected to reach 29 million units — a 7-9% year-on-year growth.

Sources: TVS Motor, ICRA Industry Report April 2026



1.83 Mn units

Volume of premium motorcycles in FY 2025-26

Demand is becoming more segmented and globally aligned

The industry's growth is no longer being driven by one homogeneous demand pool. In FY 2025-26, this was validated by strong growth across both formats: scooter volumes rose by 18.5% Y-o-Y to reach 8.11 million units, while motorcycle volumes grew by 6.6% to cross 13.5 million units. This dual momentum reflects a market where scooters are increasingly chosen for urban versatility and multi-user convenience, while motorcycles are shifting rapidly toward premiumisation, with the 250cc+ performance segment recording the highest growth rates within the category. This points to a market in which convenience, design, technology, lifestyle relevance and differentiated use-cases are playing a bigger role in purchase decisions. For manufacturers, success is now driven by the agility to address these sharply segmented, experience-driven mobility needs across a diverse portfolio.

Sources: SIAM, FADA



1.46 Mn units

Volume of e-two-wheelers in FY 2025-26

Electrification is deepening with more nuanced economics

India's EV market reached a new high in FY 2025-26, with total retail sales of 2.27 million units and EV penetration rising to 8.07% of overall vehicle sales. Electric two-wheelers remained the largest EV segment at 1.46 million units, up 27% Y-o-Y, though growth moderated compared to the previous year as the category scaled on a higher base. The segment also saw the impact of a reduced tax differential between ICE and EV products after GST changes, while temporary rare-earth magnet shortages exposed supply-side vulnerabilities. Even so, electric mobility continues to expand, particularly in two- and three-wheelers, with economics, product relevance, service readiness and execution increasingly shaping competitive advantage.

Sources: VAHAN



50%

Surge in three-wheeler exports from India in FY 2025-26

Commercial mobility is gaining sharper relevance

The retail industry posted a strong growth of 17%, from 0.67 million units to 0.78 million units in FY 2025-26. The wholesale industry grew by 11% during FY 2025-26, with volumes rising from 0.71 million units to 0.79 million units.

The small-passenger segment (ICE + EV) grew by 7% in FY 2025-26 (from 0.42 million units in FY 2024-25 to 0.45 million units in FY 2025-26), while its contribution to the overall three-wheeler industry decreased from 58% to 56%.

The global three-wheeler industry grew by 52.5% in FY 2025-26, with 0.16 million units exported from India, registering a growth of 50% over last year. However, the growth was higher in H2 at 75%.

Sharpening focus on our next phase of growth

A multi-layered mobility shift is underway globally and our strategic priorities ensure that we remain at its vanguard. During FY 2025-26, we accelerated execution across premiumisation, electrification, commercial mobility, sustainability and global expansion. By aligning our capabilities with these high-growth frontiers, we have translated market trends into record-breaking performance and long-term structural strength.

Enhancing premiumisation across the portfolio

Scaling up the Commercial Mobility Business

Attaining leadership in the EV business



Embracing sustainability across the value chain

Expanding business operations globally

Enhancing premiumisation across the portfolio

We significantly accelerated our premiumisation strategy during the year by expanding into high-value segments and introducing advanced technologies. A major milestone was the launch of the TVS Apache RTX 300, our first adventure rally-tourer. To commemorate two decades of our flagship brand, we rolled out Apache 20th Anniversary Limited Editions, featuring exclusive black-champagne-gold livery and segment-first features across the lineup. In the scooter segment, we redefined performance with the NTORQ 150, India's first hyper-sport scooter. Globally, the resurgence of Norton Motorcycles remained a key focus, with four new models slated for international markets. These efforts, combined with a focus on connected technology and racing-inspired engineering, enabled us to consistently grow ahead of the industry in the premium motorcycle category.

What this signals?

We are strengthening premiumisation not just through higher-end products, but through sharper portfolio depth, stronger rider experience and continued brand stretch across adjacent segments.

Embracing sustainability across the value chain

We reinforced our environmental stewardship by achieving approximately 97.13% renewable energy in our Indian electricity mix and transitioning Norton Motorcycles (UK) to 100% renewable power. We released our inaugural Nature Report aligned with TNFD and earned an A– leadership score from CDP and an ESG score of 65/100 from S&P Global, ranking among the top seven in the global automotive sector. Sustainability was further embedded into the product lifecycle as the TVS Jupiter 125, Apache 160 4V, TVS Apache RR310 and TVS iQube, TVS Apache RTR 310 to receive the GreenPro Ecolabel in India. To ensure responsibility across the entire ecosystem, TVSM assessed 320 suppliers and 617 dealers under its My Sustainability Index and hosted a Supplier Sustainability Summit to translate intent into measurable action across the value chain.

What this signals?

We are embedding sustainability not only within our own operations, but across suppliers, dealers, safety systems and community-facing engagement.

Expanding business operations globally

Our global expansion agenda gathered stronger shape in FY 2025-26. Beyond strengthening our footprint in Africa (Kenya, Republic of Congo) and Latin America, we also established a Global Centre of Excellence for Design & Engineering in Bologna through the acquisition of Engines Engineering S.p.A., strengthening our premium and connected mobility capabilities. Our partnership with BMW Motorrad crossed 206,000+ customers globally, while our EICMA 2025 debut and Europe roadmap signalled a sharper move towards industrialised markets. PT TVS Indonesia reached a historic 1 million units production milestone during the year.

What this signals?

Our global business is evolving from export-led presence to capability-backed expansion, supported by stronger engineering, partnerships and product readiness for wider markets.

Scaling up the commercial mobility business

We significantly scaled our commercial mobility business, with 2.19 lakh three-wheelers sold. A major growth driver was the entry into sustainable urban logistics with the launch of the TVS King Kargo HD EV and its CNG variant. Market share in the EV three-wheeler segment crossed 11%, supported by strategic partnerships with Alt Mobility, Kadam Mobility, and OOR Cabs. We also supported accessibility through a partnership with Manba Finance, extending EMI-based financing across our passenger and cargo three-wheeler portfolio. Internationally, three-wheeler exports surged 48.9%, driven by strong demand and currency stabilisation across African markets and Sri Lanka.

What this signals?

We are building commercial mobility as a broader ecosystem play, anchored in product depth, affordability and growing relevance in livelihood-linked use-cases.

Attaining leadership in the EV business

Our EV journey widened meaningfully during the year. We delivered 3.71 lakh EV two-wheelers, up 33%, while also strengthening the portfolio through refreshed iQube S/ST variants, the launch of Orbiter, and the introduction of the Orbiter V1 BaaS model. The business also expanded its reach through a 1,000+ EV dealer network and expansion of the public charging network to ~5,000 points. We strengthened our commercial presence with TVS King Kargo HD EV and debuted iQube in Indonesia while also delivering units to the Vatican City State.

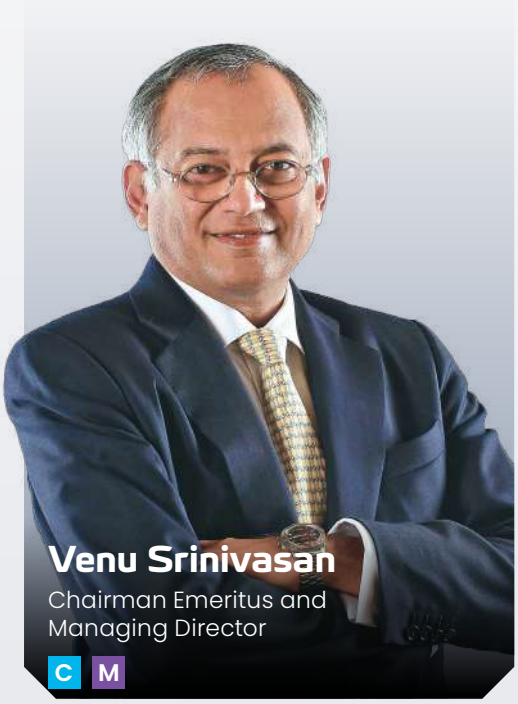
What this signals?

Our EV strategy is moving from early scale to broader portfolio maturity, with stronger relevance across customer segments, price points and use-cases.

Driving governance with vision



Sudarshan Venu
Chairman and Managing Director
M M M M



Venu Srinivasan
Chairman Emeritus and Managing Director
C M



KN Radhakrishnan
Director and CEO
M M



Shailesh Haribhakti
Independent Director
C

Committees

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

C Chairman
M Member



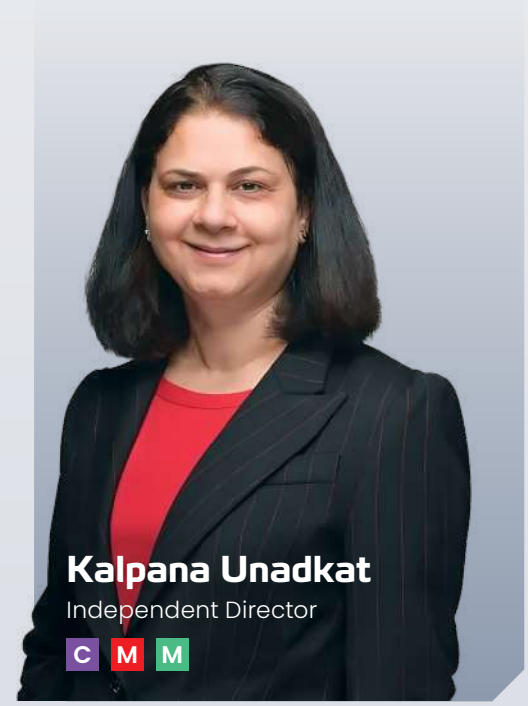
Vijay Sankar
Independent Director
C M



Ravindran Shanmugam
Independent Director



B Sriram
Independent Director
C M



Kalpana Unadkat
Independent Director
C M M

A year of scale, strength and transformation



Dear Shareholders,

We are living through one of the most significant periods in recent times. Geopolitical realignments, the accelerating energy transition, the rise of artificial intelligence, and the decentralisation of global supply chains are forces that will reshape companies. I believe TVS Motor is positioned to steer through this disruption and create momentum from change.

In FY 2025-26, we clocked our strongest year on record. We sold 5.89 million units, clocking revenue of ₹47,270 crore, with EBITDA at ₹6,079 crore, solidifying our position as the world's third-largest two-wheeler manufacturer.

These numbers are a testament to the resilience of our Company and people. Our journey has been one of innovation, adaptation and growth. The foundation we have built gives me confidence in our future.

I want to share with you the four strategic directions of this Company, which is moving with purpose and strategy.

Going global, gaining strategic advantage

Our international business continued to expand and contributed to a quarter of our revenue. Africa, Latin America, and South-East Asia have become long-term strategic paths to growth.

Across India, Africa, South-East Asia and Latin America, the two-wheeler is more than a lifestyle product. It is a lifeline. It is how a doctor gets to a rural clinic, how a small business owner moves goods, how children get to school. With every TVS vehicle we sell, whether in Nigeria or in Nagpur, we are helping someone fulfil their aspiration.

Africa, in particular, sits at an extraordinary inflection point: a young population and mobility needs that will only grow. Nigeria, as a major oil exporter, stands to benefit from elevated energy prices, thereby improving macroeconomic conditions that directly drive two-wheeler demand. We are among the most trusted names in two-wheeler mobility across the continent, and we intend to build on that trust.

Going electric, keeping the lead

We sold 3.71 lakh electric two-wheelers this year, a 33% growth year-on-year, retaining our leadership in India's EV space.

With 1,000+ EV dealers and approximately 5,000 public charging touchpoints, we have built an ecosystem that makes adoption easy and seamless. Our Battery-as-a-Service model removes the single biggest barrier to EV adoption for price-sensitive consumers. As energy price shocks cause uncertainty, EV adoption will likely rise. The companies that understand how electric vehicles will define mobility in the future will lead that shift. Your Company is already there.

Going premium, improving margins

Alongside our EV ambitions, we have been deliberately moving premium and the results speak for themselves. The NTORQ 150 was launched to strong reception, and premium motorcycles drove higher realisations across the business.

Norton, our British icon, is finding its stride, rebuilt with the engineering discipline and investment capacity of TVS Motor behind it. A century of heritage, combined with the manufacturing and R&D capability of one of the world's leading two-wheeler companies, is a powerful combination. Norton opens doors in premium Western markets, elevates our brand perception globally, and is central to where this Company is going.

Going deeper with technology, securing the future

Generative AI is a once-in-a-lifetime opportunity for those willing to build with it. Its implications for manufacturing, product development, and customer experience are only beginning to unfold. We are investing ₹1,254 crore annually in R&D, with 2,000+ engineers working at the intersection of electrification, connected platforms, and AI-driven design. We are developing next-generation engines. We are embedding AI into how we design products, optimise our supply chain, and serve customers across geographies.

Our sustainability journey is now in its fourth decade. More than 97% of energy across our Indian operations came from renewable sources this year, and we avoided over 76,000 tonnes of carbon emissions.

As the global economy accelerates its energy transition, TVS Motor is already operating in the world that others are setting as long-term goals.

Looking forward, measured optimism

The road ahead is unpredictable, complex and exciting. Our geographic diversification, technology depth, and presence in markets where mobility is essential rather than optional give us a resilience that is structural and durable. We expect to perform in line with market expectations, in our primary market in India, barring any weather shocks that may impact the monsoons or any other unforeseen circumstances. India's GDP is expected to grow above 6% in FY 2026-27, which makes us cautiously optimistic about our performance.

As we build for tomorrow, I am more convinced than ever that we will continue to execute with precision and passion, invest with conviction, and earn the trust of every shareholder, customer, and community that has chosen to grow with us.

Thank you for being a part of our journey.

Yours sincerely,

Sudarshan Venu

Chairman and Managing Director
TVS Motor Company Limited
13th May 2026

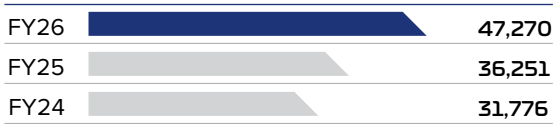
Mapping progress across diverse metrics

Financial performance

Revenue (₹ Cr)

Reflects the expanding scale of our business and sustained demand across domestic and international markets.

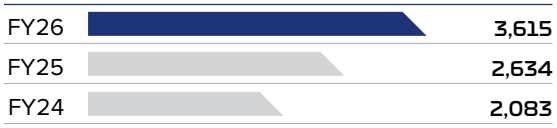
47,270 Y-o-Y 30%



PAT (₹ Cr)

Indicates strong earnings growth driven by profitable scale-up, premiumisation and operational discipline.

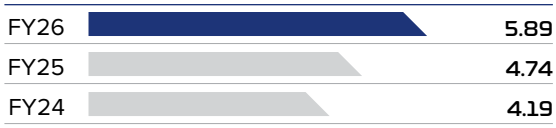
3,615 Y-o-Y 37%



Sales volume (Mn)

Demonstrates the growing acceptance of our portfolio across mobility segments and customer categories.

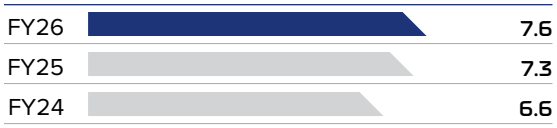
5.89 Y-o-Y 24%



PAT margin (%)

Shows the quality of earnings generated from every rupee of revenue.

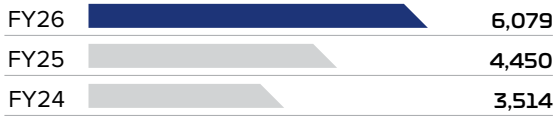
7.6 Y-o-Y change 30bps



EBITDA (₹ Cr)

Highlights our ability to improve operating performance while scaling the business.

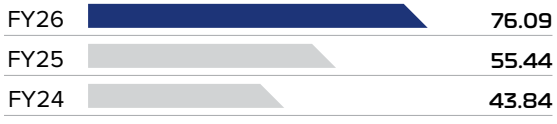
6,079 Y-o-Y 37%



Earnings per share (₹)

Represents the value created for shareholders through sustained business growth and profitability.

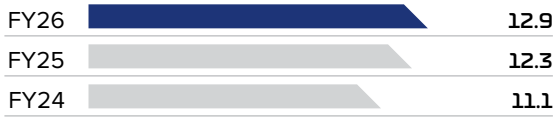
76.09 Y-o-Y 37%



EBITDA margin (%)

Indicates improving operational efficiency and stronger value realisation across the portfolio.

12.9 Y-o-Y change 60bps



Dividend per share (₹)

Reflects our continued focus on delivering balanced and consistent shareholder returns.

12 Y-o-Y 20%



FY 2025-26 reflected another year of broad-based progress for TVSM across customer satisfaction, business growth, profit & profitability, new product development & tech innovation, and global expansion. Record operational and financial performance during the year was complemented by advances in premiumisation, electric mobility, racing, exports and sustainability, reinforcing the Company's ability to grow stronger across multiple dimensions.

Non-financial performance

Specific energy consumption (GJ/revenue)

Lower energy intensity reflects continued improvement in operational efficiency despite business expansion.

15.48 Y-o-Y 10%

FY26	15.48
FY25	17.20
FY24	19.87

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

Lower emissions intensity highlights improving environmental efficiency across operations.

0.50 Y-o-Y 9.9%

FY26	0.50
FY25	0.64
FY24	0.71

R&D spend (₹ Cr)

Higher investment during the year underlines stronger focus on future-ready products, EVs and advanced engineering capabilities.

1,254 Y-o-Y 22%

FY26	1,254
FY25	1025
FY24	645

Specific water intensity (KL/revenue)

The decline in water intensity indicates progress in conservation, recycling and process optimisation initiatives.

4.50 Y-o-Y 43%

FY26	4.50
FY25	7.89
FY24	23.64

Specific waste intensity (Tonne/revenue)

The increase in waste intensity indicates higher operational throughout and evolving manufacturing activity during the year.

0.48 Y-o-Y 17.5%

FY26	0.48
FY25	0.58
FY24	0.52

Women in the overall workforce (%)

The steady increase reflects continued efforts to build a more diverse and inclusive workforce.

16.6 Y-o-Y 10.6%

FY26	16.6
FY25	15
FY24	10

Differently-abled employees (%)

The increase reflects progress in expanding participation and opportunity.

3

FY26	3
FY25	3
FY24	2

Apache @ 20

FOREVER YOUNG FOREVER RACING



Few motorcycle brands sustain their performance edge, rider connect and cultural relevance across generations the way Apache has. Over two decades, the brand has evolved from a race-inspired machine into a global performance franchise shaped by motorsport, engineering precision and a deep understanding of what excites riders. FY 2025-26 marked an important chapter in that journey, celebrating Apache's undying appeal and two decades-old legacy while expanding its reach into newer formats, markets and experiences.

Past perfect. Future-ready. Always Apache.

TVS Apache's 20th year celebrated both the legacy of the brand and its readiness for new terrain. During FY 2025-26, the brand strengthened its portfolio through refreshed RR 310, RTR 160 4V and RTR 200 4V variants, followed by special 20th Anniversary Editions that celebrated the evolution of the franchise. The year also marked Apache's entry into the adventure tourer category through the launch of the Apache RTX 300, extending the brand's racing DNA into a new riding context.

Built on TVS Racing's performance heritage, Apache continues to draw strength from the track. This racing-led philosophy shapes everything from product engineering and rider technologies to the experiences built around the brand. During the year, the inaugural international season of the TVS Apache Racing Experience (ARE) GP brought together riders across India, Nepal, Mexico and Colombia, extending Apache's grassroots motorsport culture to a wider global community.

Apache also continued to sharpen its rider-focused technology proposition during the year. Refreshed variants introduced connected TFT clusters, traction control, voice assist, assist and slipper clutch systems and advanced lighting features, reinforcing the brand's focus on combining performance with intelligent rider engagement.

As Apache enters its third decade, it continues to evolve with the same qualities that shaped its identity in the first place: racing instinct, engineering agility and the confidence to keep exploring new terrains.



6.5 Mn+ Riders across the world

80+ countries Where Apache has built a presence



The idea that changed the game

The Apache story nearly didn't happen. In 2003, the engineering team was developing a 125cc version of the Victor, but the then Chairman Venu Srinivasan saw the sketches, he felt the design was "too good" for that segment and ordered it to be used for a 150cc machine instead. This decision pushed TVSM beyond its commuter comfort zone, transforming a styling exercise into the birth of a racing-bred powerhouse.

Sculpted by grit and, yes, a boundary wall

Apache's iconic design, specifically the sculpted fuel tank with its signature 'bulge' on the shoulder line, was so complex that no one in India had the capability to create the moulds at the time. In its formative years, lacking high-tech labs, engineers relied on raw ingenuity — such as using a school's boundary wall on the outskirts of the city to test and fine-tune the bi-LED projector headlamps for the RR 310. This mix of 'gut feel' and engineering obsession remains the essence of the brand.



A history of firsts

TVS Apache has spent twenty years punching above its weight by defying market norms. It introduced fuel injection to the sub-200cc segment in 2008 and became India's first dual-channel ABS-equipped bike in 2011 — eight years before it became a legal requirement for the industry. From the first catalytic converter on the TVS Shogun to India's first fully ethanol-powered motorcycle, the Apache lineage is a showcase of TVSM's relentless engineering prowess.

The brotherhood of 'Fanatics'

Beyond the metal and rubber, Apache has spawned a community of over 3 lakh 'fanatics' known as the Apache Owners Group (AOG). As India's first community dedicated to a specific brand, it has turned riders into brand evangelists who have undertaken over 400 curated rides. Every ride becomes content, and every rider becomes a local influencer, ensuring that one in every four Apache buyers is an existing owner upgrading within the family.

Resur



with global intent

gence



Norton is one of Britain's most iconic premium motorcycle marques, known for its legacy of craftsmanship, racing heritage and high-performance engineering. For TVSM, Norton represents an important pillar of its premiumisation strategy — an opportunity to revive a globally respected brand through modern design depth, engineering quality and global ambition, while strengthening the Company's presence in premium mobility segments across developed markets.
In FY 2025-26, this resurgence gained visible shape through new design cues, a sharper go-to market strategy, stronger manufacturing readiness and a more defined premium roadmap.



Engineering a premium comeback

FY 2025-26 marked the year in which Norton's comeback began to move from ambition to visible reality. Continued investments in product development, engineering capability and manufacturing readiness strengthened the foundation for the brand's next phase of growth. Backed by investments exceeding £250 million to date, Norton also expanded its workforce during the year as preparations accelerated for future launches and scaled production readiness at Solihull, Birmingham, UK.

The year brought sharper visibility to Norton's future direction through the 'Resurgence' campaign and its public showcase at EICMA 2025.

An all-new premium motorcycle line-up, led by a flagship superbike platform, signalled the beginning of Norton's next chapter and reinforced that the brand's resurgence is being built around a broader family of premium motorcycles rather than a single product story.

Norton's evolution also reflects TVSM's wider premiumisation ambitions. Beyond expanding the Company's presence in premium mobility segments globally, the journey is helping build deeper capabilities in luxury engineering, premium retail and global brand-building. Plans for a differentiated retail and ownership strategy during the year further reinforced this approach, recognising that premium customers seek elevated experiences alongside high-performance products.



At the centre of this transformation is Norton's Solihull facility, which continues to anchor the brand's design, engineering and manufacturing ecosystem. Its resurgence is also being supported through deeper engineering linkages and ecosystem relationships in the West Midlands, helping preserve Norton's British character even as the brand is being re-engineered for future scale and global relevance.

£250 Mn+	**Invested in Norton to date**
25%	**Increase in Norton's workforce during 2025**



Creating relevance where mobility matters most



FY 2025-26 marked a strong year of expansion for TVSM's commercial mobility business. As changing patterns of urban movement, entrepreneurship and logistics reshape demand for practical and efficient transport solutions, commercial mobility is becoming the space where the convergence of affordability, productivity, connectivity and sustainability is creating new opportunities across both passenger and cargo mobility.

The next growth vector

As urban logistics and last-mile mobility continue to evolve, TVSM is steadily building a stronger position in a segment closely aligned with broader shifts in entrepreneurship, sustainability and everyday mobility needs.

The year saw TVSM sharpen its commercial mobility portfolio across conventional, electric and alternative-fuel platforms. The launch of the TVS King Kargo HD EV strengthened the Company's play in electric cargo mobility through a purpose-built platform designed around payload capability, fast charging, connected technologies and operating efficiency. The introduction of the TVS King Kargo HD CNG further widened the portfolio, helping address the diverse requirements of drivers, fleet operators and urban logistics businesses.

Electric commercial mobility continued to gain stronger traction during the year. Encouraging response to the TVS King EV and King Kargo HD EV, together with improving market share in the EV L5 category, reflected the increasing adoption of cleaner and more economical last-mile transport solutions. This transition is being supported by advantages such as lower operating costs, route predictability and improving charging accessibility.

Beyond products, TVSM also strengthened the ownership ecosystem around its commercial mobility portfolio. Through initiatives such as TVS King Ka Vaada 3.0, the Company expanded support across warranty, maintenance, roadside assistance and family protection benefits, reinforcing its focus on reliability, uptime and long-term customer confidence.



6.6 ft Best-in-class load deck on the TVS King Kargo HD EV

26 Smart connected features built into the TVS King Kargo HD EV

Charging ahead with purpose

FY 2025-26 marked a defining year in our electric mobility journey as we expanded from a successful EV presence into a broader and more differentiated electric mobility portfolio. New launches, stronger customer traction and growing ecosystem readiness reflected our increasing ability to address evolving mobility needs across personal, premium and commercial segments.



Building depth in electric mobility

The year was driven by a strong wave of portfolio expansion across electric mobility. We strengthened the iQube range with the launch of the TVS iQube 3.1 kWh variant, while the introduction of the TVS Orbiter range widened our reach among urban commuters through a proposition centred on practicality, connectivity and everyday usability. Towards the close of the year, the launch of Orbiter V1 and the rollout of Battery-as-a-Service across the portfolio further improved affordability and ownership flexibility, helping make EV adoption more accessible.

Our premium and performance-led EV ambitions also gathered momentum during the year. Products such as TVS X reinforced our premium electric mobility positioning through advanced connected technologies and intelligent rider interfaces. At the same time, the fourth consecutive season of the TVS Apache RTE electric racing programme provided a platform for testing and advancing future electric performance technologies in high-intensity racing environments.

Electric mobility also became a larger part of our commercial mobility strategy. Products such as TVS King EV and the newly launched TVS King Kargo HD EV strengthened our presence in electric last-mile transport and cargo mobility. Designed around payload capability, fast charging, operating efficiency and connected technologies, the King Kargo HD EV reflects our growing focus on urban logistics and commercial electrification opportunities.

Alongside product expansion, we also expanded our EV dealer and service footprint across urban and semi-urban markets, strengthened charging accessibility and deepened supplier readiness to support the next phase of growth. The introduction of Battery-as-a-Service, growing connected mobility capabilities and sharper customer segmentation also reflected our effort to make EV ownership more flexible, dependable and relevant across a wider customer base.



Even amid temporary supply-side challenges linked to rare-earth magnet availability, the business demonstrated resilience and sustained market traction. As India's EV transition gathers pace, we are steadily building a more complete electric mobility ecosystem — combining wider portfolio depth, stronger execution, ecosystem readiness and differentiated mobility experiences across personal, premium and commercial mobility segments.

Monthly production levels

30,000 units — TVS iQube

10,000 units — TVS Orbiter





Reaffirming our place on the world stage



FY 2025-26 marked an important shift in TVSM's international journey. Having built a strong presence across emerging markets over the years, the Company began taking more deliberate steps towards industrialised markets, reflecting growing confidence in its portfolio depth, design capabilities and premium positioning. The year signalled not just wider geographic reach, but a broader evolution in TVSM's global ambitions.



TVS Apache RTR 200 4V in Benin, Africa

Expanding our global playbook

As TVSM expands into more demanding international markets, its global journey is increasingly being defined not only by export scale, but by the sophistication of its products, capabilities and brand presence across the world stage.

Our debut at EICMA 2025 became a defining moment in this journey, marking TVSM's arrival on one of the world's most influential premium mobility platforms. The showcase featured six new products spanning adventure touring, electric mobility and performance motorcycling, reflecting the widening depth of our portfolio and our readiness to engage with more design-conscious and premium-oriented global markets. EICMA also provided a platform to present TVSM's evolving premium aspirations through brands such as Apache and Norton, while reinforcing its growing capabilities in advanced engineering, design and future-ready mobility solutions.









Europe emerged as a key strategic focus during the year, with plans outlined for expansion across Italy, Spain and Portugal, alongside the planned European launch of the TVS Apache RTX 300 in Q1 CY2026. The continued revival of Norton Motorcycles and the deepening collaboration with BMW Motorrad further strengthened our positioning in the global premium motorcycle landscape.

To support our push into Europe, we strengthened our global engineering footprint through the acquisition of Engines Engineering S.p.A. and the establishment of a Global Centre of Excellence for Design and Engineering in Bologna, Italy. The centre is expected to enhance advanced product development, premium engineering and closer engagement with European market expectations. Industry platforms such as Salon du 2 Roues in Lyon further enabled us to engage with evolving rider preferences and premium mobility ecosystems in the region.

Alongside, we continued to strengthen our leadership across emerging international markets. Africa remained a key growth market, supported by improving demand conditions, the Company's re-entry into South Africa and the launch of the Apache RTR 180 in Kenya. Latin America continued to present significant headroom for expansion, with TVSM gaining momentum across multiple markets.

South-east Asia remained another important pillar of growth during the year. The planned launch of the M1-S electric maxi-scooter in Indonesia highlighted our focus on developing market-relevant premium EV offerings for the region's evolving urban mobility landscape. Meanwhile, Sri Lanka, Nepal and Bangladesh recorded improving traction, supported by network expansion and a wider product portfolio.

Our partnership with BMW Motorrad continued to deepen our global relevance during the year. The unveiling of the BMW F 450 GS at EICMA 2025 reinforced the strength of the collaboration and reflected TVSM's growing capabilities in premium product development, engineering and industrialisation.

6

New products unveiled at EICMA 2025



TVS Apache RTR 200 4V in the markets of Morocco

TVS Apache RTR 200 4V in the deserts of Egypt

Building more than machines

FY 2025-26 saw TVSM deepen its engagement with riders through experiences that extended far beyond ownership. Across motorsport, adventure riding, cultural festivals and community-led platforms, we continued to strengthen ecosystems where participation, identity and shared passion became as important as the machines themselves.







Creating a culture around the ride

TVSM's rider communities continued to evolve into vibrant ecosystems shaped by performance, exploration, learning and self-expression. During the year, platforms such as MotoSoul 5.0 and Rann Utsav 2026 brought together riders from across India and international markets through experiences that blended riding culture, music, motorsport, adventure and creativity. Communities such as Apache Owners Group (AOG) and Ronin CuLT played a central role in this engagement, reinforcing the growing lifestyle relevance of the Company's brands.

The year also reflected our effort to create deeper pathways for rider participation and progression. The inaugural international season of the TVS Apache Racing Experience (ARE) GP connected riders across India, Nepal, Mexico and Colombia through a championship-style format guided by TVS Racing expertise. More importantly, it extended opportunities for emerging riders to move towards advanced racing exposure and stronger motorsport engagement.

Alongside building excitement and community, we continued to promote safer and more inclusive riding cultures. Initiatives such as Ride for Change at MotoSoul and the Women's Drift-R championship at Rann Utsav reflected a broader effort to make riding experiences more accessible, responsible and community-driven.

As TVSM's brands continue to grow across categories and geographies, these rider ecosystems are becoming an increasingly important expression of how the Company builds emotional connection, long-term loyalty and deeper relevance around the ride.



120+ Riders brought together at Rann Utsav 2026, including enthusiasts from Italy and Mexico

100+ Helmets distributed under 'Ride for Change' at MotoSoul 5.0 to promote road safety awareness

Engineered for the future

TVSM significantly accelerated its global innovation strategy in FY 2025-26, strengthening capabilities across premium and super premium motorcycles, electric mobility, digital engineering, advanced rider assist technologies and safety. The year marked major strides in global R&D expansion, new product concepts, and entry into high-value international markets on the back of superior product and technology offerings.



TVS Motor Company at EICMA 2025, Milan (Italy)

Our R&D agenda is supported by a broad capability base of 2,000+ engineers, manufacturing and IT specialists. This scale gives us the bandwidth to work simultaneously on current platforms, next-generation concepts, digital tools and international-market readiness. It reflects an organisation building not only for today's launches, but for tomorrow's mobility landscape.

Over the past few years, our R&D Investments have grown from ₹645 crore in FY 2023-24 to ₹1,254 crore in FY 2025-26. The increased investments reflect strategic focus on building a smarter, cleaner, and more connected mobility future.

R&D Expenditure (₹ Cr)

1,254

FY26	1,254
FY25	1,025
FY24	645

2,000+

Engineers, manufacturing and IT specialists supporting our R&D base



Strengthening our global engineering base

The acquisition of Engines Engineering S.p.A. led to the establishment of our Global Centre of Excellence for Design and Engineering in Bologna, Italy, significantly strengthening our capabilities in digital simulation, rapid prototyping, modular platform development and premium motorcycle engineering. Located within Europe's high-performance automotive ecosystem, the centre brings deeper access to advanced design, racing and engineering expertise, particularly for next-generation premium and electric mobility platforms.

This addition further expands our growing global innovation network. Our design and innovation presence in Dubai strengthens market-led design thinking and premium mobility insights. In the UK, Norton Motorcycles adds another important layer of capability in luxury and high-performance motorcycle engineering.

TVSM also strengthened its electric vehicles footprint by acquiring key assets, intellectual property, and talent from Singapore-based Ion Mobility. Together, these centres are helping build a more globally integrated R&D ecosystem aligned with TVSM's expanding international ambitions.



Driving sustainable innovation

R&D continues to strengthen TVSM's sustainability agenda by embedding circular economy principles and lifecycle thinking into engineering and product development.

Key focus areas include increasing the use of recycled and bio-based materials, improving recyclability across platforms, and scaling recycled content through structured frameworks and supplier collaboration. Flagship models including the iQube, Jupiter 125, Apache RR310, and Apache RTR 160 4V received GreenPro Type I Ecolabel recognition, validating progress in sustainable product development.

Material selection is guided by Life Cycle Assessment (LCA) methodologies to minimise environmental impact and improve resource efficiency. TVSM is also advancing decarbonisation through alternate low-carbon fuel technologies, greener next-generation ICE vehicles, and an expanding EV portfolio across two-wheelers, passenger three-wheelers, and cargo mobility applications.

85%	Recyclability rate
90%	Recoverability rate
15%	Recycled content in products



Advanced R&D is enabling entry into new mobility spaces

Our stronger R&D foundation is helping us enter newer product spaces with greater confidence.

The Apache RTX 300 marked TVSM's entry into the premium adventure touring space with connected vehicle technologies, Android Auto integration and AR-enabled Heads-Up Display (HUD) helmet compatibility.

The TVS Orbiter strengthened the Company's electric mobility portfolio with a sleek aerodynamic design and segment-leading range, while the TVS NTorQ 150 introduced a new hyper-scooter proposition combining high performance, aggressive styling and advanced connectivity.

In commercial mobility, Armado and King Kargo HD EV further expanded TVSM's presence across cargo and logistics applications with practical utility, connectivity and electric mobility capabilities.

299.1 cc RT-XD4 engine powering Apache RTX 300



Embedding intelligence into mobility

Software, connectivity and rider experience are becoming increasingly central to product development at TVSM. Connected TFT interfaces, SmartXonnect, voice assist, traction control and advanced rider-assist systems are increasingly being embedded across the portfolio, making connectivity and rider experience an integral part of product differentiation. The Raider TFT DD, with over 99 connected features, and the King Kargo HD EV, equipped with 26 smart connected functions, reflect how technology, usability and operational practicality are now being developed together rather than separately.

TVSM is also strategically embedding Software-Defined Vehicle (SDV) and AI-Defined Vehicle (AIDV) capabilities across both ICE and EV architectures to create more intelligent, adaptive and personalised mobility experiences. Supported by a dedicated AI/ML Centre of Excellence, these technologies enable vehicles to learn and continuously improve based on rider behaviour, terrain and traffic conditions.

The Company is actively exploring AI-driven interfaces using gestures, voice, touch, haptics and sensor-led technologies, supported by onboard computing, advanced graphics and scalable HMI platforms. At the same time, TVSM is transforming connected technology and service experiences through a quasi-centralised domain architecture integrating infotainment, connectivity, telematics, instrument clusters, body controls and smart device interfaces. Powered by the scalable in-house 'TVSM.OS' platform, Over-The-Air (OTA) capabilities and advanced analytics, these interventions are helping create continuously evolving digital products while opening new opportunities across connected services, customer engagement and data-led value creation.

99+ Connected features on Raider TFT DD

26 Smart connected features on King Kargo HD EV

Taking race-derived engineering to the road

The close collaboration between TVS Racing engineers and product development teams continued to strengthen the transfer of race-derived learning into production motorcycles. During the year, this performance-led approach shaped projects such as the TVS Apache RTX 300 and the 260cc Adventure Rally Special Edition, helping bring professional-grade performance technologies and riding dynamics closer to customers.

Reimagining rider safety through immersive technology

During the year, TVSM showcased the Aegis Rider Vision Helmet, an advanced AR-enabled Heads-Up Display (HUD) solution developed in collaboration with the Swiss startup Aegis Rider, and Nexx Helmets. Designed to enhance rider safety and situational awareness, the helmet projects navigation cues, alerts and critical ride information directly into the rider's line of sight, supported by features such as wireless connectivity, adaptive brightness and OTA-enabled updates. Developed to meet global safety standards, the helmet reflects our growing focus on combining digital technology, strategic collaboration and rider-centric innovation to shape the future of mobility.

Innovation Awards



Aegis Graham Bell award for innovation from the Ministry of Electronics and Information Technology (MeitY), Government of India, in the EV category, and for launching **India's First Connected 3W EV**



Recognised by CII among 'Top Innovation Companies 2025' for purpose-driven innovation that puts **TVS Jupiter** significantly ahead in terms of design, road presence, safety, performance and efficiency

Creating value beyond the first purchase

As mobility ownership evolves, we are expanding our participation beyond the first purchase to build a stronger presence across the two-wheeler ownership lifecycle. Through DriveX, we are creating a mobility ecosystem built on trust, transparency and convenience, bringing greater structure to India's growing pre-owned two-wheeler market.



Organising an underserved market

DriveX, a TVSM subsidiary, operates across vehicle procurement, refurbishment and retail of multi-brand motorcycles and scooters, organising and streamlining the end-to-end customer journey. At its core is the ambition to become a highly integrated auto-tech powerhouse, backed by advanced AI capabilities including intelligent vehicle recommendations, transparent AI-driven pricing, automated fraud detection and proprietary evaluation tools. Together, these capabilities institutionalise trust and enable an omnichannel approach to serving customers across purchase, resale and exchange requirements.

The business combines physical retail, refurbishment capability and digital platforms to create a structured and trusted proposition in a market that remains largely underserved and trust-deficient. As of March 31, 2026, DriveX operated 12 company-owned company-operated (COCO) stores and 23 franchisee-owned franchisee-operated (FOFO) outlets, with a primary presence across Karnataka and Tamil Nadu. Two refurbishment centres in Hosur and Coimbatore support vehicle reconditioning and quality assurance through comprehensive multi-point inspections.









Connecting physical and digital experiences

DriveX has also built digital and platform-led capabilities to address multiple use cases within the pre-owned two-wheeler ecosystem. DriveX DIRECT enables the online buying and selling of multi-brand pre-owned two-wheelers through an assisted customer-to-customer experience, while the DriveX Auction Platform (DAP) facilitates auction-led vehicle sales to open-market brokers, broadening vehicle sourcing and liquidation channels.

By embedding AI and technology into every stage of the customer journey, DriveX is positioning itself at the intersection of intelligent technology, data-led insights and customer trust. Reflecting this momentum, revenue increased to ₹74 crore in FY 2025-26 from ₹61 crore in the previous year. During the year, TVSM further strengthened its commitment to the business by increasing its shareholding by 2.81%, taking its total stake in DriveX to 92.21% as of March 31, 2026.

21% **Increase in revenue (y-o-y) registered by DriveX in FY 2025-26**

Empowering the financial aspirations of our customers

TVS Credit offers thoughtfully designed loans, supported by caring service and intuitive technology, helping millions achieve their aspirations. A leading financier for two-wheelers, consumer durables, mobile phones, and an expanding range of used vehicle and tractor loans, the company continues to grow through prudent risk management, a strong customer base, and an increasing presence across semi-urban and rural India.

TVS Credit Services Limited (TVSCS), a subsidiary of TVS Motor, is a retail-focused Non-banking Finance Company (NBFC), engaged in financing diverse products, such as two-wheelers, three-wheelers, used cars, used and new tractors, used commercial vehicles, consumer durables, Personal Loan, Gold Loan and business loans. It primarily caters to self-employed, new to credit borrowers in semi-urban and rural areas, with an extensive presence across 22 states in India.

AA+ (Stable)

Rated by CRISIL, ICRA, CARE

Great Place to Work™

Certified for the third consecutive year, winning affirmation from 94% employees



Scaling reach, strengthening growth

During FY 2025-26, TVSCS registered a growth of 26% in disbursements and ended the year with an AUM growth of 15% y-o-y at ₹30,639 crore against ₹26,647 crore the previous year. Total income during the financial year ended March 31, 2026 was ₹7,196 crore, an increase of 9% over ₹6,609 crore during FY 2024-25. Profit Before Tax for the year stood at ₹1,238 crore, registering a y-o-y growth of 21%.

The year saw the company's customer base expand to ~2.44 crore, reflecting continued momentum in new customer acquisition across segments. The disbursements growth during the year was largely driven by calibrated expansion across micro markets, products, and customer segments, with an emphasis on portfolio quality and sustainable growth.

15%

Increase in AUM in FY 2025-26 (y-o-y)

~2.44 crore

Customer base

Driving inclusion through diversified financing

TVSCS continued to broaden access to finance through a diversified portfolio during the year with a focus on portfolio quality and customer experience. As the leading financier for TVSM products, the company strengthened its two-wheeler business while its three-wheeler financing portfolio crossed a significant milestone of ₹631 crore in AUM during FY 2025-26 and achieved full coverage across all states within the TVSM network. TVSCS plans to further leverage advanced analytics for credit decisioning and pricing optimisation to drive sustainable growth.





The Consumer Durable Finance business delivered a strong performance, registering 40% growth in disbursals over the previous year. Building on the momentum of its e-commerce financing initiative, TVSCS expanded its presence in the digital consumer credit space during the year.

The Personal Loan portfolio recorded steady growth during FY 2025-26, demonstrating the strength of the company to cross-sell capabilities within its established customer base.

The Tractor segment witnessed improved disbursement performance in both new and used tractor financing. TVSCS has expanded the gold loan business across Tamil Nadu with AUM crossing ₹130 crore during the fiscal. The company recognises gold loans as a strategic extension of its existing products and expects to capitalise on its current customer base through deeper penetration in the state.

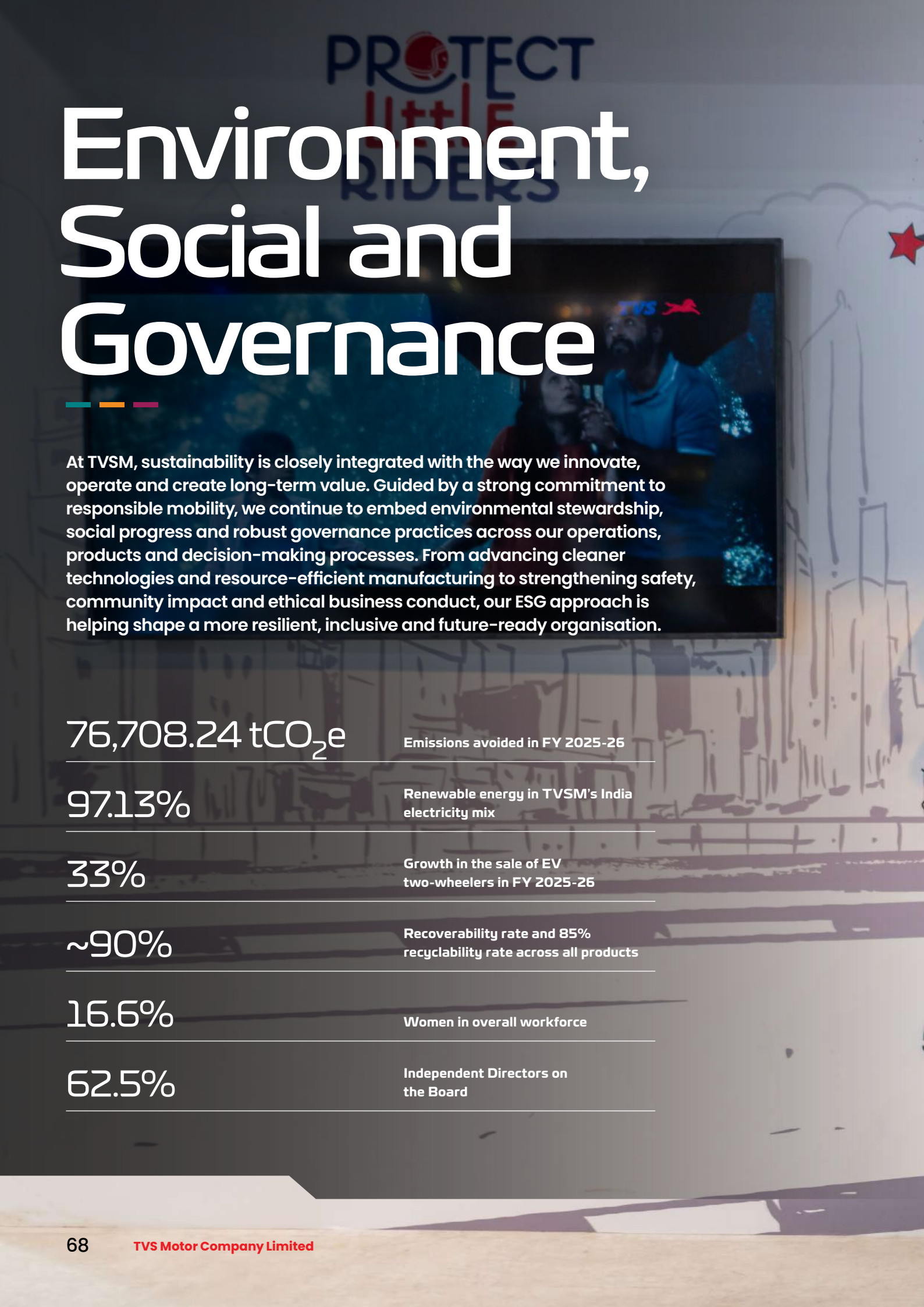
₹631 crore

AUM reached in the three-wheeler segment in FY 2025-26

Building resilience through prudent risk management

The company has adopted a prudent and proactive approach to risk management and underwriting through calibrated credit policy restrictions and sharper credit metrics. The approach has resulted in improved portfolio quality through reduction in total credit costs and GNPA as of Mar 2026. TVS Credit continued to drive penetration of existing products, expand product offerings, and scale up distribution, while enhancing customer experience and operational efficiency.

Environment, Social and Governance



At TVSM, sustainability is closely integrated with the way we innovate, operate and create long-term value. Guided by a strong commitment to responsible mobility, we continue to embed environmental stewardship, social progress and robust governance practices across our operations, products and decision-making processes. From advancing cleaner technologies and resource-efficient manufacturing to strengthening safety, community impact and ethical business conduct, our ESG approach is helping shape a more resilient, inclusive and future-ready organisation.

76,708.24 tCO_2e	Emissions avoided in FY 2025-26
97.13%	Renewable energy in TVSM's India electricity mix
33%	Growth in the sale of EV two-wheelers in FY 2025-26
~90%	Recoverability rate and 85% recyclability rate across all products
16.6%	Women in overall workforce
62.5%	Independent Directors on the Board


Make
commutes safe.
For everyone.
In every way.
Introducing a range of
helmets crafted with a pledge
to ensure kids ride safely.

Sustainability-led, purpose-driven growth

At TVSM, our ESG framework enables a structured and accountable approach to integrating sustainability into business decision-making and long-term strategy. Through defined governance mechanisms, risk oversight systems and performance-driven implementation frameworks, we continue to strengthen the way environmental, social and governance priorities are embedded across operations, products, people practices and stakeholder engagement.

Our ESG approach

Guided by the belief that growth must move in harmony with society and the environment, TVSM follows a 'Triple Equity' approach — Elevate Life, Elevate People and Elevate Trust — integrating environmental stewardship, social progress and responsible governance into every aspect of the business. This framework reflects the Company's commitment to building a future where mobility is cleaner, more inclusive and deeply aligned with the expectations of communities, customers and the planet.

ELEVATE LIFE — **ENVIRONMENT**

1 Sustainable and Thriving Ecosystem

Creating a more resilient and resource-conscious ecosystem through efficient use of energy, water and materials, while reducing environmental impact across operations

2 Exciting and Safe Mobility Solutions

Designing products and services that combine innovation, safety, accessibility and affordability to meet evolving mobility needs

ELEVATE PEOPLE — **SOCIAL**

3 Responsible Social Licence to Operate

Building a safe, inclusive and high-performance workplace while contributing positively to the communities around us

ELEVATE TRUST — **GOVERNANCE**

4 Good Governance for a Sustainable Future

Embedding ethics, accountability, risk discipline and responsible value chain practices into the way we operate and grow

5 Embracing the Digital Future

Using digital tools and data-led systems to improve customer experience, operational efficiency and trust across the value chain

Key achievements of the year

Material topics

Climate change and decarbonisation | Water stewardship | Biodiversity

SDGs impacted



- Achieved **97.16%** renewable energy in our India electricity mix
- Avoided **76,708.24 tCO_2e** emissions through our use of renewable energy in the operations. Ensured that all three Indian manufacturing facilities were water positive in FY 2025-26
- Helped **320** dealers adopt dry-wash practices
- Earned **GreenPro Type I Ecolabel** recognition for TVS Jupiter 125, TVS Apache 160 4V, TVS Apache RR310 and iQube, reinforcing our focus on more sustainable mobility solutions
- TVS Nalagarh received the **CII GreenCo Gold Rating**, while TVS Hosur achieved the prestigious **GreenCo Platinum Rating** in recognition of their excellence in resource efficiency and sustainable manufacturing practices
- Received the **Golden Peacock Award for Sustainability**, reaffirming our commitment to responsible growth

Material topics

Circular economy | Product stewardship | Market and product competition | Alternate engines of growth

SDGs impacted



Material topics

Human capital development | Employee attraction and retention | Diversity and inclusion | Human rights | Occupational health and safety | Policy safety | Road safety

SDGs impacted



- Reached **~300,000** individuals through road-safety campaigns during the year
- Recognised **144** Sustainability Champions across 12 thematic areas, strengthening sustainability ownership across the organisation
- Touched **50,000+** lives through the Sustainability Ambassador Programme
- Women represented **21%** of blue-collar roles and **15.5%** of white-collar roles during the year
- Employees with Differently Abled Persons (DAP) accounted for **3%** of the workforce, reflecting progress in inclusion
- Brought **700** women colleagues together through Women's Day engagements focused on community, confidence and allyship
- Strengthened women's leadership pathways through **ASTRAA**, a focused platform for developing and amplifying women leaders

Material topics

Corporate governance | Integrated risk management | Suppliers

SDGs impacted



- Achieved an average My Safety Index score of **84.50**
- Calibrated **320** suppliers and **617** dealers under the My Sustainability Index, extending ESG discipline across the value chain
- Received a CDP Climate Change score of **A-**, reflecting stronger disclosure and climate management practices
- Earned an S&P Global ESG score of **65/100**, ranking among the top seven globally in the automotive sector

Material topics

Cybersecurity | Data protection

SDGs impacted





Restoring nature, empowering the future

Our approach to environmental stewardship is anchored in the belief that long-term growth must be built alongside resource efficiency, climate resilience, circularity and ecological preservation. Guided by this philosophy, we continue to embed environmental considerations across operations, product innovation, supply chain engagement and community-linked interventions.

In FY 2025-26, this agenda continued to evolve through stronger renewable-energy adoption, emissions avoidance, broader value chain calibration and continued focus on resource stewardship. While several year-end KPI values remain under finalisation, the direction of progress remains clear: environmental action is becoming more embedded, more measurable and more system-driven across our business.

Top: *Rooftop solar panel units are installed on all workshops at the TVS Hosur Plant, Tamil Nadu (India)*

Energy management and climate action

Our climate approach is anchored in decarbonisation, energy efficiency and transition readiness. During FY 2025–26, the Company's total Scope 1 and Scope 2 emissions increased marginally by 2.25%, primarily driven by higher operational activity and associated energy demand. This increase in direct emissions was partially offset by a significant reduction in Scope 2 emissions, achieved through enhanced renewable energy adoption and energy efficiency management. TVSM continues to implement site- and process-level interventions across its three plants in India, supported by an ISO 50001-aligned energy management framework.

The work has continued to deepen. In FY 2025-26, our India electricity mix had 97.15% renewable energy, with 76,708.24 tCO_2e emissions. TVS Nalagarh received the CII GreenCo Gold Rating, while TVS Hosur achieved the prestigious GreenCo Platinum Rating in recognition of their excellence in resource efficiency and sustainable manufacturing practices. Together, these developments show that our energy transition is being shaped not only by procurement choices, but also by operational discipline and system-level improvement.

97.13%
Renewable energy used in India operations

15.48 GJ/revenue
Specific energy consumption

0.004 tCO_2e
Specific emissions (Scope 1 and 2) intensity

Sustainable water management

Water stewardship remains a critical area of focus, particularly in the context of changing rainfall patterns, groundwater stress and growing regulatory attention. In FY 2025-26, all three of our manufacturing facilities in India (Hosur, Mysuru and Nalagarh) continue to be water-positive. Across these sites, we recycled and reused 170,654 kilolitres of water through a combination of rainwater harvesting, zero liquid discharge systems, advanced recycling and reuse, and ongoing process optimisation. These efforts reflect a broader commitment to reducing freshwater dependence while strengthening long-term operational resilience.

Water stewardship also extended beyond manufacturing sites. 320 dealers adopted dry wash practices, helping save over 60 million litres of water annually. Our wider ecosystem approach also included restoring 500+ water bodies and training 253 employees as water management ambassadors, reinforcing that water resilience must be built through both operational systems and a culture of stewardship. These examples reflect a broader approach in which water management is treated as both an operational and ecosystem responsibility.



4.50 kL/₹ Cr revenue

Water withdrawal intensity

212,613 kL

Water consumption in FY 2025-26 in India operations

170,654 kL

Water recycled/reused in India operations

1.5

Water positivity ratio

Waste management and circularity

Our approach to waste management is increasingly guided by circular economy principles. All three manufacturing facilities continue to maintain Zero Waste to Landfill status, achieving a waste diversion ratio of 99.98%, reflecting strong progress in waste segregation, material recovery, and process discipline. During the year, we also continued to strengthen internal standards, material traceability and regulatory preparedness, including readiness for the upcoming End-of-Life Vehicle and Extended Producer Responsibility frameworks.

Circularity is being embedded across the product and material system. The Company continues to strengthen material recovery and recycling to advance circularity across operations and products, achieving approximately 90% recoverability and a ~85% recyclability rate, while integrating ~15% recycled content products.

99.98%

Waste diverted from landfill

~15%

Recycled content in products

~90%

Recoverability rate

~85%

Recyclability rate

Biodiversity and nature-positive growth



Gray Slander Loris in the premises of TVS Hosur plant, Tamil Nadu (India)

We continue to treat biodiversity as an integral component of environmental stewardship, rather than a peripheral obligation. While our facilities are located within designated industrial areas, we adopt a mitigation hierarchy approach and have committed to achieving a net positive impact on biodiversity by 2040, with no net loss of natural ecosystems.

In FY 2024-25, the Company completed its assessment aligned with the Taskforce on Nature-related Financial Disclosures (TNFD) and became the first automotive manufacturer to publish a TNFD Report, reinforcing its leadership in nature-related risk management and disclosure.

Building on the TNFD assessment, the Company has conducted site-level biodiversity assessments across 100% of its Indian operations, implemented Biodiversity Management Plans across all facilities, mapped biodiversity-related impacts and dependencies across the value chain, and strengthened nature-positive practices beyond direct operations through proactive value chain engagement.





43%

Green cover across plants

~1,042

Species of fauna and 652+ species of flora in homegrown forests at TVSM's 3 India sites

Low-carbon and responsible products



Product stewardship continues to be a key pillar in advancing low-carbon and responsible products and the mobility solutions the Company enables.

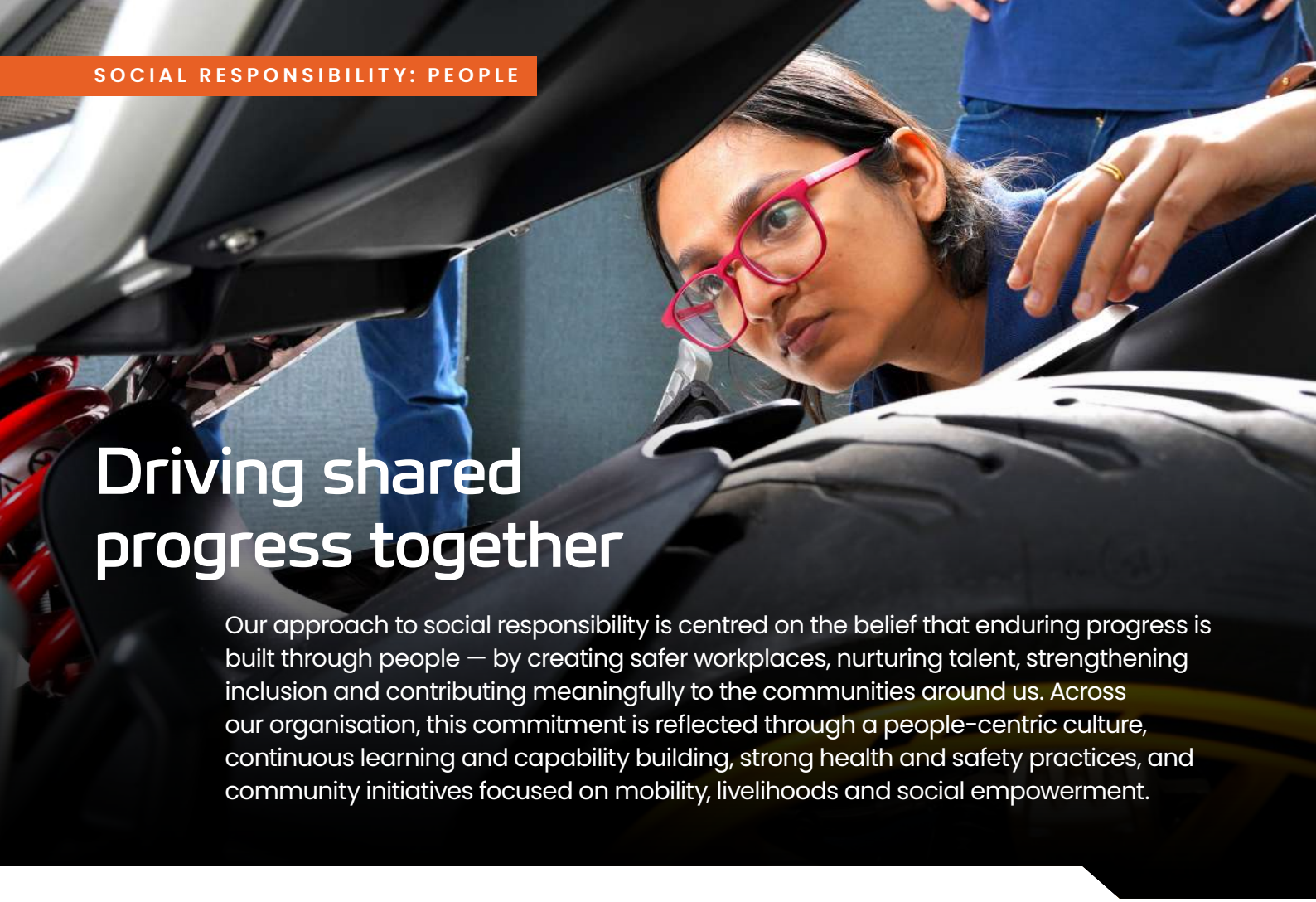
Further strengthening its life cycle approach, the Company conducted **Life Cycle Assessments (LCAs)** for four products:

- Jupiter 125
- iQube
- Apache 160 4V
- Apache RR310

across a 'cradle-to-gate' boundary, which together contributed approximately 18.1% of total turnover. This demonstrates a focused effort to embed life cycle thinking into key product categories and drive continuous improvements in environmental performance.

18.1%

Of total turnover covered through LCA across key product categories



Driving shared progress together

Our approach to social responsibility is centred on the belief that enduring progress is built through people — by creating safer workplaces, nurturing talent, strengthening inclusion and contributing meaningfully to the communities around us. Across our organisation, this commitment is reflected through a people-centric culture, continuous learning and capability building, strong health and safety practices, and community initiatives focused on mobility, livelihoods and social empowerment.

Our people

TVSM believes that its people are central to building a resilient, innovative and future-ready organisation. Guided by the understanding that every employee brings unique strengths, perspectives and potential, the Company seeks to create an environment where individuals feel valued, respected and empowered to contribute meaningfully towards collective progress. This emphasis on people-powered excellence continues to shape the way TVSM approaches talent development, organisational culture and long-term capability building.

How we cultivate excellence

Boosting employee satisfaction and engagement in achieving Company goals	**Harnessing Talent, Deepening Employee Engagement**	**Diversity, Equity and Inclusion (DE&I)**	Fostering an inclusive workplace that integrates diverse perspectives
Promoting physical and emotional well-being through supportive policies and robust systems	**Employee Health & Well-being**	**Learning & Development**	Expanding continuous education and career growth initiatives for employees and workers

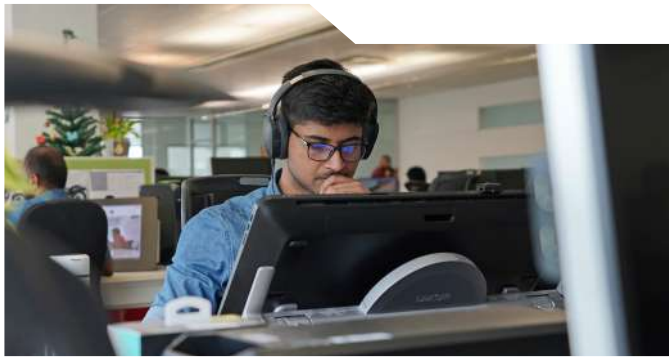
Talent acquisition, retention, and management

We continue to strengthen our talent pipeline through structured and inclusive hiring practices designed to attract skilled professionals across functions and geographies. Campus recruits undergo structured induction and role-readiness programmes, while lateral hiring is supported through defined recruitment processes and cloud-based assessment platforms that enhance transparency, efficiency and data security.

Our retention approach is centred on long-term career growth, internal mobility and employee engagement. More than half of the positions filled during the year were through internal hiring, reflecting our focus on nurturing talent from within and creating meaningful growth pathways. Long-term incentives and the proposed ESOP framework further reinforce alignment between employee contribution and the Company's sustained growth ambitions.

Our performance management framework aligns individual goals with organisational priorities through ASMART goal-setting and the integration of Managing Points and Checking Points (MPCP), ensuring measurable outcomes and role clarity. The framework includes 360-degree feedback and annual appraisals covering all employees, supporting continuous improvement, succession planning and leadership pipeline development under the oversight of the NRC.

Ethics and compliance are embedded into the system through mandatory annual Code of Conduct training covering areas such as human rights, labour practices, environmental responsibility and POSH, while PMS practices are independently audited against standards such as IATF 16949, SA8000, ISO 45001, ISO 14001 and others.







Diversity, equity and inclusion

We believe that a diverse and inclusive workforce strengthens innovation, operational excellence and long-term organisational resilience. Our approach to diversity, equity and inclusion is centred on creating a workplace where varied perspectives, backgrounds and experiences are valued, while ensuring fair opportunities for growth, leadership and participation across the organisation. During the year, women represented 21% of blue-collar roles and 15.5% of white-collar roles, while employees under DAP accounted for 4% of the workforce, reflecting continued progress in strengthening inclusion across the organisation.

We support this commitment through merit-based talent practices, gender-neutral parental policies, flexible work arrangements, childcare support, menstrual leave and targeted programmes aimed at advancing women across functions and leadership roles. The Company is also focused on expanding opportunities for persons with disabilities through accessible workplaces, assistive technologies and dedicated support systems that enable employees to contribute and grow effectively. Our zero-tolerance approach towards discrimination and harassment, together with structured sensitisation, grievance redressal and inclusion initiatives such as the Women Resource Group and Unnati programme, continues to strengthen a workplace culture built on respect, equity and belonging.





CASE STUDY



Shared journeys, stronger voices

We continued to strengthen inclusion through culture-building moments across the year in FY 2025-26. On International Women's Day, more than 700 women colleagues came together through a month-long series of engagements centred on community, growth and everyday allyship. Framed around the theme 'Give to Gain', these interactions created space for women leaders and allies to share their journeys, encourage confidence and reinforce the everyday choices that help build a more supportive workplace.

01 02

Learning and Development

We continue to foster a culture of continuous learning, leadership development and innovation, recognising that future-readiness depends on the strength of our people capabilities.

At the centre of this effort is the Institute of Quality & Leadership (IQL), established in 1987, which drives workforce readiness, cultural development and capability building across the organisation.





Supported by global institutional partnerships, job rotations, digital learning platforms and immersive technologies such as AI, VR and AR, our learning ecosystem equips employees with future-focused skills across mobility software, analytics and digital transformation, while also strengthening leadership depth and cross-functional capability building.

Learning at TVSM also integrates sustainability, ethics and responsible business practices into everyday capability development. Programmes such as the Sustainability Ambassador Programme (SAP), sustainability workshops and specialised awareness sessions help embed ESG thinking across operations, suppliers and dealer networks, while mandatory annual training on the Code of Conduct, POSH and compliance practices reinforce responsible workplace behaviour across the organisation. During the year, 100% employees completed mandatory compliance training modules, reflecting our continued emphasis on responsible and values-led organisational culture.

100%

Employee strength that has completed the compliance training modules

Occupational Health and Safety

Safety remains central to our social licence to operate. Our occupational health and safety systems are designed to create safe workplaces, strengthen preventive controls and embed responsibility across levels. In FY 2025-26, this was supported by plant-level interventions, behaviour-based safety programmes, emergency response mechanisms, ergonomics improvements, shop-floor systems and structured governance practices across manufacturing locations.

During the year, the My Safety Index achieved an average score of 84.5. This reflects stronger calibration and oversight across all Indian manufacturing locations of Hosur, Mysuru & Nalagarh.

Safety efforts also extended into awareness and outreach, with ~300,000 individuals reached through road-safety campaigns conducted across ~2,200 events in partnership with dealerships, Area Offices and community networks.

~3 Lakh

People reached through road safety campaigns across 2,000+ events

Employee engagement

We continue to strengthen a people-centric and values-led workplace culture through initiatives that encourage participation, collaboration and shared purpose. Our engagement approach is anchored around communication, consultation, engagement and participation, helping build greater awareness and collective action around themes such as sustainability, safety and well-being. During FY 2025-26, thematic campaigns on climate resilience, water stewardship, road safety and employee well-being reached several thousand employees, value chain partners and community members.

We also foster engagement through collaborative learning and inclusive workplace initiatives such as Communities of Practice, the 1Up 1Down peer learning framework, Fun at Work, Sportitude and Confluence, which encourage teamwork, knowledge-sharing and cross-cultural connectedness. Programmes such as the Operator to Engineer initiative further support internal growth and capability building, reinforcing our commitment to long-term workforce development and employee participation.

Employee well-being

Employee well-being remains central to our human capital and sustainability approach, with a strong focus on physical, mental, social and financial wellness. Through Occupational Health Centres, periodic health check-ups, comprehensive medical insurance coverage and ISO 22000-certified canteens, we continue to strengthen healthcare access and workplace well-being across operations. During the year, 100% employees and workers remained covered under medical insurance and regular health check-ups.

Our well-being initiatives also extend to mental and emotional resilience through programmes such as YourDOST and PROMOTE in collaboration with NIMHANS, which provide counselling, crisis intervention and wellness support to employees and their families. The My Health Index (MHI) further strengthened our preventive healthcare approach through personalised health assessments and tailored wellness interventions designed to improve long-term employee health outcomes.

1,100

Employees assessed through MHI in FY 2025-26







CASE STUDY



The everyday system that keeps TVSM moving

Long before the first machine starts running at TVSM's Hosur shopfloors, another engine is already at work — the employees dining canteen that serves nearly 22,000 meals a day with remarkable speed, consistency and care. What began in 1979 as a modest initiative serving just 80 meals has evolved into one of the Company's most quietly powerful people-centric systems.

Operating almost round-the-clock, the canteen supports employees across shifts with nutritious, freshly-prepared meals designed around both taste and well-being. From millet-based dishes and herbal rasam [herbal soup] to calorie-tracking through an internal app, the focus extends beyond food to employee health and energy.

Behind this lies a deeply human philosophy. Whether serving factory workers, office staff or visitors, the spirit remains unchanged — no one who comes into the factory premises leaves hungry. Supported by a 145-member team, the canteen reflects TVSM's broader belief that caring for people is not an initiative, but a culture woven into everyday operations.

01 02



Embedding sustainability across the value chain

Our approach to sustainability increasingly extends beyond our own operations and into the wider ecosystem that supports our business. Across suppliers, dealers and customer interfaces, we continue to strengthen governance, transparency and accountability practices to build a more resilient, responsible and trust-led value chain.

Suppliers

Our relationship with suppliers is guided not only by quality and business performance, but also by expectations around sustainability, ethics and human rights. This reflects our effort to build a more resilient and responsible value chain rather than treating procurement as a purely commercial function.

In FY 2025-26, this agenda advanced through wider supplier calibration under the My Sustainability Index. A total of 320 suppliers were calibrated during the year, extending ESG oversight and capability-building deeper into the value chain. This signals a stronger move towards governance systems that travel beyond our own operations and into the wider ecosystem that supports our business.



320

Suppliers assessed in FY 2025-26

95.4%

Local sourcing

Dealers

Dealers play an important role in extending our governance and customer-trust standards into the market. We have made a growing effort to integrate dealer practices into wider sustainability and governance systems, recognising that responsible growth depends not only on internal processes, but also on the behaviour and capability of partner networks.

This effort strengthened in FY 2025-26, with 617 dealers calibrated under the My Sustainability Index. In addition, the dealer TQM cluster approach was strengthened to drive improvements in customer satisfaction, market share and profitability, covering 300+ dealers through leadership-led change management workshops and stronger daily work management practices.

300+

Dealers covered under TQM cluster approach

617

Dealers assessed in FY 2025-26





Customers

Customer trust remains central to our governance approach. Customer satisfaction is monitored through structured real-time feedback, dealer inputs and multiple customer touchpoints such as N30 PSF calls, while responsible marketing, product-use communication and service support remain important parts of the customer journey. We continue to lay a keen emphasis on honest advertising and direct engagement across geographies.

Paving the road to lasting impact

At TVSM, we believe that long-term business success must go hand in hand with community progress and social development. Through sustained engagement and institution-led interventions, we continue to focus on enabling more self-reliant, inclusive and resilient communities across the regions it touches.

The Company drives its CSR initiatives primarily through the Srinivasan Services Trust (SST), which focuses on long-term rural transformation using the Total Community Involvement (TCI) model, which focuses on participatory planning, execution and community ownership. The approach is designed not merely to deliver interventions, but to build resilience, strengthen local capabilities and create long-term self-sufficiency within communities.

The Company's CSR initiatives span livelihood generation, women empowerment, healthcare, education, skill development, environmental sustainability and rural infrastructure development. Increasing emphasis is also being placed on supporting climate-resilient livelihoods, sustainable agriculture and inclusive access to emerging opportunities linked to cleaner technologies and evolving economic transitions.

By working closely with rural communities, women and youth, TVSM continues to focus on development models that are inclusive, scalable and locally rooted, ensuring that communities remain active participants in shaping their own progress and resilience.



Top: *A family in Kavaramalai in Dharmapuri district, Tamil Nadu (India) with their ST community certificate, which is important for the eligibility of government welfare schemes*

Farmers of Arpakkam village, Kollidam Block, Mayiladuthurai district, Tamil Nadu

Impact snapshot

2,500

Villages reached, strengthening rural resilience and equitable access to opportunities

1.6 Mn

People benefitted, creating inclusive social impact and supporting vulnerable communities in adapting to change

5,000+

Self-Help Groups (SHGs) facilitated, thus building community-led institutions for shared prosperity

60,000+

Women enrolled in SHGs, empowering women to lead the social change, ultimately becoming decision-makers within families and the society

950+

Schools renovated, expanding access to quality education, through creation of conducive learning environment

980+

Anganwadis renovated, enhancing early childhood development and nutrition, addressing intergenerational equity

190+

Other community structures renovated, strengthening collective resilience and social cohesion

140+

Health centres renovated, expanding access to affordable healthcare, reducing inequalities

530+

Water bodies/structures desilted, constructed, or repaired, securing water resilience to safeguard livelihoods in the face of climate stress

10 Lakh+

Trees planted, contributing to carbon sequestration and climate-smart landscapes

169 Cr litres

of water capacity enhanced, supporting sustainable agriculture and adaptation to water scarcity

₹150 Cr+

Annual income generated by women, advancing gender equity, financial resilience, and inclusive livelihoods



CASE STUDY

Modaiyur becomes a hub of micro-entrepreneurs



In Modaiyur village, Polur Taluk, Tiruvannamalai district, Tamil Nadu, the women of the Sri Selva Vinayagar Women Self-Help Group are transforming their lives through financial independence, entrepreneurship, and community leadership.

Formed in 2017 with SST's support, the SHG began by learning the importance of saving money through small internal contributions. Their growing financial discipline enabled them to secure a ₹3 lakh bank loan in 2019, followed by a transformational ₹17 lakh loan in 2023.

The funding helped members establish micro-enterprises, including dairy farming, tailoring, and agriculture-related businesses, generating monthly incomes of ₹3,000–₹9,000. SST also provided tailoring training, equipping the women with valuable livelihood skills and greater self-confidence.

Beyond economic empowerment, the Group has become a force for positive community action. Members have donated essentials to schoolchildren, encouraged slow learners through prizes, planted and maintained 250 saplings in schools, and supported village cleanliness initiatives.

Their inspiring journey has earned wider recognition, including the prestigious State-level Manimegalai Award for Best Women Self-Help Group. One member, Sasikala, was also selected to support Panchayat Level Federation audits in the Chetpet block.

STORY AVAILABLE HERE



CASE STUDY

Turning the tide on water scarcity



In the Yanadi tribal villages of Venkatagiri, Tirupati district, Andhra Pradesh, access to safe drinking water once came at the cost of time, health, and livelihoods. Families depended on open wells and borewells with high salt and chemical content, resulting in frequent water-borne illnesses among children and the elderly. Women walked up to 3 km daily to collect clean water, while households spent nearly ₹2,000–₹3,000 every year on medicines and treatment.

To address this challenge, SST launched the Potable Drinking Water Project across 11 Yanadi tribal villages and three schools. Through the installation of 14 water purification systems, nearly 3,200 people — including around 800 school students — now have access to safe drinking and cooking water close to home.

SST also enabled the formation of Village Development Committees (VDCs) to manage and maintain the systems sustainably. Each family contributes ₹5 for every 20 litres of water, helping ensure the long-term functioning of the facilities through collective community ownership. The initiative has significantly reduced the burden on women, improved community health, and brought renewed confidence and dignity to everyday life in the villages.

STORY AVAILABLE HERE



CASE STUDY

Building back with hope



In Kombur village, Manjavadi Panchayat, Dharmapuri district, Tamil Nadu, Shri Ranjith's journey reflects how timely support and self-belief can transform lives. Raised by his grandmother after his parents separated during his childhood, Ranjith grew up in difficult financial circumstances. After completing school and an ITI course, he joined a private company in Salem, hoping to support his family. But earning ₹8,500 a month made him realise that sustaining a secure future would remain a struggle.

Instead of giving up, Ranjith decided to start a business of his own. During a Self-Help Group meeting attended by his grandmother and aunt, both members of SST-supported groups, he shared his idea of manufacturing camphor.

Recognising his determination, SST helped him form a Joint Liability Group (JLG), guided him through the loan process, and supported him in purchasing a camphor-making machine. Initially, he and his aunt had modest earnings by supplying local shops. With continued support from SST, including a ₹50,000 loan from Tamil Nadu Grama Bank and market linkages, the business steadily expanded.

Today, Ranjith earns nearly ₹30,000 a month, while his aunt earns around ₹10,000 — bringing financial stability, confidence and renewed hope to their family.

STORY AVAILABLE HERE



CASE STUDY

Brighter Anganwadi, happier learners

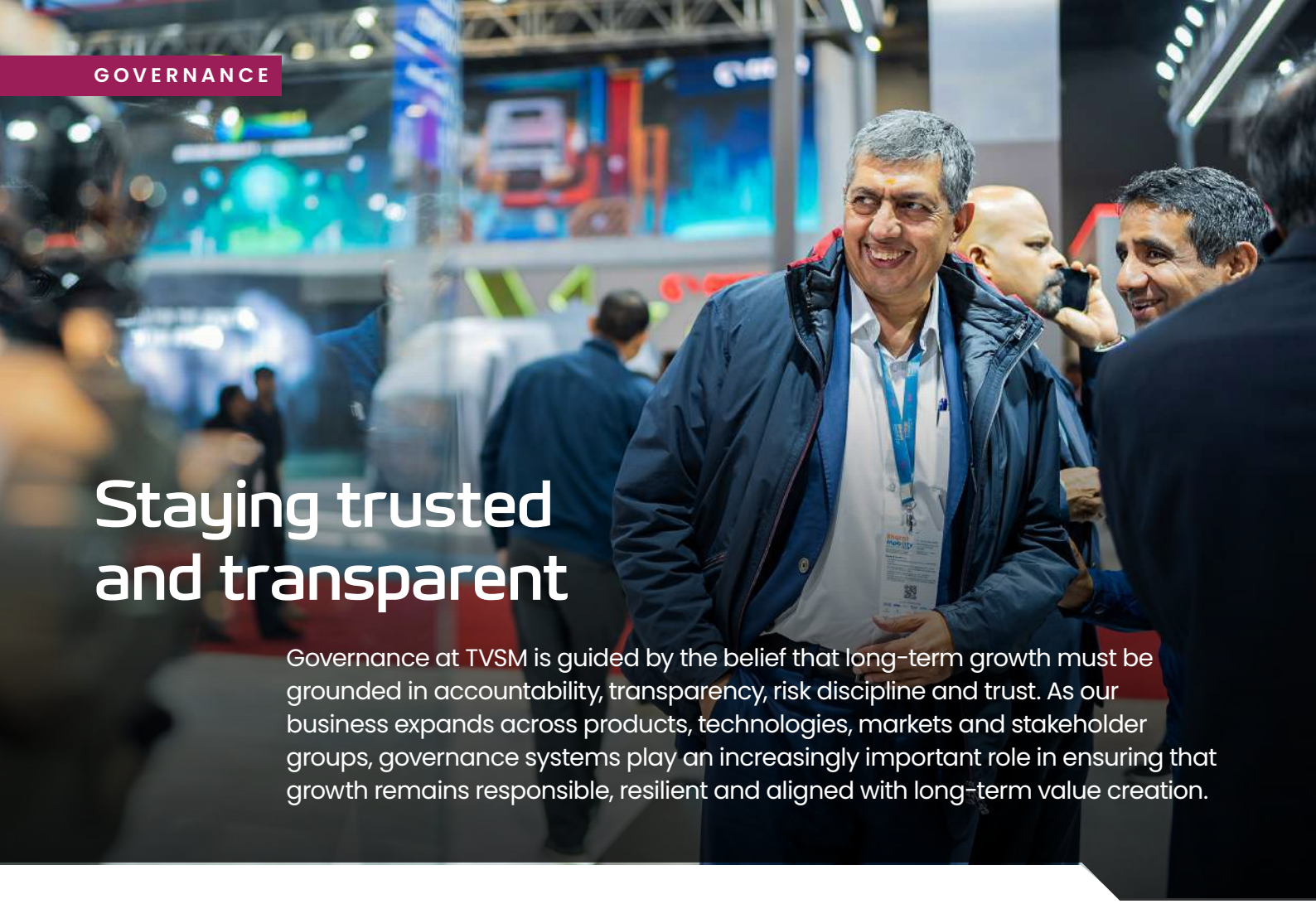


In Madavamedu village, Pudupattinam Panchayat, Sirkazhi block, Mayiladuthurai district, Tamil Nadu, the local anganwadi has been transformed from a neglected and unsafe space into a vibrant centre of learning and care for young children.

The anganwadi once struggled with broken doors and windows, damaged walls, leaking roofs, and the absence of toilets or basic safety measures. During the rainy season, the space became damp and uncomfortable, while stray animals frequently entered the premises and contaminated food was prepared for children. Located on elevated ground without protective barriers, the centre also posed safety risks, making it difficult for teachers to focus on learning activities. As conditions worsened, parents gradually stopped sending their children, and attendance dropped to barely 15 students.

Recognising the urgent need for improvement, SST worked closely with parents, village leaders, and teachers to renovate the centre. The anganwadi now features colourful classrooms, improved safety measures, protective fencing, and greener surroundings that have created a welcoming environment for children. As of today, daily attendance has doubled to nearly 30–35 children, reflecting renewed trust among families and a happier, safer learning space for the community's youngest learners.

STORY AVAILABLE HERE



Staying trusted and transparent

Governance at TVSM is guided by the belief that long-term growth must be grounded in accountability, transparency, risk discipline and trust. As our business expands across products, technologies, markets and stakeholder groups, governance systems play an increasingly important role in ensuring that growth remains responsible, resilient and aligned with long-term value creation.

Corporate Governance

TVSM has established a comprehensive governance framework that extends from the boardroom to the shop floor, enabling strong leadership, effective execution and organisational accountability. The framework is supported by a one-tier Board structure, specialised Board Committees and a forward-looking risk management approach that helps identify and address strategic, operational, climate and social risks proactively.

Top: *Mr. K N Radhakrishnan, Director and CEO – TVS Motor Company, at Bharat Mobility Global Auto Expo 2025*

Board of Directors

The Board comprises accomplished professionals from diverse backgrounds, bringing together expertise across business leadership, automotive and manufacturing operations, finance, governance, regulation and sustainability. Diversity across skills, age, gender, nationality and professional experience strengthens strategic deliberations and enables broader perspectives in decision-making.

The Board composition reflects a balanced mix of continuity and renewal. Long-serving members contribute institutional understanding and strategic continuity, while newer Directors bring fresh insights and external experience. Through a structured refreshment process, the Company continues to strengthen agility and responsiveness in a rapidly evolving business environment.

A strong emphasis is also placed on Board independence and objective oversight. Independent Directors, chosen for their professional standing and expertise, actively participate in Board and Committee proceedings, providing unbiased guidance, governance oversight and stakeholder-focused perspectives. As on March 31, 2026, the Board comprised four Independent Directors and three Non-Independent Directors, meeting and exceeding applicable regulatory requirements on Board independence.

Independent Directors are appointed for fixed terms in line with the Companies Act, 2013 and SEBI Listing Regulations, with clearly defined responsibilities, rights and governance obligations. The Company does not permit indefinite tenure extensions, thereby reinforcing accountability, independence and periodic renewal of perspectives within the Board structure.

Skills and expertise

The Board's collective expertise spans strategy formulation, automotive and engineering operations, regulatory compliance, governance and financial oversight. Directors bring experience in leading large businesses, managing complex manufacturing and sales operations, overseeing financial performance and guiding long-term organisational development.

This mix of strategic, operational and governance capabilities strengthen the Company's ability to navigate a rapidly evolving global mobility landscape while maintaining high standards of accountability and business stewardship.

Board Committees

Specialised Board Committees support the governance framework by providing focused oversight across critical areas such as audit, risk management, nomination and remuneration, stakeholder relationships and CSR. Each committee comprises members with relevant expertise, enabling deeper review, informed recommendations and stronger accountability across financial, operational and sustainability matters.

Audit Committee

Monitors the integrity of financial reporting, effectiveness of internal controls, audit functions and regulatory compliance processes.

Nomination and Remuneration Committee (NRC)

Guides Board and senior leadership appointments, succession planning, performance assessment and remuneration practices.

Stakeholders' Relationship Committee

Focuses on shareholder engagement and timely resolution of investor concerns and grievances.

Corporate Social Responsibility (CSR) Committee

Steers CSR strategy, community development initiatives and the integration of sustainability priorities into broader business practices.

Risk Management Committee

Provides oversight on enterprise-wide risk management, including climate-related and sustainability-linked risks.

Administrative Committee (non-mandatory)

Addresses specific strategic and operational matters delegated by the Board from time to time.

Performance evaluation and accountability

TVSM follows a structured annual evaluation process for the Board, its Committees and individual Directors based on clearly defined performance criteria. Assessments consider participation, strategic contribution, governance oversight and engagement in Board discussions, supported by peer evaluation and structured feedback mechanisms.

Senior management performance is also aligned with approved business plans and key operational indicators, while compensation governance is overseen by the Nomination and Remuneration Committee. This approach reinforces accountability, performance orientation and alignment with long-term business priorities.

ESG governance

TVSM has established a structured sustainability governance framework that integrates ESG priorities into business strategy, operations, and decision-making. Oversight is provided by the Board of Directors through the Risk Management Committee and Audit Committee, which review ESG risks, sustainability performance and disclosures on a quarterly basis.

The CEO-led Sustainability Committee provides strategic direction on sustainability priorities, targets, and performance, while the Chief Sustainability Officer (CSO), reporting to the CEO and the Board, drives organisation-wide implementation and alignment. Sustainability performance is reviewed monthly against defined objectives and targets.

At the operational level, Business Unit Committees and Unit Sustainability Committees oversee execution across functions and locations. Plant Heads, supported by EHS Coordinators, Sustainability Ambassadors, and EHS teams, drive on-ground implementation and monitoring of key metrics, including energy, water, waste and compliance. This multi-tiered framework enables accountability, effective execution, and continuous improvement across the Company's sustainability agenda.

Risk Management

TVSM has established a comprehensive Enterprise Risk Management (ERM) framework that integrates risk oversight into strategic and operational decision-making. The framework is overseen by the Board through the Risk Management Committee, ensuring accountability for identifying, assessing, mitigating and monitoring risks across the organisation.

The ERM framework covers a broad spectrum of risks, including strategic, financial, operational, regulatory, technological, cybersecurity, reputational and sustainability-related risks. A key feature of the framework is its double materiality approach, which evaluates both the impact of external developments on the business and the Company's impact on the environment and society. This enables climate-related risks, sustainability priorities and stakeholder expectations to be integrated into long-term business planning and the sustainability roadmap.

TVSM follows a structured risk management process comprising continuous risk identification, assessment, mitigation and monitoring. Risks are prioritised based on their potential impact and likelihood, supported by both qualitative and quantitative evaluation methods. Mitigation measures include operational optimisation, technology adoption, contingency planning and resource allocation, while key risk indicators are regularly reviewed by senior management and the Board.

The Company also maintains a Business Continuity Plan (BCP) to ensure resilience and continuity of critical operations during disruptions. The plan is periodically tested and updated to strengthen preparedness against evolving business scenarios.

As part of its forward-looking approach, TVSM actively monitors emerging risks linked to climate change, carbon regulations, resource dependencies, digital disruption, EV transition, circularity requirements and evolving social expectations. These risks are increasingly being viewed not only as challenges, but also as drivers of strategic transformation, innovation and long-term resilience.

Please refer to the Directors' Report on pages 125 for more details on Risk Management.







Digitalisation

TVSM's digitalisation strategy is centred around building a more intelligent, connected and future-ready enterprise. By embedding digital technologies across manufacturing, workplaces, products and customer ecosystems, the Company is strengthening operational agility, accelerating innovation and creating more seamless and responsive mobility experiences.

Data-driven manufacturing

We are leveraging digital twins, Industrial IoT, AI-powered quality systems and integrated supply chain platforms to create smarter and more sustainable manufacturing operations. These technologies are helping improve efficiency, traceability, resource optimisation and operational responsiveness across manufacturing facilities.

Smart and sustainable products

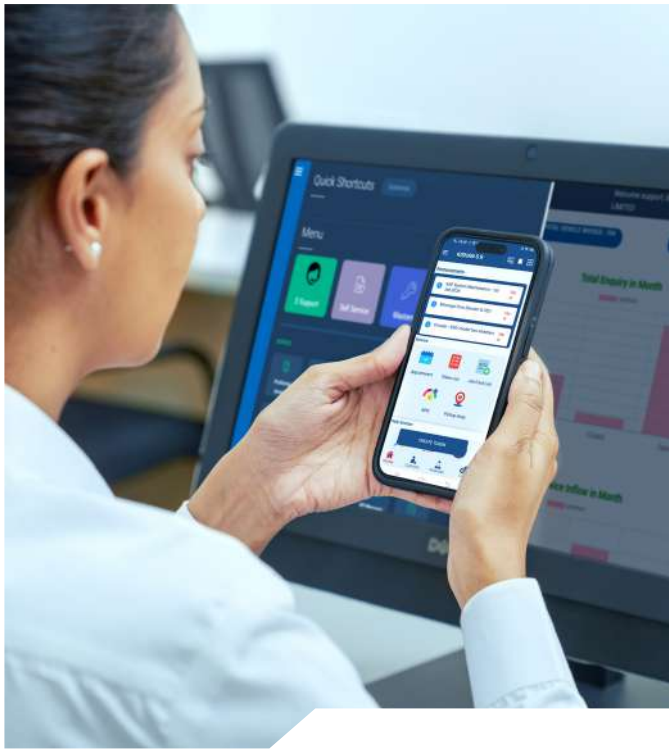
TVSM continues to strengthen its smart mobility ecosystem through connected platforms, predictive maintenance systems, telematics, battery management intelligence and digitally enabled riding experiences across products launched and refreshed during FY 2025-26, including the TVS Orbiter range, TVS X, refreshed Apache variants and the Apache RTX 300. These technologies are helping create safer, more connected and more personalised mobility experiences across both EV and premium segments.

Intelligent workspaces

Cloud-based platforms, advanced analytics, process automation and digital learning ecosystems are enabling smarter collaboration, faster decision-making and a more agile workforce. TVSM is also strengthening cybersecurity and digital governance frameworks to support secure and resilient enterprise-wide digitalisation.

Deepening customer connect

We are using digital technologies to strengthen customer engagement and global integration across its businesses. AI-led lead management systems, digital commerce platforms, marketing automation and integrated ERP and PLM systems in Norton Motorcycle, which shall help in building a more connected, responsive and digitally integrated mobility ecosystem.



Cybersecurity

TVSM continues to strengthen its cybersecurity framework through a governance-led and risk-based approach focused on resilience, data protection and proactive threat management. Information security is overseen at the Board level through the Risk Management Committee, which regularly reviews cybersecurity risks, IT resilience, incident response preparedness and evolving global threat trends. Oversight is further supported by a Cyber Governance Council comprising senior executives and independent specialists, along with a dedicated Information Security Committee that reviews emerging risks, incidents and compliance requirements.

The Company follows a Board-approved Risk Mitigation Policy that integrates process optimisation, technology upgrades, contingency planning and continuous monitoring of key risk indicators. Periodic external security audits, vulnerability assessments and cyberattack simulation exercises help strengthen preparedness and response capabilities across the organisation.

Corporate Information

Board of Directors

Sudarshan Venu
Chairman & Managing Director

Venu Srinivasan
Chairman Emeritus & Managing Director

K N Radhakrishnan
Director & Chief Executive Officer

Independent Directors
Shailesh Haribhakti
Vijay Sankar
Ravindran Shanmugam
B Sriram
Kalpana Unadkat

Audit Committee

Shailesh Haribhakti, *Chairman*
Kalpana Unadkat
K N Radhakrishnan

Nomination and Remuneration Committee

Vijay Sankar, *Chairman*
Sudarshan Venu
Kalpana Unadkat
B Sriram

Risk Management Committee

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

Stakeholders' Relationship Committee

Kalpana Unadkat, *Chairman*
Venu Srinivasan
Sudarshan Venu

Corporate Social Responsibility Committee

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 Iyer Road
Alwarpet, Chennai - 600018
Tel.: 044-2498 8762
E-mail: sundaramandsrinivasan1948@gmail.com

Cost Auditors

C S Adawadkar & Co.
Cost Accountant
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 9444080328
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
HSBC 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: corpsec@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

Financial Highlights

₹ in crore

Details	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Sales & other income @	13,363	15,618	18,217	16,455	16,784	20,810	26,479	31,925	36,210	47,240
Profit before interest, depreciation, amortisation and tax*	1,030	1,274	1,441	1,378	1,462	1,981	2,775	3,663	4,431	6,049
Profit before tax*	699	879	961	787	826	1,243	2,003	2,781	3,544	4,945
Exceptional / Extraordinary Items	-	-	-	(32)	-	(30)	-	-	-	(41)
Profit after tax	558	663	670	592	612	894	1,491	2,083	2,634	3,615
Net fixed assets	2,046	2,503	2,837	3,185	3,289	3,731	4,224	4,702	5,641	6,820
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	2,361	2,833	3,300	3,571	4,123	4,775	6,000	7,684	9,850	11,187
Net worth	2,409	2,881	3,348	3,619	4,171	4,822	6,048	7,731	9,897	11,234
Total borrowings	1,107	1,189	1,400	2,022	1,106	1,601	2,245	1,513	1,735	3,134^
Earnings per share (₹)	11.75	13.95	14.11	12.47	12.88	18.81	31.38	43.84	55.44	76.09
Dividend per share (₹)	2.50	3.30	3.50	3.50	3.50	3.75	5.00	8.00	10.00	12.00
Book value per share (₹)	50.70	60.63	70.46	76.17	87.78	101.50	127.29	162.73	208.32	236.47
Operating EBITDA (%)	7.1	7.7	7.9	8.2	8.5	9.4	10.1	11.1	12.3	12.9
Profit before tax * / Turnover (%)	5.30	5.66	5.28	4.79	4.93	5.98	7.59	8.75	9.78	10.46
Return on capital employed (%)	21.67	24.61	23.55	16.62	17.15	20.68	25.25	31.41	30.74	34.96
Return on net worth (%)	25.56	25.06	21.52	17.01	15.72	19.87	27.43	30.23	29.54	34.22

Notes:

@Sales includes Excise duty upto June 2017

**Figures stated are before exceptional and extraordinary items*

^Total Borrowings includes NCRPS of ₹ 1,898.94 crores

Directors' Report



The Directors are pleased to present the 34th Annual Report and the audited financial statements of the Company for the year ended 31st March 2026, reflecting a year of strong performance, sustained growth and significant milestones across businesses. A summary of the key highlights on the Company's performance and operations in FY 2025-26 is enumerated.

5.89 Mn	Total units (2Ws and 3Ws) sold during FY 2025-26	24% ↗
47,270 Cr	All-time-high revenue	
4,945 Cr	All-time-high Profit Before Tax	


DL 3SFD 6506

1. Key Highlights of the Company's Performance in FY 2025-26

Customer Satisfaction

- Reinforcing its commitment to quality and customer satisfaction, the Company delivered a strong performance in the J.D. Power 2026 India Two-Wheeler Studies, securing five honours. Notably, TVS Jupiter 110, TVS Raider, and TVS Ronin achieved top rankings in their respective segments in the Initial Quality Study (IQS), underlining the Company's consistent focus on delivering superior product quality and ownership experience.
- Further strengthening its leadership in delivering superior customer experience, TVS Jupiter 110 and TVS Sport secured the top position in the J.D. Power Automotive Performance, Execution and Layout (APEAL) Study, reflecting the Company's continued emphasis on product excellence and rider-centric design.

Sales Performance

- The Company delivered a record-breaking performance during the year, surpassing all previous milestones to achieve its highest-ever sales of 5.89 million units of two- and three-wheelers.
- Driven by strong customer acceptance and a robust product portfolio, two-wheeler domestic ICE sales in India grew by an impressive 19%, significantly outpacing industry growth of 9%, with volumes reaching 3.87 million units.
- The Company also sustained strong momentum in international markets, where two-wheeler sales recorded a growth of 31%, markedly higher than the industry growth of 12%, reflecting the strength of its global presence and market expansion strategy.
- In the electric mobility space, the Company further consolidated its leadership position, with EV two-wheeler sales increasing by 35% to 3.67 lakh units. This performance enabled the Company to emerge as the No. 1 player in the EV two-wheeler segment in India in FY 2025-26.
- The three-wheeler business also witnessed robust growth, with sales rising to 2.2 lakh units, a strong growth of 63% over the previous year, significantly ahead of the industry growth of 28%, underscoring the Company's competitiveness and market leadership in this segment.

5.89 Mn units

Highest-ever sales of two- and three-wheelers

No. 1 player

In EV two-wheeler segment in India (FY 2025-26)

Financial Performance

- The Company posted the highest-ever revenue of ₹47,270 crore, highest-ever profit of ₹4,945 crore (Profit before exceptional items and tax).
- The Company's operating revenue grew by 30%.
- The Company recorded the highest-ever operating EBITDA of ₹6,079 crore, a growth of 37% as against the EBITDA of ₹4,450 crore during last year.
- The Company posted a PAT of ₹3,615 crore during the year.

30%

Growth in TVSM's operating revenue in FY 2025-26

Dividend & Bonus Preference Shares

- Reflecting its strong financial performance and continued focus on shareholder value creation, the Company declared an interim dividend of ₹12 per share (1,200%) for FY 2025-26, absorbing a sum of ₹570 crore.
- Pursuant to the approval of the Hon'ble National Company Law Tribunal, Chennai Bench, the Company undertook a capital restructuring initiative through the allotment of 4 listed Non-Convertible Redeemable Preference Shares (NCRPS) of face value ₹10 each, fully paid-up, for every 1 equity share held. The total value of the allotment amounted to ₹1,900.35 crore, with a maturity date of 1 September 2026, reinforcing the Company's commitment to optimising its capital structure while enhancing shareholder returns.

Key Acquisitions and Disinvestments

Norton Motorcycle Co. Ltd., UK

- Since the acquisition of Norton in FY 2020-21, the Company has committed investments of over £250 million towards revitalising the brand. These investments have been directed towards new product development, establishment of advanced engineering and R&D capabilities, setting up of new manufacturing infrastructure in the UK, and a comprehensive brand transformation programme. This sustained commitment underscores the Company's long-term vision of positioning Norton as a globally competitive premium motorcycle marque, defined by design excellence, engineering precision, and best-in-class performance.
- Building on this momentum, Norton is gearing up to introduce a differentiated product portfolio in FY 2026-27, comprising the all-new Manx, Manx R, Atlas and Atlas GT, marking a new phase in the brand's product renaissance and global repositioning.





- During the year, The Norton Motorcycle Co. Ltd., UK, a wholly owned subsidiary of the Company, incorporated two wholly owned subsidiaries—Norton Motorcycle Private Limited, India on 19 August 2025 and Norton USA LLC on 6 November 2025.
- Ahead of its planned commercial launch in the United States during the summer of FY 2026-27, Norton has been undertaking preparatory steps to establish its presence in key markets. These include the incorporation of the US subsidiary, onboarding of sales and marketing personnel, and the progressive appointment of dealer partners. The brand has also generated encouraging customer and stakeholder response following the product unveil at EICMA, Milan and is continuing to invest in readiness for the forthcoming commercial rollout.

Engines Engineering S.p.A, Italy

- The Company acquired 100% stake in Engines Engineering S.p.A, Italy (EE) through TVS Motor (Singapore) Pte Ltd on 3 October 2025 and thereby EE became a wholly owned subsidiary of TVS Motor (Singapore) Pte. Limited and the Company.
- The acquisition of EE marks a significant step in strengthening global engineering and innovation capabilities to design and develop next generation products for global markets.

Roppen Transportation Services Private Limited (Rapido)

- The Company has disinvested its stake held in Roppen Transportation Services Private Limited (Rapido) and during the year realised a sum of ₹288 crore as against the investment of ₹114 crore.

Key Partnerships

- The Company entered a strategic partnership with Hyundai Motor Company to co-create next-generation electric three-wheelers, aimed at redefining last-mile mobility through a combination of design innovation, advanced technology and a strong focus on sustainability.
- This collaboration brings together Hyundai's global expertise in design, engineering and future mobility technologies with the Company's strengths in manufacturing excellence, market understanding and co-development capabilities. Together, the partners aim to address the rapidly evolving micro-mobility landscape in India with solutions that are tailored for urban adaptability and efficiency.
- The partnership is aligned towards setting new benchmarks in design, quality, and sustainable mobility, while accelerating the development of innovative, high-performance solutions for the future of urban transportation.





New Product Launches

The Company delivered a robust performance during the year, underpinned by a series of successful product launches and lifecycle enhancements across its motorcycles, scooters and electric mobility portfolio.

- Introduction of the all-new TVS Ntorq 150, alongside updates to the flagship TVS Apache RR 310 and refreshed variants of the Apache RTR 200 4V and RTR 160.
- Milestone celebration of the TVS Apache brand was marked by the launch of an exclusive range of 20th Anniversary Limited Editions in September 2025, further strengthening brand equity and customer engagement.
- The portfolio was further reinforced with the launch of the all-new TVS Apache RTX 300 in October 2025, complemented by the introduction of the TVS Jupiter 125 DT SXC and refreshed variants of the TVS iQube S and ST. Value offerings were also enhanced through the launch of the new TVS XL100, broadening accessibility across segments.
- In electric mobility, the Company continued to scale its presence with the introduction of the all-new TVS Orbiter in India in August 2025, followed by the TVS Orbiter V1 (BaaS variant) in March 2026, enabling wider adoption through innovative ownership models.



Apache 20th Anniversary Limited Editions

Launched in September 2025, marking milestone celebration of TVS Apache brand

Across its product portfolio, the Company established advanced TFT instrument clusters as a distinctive signature of its technology leadership and rider-centric innovation.

Powered by the proprietary SmartXonnect™ platform, TVS digital TFT clusters seamlessly integrate connected features such as navigation, voice assist, ride analytics, and smartphone integration, delivering an intuitive and highly personalised rider interface.

From the Apache RTR TFT variants to the NTORQ and Raider range, these clusters consistently combine high-resolution displays, robust connectivity, and real-time data capabilities. This deep in-house expertise in hardware-software integration, UI/UX design, and connected ecosystems positions TVS's TFT cluster technology as a defining differentiator—enhancing safety, engagement, and the overall riding experience across segments.

Collectively, these initiatives underscore the Company's continued focus on innovation, portfolio premiumisation, and comprehensive market coverage, while driving sustained growth across segments.

SmartXonnect™ platform

Powers TVS digital TFT clusters to integrate connected features seamlessly



Awards and Accolades

The Company secured five honours in the J.D. Power 2026 India Two-Wheeler Studies, with TVS Jupiter 110, TVS Ronin and TVS Raider ranking highest in their respective segments in the Initial Quality Study (IQS).

TVS Sport and TVS Jupiter 110 ranked highest in the Automotive Performance Execution & Layout (APEAL) Study.

Mr. Sudarshan Venu, Chairman and Managing Director, was named 'Person of the Year' by Autocar India during the year under review. The recognition reflects his leadership in guiding the Company's strategic priorities and operational performance.



Sudarshan Venu, 'Person of the Year' by Autocar

Under his direction, the organisation continued to advance its product portfolio and strengthen its presence across key markets. The award highlights his role in steering the company through a dynamic and competitive industry environment.

TVS Apache RTX that opened new frontiers for the company last year, was honoured with the prestigious Indian Motorcycle of the Year (IMOTY 2026). It also won several other awards, including the 'Bike of the Year' at the Autocar India Awards, reinforcing the brand's leadership in performance motorcycling.

TVS Ntorq 150 was adjudged 'Scooter of the Year', highlighting the Company's strengths in diverse product portfolio.

The Asian Centre for Corporate Governance & Sustainability recognised the Company's Annual Report as the 'Best Annual Report' in their Asia Business Responsibility Summit 2025.

The Confederation of Indian Industry [CII] awarded the Mysore factory with the 'CII-GreenCo - Gold Rating' in April 2025.

The Company also received the prestigious 'Golden Peacock Award' for Sustainability from the Institute of Directors (IOD) at the Annual Global Convention on Corporate Governance & Sustainability in London, UK, underscoring its commitment to responsible growth.



TVS Apache RTX

Honoured with the prestigious Indian Motorcycle of the Year (IMOTY 2026) Award

Sudarshan Venu

Named 'Person of the Year' by Autocar India

Golden Peacock Award

For TVSM's Sustainability from the Institute of Directors (IOD) at Annual Global Convention on Corporate Governance & Sustainability, London, UK

2. General Overview

Guided by the Company's enduring core values—trust, customer obsession, value maximisation, speed and agility, exactness, and disruptive mindset—TVSM has delivered another year of strong and consistent growth in FY 2025-26. This steadfast focus has built a resilient foundation that has enabled the Company to grow steadily and sustainably year after year.

The year was characterised by robust financial performance, accelerated growth across key segments, and a further strengthening of the Company's market position, underscoring the effectiveness of its long-term strategy and disciplined execution. As the Company continues to innovate, scale its capabilities, and expand its footprint, it remains firmly committed to delivering superior and consistent value to its customers, partners, and stakeholders.

2.1. Key Performance Snapshot

In FY 2025-26, the Company registered its highest-ever annual sales of 56.70 lakh (5.67 million) units of two-wheelers and 2.19 lakh (0.22 million) units of three-wheelers. This translated into a 23% sales growth over the annual sales of 46.09 lakh (4.61 million) units in FY 2024-25 for two-wheelers and a 63% sales growth from 1.35 lakh (0.14 million) units in FY 2024-25 for three-wheelers.

On the back of this strong performance, the Company reported an all-time high revenue of ₹47,270 crore and PBT of ₹4,945 crore. The Company also recorded its highest-ever operating EBITDA of ₹6,079 crore, recording a growth of 37% as against ₹4,450 crore during FY 2024-25.

₹6,079 Cr

Highest-ever operating EBITDA in FY 2025-26



2.2 Macroeconomic Overview – Global

Global macroeconomic conditions in FY 2025-26 remained challenging, driven by both supply and geopolitical shock cycle.

The International Monetary Fund (IMF) revised global growth downward to 3.1% from 3.3% projected in January 2026, reflecting the economic fallout from the US-Iran-Israel conflict.

The conflict triggered a sharp rise in crude oil and energy prices, disrupted global supply chains, tightened financial conditions and increased policy uncertainty across both advanced and emerging economies.



At the same time, the IMF revised global inflation upward to 4.4% from 3.8% earlier, indicating a prolonged period of elevated input costs and price pressures.

Among Emerging Market and Developing Economies (EMDEs), the impact was more pronounced for countries with high fuel import dependence and weaker fiscal buffers. However, the IMF expects the shock to remain largely near-term, assuming geopolitical tensions do not escalate further.

2.3. Macroeconomic Overview – India

Despite global tariff-related uncertainties during FY 2025-26, the Indian economy remained resilient, supported by strong domestic demand, higher government capex, robust investment activity, and structural reforms such as personal income tax and GST rationalisation. As per the revised GDP series (base year 2022-23), India's real GDP growth is estimated at 7.6% in FY 2025-26, compared to 7.1% in FY 2024-25. Growth remained broad-based, with Q3 FY 2025-26 GDP expanding by 7.8% Y-o-Y, supported by strong private consumption and festive demand. Nominal GDP growth stood relatively lower at 8.6%, mainly due to benign inflation averaging around 2.1% during FY 2025-26.

Broad-based Sectoral Growth Supported Overall Momentum

Real Gross Value Added (GVA) is estimated to have grown by 7.7% during FY 2025-26. Growth remained well distributed across key sectors of the economy:

- Agriculture and allied activities continued to benefit from favourable monsoon conditions and healthy reservoir levels.
- Manufacturing activity strengthened materially, supported by improving domestic demand, government capital expenditure and higher industrial output.
- Construction activity remained strong, driven by continued infrastructure development and urban expansion.
- The services sector remained the primary growth engine of the economy, supported by healthy performance across trade, transportation, hospitality, financial services and digital services.

The Government of India maintained its emphasis on long-term infrastructure creation and investment-led growth. In the Union Budget FY 2025-26, capital expenditure was budgeted at ₹11.21 lakh crore, reinforcing the Government's commitment towards roads, railways, logistics, urban infrastructure and digital connectivity. Continued public investment supported industrial activity, crowding-in of private investment and long-term productivity enhancement across the economy.

Domestic demand conditions remained favourable during FY 2025-26, supported by measures such as personal income tax relief, GST rationalisation, improving consumer sentiment and sustained investment activity.

Private Final Consumption Expenditure (PFCE) grew by 7.7%, while Government Final Consumption Expenditure (GFCE) expanded by 6.6% during the year.

Under the revised CPI series with base year 2023-24, inflation moderated to 2.1% in FY 2025-26, remaining at the lower end of the Reserve Bank of India's target band of 2-6%. The benign inflation environment was supported by GST rationalisation, favourable base effects, healthy supply conditions and adequate reservoir levels across the country. Reflecting the favourable macroeconomic environment, the RBI described the economy as being in a 'Goldilocks' phase and reduced the policy repo rate cumulatively by 125 basis points since February 2025 to 5.25%, while maintaining a neutral policy stance. Lower interest rates supported liquidity conditions, credit growth and retail financing demand across sectors.



During FY 2025-26, the Goods and Services Tax (GST) rationalisation provided a meaningful boost to the Indian two-wheeler industry, particularly in the mass and mid-premium motorcycle segments. The reduction in GST on two-wheelers below 350cc from 28% to 18% significantly improved affordability and lowered the on-road acquisition cost for customers. The lower tax structure enhanced the value proposition across key models, improved dealer throughput and strengthened retail momentum through more effective financing and promotional offerings without margin dilution.

3. Industry Performance in FY 2025-26

3.1. Two-wheeler ICE (India)

In FY 2025-26, two-wheeler sales grew by ~13% (all-India VAHAN), with a ~2% growth in Q1 & Q2 and a significant 19% growth in Q3 [due to GST revision]. This momentum sustained into Q4 with a strong 24% growth.

Industry wholesale volumes increased by 9% to 20.6 million units, from 18.8 million units in the previous fiscal year.

FY 2022-23

18% Full Year Growth Percentage

H1	20%
H2	16%

FY 2023-24

10% Full Year Growth Percentage

H1	8%
H2	11%

FY 2024-25

7% Full Year Growth Percentage

H1	9%
H2	6%

FY 2025-26

13% Full Year Growth Percentage

H1	3%
H2	21%

The significant performance markers in FY 2025-26 are listed here for reference:

Growth in FY 2025-26

Scooter – EV + ICE (ICE: Dispatch, EV: VAHAN)

17% ↗

8.49 Mn — Volume in FY 2025-26

7.28 Mn — Volume in FY 2024-25

Premium Motorcycle (Dispatch)

14% ↗

1.83 Mn — Volume in FY 2025-26

1.59 Mn — Volume in FY 2024-25

Commuter Motorcycle – Economy + Executive + Moped Industry (Dispatch)

3% ↗

10.04 Mn — Volume in FY 2025-26

9.75 Mn — Volume in FY 2024-25

Two-wheeler EV – Scooter Industry (VAHAN)

21% ↗

1.45 Mn — Volume in FY 2025-26

6.6% 0.4%* ↗ — Penetration in FY 2025-26

The growth of motorcycle industry in FY 2025-26 offered key insights:

- Premium motorcycle sales grew by 14% in FY 2025-26, reaching 1.8 million units compared to 1.6 million units in FY 2024-25 with a category share of 8.9% (8.5% in FY 2024-25) of the overall ICE two-wheeler industry.
- Commuter motorcycles continued to command dominant category share of 46.2% (49.3% in FY 2024-25) of the overall ICE two-wheeler industry.

This category, which comprises the Executive and Economy segments, saw a volume growth of 3% in FY 2025-26 with sales of 9.5 million units (from 9.2 million units in FY 2024-25). While the Economy segment grew by 4.5%, the Executive segment grew by only 0.7%, which resulted in its category share declining from 20.6% to 19%.

The ICE Scooter industry grew by 16% in FY 2025-26, with 7.03 million units sold compared to 6.07 million units in FY 2024-25, thereby increasing its category share from 32.3% (FY 2024-25) to 34.1% (FY 2025-26).

16%

ICE scooter industry growth in FY 2025-26





3.2. Two-wheeler EV (India)

EV industry retail sales, as per VAHAN, reached 1.46 million units in FY 2025-26, up 26% over last year. The average penetration of EV two-wheelers stood at 6.6%, growing from 6.2% last year. In Q4 FY 2025-26, the EV industry grew by 38%.

Sustained policy support from the Central Government through initiatives such as 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 the reduction in Goods and Services Tax (GST) on lithium-ion batteries has played a pivotal role in improving the affordability and adoption of electric vehicles.

Complementing these efforts, several state governments have introduced dedicated EV policies that provide additional incentives and infrastructure support, collectively accelerating the transition towards electric mobility.

3.3. Three-wheeler ICE + EV (India)

The retail industry posted a strong growth of 17%, from 0.67 million units to 0.78 million units in FY 2025-26. The wholesale industry grew by 11% during FY 2025-26, with volumes rising from 0.71 million units to 0.79 million units

The small-passenger segment (ICE + EV) grew by 7% in FY 2025-26 (from 0.42 million units in FY 2024-25 to 0.45 million units in FY 2025-26), while its contribution to the overall three-wheeler industry decreased from 58% to 56%.

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 ICE segment retails in Q3 FY 2025-26 & Q4 FY 2025-26 witnessed a growth of 8.7% & 19.1% over last year, owing to GST rate cuts w.e.f September 2025.

The adoption of EVs (L5) in the three-wheeler industry (retail) has significantly increased - from 22% in FY 2024-25 to 32% in FY 2025-26. The L5 EV segment's retails increased from 0.14 million units in FY 2024-25 to 0.25 million units in FY 2025-26, posting a growth of 71%.

3.4. International Business



Two-wheelers

The global two-wheeler industry grew by 11.8% in FY 2025-26, with ~5.2 million units exported from India, a growth of 23% over last year. Exports to the Africa region experienced higher growth with strong demand in Africa, while exports to the Middle East faced a decline.

Three-wheelers

The global three-wheeler industry grew by 52.5% in FY 2025-26, with 0.16 million units (160.9K) exported from India, registering a growth of 50% over last year. However, the growth was higher in H2 at 75%.



4. Management Discussion and Analysis

4.1. Company's Global Business Performance in FY 2025-26

The Company surpassed all its previous highs, achieving the highest-ever sales of 5.89 million units (up from the 4.74 million units in FY 2024-25).

The two-wheeler sales touched all-time high of 5.67 million units, recording a 23% growth over FY 2024-25. The three-wheelers sales were at 0.22 million units as against the 0.14 million units last year, translating to a 62.7% growth.



Motorcycles

1.42 Mn	Overall India sales	18% ↗
0.57 Mn	Sales in Premium category	29.5% ↗
0.76 Mn	Sales in Commuter segment	05% ↗

Scooters

1.93 Mn	India scooter sales	25.7% ↗
0.37 Mn	India EV sales	31% ↗

Public charging networks expanded to upwards of 5,000 charging points

Commercial Mobility – Three-wheelers

61k	Sales in India Commercial Mobility category	109% ↗

↗ Growth in FY 2025-26



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

The Company outperformed the broader two-wheeler industry (ICE+EV), which grew by ~9%, with a higher-than-industry growth of 19.1% across segments.

4.3. International Business

- **Two-wheelers:** In FY 2025-26, the Company registered a 30% growth in two-wheeler exports with 1.43 million units, against the 1.09 million units in the previous year. This was driven by strong business growth in Africa, LATAM and Asia.
- **Three-wheelers:** Three-wheeler exports during the year reached 0.16 million units, a growth of 50% over FY 2024-25. In the international markets, some African markets witnessed revival in industry due to currency stabilisation and lower inflation.

4.4. New Product Launches and Initiatives in FY 2025-26





TVS Apache – 20th Anniversary Limited Editions

FY 2025-26 marked a significant milestone for TVS Apache as the brand completed 20 years of leadership in performance motorcycling.

Launched in 2005, Apache has played a defining role in shaping India's performance motorcycle segment through race-derived engineering, segment-first innovations and a strong global community of over 6.5 million riders.

To commemorate this landmark journey, the 20th Anniversary Edition was introduced across the Apache portfolio, including the RTR Series, 310 Series and RTX.



The limited-edition models feature exclusive anniversary graphics and race-inspired livery, a distinctive 20-Year Anniversary crest, dual-tone alloy wheels and USB charger, collectively symbolising brand Apache's design evolution, innovation-led approach and performance DNA.

The Anniversary Edition stands as a tribute to the brand's remarkable legacy and continued focus on innovation, racing excellence, and the future of performance motorcycling.

TVS Apache RR 310 – OMC-inspired Edition

The latest update to the TVS Apache RR 310 introduces a striking Sepang Blue Race Replica colour, inspired by the TVS Asia OMC race bike, along with additional new colour options, reinforcing the motorcycle's racing pedigree.



It is equipped with a bi-directional quick shifter and segment first technologies, including aerodynamic winglets, Sequential TSL, transparent clutch cover, Cornering Drag Torque Control, and Launch Control, enhancing stability, performance, and rider confidence.

Advanced rider technologies such as the Gen 2 Race Computer with multi-language support further elevate control, safety and rider engagement.

Segment-first Technologies in Apache RR 310

- Aerodynamic winglets
- Sequential TSL
- Transparent clutch cover
- Cornering Drag Torque Control
- Launch Control



TVS Apache RTX 300

The Company expanded its premium motorcycle portfolio with the launch of the TVS Apache RTX, marking Apache's entry into the adventure rally tourer segment.

Building on the Apache brand's strong legacy and a global rider base of over 6.5 million, the Apache RTX extends TVS Racing and Apache's rally heritage, engineering excellence and evolving rider aspirations to combine performance with the spirit of exploration.

The motorcycle is powered by the new 299.1 cc RT XD4 engine, delivering 36 PS and 28.5 Nm, paired with a 6-speed gearbox with assist and slipper clutch and a steel trellis frame for multi-terrain capability.

The Apache RTX also features a mono-volume design and is equipped with advanced technologies, including TVS SmartXonnect with Map Mirroring, quick-shifter, adjustable suspension, TPMS and Class D LED headlamps with DRLs, enhancing its suitability for long-distance and adventure touring.



TVS Apache RTR 160 4V & 200 4V (TFT Variants)

The Apache portfolio was strengthened with the introduction of 5-inch connected TFT & Projector headlamp variants of the RTR 160 4V and RTR 200 4V.

Powered by oil-cooled 4 valve engines delivering 17.55 PS (RTR 160 4V) and 20.82 PS (RTR 200 4V), the TFT variants introduce the SmartXonnect™-enabled TFT cluster with voice assist, enhancing rider connectivity and engagement.

The motorcycles are equipped with advanced rider aids, including traction control, assist and slipper clutch, segment-leading Class D LED projector headlamp, LED TSLs and refreshed race-inspired graphics, elevating both performance and visual appeal.

With these upgrades, the Apache RTR 4V TFT variants reinforce Apache's leadership in delivering technology-rich, race-inspired performance motorcycles tailored to evolving rider expectations.





6.5 Mn TVS Apache's global rider base

SmartXonnect™ enabled TFT cluster with voice assist



TVS Ronin - Agonda Edition

The TVS Ronin Agonda is a limited edition offering inspired by the serene character of Agonda Beach, Goa, and the custom culture ethos that defines the Ronin brand. Drawing from the Company's first custom Ronin - known for its clean, mechanical aesthetic, the Agonda translates this philosophy into a refined white edition that is calm, confident and contemporary. Blending retro design cues with modern elements such as USD front forks, signature DRL and premium alloy wheels, the Ronin Agonda delivers a minimal yet distinctive visual identity reflective of its coastal inspiration.



Unveiled at TVS MotoSoul 2025 in Goa, the motorcycle returns to the origin of Ronin's design journey and further strengthens its positioning as a lifestyle led, design forward modern retro.

TVS Ronin Agonda

Unveiled at TVS MotoSoul 2025, Goa



TVS iQube 3.1 kWh Variant and Portfolio Refresh

The Company expanded its electric scooter portfolio with the introduction of a new TVS iQube 3.1 kWh variant, designed to further strengthen everyday electric mobility for Indian families. Built for practical urban commuting, the new variant offers an IDC-certified range of 123 km on a single charge and comes equipped with Smart Hill-Hold for improved safety on inclines, along with a refreshed UI/UX interface that enhances the overall riding experience.

With over 800,000 units sold and a presence across majority of our touchpoints, TVS iQube continues to be one of India's most trusted family EV 2Ws, delivering dependable performance, connected features and ease of use for daily riders.

The TVS iQube portfolio now offers five variants across multiple battery configurations, making it one of the most comprehensive offerings in the segment.

The refreshed lineup now includes the 2.2 kWh variant with 94 km IDC range, the newly introduced 3.1 kWh variant with 123 km, and 3.5 kWh variants across iQube and iQube S delivering 145 km of IDC range. At the top of the portfolio, the iQube ST 5.3 kWh offers an IDC range of up to 212 km.

The expanded lineup reinforces the Company's commitment to offering customers the 'Power of Choice' across range, technology, and riding needs, while ensuring complete assurance and simplicity of usage.

800,000 units

of TVS iQube sold





TVS Orbiter V1 & V2

The all-new TVS Orbiter V1 was launched in India with an innovative Battery-as-a-Service (BaaS) model. It is powered by a 1.8 kWh battery pack and joins the existing Orbiter range, which now comprises two variants – the V1 with the smaller battery and the V2 with a larger 3.1 kWh unit.

This new V1 variant makes the TVS Orbiter a lot more accessible and affordable. It offers a claimed IDC range of 86 km on a full charge. The battery can be charged from zero to 80% in ~2 hours and 20 minutes.

The TVS Orbiter V2, perfectly blends high performance with smart technology. Engineered for the modern Indian rider, it boasts an impressive 158 km IDC range on a single charge from its robust 3.1 kWh lithium-ion battery, ensuring range anxiety is a thing of the past. Its powerful 4.4 kW hub motor propels you to a top speed of 68 kmph, with Eco and Power modes to suit your riding style. The battery can be charged from zero to 80% in around four hours and 10 minutes.

Prioritising customer safety and convenience, both the scooters are equipped with a reliable braking system featuring a front drum and rear drum brake, along with advanced features like cruise control, auto hill hold mode, and a handy reverse mode. It is also IP67-rated for water and dust resistance, making it perfect for any weather.

The TVS Smart Connect app offers Bluetooth connectivity for incoming calls and messages, geo-fencing, turn-by-turn map navigation, and seamless OTA updates.

With practical features like a massive 34-litre boot space, a front USB port, and an easy-to-access box, the TVS Orbiter is not just a scooter; it's an ultimate smart mobility partner.

New TVS XL100

The Company's moped portfolio, now spanning 46 years, stands as one of India's most enduring automotive legacies, embodied in the evolution of the TVS XL series. From its early iterations to the latest XL100, the platform has consistently delivered reliable and accessible mobility to millions.

Since its inception in 1979, it has played a pivotal role in enabling affordable personal transportation across urban, semi-urban and rural India, becoming deeply embedded in the country's mobility landscape. With cumulative sales of approximately 17 million units to date, the Moped continues to evolve with changing customer needs while remaining a trusted symbol of durability, utility and everyday mobility. To carry the legacy forward, a new variant of the XL100 was launched.

Designed for evolving personal and utility needs, the new variant features alloy wheels, tubeless tyres, LED headlamp, improved suspension, refreshed styling, and dual-tone colour options. It continues to offer trusted features like Silent Start with ISG, ET-Fi for better mileage, and strong load-carrying capability, further strengthening XL100's role as a trusted partner in progress for millions of customers across India.

34 litres boot space

Practical features in TVS Orbiter

≥ 17 Mn units

Cumulative sales of TVS XL100



TVS Jupiter 110 Stardust Black Edition

The launch of TVS Jupiter Stardust Black Edition marks a significant milestone for the brand, celebrating TVS Jupiter being recognised as the 'Most Awarded Scooter of India' 2025. This exclusive edition adds a new layer of style and sophistication to the TVS Jupiter Portfolio.

Finished in a sleek matte black, this edition features an industry-first speckled panel, an exclusive brushed gold logo, and a 'Most Awarded Scooter of India' commemorative badge, making it a distinctive offering for customers seeking premium styling.



Positioned as the top-end model in the TVS Jupiter range, it further strengthens the line-up by blending progressive styling with advanced technology, comfort, and everyday convenience, while retaining the core first-in-segment features, including double helmet under-seat storage, external front fuel fill, and signature infinity light bar.

This milestone further reflects the brand promise of 'India ka Naya Zyada', as TVS Jupiter continues to deliver more style, innovation, and value to customers across the country.

'Most Awarded Scooter of India'

TVS Jupiter



TVS Jupiter 125 Dual Tone SXC Edition

The TVS Jupiter 125 Dual Tone SmartXonnect™ (SXC) represents a smart, stylish and practical upgrade for today's commuter. Delivering a perfect blend of performance, comfort, style and advanced connectivity, the new variant strengthens Jupiter's line up with compelling features that are superior within the 125cc commuter scooter segment.



It features progressive styling with dual-tone colour options — Ivory Brown and Ivory Grey — complemented by a newly designed seat, signature LED headlamp, and 12-inch front and rear alloy wheels.

Powered by a refined 124.8cc engine with iGO Assist technology, the scooter delivers superior pick-up with class-leading torque, without compromising fuel efficiency. Best-in-class convenience is delivered through double helmet storage (33L), an external front fuel fill, and a front open glove box. The Metal Maxx body, with its extensive metal panels enhances durability and rider safety. A fully digital SmartXonnect™ console with connected features further elevates everyday usability, reinforcing the Jupiter 125 Dual Tone SXC as a smart, stylish, and practical choice for the modern urban commuter.

Metal Maxx body

With extensive metal panels that enhance durability and safety



TVS Ntorq 150

Over 2 million NTORQians and 50 self-managed ride groups and communities define the relationship that has been built between one of India's most loved and iconic automotive brands and its riders. With the launch of TVS NTORQ 150, TVSM has given customers India's first 'Hyper Sport' Scooter.



It is designed to represent a symphony of high performance, sportier aesthetics and cutting-edge technology with performance and features such as:

- Fastest 0-60km/h acceleration in 6.3 sec
- Multipoint projector headlamps and signature sporty tail-lamps
- TFT cluster with 50+ connected features
- Alexa and smartwatch integration
- Safety with ABS and Traction control



TVS Raider 125 - TFT DD & SSE Editions

The TVS Raider TFT DD variant was launched with 99+ connected features and Dual Disc brakes with ABS. This variant offers customers a wide range of colours options.



The SSE variants, with the Iron Man, Black Panther, Deadpool, and Wolverine offer the customers an opportunity to bring the Marvel Universe to life.

TVS Raider SSE variants:

- **Iron Man**
- **Black Panther**
- **Wolverine**
- **Deadpool**

India's first 'Hyper Sport' Scooter

TVS Ntorq 150



TVS King Kargo HD EV

The TVS King Kargo HD EV establishes a new benchmark in the cargo three-wheeler segment by combining driver-first comfort, intelligent connected technology, heavy-duty capability, and sustainable mobility in one innovative platform.

Engineered to empower entrepreneurs, the vehicle features a best-in-class 6.6 ft load deck with leaf spring suspension, rapid acceleration, and charging from 0-100% in just 3 hours 10 minutes, enabling higher productivity and high uptime. Its 26 smart connected features provide real-time insights that help drivers and fleet operators optimise vehicle performance and efficiency.



Designed with safety and comfort at its core, the vehicle offers twin-axis ORVMs, high stability, LED headlights, ergonomic seating, and a premium spacious cabin to enhance the driver experience during long working hours. This capable cargo vehicle is now also available in a CNG variant.

26

Smart connected features in TVS King Kargo HD EV



TVS Racing

TVS Racing, the racing arm of the Company's Research & Development (R&D), delivered an outstanding performance in FY 2025-26 achieving a remarkable 99% podium finish rate across all races that it took part in.

PETRONAS TVS Racing secured wins in 8 out of 9 national championships it participated in, underlining competitive strength and technical superiority.

The team also successfully completed Asia's first-ever electric one-make racing programme for four consecutive years with its prototype race machine, 'RTE', marking a significant milestone in electric motorsport development.

On the international stage, the Sherco-TVS Rally Factory Team clinched a rally victory in Spain, further reinforcing the Company's global racing credentials. In addition, TVSM's ARRC Spec RR310 set new lap timing track record twice, demonstrating sustained performance advancement.

Beyond race results, the TVS Racing team actively contributed to strategic development initiatives, including the 260cc Adventure Rally Special Edition and Electric Supercross racing projects.

The Company continues to benefit significantly from the strong collaboration between the Racing Team engineers and the Product Development division. This integration enables the transfer of cutting-edge motorsport technologies into production models, accelerating innovation and ensuring the Company's products remain performance-driven and market-relevant.

8 wins

Out of 9 secured by PETRONAS TVS Racing in the National Championships

Experiential Brand Platforms: TVS MotoSoul 2025-26

During FY 2025-26, the Company further strengthened its engagement with India's motorcycling community through TVS MotoSoul, the flagship lifestyle and motorcycling festival. TVS MotoSoul continued to serve as a vibrant platform that brought together riders, customers, custom builders, motorsports enthusiasts, and industry partners to celebrate the culture, creativity, and camaraderie of motorcycling.

In its 5th edition this year, the event showcased the Company's growing focus on community-led brand building, blending product showcases with immersive riding experiences, motorsport demonstrations, custom motorcycle displays, and interactive sessions. Custom-built motorcycles based on key TVS models—including the TVS Ronin and Apache series—were presented, highlighting design innovation, craftsmanship, and the brand's commitment to personalisation and expressive motorcycling.

It also provided a platform for deeper engagement with rider communities such as the TVS Apache Owners Group (AOG) and TVS Ronin CuLT, reinforcing a sense of belonging and shared identity among enthusiasts. Curated rides, riding skill sessions, motorsport showcases and live performances contributed to a holistic experience that extended beyond products to lifestyle and culture.









Brand Experience and Engagement: Rann Utsav 2026

In February 2026, the Company partnered with Gujarat Tourism at the renowned Rann of Kutch as part of the Rann Utsav celebrations, creating a distinctive experiential platform that blended motorcycling, adventure, and India's rich cultural heritage.

As part of this collaboration, the Company unveiled exclusive five bespoke 'Rann Utsav' edition custom motorcycles that interpret the landscapes and cultures of the Rann of Kutch by incorporating design elements inspired by Gujarat's rich regional art and traditions.

Over 100 Riders from TVS Apache Owners Group (AOG) and TVS Ronin CuLT (Culture, Lifestyle, and Travel) Community undertook the first-ever West Chapter Ride to the Rann under the starry desert nights. The initiative underscored the Company's commitment to integrating lifestyle motorcycling with cultural tourism, while supporting Gujarat's vision of promoting sustainable tourism and contributing to the national development agenda aligned with Viksit Bharat@2047.





4.5 BMW Association

The strategic partnership between TVS Motor Company Limited and BMW Motorrad, that began in FY 2013-14, has emerged as a distinctive benchmark in the global two-wheeler industry. The alliance has delivered several successful global products on the single cylinder 310 cc platform.

Together, these products have built a strong global footprint with over 206,000 customers across key markets such as the European Union, the United States, Latin America, Japan, China, and India.

In December 2025, the Company marked a significant milestone in its global manufacturing partnership with BMW Motorrad as the 200,000th BMW motorcycle rolled off the production line at the Company's Hosur facility.

Further strengthening the portfolio, the new BMW F 450 GS was unveiled at EICMA 2025 in November 2025.

The Company continues to play a pivotal role in the design, development, and industrialisation of upcoming BMW Motorrad products, while ensuring world-class quality standards, robust supply chain management, and scalable manufacturing excellence.

Building on more than a decade of successful collaboration, both companies have defined a future roadmap encompassing multiple new product platforms and advanced technologies. With several super-premium models currently under development, the partnership is well positioned to unlock significant growth opportunities and further strengthen its global presence in the segment.

BMW F 450 GS

Unveiled at EICMA 2025

5. Financial Performance Report

5.1. Company's Financial Performance in FY 2025-26

Details	Year Ended 31st March 2026	Year Ended 31st March 2025
SALES		
Quantitative		**(Number in lakhs)**
Motorcycles	27.13	21.95
Mopeds	5.44	5.10
Scooters	24.13	19.04
Three-wheelers	2.19	1.35
Total Vehicles Sold	**58.89**	**47.44**
Financials		**(₹ in crores)**
Revenue from Operations	**47,270**	**36,251**
Other Income	(30)	(41)
Profit/Loss before Depreciation, Finance Costs, Exceptional Items and Tax Expense	6,049	4,408
Less: Depreciation/ Amortisation/ Impairment	900	748
Profit/Loss Before Finance Costs, Exceptional Items, and Tax Expense	5,149	3,660
Less: Finance Costs	204	139
Profit/Loss Before Exceptional items and Tax Expense	4,945	3,521
Add/(Less): Exceptional Items	(41)	-
Profit/Loss Before Tax Expense – Continuing operations	**4,904**	**3,521**
Less: Tax Expense (Current and Deferred)	1,289	917
Profit/Loss After Tax – Continuing operations	**3,615**	**2,604**
Profit/Loss Before Tax Expense – Discontinued operations	-	22
Less: Tax Expense (Current & Deferred)	-	(8)
Profit/Loss After Tax – Discontinued operations	-	30
Profit/Loss After Tax for the year	3,615	2,634
Total Comprehensive Income/Loss	165	32
Total	**3,780**	**2,666**
Less: Dividend on Equity Shares	570	475
Balance Carried Forward	**3,210**	**2,191**

5.2. Dividend

The Board of Directors of the Company (the Board) at their meeting held on 24th March 2026, declared an interim dividend of ₹12 per share (1,200%) on 47,50,87,114 equity shares of ₹1 each for the year FY 2025-26, absorbing a sum of ₹570 crore. The dividend was paid to shareholders on 18th April 2026.

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 2026-27

Global Outlook

Global economic growth was projected by the IMF at around 3.2% during Q1 to Q3 of FY 2025-26, moderating marginally to ~3.1% in Q4 FY 2025-26, with emerging market economies continuing to drive growth. Advanced economies are expected to see relatively modest expansion amid fiscal consolidation, evolving trade policies and geopolitical developments.

The global operating environment remains influenced by tariff actions, trade fragmentation and geopolitical tensions, which have reshaped supply chains, particularly for semiconductors, critical minerals and technology-intensive components. Disruptions to key maritime routes have contributed to higher freight and insurance costs, carrier surcharges and input-cost volatility, leading to potential short- to medium-term supply interruptions and elevated landed costs. In addition, ongoing geopolitical tensions in the Middle East present upside risks to global inflation, primarily through energy prices, with possible spillovers into currency volatility and near-term demand moderation in select markets.

Another megatrend to watch out for is the likely impact of AI on consumption economies as job displacement and slower wage growth moderate household spending sentiment. As consumers adopt a more cautious and austere outlook, discretionary demand may soften, with a greater emphasis on value, utility and essential purchases.

Against this backdrop, the Company is closely monitoring the progress of the war for determining appropriate strategies to be adopted to ensure business continuity. The two-wheeler international business is expected to maintain positive momentum, driven by growth in Africa and increasing volumes in Asia, ASEAN and Latin America.

While global demand remains subject to external uncertainties, the Company is positioned to navigate these challenges through its diversified geographic footprint, disciplined risk management, strong execution capabilities and continued focus on building the international business, supported by India's ongoing bilateral and multilateral trade engagements.

African mobility demand continues to remain structurally strong, supported by rising two-wheeler penetration, rising urbanisation, and increasing dependence on affordable personal and last-mile mobility solutions. Africa remains one of the key markets for the Company.



While the ongoing geopolitical conflict may lead to some near-term volatility in fuel and logistics costs, the long-term demand outlook for the two-wheeler industry across Africa remains favourable.

As a major oil exporter, Nigeria, is expected to benefit from elevated crude oil prices, with stronger export earnings and forex inflows supporting macroeconomic stability, fiscal revenues, and GDP growth. The IMF projects Nigeria's economy to grow by 4.1% in FY 2026-27.

Similarly, resource-rich economies such as Democratic Republic of the Congo and Guinea are expected to benefit from favourable commodity price trends, particularly across metals and mining exports. Higher commodity realisations are likely to support export revenues, government finances, infrastructure spending, and broader macroeconomic conditions, partially offsetting the impact of global financial tightening and external uncertainties.

In South Africa, easing power supply disruptions, moderating inflation and improving business confidence are expected to support gradual recovery in mobility demand, making it an important strategic market for the Company's expansion plans as it steps into the next fiscal year.

Overall, the international business is expected to demonstrate resilience and gradual improvement during FY 2026-27.





India Outlook

In India, demand conditions remain resilient, supported by favourable fundamentals, GST-led consumption momentum and a healthy replacement cycle. While risks remain from higher fuel prices, inflationary pressures, evolving regulatory norms and tighter liquidity conditions, stable inflation trends and stable reservoir levels provide partial offsets, subject to monsoon performance.

India is expected to retain its position as one of the fastest-growing major economies, with GDP growth projected in the range of 6.0%–6.5%. At the same time, the macroeconomic outlook is increasingly influenced by global geopolitical developments, including conflicts in West Asia, which could impact trade flows, energy prices, raw material costs and financial markets.

The possibility of an El Niño event could weigh on monsoon patterns and may have broader implications for India's economy through its impact on agricultural output, rural incomes, and overall consumption sentiment.

Within this context, the Company believes India's long-term structural growth drivers continue to underpin demand across personal and commercial mobility. The two-wheeler segment is expected to benefit from replacement demand and steady consumer sentiment, though near-term growth could moderate depending on inflation, fuel prices and input-cost movements. Demand in the three-wheeler segment is anticipated to be supported by last-mile connectivity and intra-city mobility needs, even as operators remain investment-selective.

Overall, the Company expects India two-wheeler and three-wheeler demand in FY 2026-27 to broadly track the previous year's performance, subject to external developments. This outlook is supported by the Company's diversified product portfolio, strong brand equity, extensive distribution network, cost discipline, continued innovation and customer-centric focus, underpinned by a resilient, multi-sourced supply chain that provides agility in a dynamic and uncertain operating environment.

7. Operations Review

7.1. Risk Management Policy

The Company has established a comprehensive Risk Management Policy to systematically identify, assess, monitor and mitigate risks that may impact the achievement of its strategic and business objectives. The policy provides a structured and proactive approach to risk management and is embedded within the Company's overall governance and decision-making framework.



Risk Management Framework

The Company's risk management framework comprises the following key elements:

- **Risk Identification:** Risks are identified through a continuous and structured process covering both internal and external factors, including market dynamics, regulatory changes, operational processes, financial exposures, cybersecurity threats, information technology risks and ESG-related considerations.
- **Risk Assessment and Prioritisation:** Identified risks are evaluated based on their likelihood of occurrence and potential impact, using both qualitative and quantitative assessment methodologies. Risk prioritisation is aligned to the Company's risk appetite, strategic objectives and severity thresholds, enabling focused management attention.
- **Risk Mitigation and Control:** The Company adopts a proactive approach to risk mitigation through clearly defined strategies, including optimisation of operational processes, deployment of appropriate technologies, contingency planning and allocation of adequate resources to manage and control risks.
- **Risk Monitoring and Reporting:** Risk exposures and the effectiveness of mitigation measures are monitored on an ongoing basis through key risk indicators and periodic reviews. Significant risk indicators and mitigation status are reviewed regularly by the management team and reported regularly to the Board.
- **Governance and Oversight:** Risk management is an integral part of the Company's governance structure. The Board of Directors provides overall oversight, supported by the Risk Management Committee, which reviews strategic, financial, market, operational, IT, legal, regulatory and ESG risks, and monitors the implementation and effectiveness of mitigation actions.

The risk management framework is robust, well-defined and periodically reviewed to ensure its continued relevance and effectiveness in a changing business environment. The Board has approved a comprehensive risk mitigation policy and is confident that the Company has adequate systems and processes in place for effective risk identification, assessment, monitoring and management.

The Risk Management Committee oversees various risks and recommends appropriate actions based on the threat level.

7.2. 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.



7.3. Total Quality Management (TQM)

Total Quality Management (TQM) remains a core way of working for the Company, underpinned by a strong culture of Total Employee Involvement (TEI). During the year, focused efforts were directed towards strengthening process discipline, enhancing customer experience and delivering sustained operational excellence.

Across manufacturing, all plants continued to challenge world-class benchmarks through consistent and advanced deployment of Total Productive Maintenance (TPM) practices.

The Dealer TQM cluster approach was further strengthened to drive breakthrough improvements in customer satisfaction, market share and profitability. The programme was supported by leadership-led change management workshops and a sharper focus on rigorous Daily Work Management (DWM). Company-wide emphasis was placed on strengthening DWM through structured self-audits and layered audits on SOP adherence, enabling closure of gaps and sustained discipline.

Digital and AI interventions were increasingly leveraged to improve demand forecasting and enhance customer-facing processes, aligned to defined customer, business and functional performance objectives.

On the supplier side, the Supplier Development Programme continued to embed the TVS Production System across priority suppliers, driving improvements in process maturity, quality and delivery through sustainable manufacturing and waste reduction. Advanced practices including Vision AI and predictive maintenance were scaled across a wider supplier base.

TEI remained strong through Kaizen, QCCs and cross-functional projects that supported safety, quality and profitability. Under the TVS Way certification framework, 750+ employees were trained and 600+ certified as Yellow Belts, strengthening structured problem-solving, waste elimination, inventory and asset management, and working capital efficiency.

Communities of Practice (CoPs) across Operations Research, Reliability and Taguchi methods continued to accelerate cross-functional problem resolution and dissemination of best practices.

The Company also ensured consistent and continued 100% participation in the TEIAN initiatives, which has resulted in impressive cost savings of ₹49 crore during

the year. Notably, around 40% of employees' families actively engaged in the Home Kaizen programme, implementing over 350 home kaizens focused on water and energy conservation, enhancing home safety, and eliminating waste. These collective efforts not only reflect commitment to innovation and sustainability but also highlight the meaningful impact achieved by extending initiatives beyond the workplace.

>750

People trained on TVS Way

600+

Employees certified as Yellow Belts

7.4. Research and Development

FY 2025-26 marked a transformative year for the Company's Research & Development function, with accelerated progress across advanced powertrains, digital and connected technologies, rider assist systems, electric mobility and premium platform engineering. Strategic investments in global R&D capabilities, coupled with future-ready technology showcases, reinforced the Company's position as an innovation-led global mobility player.

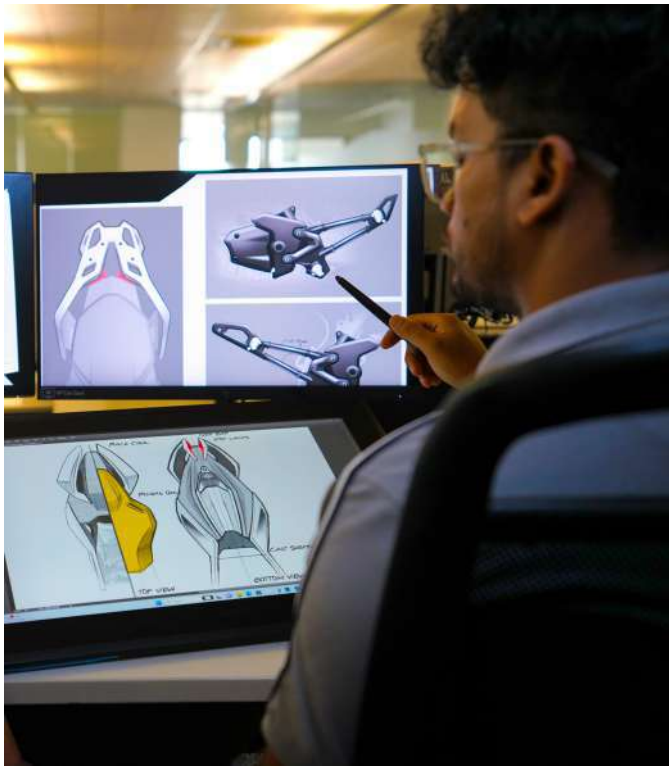
- **Global Engineering & Design Capabilities:** The Company strengthened its global R&D footprint with the establishment of a Global Centre of Excellence (CoE) for Design and Engineering in Bologna, Italy, following the acquisition of Engines Engineering S.p.A. The CoE significantly enhanced capabilities in rapid prototyping, digital simulation, modular platform development and premium motorcycle design, while enabling deeper engineering synergies with Norton Motorcycles.





- **Advanced Powertrain & Platform Development:** The year saw the deployment of a new 300cc-class powertrain and an adventure-touring platform, engineered for mixed-terrain performance with optimised chassis geometry and dynamic ride characteristics. This platform underpins next-generation premium offerings and demonstrates strong capability in scalable, modular architecture development.
- **Digital, Connected & Software-Defined Features:** The Company made major advances in connected vehicle technologies, including 5-inch TFT SmartXonnect clusters, voice assist, integrated navigation, hazard alerts and Android Auto compatibility. Innovations such as AR-enabled Heads-Up Display (HUD) helmet integration reflect the growing convergence of hardware, software and rider experience.
- **Advanced Rider Assistance & Safety Technologies:** Enhanced safety features, including traction control systems, full LED lighting and Class-D projector headlamps were integrated across multiple platforms, reinforcing the Company's focus on intelligent, rider-centric safety engineering.
- **Electric Mobility & Aerodynamic Efficiency:** Progress on the electric mobility roadmap, highlighted by advancements in high-efficiency electric powertrains, lightweight architecture, aerodynamic optimisation and packaging innovations that deliver improved range, performance and everyday usability.

- **Design Innovation & Brand Differentiation:** Limited-edition technology-enabled variants commemorating 20 years of the Apache brand showcased the Company's ability to combine design innovation, digital features and performance engineering to enhance brand equity and customer engagement.



- **Commercial Mobility:** The TVS King Kargo HD EV is an electric cargo three-wheeler, launched for urban and semi urban logistics. It is designed to deliver high load ability, strong performance, fast charging, and advanced connectivity, positioning TVS as a strong contender in the electric commercial 3W segment.

Overall, FY 2025-26 reflected a step-change in R&D maturity, with integrated advances across engineering, digitalisation, safety and electrification positioning the Company as a future-ready, technology-driven global mobility leader.

Global Centre of Excellence (CoE)

Established in Bologna, Italy

7.5. Digital and AI Technologies

Digital & AI (D&AI) remained central to the Company's growth agenda in FY 2025-26, driving impact across customer engagement, business growth, operations and new product development.

AI-enabled digital channels and partner integrations expanded market reach, supported by voice and vision-based AI solutions that enhanced sales effectiveness. Cloud-native, AI-driven applications strengthened quality, procurement and production while accelerating paperless transformation across enterprise functions.

Digitalisation of sustainability initiatives advanced through automated carbon data capture and responsible digital practices. The Company also reinforced cybersecurity and digital defence, strengthening governance, threat detection, data protection and multi-cloud resilience to ensure secure and reliable operations.

Going forward, D&AI will focus on customer experience, supply chain resilience, enterprise capability enhancement and cyber-resilient growth.

7.6. Environment, Occupational Health and Safety

In FY 2025-26, the Company strengthened its commitment to environmental stewardship, workplace safety, and employee well-being through structured management systems and targeted initiatives across its global operations.

During the year, the Company released its first Nature Report aligned with the Taskforce on Nature-related Financial Disclosures (TNFD), marking an important step in integrating nature-related risks and opportunities into its sustainability strategy while reinforcing its commitment to the UN Sustainable Development Goals (SDGs).

The Company also strengthened its ESG performance, achieving a CDP Climate Change score of A– (Leadership) and an ESG score of 65/100 from S&P Global, ranking among the top seven in the global automotive sector.

All plants in India (Hosur, Mysuru and Nalagarh), along with Norton Motorcycles, are certified under internationally recognised ISO 14001:2015 (Environmental Management), ISO 45001:2018 (Occupational Health and Safety), and ISO 50001:2018 (Energy Management) standards. Indian manufacturing operations remain certified under SA 8000:2014, reflecting commitment to responsible labour practices and ethical workplace standards.

The Company's efforts in sustainable manufacturing received external recognition during the year. The Nalagarh and Hosur facilities were awarded Gold and Platinum ratings respectively under the GreenCo Rating by the CII–Godrej Green Business Centre, recognising excellence in energy efficiency, water positivity, zero waste to landfill practices and overall environmental performance.

During the year, the Company further accelerated its transition to renewable energy (RE). In India, it achieved approximately 97% RE mix in its electricity mix, avoiding an estimated 76,708.24 tCO_2e emissions.

TVS Jupiter 125, TVS iQube, TVS Apache 160 4V, TVS Apache RR 310 and TVS Apache RTR 310 became the first two-wheelers in India to receive the GreenPro Type I Ecolabel, reinforcing the Company's commitment to sustainable product development.

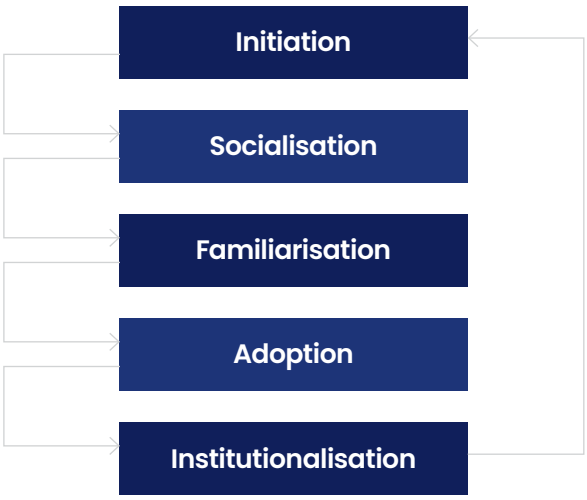
During the year, the Company implemented physical and mental wellness initiatives under its My Health Index (MHI) programme, including preventive health screenings, counselling support and hands-on wellness interventions, resulting in a ~40% shift of employees from at-risk to optimal health zones across select cohorts.

Safety performance was managed through the My Safety Index (MSI) framework across Hosur, Mysuru, Nalagarh, PT TVS Indonesia and Norton Motorcycles (UK). Additional initiatives such as the Driver Management Centre (DMC) at Hosur and Contractor Management Centres (CMC) across plants enhanced safety monitoring and compliance.

7.7. Human Resource Development

Aligned to its long-term vision, the Company's people strategy is focused on building a high performance, future-ready organisation. The Company firmly believes that sustainable business success is driven by its people and continues to invest in developing capabilities that support long term growth, resilience and global competitiveness.

The Company's values and leadership competencies form the cornerstone of its organisational culture. These have been systematically embedded across the organisation through a structured five phase approach – Initiation, Socialisation, Familiarisation, Adoption and Institutionalisation, resulting in 100% coverage on values and fostering a strong, purpose-driven culture aligned with the Company's strategic priorities.



As the Company continues to expand its global footprint, it has strengthened its talent base in line with evolving business needs. The talent management framework focuses on building a steady pipeline of leadership ready talent, while performance management processes continue to reinforce a high-performance culture across the organisation. Critical hiring remains a focus area to support future business requirements and strategic growth initiatives.

Recognising the critical role of leadership in enabling global expansion, the Company has implemented structured leadership development programmes to identify, nurture and prepare future leaders. These programmes are designed to ensure leadership continuity and organisational readiness as the Company scales its operations across international markets.

The leadership development framework is structured across three levels—junior, middle and strategic leadership—to build a strong and sustainable leadership pipeline. Identified high potential employees are supported through a blend of learning and development interventions, including certified global management programmes delivered in partnership with leading academic institutions.

These initiatives have strengthened the internal leadership bench and serve as a key feeder for leadership roles across the Company and its Group entities.



Diversity, Equity & Inclusion

The Company remains committed to fostering a diverse, equitable and inclusive workplace. It has been recognised among the Top 15 'Best Companies for Women in India' and is the only automotive company to receive this recognition for the sixth consecutive year. It has also been certified as a 'Most Preferred Workplace' by EY and received the 'Women in STEM Excellence Award' from Confederation of Indian Industry [CII].

The Company ensures equal opportunities for women and Differently Abled Persons (DAP) across both white collar and blue-collar roles. DAPs constitute 3% of the workforce (500+ employees) across all plant locations. Women represent 21% of the blue-collar workforce and 15.5% of the white-collar workforce, reflecting steady progress towards a more inclusive organisation.

'Most Preferred Workplace'

Certified by EY

'Women in STEM Excellence Award'

Received from CII

Top 15 'Best Companies for Women in India'

Only automotive company to receive this recognition for the sixth consecutive year

TVS Institute of Quality & Leadership [TVS IQL]

The TVS Institute of Quality & Leadership [TVS IQL] plays a pivotal role in strengthening the Company's organisational capabilities and enabling long-term sustainability through its holistic talent philosophy, 'The TVS Way'. Evolving from a Learning Centre to a Corporate University in 2018, IQL continues to invest in building future-ready capabilities through structured competency frameworks and strategic partnerships with leading universities. Leadership and management development are delivered in collaboration with globally reputed institutions, while Communities of Practice foster knowledge-sharing in key domains.

IQL has achieved Global GCCU certification up to the Performance level and has received multiple awards recognising excellence in learning and development.



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 India 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 FY ended 31st March 2026, the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any;
- 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 FY 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 FY ended 31st March 2026 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 crucial part of its value system. Srinivasan Services Trust (SST), the CSR arm of TVS Motor Company has been implementing various socio-economic development programmes in thousands of villages across five states of India viz. Tamil Nadu, Karnataka, Andhra Pradesh, Maharashtra and Himachal Pradesh in the last 30 years.



SST follows an integrated, holistic and participatory approach to village development, working in close association with the communities and the Government. SST nudges communities to embrace practices towards a better quality of life by ensuring a participatory approach right from the stage of planning to execution of activities.

SST aim is to bring about sustainable development in villages through Total Community Involvement (TCI). SST focusses on society building through the development of women and children, conserving water, repairing and renovating government health and education infrastructure and preserving the environment in its 2,500 working villages across the country.

SST has so far facilitated in the formation of over 5,000 Self-Help Groups (SHGs) consisting of more than 60,000 women, who have been empowered both socially and economically. More than ₹150 crore of annual income is being generated by the women in Self-Help Groups by engaging in livelihood activities. During FY 2025-26, three SHGs facilitated by SST have been honoured with the prestigious Manimegalai Award by the Government of Tamil Nadu for empowering women and fostering economic growth.

SST has so far renovated more than 2,400 government infrastructures, which includes anganwadis, schools, health centres, veterinary centres and other village community infrastructures. SST has partnered with organisations such as Gramalaya, Agastya International Foundation, Villmart Education and Solutions, Shreeja Mahila Milk Producer Company, NavSahyog Foundation, Agaram Foundation, Magic Bus India Foundation, Care Works Foundation, National Bank for Agriculture and Rural Development (NABARD) and Sankara Eye Foundation to enhance the impact for the community.

More than 25,000 farmers have been benefitted by its water conservation projects like repairing, renovating and rebuilding water conservation structures that include desilting of tanks, channels and creation of percolation ponds. Across the working villages over 530+ water conservation projects have been implemented. This has created an additional water storage capacity of 169 crore litres.

SST also ensures last mile connectivity for availing the government social security schemes and agriculture & livestock schemes to reach the unreached population. Apart from renovating the government health centres and conducting regular medical camps, SST runs seven medical centres and four mobile medical vans in its working areas. Today, through SST's interventions, over two lakh healthcare consultations are facilitated annually, improving access to essential health services for rural communities.

SST has also afforested over 14,000 acres of barren areas including degraded forests, panchayat hillocks and plains in the last three decades. SST is working with Grassroots Research and Advocacy Movement (GRAAM) and Anna University to carry out social impact studies for the various projects undertaken by the trust.

SST has won the following awards during FY 2025-26:

- Excellence Award in Corporate Social Responsibility under the 20th CII ITC Sustainability Awards 2025
- 8th ICC Social Impact Awards 2026 Rural Development was adjudged the Runners-up
- Gold Award under the category of 'Best HR Practices in CSR in Manufacturing and Process (Large)' in the 9th CII National HR Circle Competition
- Award for 'Best Water Conservation' from the Tamil Nadu Water Resources Department.

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 2025-26 are given by way of **Annexure IV** 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 2026-27, 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:

- **Engines Engineering S.p.A, Italy,** was acquired (100%) by TVS Motor (Singapore) Pte Limited, Singapore on 3rd October 2025.
- **Norton Motorcycle Private Limited, Chennai and Norton USA LLC, Delaware, USA,** wholly owned Subsidiaries of The Norton Motorcycle Co Limited, UK were incorporated in India and USA on 19th August 2025 and 6th November 2025, respectively.
- Additional investment in **TVS Credit Services Limited (TVS Credit),** a subsidiary of the Company to a sum of ₹171.51 crore on 3rd November 2025. Pursuant to the above additional investment, the Company's shareholding in TVS Credit has increased from 80.69% to 80.76% (on a fully diluted basis);
- Additional investment in **DriveX Mobility Private Limited (DriveX),** a subsidiary of the Company to a sum of ₹88.09 crore in various tranches. Pursuant to the above additional investment, the Company's shareholding in DriveX has increased to 92.21%.

11.2. Disinvestments

- **Altizon Inc., USA,** ceased as an associate of TVS Digital Pte Ltd. **(TVS Digital)**, a step down wholly owned subsidiary and of the Company effective 23rd January 2026. This change was consequent to the reduction in shareholding below 20% due to additional shares allotted to its promoters.
- The Company has disinvested its stake held in **Roppen Transportation Services Private Limited (Rapido)** during the year and realised a sum of ₹288 crore as against the investment of ₹114 crore.

11.3. Mergers/Other Corporate Actions

- **Swiss E-Mobility Group (Schweiz) AG, Switzerland, Alexand'Ro Edouard'O Passion Velo Sarl, Switzerland and The GO Corporation, Switzerland** merged with TVS EBike Company AG, Switzerland (Formerly known as Swiss E-Mobility Group (Holding) AG, Switzerland) on 30th June 2025.
- **Sundaram Auto Components Limited (SACL)** has been amalgamated with the Company through a Scheme of Amalgamation (Scheme) which was approved by the Hon'ble National Company Law Tribunal, Chennai Bench on 6th May 2026. The merger is effective from 12th May 2026 (being the date of filing of Hon'ble NCLT Order with Registrar of Companies). Consequent to the effectiveness of the Scheme, SACL stands dissolved without winding up and all its assets, liabilities, rights, obligations, and undertakings stand transferred to and vested in the Company in accordance with the provisions of the Scheme.

As on 31st March 2026, the following are the subsidiaries/associates of the Company:

11.4. Subsidiaries

- TVS Credit Services Limited (TVS CS), Bengaluru
- TVS Motor Services Limited, Chennai
- TVS Electric Mobility Limited, 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
- DriveX Mobility Private Limited, Coimbatore

11.5. Subsidiaries of TVS CS

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

11.6. Subsidiaries of TVSM Singapore

- TVS EBike Company AG, Switzerland (TVS EBike) (Formerly known as Swiss E-Mobility Group (Holding) AG)
- The Norton Motorcycle Co Limited, UK (Norton)
- TVS Digital Pte Ltd, Singapore
- TVS EBike Company Limited (Formerly known as EBCO Limited, UK)
- TVS Motor GmbH, Germany (Formerly known as Celerity Motor GmbH)
- Engines Engineering S.p.A, Italy [effective 3rd October 2025]

11.7. Subsidiaries of TVS EBike

- EGO Movement Deutschland GmbH, Germany
- Swiss E-mobility Group (österreich) Gmbh, Austria
- TVS EBike Company GmbH, Germany (Formerly known as Colag E-Mobility GmbH, Germany)

11.8. Subsidiaries of Norton

- Norton Motorcycle Private Limited, Chennai [effective 19th August 2025]
- Norton USA LLC, USA [effective 6th November 2025]

11.9. Associates

- Ultraviolette Automotive Private Limited, Bengaluru

11.10. Associates of TVSM Singapore

- Killwatt GmbH, Germany

11.11. Associates of TVS Digital Pte Ltd

- Predictronics Corp., USA

11.12. Subsidiaries' and Associates Performance

TVS Credit Services Limited (TVS CS)

TVSCS is the retail finance arm of the Company for financing of two wheelers, three wheelers, used cars, used and new tractors, used commercial vehicles, consumer durables, Personal Loan, Gold Loan and Mid Corporate loans. TVSCS primarily caters to self-employed, new to credit borrowers in the semi-urban and rural areas in India. TVSCS has an extensive presence in 22 states across India with serving more than 2 crore customers.

During FY 2025-26, TVSCS's overall disbursements registered at ₹33,018 crore as compared to ₹26,301 crore in the previous year registering growth of 26%. The book size of TVSCS registered a growth of 15% to reach ₹30,639 crore as of March 2026 from ₹26,647 crore as of March 2025. Total income during the FY 2025-26 grew by 9% at ₹7,196 crore from ₹6,609 crore during FY 2024-25. The PBT grew by 21% at ₹1,238 crore as against ₹1,025 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.

The Norton Motorcycle Co Limited, UK (Norton)

Norton unveiled its Resurgence portfolio of 4 new models at the EICMA Milan, in November 2025. These marked a significant milestone in the journey. These included two forms of a 1200cc, 4-cylinder motorcycle and two forms of a 600cc twin cylinder platform. This launch reflects the significant progress made in rebuilding Norton's product portfolio and brand positioning.

Since acquiring Norton brand, the Company has laid a strong foundation for sustainable growth, including the establishment of a state of the art manufacturing facility and a dedicated engineering and design centre. These investments have strengthened Norton's capabilities across product development, quality engineering, and industrialisation leading to long-term value creation.

The premium and super premium motorcycle segments are expected to demonstrate sustained growth, and Norton is well positioned to participate meaningfully in this market through a robust and clearly defined product pipeline. TVS Motor continues to support Norton through sustained investments in new product development, advanced facilities, research and development, and world class quality engineering, aligned with Norton's philosophy of Design, Dynamism, and Detail.

The Company will continue to invest strategically, leveraging its engineering, design, development, and supply chain capabilities to deliver high quality products in a cost effective and scalable manner.

As part of its growth strategy, Norton is preparing for phased international expansion, with an initial focus on the UK, Europe, India and USA in phase 1.

The following companies are the subsidiaries of Norton:

- Norton Motorcycle Pvt. Ltd, India [effective 19th August 2025]
- Norton USA LLC, USA [effective 6th November 2025]

All the above subsidiaries are yet to commence their operations.

PT TVS Motor Company Indonesia (PT TVS)

During the FY, PT TVS two-wheeler sales grew by 40%, standing at 0.20 Mn units as against 0.14 Mn units during the previous FY, and three-wheeler sales is at 11,500 units as against 4,727 units during the previous FY. During the year PT TVS reported operating EBITDA of $8 Mn.

DriveX Mobility Private Limited (DriveX)

DriveX a subsidiary of the Company, is engaged in the business of procurement, refurbishment, and retail of pre-owned multi-brand two-wheelers, including motorcycles and scooters. The Company operates through a combination of company-owned company-operated (COCO) stores and franchisee-led (FOFO) outlets. As on 31 March 2026, DriveX

operates 12 COCO stores and approximately 23 FOFO outlets, with a primary presence across the southern states of Karnataka and Tamil Nadu. The Company also runs two refurbishment centres located in Hosur and Coimbatore.

In addition to its physical retail network, DriveX operates a customer-to-customer (C2C) digital platform, DriveX DIRECT, which serves as an end-to-end online marketplace for buying and selling multi-brand pre-owned two-wheelers. The Company also operates an auction platform, DriveX Auction Platform (DAP), facilitating vehicle sales to open market brokers.

During the FY 2025–26, DriveX reported a revenue of ₹74 crore, as compared to ₹61 crore in the previous FY 2024–25.

During the year under review, the Company increased its stake in DriveX by an additional 2.81%. Consequently, the Company's shareholding in DriveX stands at 92.21% as on 31st March 2026.

TVS EBike Company AG, Switzerland (TVS EBike) (Formerly known as Swiss E-Mobility Group (Holding) AG).

TVS EBike Company AG, Switzerland (TVS EBike), a wholly owned subsidiary of TVS Motor (Singapore) Pte Ltd, along with its subsidiaries Swiss E-Mobility Group (Osterreich) GmbH, Austria, TVS EBike Company GmbH, Germany, Nuremberg and EGO Movement Deutschland GmbH, Germany operates in the DACH (Germany, Austria and Switzerland) region.

In CY 2025, TVS EBike reported revenues of CHF 56 Mn amidst tough market conditions in Europe. The market in CY 2026 continues to address challenges of excess inventory and excessive discounting.

TVS EBike Company Limited, UK (Formerly known as EBCO Limited) EBCO Ltd, UK

TVS EBike Company Limited, UK (Formerly known as EBCO Limited), 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 2025-26, TVS EBike UK reported a revenue of GBP 1.2 Mn as against GBP 1.14 Mn during FY 2024- 25.

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.

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. Limited

TVS Motor (Singapore) Pte Limited, a wholly owned subsidiary of the Company. During the year, the Company has invested a sum of $ 222.16 Mn in the ordinary shares of TVS Motor (Singapore) Pte Limited.

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 on 27th June 2024. The subsidiary has been established to strengthen and expand the Company's international operations by effectively catering to the Middle East and North Africa (MENA) 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 Autotech and Fintech platforms.

During FY 2025-26, the Company earned revenue of ₹46.74 crore (including software IP sale of ₹ 43.15 crore) against the revenue of ₹8.93 crores for FY 2024-25. The Company made a profit before tax of ₹2.39 crores during FY 2025-26 as against a net loss of ₹69.25 crores in FY 2024-25.

Ultraviolette Automotive Private Limited (UV)

Revenue of UV was ₹126.50 crore in FY 2025-26 as against ₹36.15 crores in the previous FY 2024-25 and incurred a loss tax of ₹154.08 crore in FY 2025-26 as against ₹116.28 crore in last year. 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 ₹3.92 crore in FY 2025-26 as against ₹2.8 crore in the previous FY 2024-25 and incurred a loss of ₹0.49 crore in FY 2025-26 as against ₹2.04 crore in last year.

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.

Revenue of Killwatt was ₹24.3 crore in FY 2025-26 as against ₹28.17 crore in the previous FY 2024-25 and earned a profit of ₹0.11 crore in FY 2025-26 as against loss of ₹6.12 crore in last year

12. KEY FINANCIAL RATIOS

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

Ratios	UoM	Standalone		Consolidated	
		2025-26	2024-25	2025-26	2024-25
Debt Equity	Times	0.24	0.14	2.60	2.76
Return on Net worth	%	34.22	29.54	33.41	28.86

The increase in Debt Equity ratio (Standalone) was due to issue of Bonus listed non-convertible redeemable preference shares (NCRPS) by way of utilising the surplus reserves and included under Debt. Return on Net worth reflecting improvement in operational performance.

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) at a coupon rate i.e. sum of Benchmark Rate (Repo Rate as declared by RBI) and spread of 140 basis points on 14th March 2023 and the same were redeemed on 13th March 2026.

No NCDs were issued during FY 2025-26.

14. EMPLOYEE STOCK OPTION PLAN

TVS Motor Company Employee Stock Option Plan ("ESOP Plan") for grant of options to eligible employees up to a maximum of 0.25% of the paid-up equity share capital of the Company as on 31st December 2023, aggregating to 11,87,717 equity shares of ₹1 each through secondary acquisition of equity shares of the Company, through the TVSM Employees Stock Option Trust [ESOP Trust] was approved by the shareholders by way of a Special Resolution on 10th May 2024.

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 ESOP Trust.

During the year, the eligible option holders have duly satisfied the vesting conditions laid out under the ESOP Plan and, pursuant to their respective Exercise Letters, have conveyed their intent to exercise their vested Options under the Plan and for this purpose they have also paid the requisite Exercise price to the Trust's bank account. The ESOP Trust has transferred the relevant number of equity shares of the Company held by the Trust to the respective Option Holders to an extent of 3,51,000 employee stock options ("Options")

Nomination and Remuneration Committee of the Company ("NRC") at its meeting held on 28th April 2025 and 9th May 2026 has further granted 1,27,027 and 22,998 employee stock options respectively ("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. 227 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. 227 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 had proposed a Scheme of Arrangement under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 for distribution of surplus reserves to its shareholders by way of issuance of 6% Cumulative Non-Convertible Redeemable Preference Shares (NCRPS) as bonus. The Company has convened the meetings of the equity shareholders and the unsecured creditors on 12th April 2025 as per the directions of the Hon'ble National Company Law Tribunal, Chennai Bench (NCLT) and obtained the approval for the Scheme of Arrangement.

NCLT vide its order dated 31st July 2025, sanctioned the Scheme and the same became effective on 12th August 2025. Pursuant to the Scheme, the Company fixed 25th August 2025 as the Record Date for determining eligible shareholders for allotment of NCRPS.

Accordingly, the Scheme Implementation Committee of the Company on 1st September 2025, approved the allotment of 190,03,48,456 fully paid-up 6% Cumulative Non-Convertible Redeemable Preference Shares of face value ₹10 each, in the ratio of 4 NCRPS for every 1 equity share of ₹1 each fully paid-up held by the equity shareholders of the Company as on the Record Date.

The National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) granted listing and trading approvals for the said NCRPS on 6th March 2026, and the NCRPS commenced trading on both the Stock Exchanges with effect from 10th March 2026.

The NCRPS are redeemable after 12 months from the date of allotment, along with a coupon rate of 6% per annum, payable at the time of redemption, in accordance with the terms of the Scheme.

15. 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 ₹4,822 crore for the FY 2025-26 as compared to ₹3,505 crore in the previous year.

16. 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-third 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 Sudarshan Venu, Chairman and Managing Director, who has been the longest in office, is liable to retire by rotation at the ensuing AGM.

Mr Sudarshan Venu, Chairman and Managing Director, being eligible, offers himself for re-appointment and the same has been recommended 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 a Director.

Consequently, Mr Sudarshan Venu assumed charge as the Chairman and Managing Director of the Company with effect from 25th August 2025.

Award won by Mr Sudarshan Venu, Chairman and Managing Director

Mr Sudarshan Venu, Chairman and Managing Director was recognized as Person of the Year 2025 by Autocar India. This remarkable recognition reflects a period of consistent performance, sharper execution, and long-term thinking at TVS Motor Company, as the Company continues to strengthen its global presence while staying anchored in engineering excellence and its core values.

This honour also underscores Mr. Sudarshan Venu's leadership as one of the youngest industry leaders driving TVS Motor Company's transformation. His focus on future ready technologies, global expansion, an ever-increasing market share, and an ambitious push into global markets, new heights with record sales, strategic investments in electric mobility, and

steadfast commitment to TVS values has been central to the consistent performance and long term vision that this award recognises.

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 are disclosed on the Company's website in the link as provided in page no 227 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 15th December 2025 and 13th May 2026 respectively, based on the recommendation of the Nomination and Remuneration Committee, had appointed Ms Kalpana Unadkat (DIN:02490816) and Mr Ravindran Shanmugam, (DIN 11700880), as Non-Executive Independent Directors (NE-ID) on the Board, for a period of five consecutive years effective 15th December 2025 and 13th May 2026 respectively.

The shareholders have approved the appointment of Ms Kalpana Unadkat on 22nd January 2026 by way of a special resolution through Postal Ballot.

Further, the Company has sought approval of the shareholders' by way of a special resolution through Postal Ballot for the appointment of Mr Ravindran Shanmugam.

In the opinion of the Board, Ms Kalpana Unadkat and Mr Ravindran Shanmugam as well as the other Independent Directors possess requisite expertise, integrity, experience and proficiency.

The Company has also received declarations from all the Independent Directors of the Company confirming that

a) They meet the criteria of independence prescribed under the Act and the Listing Regulations; and

b) They have registered their names in the Independent Directors' Databank.

The Nomination and Remuneration policy for appointment of the Independent Director and the terms of appointment are available on the website of the Company and in the link provided in page no 227 of this Annual Report.

Cessation / Retirement

Dr. Deepali Pant Joshi, Independent Director had tendered her resignation as the Independent Director of the Company, with effect from the close of business hours on 6th November 2025 to pursue other interests and consequently also ceased to be the Member of the Audit Committee, Nomination and Remuneration Committee and Chairperson of Stakeholders' Relationship Committee of the Company effective the said date.

Prof. Sir Ralf Dieter Speth, Chairman and Non-Executive Non-Independent Director, did not offer himself for re-appointment, at the 33rd AGM held on 22nd August 2025 and thereby ceased as a Director of the Company effective that date.

Separate meeting of Independent Directors (IDs)

During the year under review, a separate meeting of IDs was held on 3rd March 2026.

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 (i) evaluation of Executive Directors viz., M/s. Sudarshan Venu, Venu Srinivasan and K N Radhakrishnan (ii) evaluation of Chairman of the Board and (iii) the Board as a whole, for the FY 2025-26.

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 FY 2025-26 and products launched, major acquisitions & strategic partnerships and awards & accolades received and the comparative data on financial/ market cap for the year 2025-26.

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 organizational structure, 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.

The Independent Directors appreciated Mr Sudarshan Venu, Chairman and Managing Director on strengthening Company's global presence while remaining rooted in engineering excellence and core values. His focus on future-ready technologies, global expansion, growing market share, strategic investments and commitment to the Company's values has been key to its consistent performance and long-term vision.

The IDs also appreciated and recorded that Mr Venu Srinivasan, in his capacity as Chairman Emeritus, continues to play an important role in guiding the Company. His rich experience and insights have been valuable in strengthening the Company's strategic direction and governance.

Mr K N Radhakrishnan, Director & CEO's extensive industry knowledge and collaborative approach foster strong teamwork across the organisation.

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

b) Mr Sudarshan Venu, as Executive Director and Chairman

IDs reviewed the performance of the Chairman of the Board.

Based on the performance evaluation carried out during the year, the IDs noted that Mr Sudarshan Venu, Chairman of the Board, continues to provide strong and visionary leadership to the Company. He has been instrumental in guiding the Company to become the third largest motorcycle manufacturer in the world through his strategic direction and dynamic leadership.

They acknowledged his strategic decision-making ability, strong global exposure and deep passion for the automotive industry, which have significantly contributed to the Company's sustained growth and global positioning. His focus on technological advancement, effective risk management and innovation has been key in driving the Company's transformation and competitiveness in the industry.

Mr Sudarshan Venu actively promotes a collaborative and inclusive Board environment, encouraging meaningful discussions and diverse perspectives that support effective decision-making.

They also noted his commitment to promoting constructive debate, maintaining strong governance standards and striving for excellence, thereby contributing significantly to the overall effectiveness of the Board and the long-term growth of the Company.

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 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 India and international experience and also from new industries.

The Independent Directors expressed their satisfaction with the quality of information, governance practices, and presentations. They also appreciated the transparency experienced at the Board and the management was highly responsive to inputs provided by the independent directors. Additionally, they recorded their satisfaction with the Chairman's encouragement for participation by all board members, which led to insightful discussions.

The Independent Directors affirmed that the Board exemplifies world-class governance transparency, and continuous improvement.

Strong leadership of the Executive Directors were acknowledged. The Board experience was described as both developmental and contributory, offering valuable exposure to emerging leadership.

External validation from the credit rating agency was also noted, along with the ambitions for higher ratings.

IDs were appreciated for raising strategic concerns, while management was commended for its prompt and transparent engagement.

The IDs 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 is in accordance with the SEBI Listing Regulations and the Board benchmarks well in terms of its overall composition and the value it adds to the business.

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 appreciated the quality and accessibility of information, enabling effective participation resulting in smooth and seamless relationship between the top management & the Board. The IDs also recognized for openness, preparedness, responsiveness, and rapid implementation of suggestions.

The Independent Directors deliberated on strengthening the integration of a global risk perspective into its discussions, with a focus on preparedness for evolving geopolitical and geoeconomic challenges through agile and resilient strategies.

The Independent Directors further emphasised the importance of strengthening supply chain resilience, including evaluating appropriate inventory buffers to mitigate potential disruptions. In addition, they recommended accelerating AI adoption and aligning HR culture to support global scalability, while continuing to place strong emphasis on sustainability initiatives alongside the Company's global growth ambitions.

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 Sudarshan Venu, Chairman and Managing Director, Mr Venu Srinivasan, Chairman Emeritus and 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.

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 were 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 / SMP.

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 (IDs)

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 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 of questionnaires.

Independent Directors

The performance of the Independent Directors (IDs) was evaluated by the Board, excluding the Director being evaluated, against various parameters including their contribution to the Company's business strategy, performance oversight, understanding of key risks, ability to provide clear direction to management, and contribution to Board cohesion.

The Board noted that the IDs actively participated in deliberations and provided valuable insights on the Company's strategic initiatives, including new ventures, EV developments and international business. They were regularly apprised of the Company's robust cyber security framework, mitigation measures against cyber threats, risk management initiatives, and international business risks arising from forex shortages and currency depreciation.

The Board also acknowledged that the IDs received timely information, comprehensive presentations and full disclosures, enabling meaningful discussions and effective oversight. Overall, the Board observed that the Independent Directors have a strong understanding of the opportunities and risks associated with the Company's strategy and continue to support the direction articulated by the management team towards sustained growth and consistent improvement, while upholding high standards of corporate governance and Board effectiveness.

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 optimize 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 have 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 FY under review.

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

Number of Board meetings held

During the FY 2025-26, the Board met eight (8) times and details of the meetings are provided as part of Corporate Governance Report prepared in terms of the Listing Regulations.

17. 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 have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Company has obtained the necessary certificate under Section 141 of the Act, 2013 confirming their eligibility for continuing as statutory auditors of the Company for the year 2026-27.

The Auditors' Report for the FY 2025-26 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.

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 were appointed as Secretarial Auditors at the 33rd AGM held in 2025 for a term of five consecutive years from FY 2025-26 till FY 2029-30.

The Secretarial Audit Report for the FY 2025-26, given by M/s Sriram Krishnamurthy & Co. Company Secretaries, Chennai is attached to this Report. The Auditor has confirmed that he is not disqualified from continuing as the Secretarial Auditors of the Company.

The Company has obtained the necessary certificate under Section 141 of the Act, 2013 confirming their eligibility for continuing as secretarial auditors of the Company for the year 2026-27.

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

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 2025-26 for conducting the cost audit at a remuneration of ₹ 8 Lakh in addition to reimbursement of applicable taxes, out-of-pocket expenses, travelling and other expenses payable.

The Company has filed the Cost Audit Report of 2024-25 on 11th August 2025 in XBRL format with the statutory authorities.

Further, the Board of Directors at their meeting held on 13th May 2026, re-appointed them as Cost Auditor of the Company at a remuneration of ₹ 8 lakh payable to them for the FY 2026-27, 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 FY 2026-27.

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.

18. 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 FY ended 31st March 2026.

19. 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').

Accordingly, for the FY ended 31st March 2026, 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. 227 of this Annual Report.

20. 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 organization. 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 227 of this Annual Report.

21. 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 2026.

22. 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 FY 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 227 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 Sections 185 & 186 of the Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, for the FY 2025-26 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;

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

e. change in the nature of business of the Company.

Disclosure in terms of Maternity Benefit Act, 1961

It has complied with the provisions of the Maternity Benefit Act, 1961 and the rules made thereunder, including all applicable obligations relating to maternity benefits for eligible employees.

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 an external member who has an extensive experience in the field. The details of the Complaints filed/ disposed/ pending during the FY 2025-26 is as under:

a. Number of complaints filed during the FY: 2

b. Number of complaints disposed of during the FY: 2

c. Number of complaints pending more than 90 days: - Nil

During FY 2025-26, 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 conducted for the employees to enhance their awareness and knowledge.

23. 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

SUDARSHAN VENU
Chairman and Managing Director
DIN: 03601690

Singapore
13th May 2026

Annexure - I

to Directors' Report to the Shareholders – 2025-26

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

A CONSERVATION OF ENERGY

I. Measures taken in the year 2025-26:

i. Optimal utilization of plant and equipment to enhance operational efficiency and reduce energy intensity.

ii. Conversion of non-bankable wind power arrangements into bankable wind power facilities to reduce power cost.

iii. Implementation of fixed load reduction initiatives through energy efficient projects such as installation of EC fans, compressor pressure band optimization, and deployment of waste heat recovery systems.

iv. Utilization of green power purchases through the Indian Energy Exchange (IEX).

v. Deployment of smart automation solutions, reliability enhancement measures, and material flow optimization to improve overall energy performance.

vi. Conversion of fuel based heating systems to electrical based heating systems in cooking applications.

vii. Increased substitution of Liquefied Petroleum Gas (LPG) with Piped Natural Gas (PNG), leading to improved efficiency and reduced emissions.

The above initiatives have resulted in an annual energy cost savings of ₹ 5.69 crore, along with an emission reduction of about 428 tCO_2e.

In recognition of the Company's strong focus on energy management, all Indian manufacturing sites achieved ISO 50001 Energy Management System certification during FY 2025–26. Further, for exemplary energy management and conservation practices, the Company was conferred the Platinum Award for Excellence in Energy Management by the Society of Energy Engineers and Managers (SEEM).

II. Proposed measures during the year 2026–27:

i. Expansion of green power procurement through IEX across all locations.

ii. Continued implementation of energy efficient projects across manufacturing operations.

iii. Deployment of renewable energy through Solar Power Purchase Agreements (PPA) at the IQL facility.

iv. Additional wind energy procurement for the Hosur plant and new project expansions

v. Transition to natural gas usage at the Hosur and HP plants, leading to both emission reduction and cost savings.

vi. Enhancement of on-site solar power capacity at the HP plant.

The above measures are expected to deliver annual cost savings of approximately ₹ 4.3 crore and achieve an estimated emission reduction of about 1,600 tCO_2e.

III. Steps taken for utilizing alternate sources of energy during the year 2025–26:

Renewable energy constituted 96.9% of the Company's total electricity consumption during the year. The renewable energy mix comprised:

- 75% from wind energy
- 7.9% from in-house rooftop solar power installations
- 2.1% from third party green power procured through IEX
- 11.9% of energy offset through International Renewable Energy Certificates (I RECs)

These initiatives underscore the Company's sustained commitment to clean energy transition and carbon footprint reduction.

IV. Capital investment in energy conservation equipment:

During FY 2026–27, the Company proposes to focus on improving process plant utilization and implementing advanced energy efficient technologies, including heat pumps, conversion of fuel based heating systems to electrical heating, and waste heat recovery systems, aimed at reducing fixed energy loads and carbon emissions.

The Company plans to invest approximately ₹ 4.4 crore during FY 2026–27 towards the implementation of heat pumps, waste heat recovery systems, planned

energy efficient projects, and process utilisation improvement initiatives.

B TECHNOLOGY ABSORPTION FOR 2025-26 & FUTURE PLAN OF ACTION

During FY 2025–26, the Company strengthened its focus on clean, connected, and future ready mobility through sustained in-house development and systematic absorption of advanced vehicle technologies. Strong R&D capabilities enabled the conversion of emerging technologies into production ready solutions aligned with evolving customer expectations and global requirements. Technology development spanned internal combustion engines, electric mobility, electronics, software, and connected platforms, with emphasis on advanced electronics architectures, rider assistance systems, powertrain efficiency, modular platforms, and software enabled features, resulting in improved product robustness and shorter development cycles.

In the premium motorcycle segment, the TVS Apache RTX 300 marked the Company's entry into the adventure touring category and showcased a new level of platform and system integration. Built around a newly developed 299 cc powertrain, the motorcycle balances performance, durability, and ride comfort across highways and varied terrain. Its adventure focused chassis geometry, validated through simulation and testing, delivers stability, predictable handling, and load carrying capability. Advanced electronics and digital systems enable connected features and an improved human–machine interface, enhancing rider information and touring comfort, while compatibility with Android Auto and AR enabled HUD helmets supports navigation, alerts, and vehicle notifications for improved situational awareness.

The 20 year legacy of the Apache brand was celebrated through limited edition anniversary models featuring premium hardware and distinctive styling, reflecting continuous evolution in performance, chassis dynamics, electronics, and safety. Further strengthening the Apache range, new top end Apache RTR 160 4V and RTR 200 4V variants were introduced with Class D LED projector headlamps, full LED lighting, a 5 inch TFT SmartXonnect digital cluster with Bluetooth connectivity, voice assist, navigation, and ride analytics, along with traction control systems and advanced ECU calibration, reinforcing Apache's technology driven performance positioning.

In the scooter segment, TVS expanded its electric portfolio with the TVS Orbiter, a compact urban electric scooter developed on an optimized powertrain architecture focused on efficiency and packaging. Powered by a 2.5 kW electric motor with optimized battery management and control strategies, the Orbiter delivers segment leading claimed range and consistent city performance through energy efficient ride modes and regenerative braking. Intelligent packaging enables 34 litre under seat storage, while 14 inch alloy wheels and full LED lighting improve ride stability, safety, and energy efficiency. The TVS NTorQ 150 further demonstrated the Company's capability in performance oriented tuning, advanced electronics, and connected technologies within the hyper scooter category.

In commercial mobility, the TVS Armado cargo three wheeler was developed to meet rigorous business requirements, emphasizing durability, high load carrying capability, and powertrain reliability through a reinforced chassis, oil cooled engine, digital instrumentation, and LED lighting. Advancing electric commercial solutions, the TVS King Kargo HD EV integrated a high energy electric powertrain, load optimized vehicle architecture, fast charging capability, and connected fleet technologies, with development focus on thermal management, consistent performance, connectivity, and reduced total cost of ownership for urban and semi urban logistics.

Across segments, the R&D organization accelerated work in high energy battery systems, thermal solutions, vehicle connectivity, software driven features, data analytics, and OTA readiness, supported by simulation led development, extensive validation, and digital engineering tools. These efforts reinforce the Company's commitment to electric mobility, smart connected vehicles, enhanced product experience, and safety, strengthening long term competitiveness and sustainable growth.

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 – ₹ 1,253.94 crores

D. FOREIGN EXCHANGE ACTUAL EARNINGS AND OUTGO

1. Export activities:

During the year, export of two-wheeler was 14.26 lakh units and three-wheeler was 1.58 lakh units.

2. Total foreign exchange earned and used:

Particulars	Rupees in Crores
Foreign exchange used	5,724.55
Foreign exchange earned	10,468.51

For and on behalf of the Board of Directors

SUDARSHAN VENU
Chairman and Managing Director
DIN: 03601690

Singapore
13th May 2026

Annexure - IV

to Directors' Report to the shareholders – FY 2025-26

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. 227 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).	₹ 2,799.13 Cr
	(b) Two percent of average net profit of the company as per section 135(5) of the Companies Act, 2013.	₹ 55.99 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).	₹ 55.99 Cr
6.	(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	₹ 56.37 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)	₹ 56.37 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
56.37 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)	55.99 Cr
(ii)	Total amount spent for the financial year	56.37 Cr
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.38 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)]	0.38 Cr

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years (FY 2024-25, FY 2023-24, FY 2022-23)

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

   If Yes, enter the number of Capital assets created/ acquired: Not Applicable

   Furnish the details relating to such asset(s) so created or acquired through CSR amount spent in the financial year :

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent (in ₹ crore)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if Applicable	Name	Registered address
Not Applicable							

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

Chennai
13th May 2026

Annexure - V

to Directors' Report to the shareholders – FY 2025-26

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

	Name of the Director (M/s.)	Designation	Ratio to Median Remuneration	% increase / (Decrease) in remuneration
1	Sudarshan Venu	CMD	1:436	46%
	Venu Srinivasan	CE & MD	1:20	200%
	K N Radhakrishnan*	D & CEO	1:197	33%
	Shailesh Haribhakti	NE-ID	1:4	75%
	Vijay Sankar	NE-ID	1:4	71%
	B Sriram	NE-ID	1:4	50%
	Kalpana Unadkat (w.e.f. 15.12.2025)	NE-ID	1:1	NA
	Ravindran Shanmugam (w.e.f. 13.05.2026)	NE-ID	NA	NA
	K Gopala Desikan*	CFO	1:53	19%
	K S Srinivasan	CS	1:5	9%
	CMD - Chairman and Managing Dierctor	CE & MD - Chairman Emeritus and Managing Director		
	D&CEO - Director & Chief Executive Officer	CFO - Chief Financial officer; CS - Company Secretary		
	NE-ID - Non-Executive Independent Director			
	The percentage increase in the median remuneration of employees in the financial year		6%	
2	The number of permanent employees on the rolls of company;		6850	
3	a. Average percentile increase already made in the salaries of employees other than the managerial personnel in the financial year 2025-26		13%	
4	b. Average percentile increase in the managerial remuneration in the financial year 2025-26		44%	
	There are no exceptional circumstances for increase in the managerial remuneration. *The remuneration excludes perquisites relating to the stock options exercised during the FY 2025-26 Prof. Sir Ralf Dieter Speth and Dr. Deepali Pant Joshi ceased to be Directors effective 22nd August 2025 and 6th November 2025, respectively. Accordingly, disclosure under this section is not applicable.			
5	Affirmation that the remuneration is as per the remuneration policy of the company.		Remuneration paid during the year 2025-26 is as per the Remuneration Policy of the Company	

For and on behalf of the Board of Directors

SUDARSHAN VENU
Chairman and Managing Director
DIN: 03601690

Singapore
13th May 2026

Annexure VI

to Directors' Report to the shareholders

GENERAL SECTION

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	corpsec@tvsmotor.com	
7	Telephone	044-28332115	
8	Website	www.tvsmotor.com	
9	**Date Of Start of Financial Year**	**Start Date**	**End Date**
	Financial Year	01-04-2025	31-03-2026
	Previous Year	01-04-2024	31-03-2025
	Prior To Previous Year	01-04-2023	31-03-2024
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 (Equity)	₹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	M/s Forvis Mazars LLP	
15	Type of assurance obtained	Reasonable for BRSR Core and Limited for BRSR Non-Core	

II. Products/services

16. Details of business activities

S. No.	Description of main activity	Description of business activity	% of turnover
1	Manufacturing	Motor vehicles, trailers, semi-trailers and other Transport Vehicles	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	85%
2	Three-wheelers	30912	4%
3	Parts & Accessories	30913	10%

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	-	8	8

*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 Mexico, Panama, Columbia, UK, Philippines, Italy, UAE, and Singapore.

19. Markets served by the entity:

a. Number of locations

Location	Number
National (inclusive of states & Union Territories)	29
International (No. of Countries)	90+

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 (TVSM), the third-largest two-wheeler manufacturer by market capitalisation, addresses diverse mobility needs through a comprehensive and differentiated product portfolio. The Company serves customers across domestic and international markets with offerings spanning mopeds, motorcycles, petrol and electric scooters, three-wheelers, and premium and super-premium motorcycles.

With a presence in over 90 countries, TVSM caters to a broad spectrum of users, from value-conscious commuters and daily riders to performance enthusiasts and urban customers seeking connected mobility experiences. Supported by strong in-house research and development capabilities and proprietary connected technologies, the Company delivers innovative and customer-centric mobility solutions across segments.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Particulars	Total (A)	Male		Female		other
		No. (B)	% (B/A)	No. (C)	% (C/A)	
Permanent (D)	5090	4306	84.60	784	15.40	0
Other than Permanent (E)	6354	4948	77.87	1406	22.13	0
Total employees (D + E)	11444	9254	80.86	2190	19.14	0
Worker						
Permanent (F)	1760	1759	99.94	1	0.06	0
Other than Permanent (G)	-	-	-	-	-	0
Total workers (F + G)	1760	1759	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)	36	33	91.67	3	8.33	0	0
2.	Other than Permanent (E)	308	260	84.42	48	15.58	0	0
3.	Total differently abled employees (D + E)	344	293	85.17	51	14.83	0	0
DIFFERENTLY ABLED WORKERS								
4.	Permanent (F)	13	13	100	0	0	0	0
5.	Other than Permanent (G)	-	-	-	-	-	0	0
6.	Total differently abled workers (F + G)	13	13	100	0	0	0	0

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7	1	14.29
Key Managerial Personnel	2	0	0

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

	FY 2025-26 (Turnover rate in current FY) [values in %]				FY 2024-25 (Turnover rate in previous FY) [values in %]				FY 2023-24 (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	7.37	8.55	-	8.63	10.62	11.09	0	10.69	11.29	11.08	0	11.26
Permanent Workers	2.56	-	-	2.56	2.7	0	0	2.7	2.5	0.00	0.00	2.5

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.	TVS Credit Services Limited	Subsidiary	80.76	No
3.	TVS Motor Services Limited	Subsidiary	100	No
4.	TVS Electric Mobility Limited	Subsidiary	100	No
5.	DriveX Mobility Private Limited	Subsidiary	92.21	No
6.	Harita ARC Private Limited	Subsidiary	0*	No
7.	TVS Housing Finance Private Limited	Subsidiary	0*	No
8.	Harita Two-wheeler Mall Private Limited	Subsidiary	0*	No
9.	TVS Motor Company (Europe) B.V.	Subsidiary	100	No
10.	TVS Motor (Singapore) Pte Limited	Subsidiary	100	No
11.	PT TVS Motor Company Indonesia	Subsidiary	53.94	No
12.	TVS Motor Company DMCC	Subsidiary	100	No
13.	The Norton Motorcycle Co Limited	Subsidiary	0*	No
14.	Norton Motorcycle Private Limited	Subsidiary	0*	No
15.	Norton USA LLC	Subsidiary	0*	No
16.	Engines Engineering S.p.A	Subsidiary	0*	No
17.	TVS EBike Company AG, Switzerland (formerly known as Swiss E-mobility Group (Holding) AG, Switzerland)	Subsidiary	0*	No
18.	TVS EBike Company GmbH (Formerly known as Colag E-mobility GmbH, Germany)	Subsidiary	0*	No
19.	Swiss E-Mobility Group (Österreich) GmbH	Subsidiary	0*	No
20.	EGO Movement Deutschland GmbH, Germany	Subsidiary	0*	No
21.	TVS EBike Limited, UK (Formerly known as EBCO Limited)	Subsidiary	0*	No
22.	TVS Motor GmbH, Germany (Formerly known as Celerity Motor GmbH)	Subsidiary	0*	No
23.	TVS Digital Pte Limited	Subsidiary	0*	No
24.	Ultraviolette Automotive Private Limited	Associate	24.92	No
25.	Killwatt GmbH	Associate	0*	No
26.	Predictronics Corp	Associate	0*	No

** Denotes shareholding not held by the Company directly but through its step-down subsidiaries*

VI. CSR Details

24. CSR Details

Whether CSR is applicable as per section 135 of Companies Act, 2013	Yes
Turnover (In Rupees)	47,270.32
Net worth (In Rupees)	11,234.30

**All values are in Crore*

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 2025-26			FY 2024-25			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		21	0		9	0	Closed	
Employees and workers	Yes		0	0		288	41	Pending concerns are in progress and will be closed	
Customers	Yes		69730	2268		67015	1038	Pending concerns are in progress and will be closed	
Value Chain Partners	Yes		0	0		0	0	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.

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	Evolving climate related regulations, emission standards and energy transition policies across markets may require additional investments in low-carbon technologies, energy efficiency and manufacturing upgrades. Climate variability may also affect availability of resources such as water and energy.	The Company is increasing renewable energy adoption across operations (as of 31st March 2026, RE mix was 97.13%), improving energy efficiency and integrating low-carbon technologies in manufacturing. Product development focuses on improving fuel efficiency and expanding electric mobility solutions	Negative Implications
2	Climate Change and Decarbonization	O	Rising demand for low-emission mobility solutions and supportive policy measures for electric mobility create opportunities for growth in electric and energy-efficient vehicle segments.	Expansion of electric vehicle portfolio, investments in EV technologies and strengthening of the EV ecosystem through strategic partnerships and product innovation.	Positive Implications
3	Supply Chain Management	R	Dependence on a complex supplier ecosystem may expose the Company to risks related to regulatory compliance, Sustainability performance of suppliers, raw material availability and supply disruptions.	Supplier engagement programmes, sustainability integration in supplier management processes and collaboration with suppliers to improve sustainability performance and supply chain resilience.	Negative Implications
4	Market/Product Competition	R	Rapid technological advancements and evolving customer preferences in the mobility sector may impact market competitiveness if innovation and product differentiation are not sustained.	Continuous investment in research and development, monitoring of market trends and development of technologically advanced and differentiated products aligned with customer expectations.	Negative Implications
5	Market/Product Competition	O	Competitive market dynamics drive innovation, efficiency improvements and opportunities to expand into new product segments and international markets.	Development of advanced mobility solutions, expansion into new geographies and continuous improvement in product quality, performance and customer experience.	Positive Implications
6	Road Safety	R	Road safety concerns may lead to stricter product safety regulations, potential product liability risks and reputational impact if safety standards are not maintained	Integration of advanced safety technologies such as ABS in vehicles and implementation of road safety awareness initiatives under Road Safety Ambassador program including rider safety campaigns and community engagement programmes.	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)
7	Occupational Health & Safety	R	Manufacturing operations involve inherent risks including fire hazards, chemical exposure, battery handling risks and contractor safety compliance issues which may affect employee wellbeing and operational continuity.	Implementation of an enterprise-wide Environment, Health and Safety (EHS) management system supported by policies, training, risk assessments, safety audits and continuous monitoring across manufacturing facilities	Negative Implications
8	Integrated Risk Management	O	A structured enterprise risk management framework enhances the Company's ability to identify emerging risks, maintain regulatory compliance and ensure business continuity.	The Company follows an integrated risk management approach aligned with ISO 22301, including risk identification, mitigation planning, monitoring mechanisms and business continuity planning	Positive Implications
9	Corporate Governance	O	Strong governance practices enhance transparency, accountability and stakeholder confidence, supporting sustainable long-term growth.	Implementation of a robust governance framework including Board oversight, Code of Conduct, anti-corruption policies and internal control mechanisms to ensure ethical business conduct	Positive Implications
10	Water & Effluent Management	R	Water scarcity, groundwater depletion and stricter regulatory requirements for water consumption and effluent discharge may affect manufacturing operations and compliance obligations.	Implementation of water efficiency initiatives including rainwater harvesting, identification of alternate source of surface water, water recycling, reduction program, aquifer recharge and responsible water stewardship practices and employee engagement under Water Management Ambassador Program	Negative Implications
11	Circular Economy	R	Evolving regulatory focus on resource efficiency, waste management and circular economy practices may require process improvements and investments in waste reduction and recycling infrastructure.	Adoption of circular economy practices including improved waste segregation, recycling, resource efficiency initiatives and reduction of reliance on virgin materials	Negative Implications
12	Product Stewardship	O	Evolving regulatory and customer expectations regarding product lifecycle sustainability, safety and environmental performance create opportunities for sustainable product innovation	Integration of lifecycle approaches such as Life Cycle Assessment (LCA), compliance with Extended Producer Responsibility (EPR) requirements and design of products with improved environmental performance and safety features.	Positive Implications

SECTION B: MANAGEMENT AND PROCESS DISCLOSURE

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

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
Policy and management processes				
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
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		Whether the entity has translated the policy into procedures (Yes / No)	Do the policies extend to value chain partners? (Yes / No)	Name of national / international codes, certifications, labels or standards adopted and mapped to the principle
Policy and Management Processes				
P1	Ethics, Transparency and Accountability	Yes. The Company has established processes to operationalise its Code of Business Conduct & Ethics across functions. A designated committee reviews instances of non-compliance, and Standard Operating Procedures (SOPs) are in place for reporting, tracking and resolution of stakeholder grievances and ethical concerns.	Yes. The Sustainable Procurement Policy and Supplier Sustainability Code of Conduct extend expectations on ethical conduct, compliance and responsible business practices to suppliers and other value chain partners.	TVSM's Code of Business Conduct & Ethics; Supplier Sustainability Code of Conduct; SA 8000; ISO 22301:2019 (Business Continuity); Integrated Management System standards, ISO/IEC 27000:2018 (Information security management)
P2	Product Responsibility	Yes. Product design, development and manufacturing processes incorporate safety, quality and regulatory compliance requirements supported by internal procedures and quality management systems.	Yes. Suppliers are required to comply with product safety, quality and material compliance standards through supplier agreements and procurement processes.	AIS 129; AIS 156; EU REACH (EC 1907/2006); Central Motor Vehicles (CMV) Rules; IATF 16949:2016 (Automotive Quality Management Systems)
P3	Employee Well-being / Human Resources	Yes. Policies relating to occupational health and safety, employee welfare, diversity and workplace practices are implemented through defined HR processes and EHS management systems.	Partially. Safety and labour practice expectations are communicated to contractors and suppliers through the Supplier Code of Conduct and contractual requirements.	SA 8000; ISO 45001:2018 (Occupational Health & Safety Management Systems); applicable labour laws and regulations.
P4	Stakeholder Engagement and Responsiveness	Yes. Mechanisms are established to identify, engage and respond to stakeholder concerns through structured communication channels, grievance redressal mechanisms and periodic reviews.	Yes. Engagement processes include suppliers, dealers, communities and other key value chain partners.	BRSR framework guidance; grievance redressal mechanisms aligned with internal governance policies.
P5	Respect for Human Rights	Yes. Human rights considerations are embedded in the Company's policies, employee guidelines and supplier engagement processes.	Yes. The Supplier Sustainability Code of Conduct includes provisions related to labour practices, non-discrimination, and prohibition of child and forced labour.	SA 8000; UN Guiding Principles on Business and Human Rights (UNGP); applicable labour laws.
P6	Environment Protection and Restoration	Yes. Environmental management practices are implemented through defined procedures relating to energy efficiency, water management, emissions reduction and waste management.	Yes. Environmental expectations are extended to suppliers through procurement policies and sustainability requirements.	ISO 14001:2015 Environmental Management Systems; regulatory compliance with environmental laws; energy and water management initiatives.
P7	Public Policy Advocacy	Yes. The Company participates in industry forums and engages with policymakers through transparent and responsible processes consistent with its governance policies.	No. This principle primarily relates to the Company's engagement with public policy and regulatory bodies.	Internal governance approach on responsible advocacy; participation in recognised industry associations.
P8	Inclusive Growth and Community Development	Yes. Community development initiatives are implemented through structured CSR programmes aligned with statutory CSR requirements and internal governance processes.	Yes. The Company collaborates with community partners, NGOs and other stakeholders to implement development programmes.	CSR Policy aligned with Companies Act, 2013 CSR Rules; applicable social development frameworks.
P9	Customer Value and Engagement	Yes. Customer engagement processes include product safety compliance, service quality standards, grievance redressal mechanisms and customer feedback systems.	Yes. Dealers and service partners are required to comply with defined quality and service standards.	Applicable automotive safety and product compliance regulations.

Disclosure Question		Specific commitments, goals and targets set by the entity with defined timelines, if any	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 and Accountability	The Company is committed to maintaining high standards of ethical conduct, transparency and responsible governance across its operations. Policies such as the Code of Business Conduct & Ethics, and Whistle Blower Mechanism establish clear expectations for employees and business partners. The Company also seeks to integrate sustainability and responsible business practices across its operations and value chain.	Mechanisms for ethical governance and accountability are operational across the organisation. Grievance redressal and whistle-blower mechanisms are available to employees and stakeholders. Sustainability and responsible business practices are integrated into operational processes.
P2	Product Responsibility	The Company is committed to ensuring product safety, quality and compliance with applicable automotive standards and regulations. It also focuses on improving fuel efficiency, expanding electric mobility solutions and integrating sustainable design considerations into product development.	Products are developed and manufactured in compliance with applicable safety and regulatory standards, guided by TVSM's internal S.P.A. CE approach—focusing on Safe Bikes, promotion of Protective Gears, enabling employees and stakeholders to act as Ambassadors for Road Safety for Road Safety and Product Stewardship, and advancing Circularity Excellence across the product lifecycle.
P3	Employee Well-being / Human Resources	The Company aims to provide a safe, inclusive and healthy workplace environment through policies relating to occupational health and safety, employee welfare, training and skill development. Targets include strengthening safety culture, improving employee capability and promoting diversity and inclusion across operations.	The Company continues to strengthen employee well-being through safety, inclusion, and capability building, reflected in low attrition, strong safety performance, and improved diversity.
P4	Stakeholder Engagement and Responsiveness	The Company seeks to maintain structured engagement with key stakeholders including employees, suppliers, dealers, customers and communities. Policies and procedures are in place to identify stakeholder concerns and address them through established communication and grievance redressal mechanisms.	Stakeholder engagement processes are implemented through periodic consultations, grievance redressal channels and ongoing communication with stakeholders across the value chain.
P5	Respect for Human Rights	The Company is committed to respecting human rights across its operations and supply chain, including adherence to fair labour practices, prohibition of child and forced labour and non-discrimination in employment practices.	Human rights expectations are embedded in the Company's policies and communicated to employees and suppliers through internal guidelines and the Supplier Sustainability Code of Conduct.
P6	Environment Protection and Restoration	The Company is committed to improving environmental performance through initiatives related to renewable energy adoption, carbon emissions reduction, water conservation, waste management and enhancement of green cover across manufacturing locations.	The Company advanced its environmental performance through 97.13% renewable energy adoption and recycling of 155,345 KL of water, alongside ongoing initiatives in emissions reduction, waste management, and no net loss in biodiversity.
P7	Public Policy Advocacy	The Company engages with industry associations and regulatory bodies to contribute to policy discussions related to the mobility sector, sustainability and safety in a transparent and responsible manner.	The Company participates in recognised industry forums and associations to support the development of responsible public policy and industry standards.
P8	Inclusive Growth and Community Development	The Company undertakes community development initiatives through the Srinivasan Services Trust (SST) with a focus on rural development, women empowerment, healthcare, education and livelihood enhancement.	CSR programmes implemented through SST have benefitted over 1.6 million individuals, with a focus on socio-economic development and empowerment of rural communities.
P9	Customer Engagement	The Company aims to deliver high standards of customer satisfaction through product quality, safety, after-sales service and continuous customer engagement.	Customer feedback systems, dealer and service networks and product support mechanisms are in place to address customer concerns and improve customer experience.

Governance, leadership, and oversight

7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.	As a responsible and environmentally conscious company, TVSM remains committed to responsible and sustainable growth, supported by strong governance and a focus on creating long-term value for our stakeholders, employees, communities, suppliers, dealers and investors. Sustainability considerations are integrated into our strategy, risk management and decision-making processes, enabling us to respond to evolving stakeholder expectations and regulatory requirements across markets. The sustainability landscape for the automotive sector continues to evolve rapidly. Key challenges include the transition towards low-carbon mobility, growing expectations around Scope 3 emissions and value chain transparency, responsible sourcing of materials, and managing the impacts of climate variability on operations and resources. At the same time, these developments present opportunities to accelerate innovation in cleaner, safer and more efficient mobility solutions. In FY 2023–24, the Company completed a Double Materiality assessment to identify and prioritise sustainability topics based on stakeholder impact and financial relevance. The outcomes have strengthened our sustainability framework, aligned priorities with the United Nations Sustainable Development Goals (UN SDGs), and enabled the integration of material sustainability themes into strategic planning, enterprise risk management and operational decision-making. TVSM remains committed to reducing greenhouse gas emissions in line with climate science and supporting pathways consistent with limiting global warming to 1.5°C. The Company has adopted the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and is strengthening governance and processes to identify, assess and manage climate-related risks and opportunities. In FY 2025–26, TVSM also adopted the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD) to enhance its approach to identifying and managing nature-related dependencies, impacts, risks and opportunities across its operations and value chain. During FY 2025–26, the Company continued to make progress across key sustainability priorities. Selected highlights for the year include: → 97.13% of total energy consumption from renewable energy sources across operations → 76,708.24 tOc_2e emission avoided with increased renewable energy integration in the company's operations → ~26% reduction in freshwater consumption intensity across manufacturing operations → Approximately ~95% of material sourced locally, supporting supply chain resilience and localisation → Over 1.6 million beneficiaries reached through CSR initiatives implemented through the Srinivasan Services Trust (SST) These achievements reflect the Company's continued efforts to strengthen environmental performance, improve operational efficiency and contribute positively to the communities in which it operates. Looking ahead, TVSM will continue to strengthen its sustainability governance, enhance data systems and disclosure practices, deepen engagement with suppliers and stakeholders, and accelerate the transition towards sustainable mobility solutions. The Company remains committed to integrating ESG considerations into business decisions and creating long-term value while contributing to a more sustainable future.
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 and Managing Director, Chairman Emeritus, & Director & Chief Executive Officer
	If NA, provide details.	

10 **Details of Review of NGRBCs by the Company:**

Subject for Review	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 M/s Forvis Mazars LLP

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

Question	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: PRINCIPAL 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	12	P1, P2, P6	100%
Key Managerial Personnel	12	P1, P2, P6	100%
Employees other than BoD and KMPs	10575	Covering All principles	100%
Workers	773	P3 & P5	100%

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	-	-	-

Not Applicable

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 page 227 of the 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:

	FY 2025-26	**FY 2024-25**
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest:

	FY 2025-26		FY 2024-25	
	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 2025-26	FY 2024-25
Number of day of accounts payables	43	42

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 2025-26	FY 2024-25
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	1643	1121
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	4.21%	4.96%
Share of RPTs	a. Purchases* (Purchases with related parties / Total Purchases)	1.57%	1.85%
	b. Sales* (Sales to related parties / Total Sales)	1.14%	1.35%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0	0
	d. Investments* (Investments in related parties / Total Investments made)	100%	92%

***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	85	P1, P6. P9	~ 44%

**48 training programs conducted for suppliers with 63% coverage (320/507) and 37 training programs conducted for dealers with 42% Coverage (642/ 1526 2w & Commercial Mobility dealers)*

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No)

Yes

If yes, provide details of the same.

The Company has a Policy on Related Party Transactions, aligned with its Code of Conduct for Business and Ethics. The policy requires Directors and senior management to promptly disclose any actual, potential or perceived conflicts of interest that may influence, or appear to influence, decision-making or adversely affect the Company's interests. Where applicable, appropriate steps are taken to manage, mitigate or eliminate such conflicts in line with the policy and applicable requirements.

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 2025-26	FY 2024-25	Details of improvements in environmental and social impacts
R&D	700.49	612.27	→ Electric Vehicle - The company has launched a 2W Scooter EV – Orbiter, and a 3W EV – King Kargo HD EV. Company has invested in development of EVs in various other segments. → Alternate Fuels – Company continued its investment in the development of flex fuel vehicles. → Circular Economy – Company invested to increase the use of recycled content in the products, thereby reducing the carbon footprint of the products. → Hazardous substances elimination – Company has invested in elimination of various hazardous substances as per international regulations.
Capex	553.45	412.68	→ Capex investments are made accordingly as mentioned in the above projects/areas

** All units above are in Crores.*

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes. In FY 2025–26, TVS Motor Company Limited (TVSM) continued to strengthen implementation of its Sustainable Procurement Policy to embed sustainability considerations into supply chain management and supplier engagement. The policy sets clear expectations for suppliers on environmental stewardship, responsible labour practices, ethical conduct, and occupational health and safety, and promotes continuous improvement in emissions management, resource efficiency and responsible sourcing. The policy and associated requirements were communicated through formal channels and are accessible via the TVS Motor Supplier Portal.

TVSM's Supplier Sustainability Code of Conduct, which forms part of this framework, defines minimum standards for suppliers covering ethical business practices, environmental compliance, workplace safety, human rights, and responsible use of resources. As of 31 March 2026, 100% of suppliers have signed the Code of Conduct.

To strengthen performance management across the supply chain, TVSM introduced its internal benchmarking tool, the My Sustainability Index (MSI), to assess supplier sustainability practices across Environment, Health & Safety, Labour Management, Governance, and Compliance. In FY 2025–26, 320 suppliers were assessed under MSI.

b. If yes, what percentage of inputs were sourced sustainably?

During FY 2025–26, around 100% of the Company's procurement spend, measured by value, was sourced from suppliers covered under its sustainable sourcing framework. This framework is anchored in the Company's Sustainable Procurement Policy and Supplier Sustainability Code of Conduct and is supported through supplier onboarding requirements and sustainability assessment / engagement mechanisms such as the My Sustainability Index (MSI).

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)

- Extended Producer Responsibility (EPR): Packaging plastic is managed in accordance with applicable Plastic Waste Management (PWM) Rules and EPR requirements.
- EPR performance: During FY 2025–26, the Company processed 1827 MT of eligible plastic packaging under EPR through authorised recyclers, supported by vendor documentation and compliance records.

(b) Battery recycling practices Lithium-ion batteries (Electric Vehicles):

- The Company is registered on the CPCB portal as a producer for lithium-ion batteries used in EVs.
- EV batteries supplied for TVSM vehicles comply with applicable labelling requirements under prevailing regulations.
- EPR channelisation: During FY 2025–26, ₹ 2.87 lakh of Battery packs were channelised through authorised collection and recycling partners as per EPR arrangements.

Lead-acid batteries:

- Lead-acid batteries used in TVS products comply with recycling symbol marking requirements.
- At end-of-life, batteries are channelised through the dealer/partner network to authorised recyclers in line with EPR obligations of the respective battery manufacturers.
- EOL channelisation: During FY 2025–26, 24.4 MT of lead-acid batteries were channelised for recycling through the authorised ecosystem.

Registered Vehicle Scrapping Facility

- In FY 2025–26, the Company established its RVSF near Hosur in accordance with the Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Rules, 2021, as amended, and the applicable End-of-Life Vehicles regulatory framework

(c) Hazardous waste

- **Used oil:** The Company has applied to CPCB for registration as a producer of used engine oil (after-market) to enable responsible take-back and circularity. During FY 2025–26, 26.1 MT of used oil was collected in manufacturing and disposed/recycled through authorised processors.
- **Waste tyres:** The Company procures domestic tyres from supplier-manufacturers registered on the CPCB portal. The Company is also registered on the CPCB portal as an importer for tyres used in premium models. During FY 2025–26, 46 MT of waste tyres were channelised through authorised recyclers as per applicable EPR provisions.

(d) Other waste / end-of-life product management

- Circular economy approach: The Company continues to strengthen recovery and recycling of materials to support circularity across operations and products, achieving ~ 90% recoverability / ~85% recyclability rate.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No).**

Yes,

If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards?

Reaffirming its commitment to environmental responsibility, TVS Motor Company has established systems and processes to meet its Extended Producer Responsibility (EPR) obligations under the Plastic Waste Management Rules, 2016, as amended. During FY 2025–26, the Company continued its compliance efforts and initiated the collection and channelisation of 1,827 metric tonnes of plastic packaging waste under the EPR framework through authorised agencies, in line with applicable regulatory requirements. The corresponding performance data will be reported to the Central Pollution Control Board (CPCB) as part of the Company's statutory obligations as a brand owner.

If not, provide steps taken to address the same.

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?**

Life Cycle Assessments (LCAs) have been conducted for 4 of its products in fiscal year FY2025-26 as detailed in below table

If yes, provide details in the following format:

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	Jupiter 125	10%	Cradle to Gate	3rd party verification completed for internally conducted LCA	No	
291	iQube	6%	Cradle to Gate		No	
291	Apache 160 4V	2%	Cradle to Gate		No	
291	Apache RR310	0.1%	Cradle to Gate		No	

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
Orbiter and King Kargo HD EV	Depletion of fossil fuel / tailpipe emissions	Launched electric vehicles, having zero tailpipe emissions
All ICE products	Depletion of fossil fuels	All ICE products are tuned for E20 (Ethanol 20% + Gasoline 80%). The ethanol is produced from biobased sources, which is renewable and carbon neutral. All ICE products are pasted with E20 stickers, to inform the customers about the use of fuel in the vehicles.
All products	Reduction of Global Warming Potential	Projects initiated to increase the recycled content in the materials, thereby reducing the carbon footprint the materials.

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).**

SN	Input Material	FY25-26 (%)
1	Aluminium alloy	35-40
2	Steel (Sheets and tubes)	7-8
3	Stainless steel (sheets and tubes)	60
4	Lead Acid Battery	40

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:**

	FY 2025-26			FY 2024-25		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)		818	1009		346.5	808.5
E-waste		NA	NA		NA	NA
Hazardous waste		NA	NA		NA	NA

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate Input Material	Recycled or re-used input material to total material FY 2025-26
Category 2: Flexible plastic packaging (Single layer or Multilayer having more than one layer with different types of plastic)	Negligible quantity

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	4306	4306	100	4306	100	-	-	4306	100	4306	100
Female	784	784	100	784	100	784	100	-	-	784	100
Total	**5090**	**5090**	**100**	**5090**	**100**	**784**	**15.40**	**4306**	**84.60**	**5090**	**100**
Other than Permanent employees											
Male	4948	4948	100	4948	100	-	0	4948	100	4949	100
Female	1406	1406	100	1406	100	1406	100	-	-	1405	100
Total	**6354**	**6354**	**100**	**6354**	**100**	**1406**	**22.13**	**4948**	**77.87**	**6354**	**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	1759	1759	100	1759	100	-	-	1759	100	1759	100
Female	1	1	100	1	100	1	100	-	-	1	100
Total	**1760**	**1760**	**100**	**1760**	**100**	**1**	**0.06**	**1759**	**99.94**	**1760**	**100**
Other than Permanent workers											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format -

	FY 2025-26	FY 2024-25
c. Cost incurred on well- being measures as a % of total revenue of the company	0.47%	0.44%

Note - Total Value of Employee Welfare Expenses for FY 2025-26 is ₹216.05 Cr and for FY 2024-25 is ₹160 Cr

2. Details of retirement benefits, for Current FY and Previous Financial Year

Benefits	FY 2025-26			FY 2025-26		
	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 and recognises the specific workforce realities of the automotive sector. The Company continues to strengthen its Diversity, Equity and Inclusion (DE&I) agenda as a leadership-driven priority, with focused initiatives to enable equitable access, participation and progression for under-represented groups, including Persons with Disabilities (PwD). As of FY 2025–26, PwD representation stands at 3% supported through structured hiring, accessibility and workplace integration measures.

During the year, the Company progressed its inclusion initiatives across facilities by ensuring wheelchair-friendly access in common areas and strengthening reasonable accommodation practices. Strategic hiring efforts were reinforced through partnerships with external organisations to improve outreach and recruitment of PwD candidates, supported by role mapping to align job requirements with skills and qualifications. The Company also continued sensitisation programmes for leaders, managers and teams to strengthen an inclusive workplace culture.

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?

Yes

If so, provide a web-link to the policy.

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	96	61	100	64
Female	100	67	-	-
Total	**97**	**62**	**100**	**64**

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 (TVSM) has established structured grievance redressal mechanisms across its plants, with representation from both management and worker representatives to ensure fair and timely resolution. Grievances are addressed through defined channels and, where applicable, reviewed by relevant committees such as the Ethics Committee and the POSH Internal Committee. Matters that are not resolved at the first level are escalated to the appropriate authority—such as the Head of Department (HOD), Employee Relations (ER) Head, or Plant HR Head—based on the nature, sensitivity and severity of the concern. In addition, the Company's Whistleblower Policy provides a formal mechanism for employees and other stakeholders to report concerns, including sensitive matters, in a confidential manner. Employees are sensitised to the available grievance mechanisms during induction and through periodic internal communication. TVSM's POSH Internal Committee is constituted in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and is responsible for receiving and inquiring into complaints as per the prescribed process. The POSH policy is accessible on the Company's website.
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 2025-26			FY 2024-25		
	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	5090	0	0	4719	0	0
- Male	4306	0	0	4037	0	0
- Female	784	0	0	682	0	0
- Others						
Total Permanent Workers	1760	1760	100	1803	1803	100
- Male	1759	1759	100	1802	1802	100
- Female	1	1	100	1	1	100
- Others						

8. Details of training given to employees and workers:

Category	FY 2025-26					FY 2024-25				
	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	4306	4306	100	4306	100	4037	4037	100	4037	100
Female	784	784	100	784	100	682	682	100	682	100
Others	0	0	0	0	0					
Total	**5090**	**5090**	**100**	**5090**	**100**	**4719**	**4719**	**100**	**4719**	**100**
Workers										
Male	1759	1759	100	1759	100	1802	1802	100	1802	100
Female	1	1	100	1	100	1	1	100	1	100
Others	0	0	0	0	0					
Total	**1760**	**1760**	**100**	**1760**	**100**	**1803**	**1803**	**100**	**1803**	**100**

9. Details of performance and career development reviews of employees and worker:

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	4306	4306	100	4037	4037	100
Female	784	784	100	682	682	100
Others	-	-	-			
Total	**5090**	**5090**	**100**	**4719**	**4719**	**100**
WORKERS						
Male	1759	1759	100	1802	1802	100
Female	1	1	100	1	1	100
Others	-	-	-			
Total	**1760**	**1760**	**100**	**1803**	**1803**	**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?

TVSM has implemented an Occupational Health and Safety Management System across its manufacturing operations to provide a safe and healthy workplace for employees, contract workers and visitors. The system is aligned with applicable legal requirements and recognised management system standards.

Standards / frameworks adopted

- ISO 45001:2018 – Occupational Health and Safety Management Systems
- Applicable requirements under the Factories Act, 1948 and relevant state rules, and other applicable occupational safety and labour regulations

Coverage of the Occupational Health and Safety Management System includes:

1. **Manufacturing Plants and Facilities**
   - OHSMS is implemented across all manufacturing plants and operational facilities.
   - 100% of Indian manufacturing facilities are certified to ISO 45001:2018.
2. **Workplace Safety and Risk Management**
   - Periodic hazard identification and risk assessment (HIRA) is conducted for operations and job roles.
   - Defined safe operating procedures, permit-to-work systems (where applicable), emergency response plans, digital incident reporting and investigation, and mandatory PPE compliance are implemented.
3. **Employee Health and Well-being**
   - Periodic medical examinations, health surveillance and wellness programmes are conducted, covering employees and workers during FY 2025–26.
   - Ergonomic assessments and workplace improvements are undertaken to reduce occupational health risks.
4. **Training and Safety Awareness**
   - During FY 2025–26, the Company conducted 405 safety training and awareness programmes, including toolbox talks, emergency drills and safety campaigns, covering 100% of employees and workers.
   - Specialised training is provided for high-risk activities and roles to strengthen incident prevention.

Through these measures, TVSM continues to strengthen a safety-first culture and ensure that occupational health, employee well-being and workplace safety remain integral to 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?

During FY 2025–26, the Company continued to implement a structured Hazard Identification and Risk Assessment (HIRA) process aligned with ISO 45001:2018 for both routine and non-routine activities. This included periodic HIRA reviews, EHS inspections, safety audits, pre-task risk assessments for high-risk and non-routine jobs, and risk assessments under Management of Change (MoC). Findings from incident / near-miss investigations and audit observations were also integrated into the HIRA process to strengthen controls. During the year, 4742 HIRA reviews, 192 safety audits, 18733 pre-task risk assessments / PTWs, and management of change assessments were carried out, and 7.8k+ corrective / preventive actions were implemented based on the hierarchy of controls.

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 established processes for workers to report work-related hazards, unsafe conditions and near-miss incidents, and to remove themselves from situations involving imminent and serious risk, without fear of retaliation. These processes are supported through a structured Hazard Identification and Risk Assessment (HIRA) framework aligned with ISO 45001:2018.

Findings from incident / near-miss investigations and audit observations were integrated into the risk assessment process, and identified hazards were addressed through corrective and preventive actions based on the hierarchy of controls. During FY 2025–26, 196 incident / near-miss learnings were incorporated into HIRA reviews and 1.1k+ corrective / preventive actions were implemented or monitored for closure.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.00	0.00
	Workers	0.09	0.20
Total recordable work-related injuries	Employees	0	0
	Workers	3	3
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

TVSM is committed to providing a safe and healthy workplace for employees, workers, contractors and visitors. The Company's workplace health and safety measures are aligned with applicable legal requirements and recognised standards (including ISO 45001:2018), and are implemented through governance systems, risk-based controls and continuous improvement initiatives. Key measures during FY 2025–26 include:

- Safety-by-design and change management controls: A structured four-stage safety clearance process is followed for new equipment to ensure safety requirements are integrated from the design and installation stages. Similar safety clearance is applied for layout/process changes to ensure OHS controls are incorporated prior to commissioning, reducing risk from modifications and non-routine activities.
- My Safety Index (MSI) – performance monitoring: The Company uses My Safety Index (MSI) as a consolidated KPI to monitor Occupational Health & Safety performance across plants, indirect areas and functions. MSI covers critical elements such as safety culture, systems and processes, governance and technology. In FY 2025–26, the overall MSI score was 84.5, and all sites were reviewed through periodic performance governance.
- Proactive hazard identification and control: Hazard identification and risk reduction are driven through audits, observations and corrective action programmes. During FY 2025–26, proactive hazard control measures were implemented across plants (e.g., machine safety enhancements, process safeguards and fire protection upgrades). Advanced fire protection systems were strengthened/expanded in 100% areas (e.g., test cells and high-risk zones), as applicable.

Other supporting initiatives include:

- Contractor Management Centre (CMC): Strengthens contractor safety through onboarding, compliance checks, toolbox talks and monitoring of contractor safety performance.

- Driver Management Centre (DMC): Enhances road safety for employee commute and logistics operations through driver training and journey risk management. In FY 2025–26, 1117 drivers were trained on defensive driving and journey risk management.
- Progressive disciplinary action guidelines: Reinforce adherence to critical safety rules and ensure consistent consequence management for high-risk violations.
- Ergonomics and occupational health: Ergonomic assessments such as RULA (Rapid Upper Limb Assessment) and REBA (Rapid Entire Body Assessment) are carried out to identify fatigue/posture risks and implement workplace improvements. In FY 2025–26, 3996 ergonomic assessments were conducted, and 28 (Very High Risk) improvements were implemented.

Through these measures, TVSM continues to strengthen a prevention-focused safety culture and improve workplace health and safety performance across operations.

13. Number of Complaints on the following made by employees and workers:

	FY 2025-26			FY 2024-25		
	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.

During FY 2025–26, TVS Motor Company continued to assess and mitigate significant health and safety risks across its operations, particularly in areas such as propane storage systems and battery pack manufacturing, which involve inherent fire and process safety risks. Safety-related incidents, where applicable, were systematically reviewed, and appropriate corrective and preventive actions were implemented.

The Company undertakes Hazard and Operability (HAZOP) studies, as applicable, prior to the installation of new facilities or modification of existing processes, to identify potential hazards and strengthen control measures. Based on assessment outcomes, actions implemented include enhancement of fire detection and suppression systems, strengthening of process safety controls, reinforcement of standard operating procedures, and improvement of emergency preparedness and response mechanisms.

High-risk areas are reviewed periodically, including through six-monthly assessments, and necessary corrective actions are implemented in a timely manner to support continuous improvement in workplace safety and working condition.

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 25-26

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:

	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 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Employees	0	0	Not Applicable	Not Applicable
Workers	0	0	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

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	~46%
Working Conditions	~46%

Note: During the reporting period, assessments covered 320 suppliers and 617 dealers, representing 63% of the total supplier base and 38% of the total dealer network, respectively.

TVSM continues to deepen sustainability integration across its value chain by actively engaging suppliers and dealers through its My Sustainability Index (MSI). More than a compliance tool, MSI serves as a strategic lever to drive awareness, build capability, and encourage measurable improvements in environmental, social, and governance performance across the wider ecosystem.

During FY 2025–26, TVSM continued to strengthen sustainability performance across its value chain through the My Sustainability Index (MSI), a structured framework for assessing and engaging value chain partners. During the year, 320 suppliers, representing ~63% of the total supplier base, and 617 dealers, representing ~38% of the total dealer base, were covered under MSI. This engagement was further reinforced through targeted training and sensitisation initiatives aimed at helping partners understand sustainability expectations, identify improvement areas, and progressively embed responsible business practices. Through these efforts, TVSM seeks to extend sustainability beyond its own operations, drive positive impact across its network, and contribute to improving sustainability performance across the automotive value chain.

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.

The Company continues to strengthen safe and healthy working conditions across its value chain through periodic engagement, assessments and corrective action tracking for dealers and suppliers. Key risks identified and actions taken / underway during FY 2025–26 are summarised below.

Sustainability at Dealers

- Fire Readiness / Fire Safety Training: The Company mandates its dealerships to implement essential fire safety measures, including fire detection systems, fire extinguishers, and first aid kits. During FY 2025–26, 1,240 (91%) of the dealerships complied with these requirements, strengthening risk mitigation and ensuring the safety of people and assets. The remaining dealerships are in the process of implementing the required measures and are expected to achieve full compliance in a phased manner.
- Road Safety Campaign: In January 2026, a nationwide road safety campaign was conducted across ~600 dealerships in major cities and 19 Area Offices. The initiative focused on promoting safe driving practices and traffic awareness. Through around 1,300 dedicated events, the campaign reached and educated ~3,00,000 individuals, significantly contributing to safer roads and responsible mobility, and reaffirming the Company's commitment to community well-being and responsible business practices.

- Water conservation at workshops: The Dry Wash initiative continued at dealer workshops to reduce freshwater use through steam/waterless cleaning methods. During FY 2025–26, 321 dealer workshops adopted/continued Dry Wash practices, resulting in an estimated over 60 million Litre savings and reduced wastewater generation.

Sustainability at Suppliers

- Corrective action closure on health & safety gaps: Based on supplier assessments and engagement, TVSM continues to support its supply chain partners to take corrective actions for key risks such as workplace hazards, fire risks, machine safety and emergency preparedness. During FY 2025–26, 282 supplier safety assessments were conducted, with respect to safety.
- **Supplier safety capability building:** During FY 2025–26, 48 supplier safety training / awareness sessions were conducted, focusing on hazard identification, incident prevention, fire safety and emergency response, covering 320 suppliers and 570 participants.
- **Broader sustainability capacity building:** TVSM conducted 48 supplier capability-building sessions covering energy efficiency, water conservation, waste minimisation, recycling and emissions management, to improve environmental performance and support compliance expectations. Around 320 suppliers participated during the reporting period in the various training programmes.

Through these measures, the Company continues to strengthen risk identification, corrective action implementation and capability building across its dealer and supplier ecosystem to improve working conditions and occupational safety performance.

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 follows a structured process to identify and periodically review its key stakeholder groups. Stakeholders are mapped based on their influence on the Company's operations and strategy, the extent to which they are impacted by the Company's activities, and the relevance of their expectations to business performance and sustainability priorities. The Company engages with internal and external stakeholders through defined channels to understand their key risks, concerns, challenges and evolving expectations. Insights from these engagements are used to strengthen collaboration, support informed decision-making and improve the effectiveness of the Company's stakeholder engagement approach on an ongoing basis.

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, advertisements/ newspapers, showroom interactions, customer surveys, after-sales service channels	Continuous	Product quality and service experience, delivery timelines, pricing/value, fuel economy/efficiency, resolution of complaints
Dealers	No	Email, meetings, dealer/cluster meets, trainings, facility visits	Continuous	Dealer operations and performance, product quality, pricing/margins, product portfolio, technology updates, customer needs, manpower capability
Employees	No	Email, SMS, notice boards, policies/codes/procedures, townhalls/trainings	Monthly / Quarterly / Annually (as applicable)	Performance and development, engagement, grievances, policy communication, training and capability building
Workers	No	Notice boards, forums, committee meetings, collective bargaining/consultation	Ongoing	Grievances, occupational health & safety, welfare/benefits, workplace conditions
Communities	No	Community meetings, gram sabha/village events, CSR programme engagement (via Srinivasan Service Trust)	Continuous	Community needs assessment, health and sanitation, infrastructure, livelihoods/ employment, education initiatives

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
Policy Makers	No	Emails, meetings, industry association platforms	As needed	Policy engagement and advocacy on sector priorities; participation in consultations through industry bodies
Regulatory Bodies	No	Emails, meetings, inspections, statutory submissions	As needed	Regulatory compliance, inspections/ audits, reporting accuracy, timely closure of observations
Shareholders / Investors	No	Website disclosures, email/ communications, AGMs, investor/analyst calls, meetings	Quarterly / Annually	Strategy and performance, governance and disclosures, future outlook, sustainability performance, shareholder returns
Vendors / Transporters / Suppliers / Service Providers	No	Email, meetings, supplier meets, visits/assessments, reviews	Monthly	Supply continuity and quality, delivery schedules and demand variability, NPD support, compliance expectations, issue resolution (incl. payment/rejections), supplier performance improvement and recognition

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.**

   TVS Motor Company follows a structured process to facilitate consultation between stakeholders and the Board on economic, environmental and social matters. Stakeholder engagement is typically led by business and functional heads through defined forums, periodic reviews and ongoing interactions. Inputs gathered through these engagements, including meetings, workshops, surveys, feedback channels and grievance mechanisms are documented and consolidated by the respective functions.

   Key stakeholder feedback is analyzed to identify material themes, emerging risks, concerns and improvement opportunities. The consolidated insights, along with recommended actions, are then escalated through management reviews and periodic governance updates to the Board/Board Committees, as applicable. This enables the Board to consider stakeholder perspectives while reviewing strategy, risk management, performance and sustainability priorities.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No).**

   Yes, the Company stakeholder consultation is an important input to identify, assess, and manage material environmental and social topics. The Company undertakes a structured process to identify key stakeholder groups across its value chain, including investors, employees, customers, dealers, suppliers, communities, CSR partners, industry associations, and regulators.

   Stakeholder engagement is carried out through a mix of regular interactions, meetings, consultations, surveys, reviews, and other feedback mechanisms, depending on the stakeholder group and the nature of the issue. These engagements help the Company understand stakeholder expectations, emerging concerns, and priority topics relevant to its business and sustainability agenda.

   The feedback received through these consultations is reviewed and analysed to generate actionable insights, which are considered in the identification of material environmental and social topics, as well as in shaping related strategies, programmes, disclosures, and management actions. This process supports a more informed, responsive, and stakeholder-aligned approach to sustainability governance.

   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.

   Yes. The outcomes of the Company's double materiality assessment conducted in FY 2023–24 continued to inform its policies, disclosures, and sustainability actions during FY 2025–26. The assessment covered approximately 500 stakeholders across six stakeholder groups and identified 19 material issues, including 10 critical issues. Inputs received through this process, as well as through ongoing stakeholder engagement during FY 2025–26, were considered in prioritising key environmental and social topics, refining sustainability initiatives, and strengthening

governance and disclosure practices. The Company intends to repeat the assessment once every three years to capture evolving stakeholder expectations and emerging risks and opportunities.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

TVS Motor Company remains committed to creating positive and lasting social impact through active engagement with local communities and sustained investment in community development initiatives. The Company engages with communities through direct interactions, need assessments, and implementation partner feedback to help identify priority areas and shape its Corporate Social Responsibility (CSR) programmes in a responsive and context-specific manner.

The Company's CSR initiatives are implemented largely through Srinivasan Services Trust (SST), which works with communities to promote inclusive and sustainable development. These programmes are designed to address both immediate needs and long-term development priorities, with a focus on strengthening community resilience and self-reliance.

During FY 2025–26, community development interventions continued across the following focus areas:

- **Environment:** Programmes were undertaken to build awareness on environmental conservation, including issues such as soil health, afforestation, water conservation, and climate resilience. Efforts also supported sustainable agricultural practices and encouraged the adoption of environmentally responsible methods among farming communities.
- **Healthcare:** Preventive and community health initiatives continued with a focus on maternal and child health, nutrition, sanitation, hygiene, and access to basic healthcare services. Interventions such as support for sanitation facilities, safe drinking water, and health awareness contributed to improving community well-being.
- **Livelihood Development:** SST continued to support livelihood enhancement by strengthening access to skill development, enabling linkages with government welfare schemes, and promoting income-generation opportunities, including through self-help groups and community-based institutions.
- **Social Development:** Community-led interventions were undertaken to improve overall quality of life and strengthen social inclusion, with efforts focused on building local capacity and enabling participatory development.
- **Education:** Programmes continued to support access to education and contribute to improved learning outcomes for children and young people, thereby strengthening opportunities for long-term development.

Through these focused interventions, TVS Motor Company, together with SST, continued to work towards building stronger, more resilient, and self-reliant communities during FY 2025–26.

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 2025-26			FY 2024-25		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
Employees						
Permanent	5090			4719	-	
Other than permanent	6354			4983	-	
Total Employees	11444			9702	-	
Workers						
Permanent	1759			1803	-	
Other than permanent	1			-		
Total Workers	**1760**			**1803**	**-**	

TVSM operations are certified under the SA 8000 standard, providing a robust and validated framework to manage and uphold human rights through embedded policies, operational standards, periodic audits, and grievance redressal mechanisms.

Building on this foundation and following the formalization of its Human Rights Policy in FY 2024–25, the Company is further strengthening its human rights governance through the development of dedicated training modules and plans to undertake a comprehensive risk-based human rights assessment across the value chain and organizational boundary

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2025-26					FY 2024-25				
	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	5090	-	-	5090	100	4719	-	-	4719	100
Male	4306	-	-	4306	100	4037	-	-	4037	100
Female	784	-	-	784	100	682	-	-	682	100
Others										
Other than permanent	6354	-	-	6354	100	4983	-	-	4983	100
Male	4948	-	-	4948	100	3947	-	-	3947	100
Female	1406	-	-	1406	100	1036	-	-	1036	100
Others	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent	1760	-	-	1760	100	1803	-	-	1803	100
Male	1759	-	-	1759	100	1802	-	-	1802	100
Female	1	-	-	1	100	1	-	-	1	100
Other than permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-

3. Details of remuneration/salary/wages, in the following format:

a. *Median remuneration / wages:*

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	6	1,81,46,482	1	-
Key Managerial Personnel	2	4,26,73,476	-	-
Employees other than BoD and KMP	4301	20,60,200	784	13,50,700
Workers	1759	11,50,300	1	11,43,882

b. *Gross wages paid to females as % of total wages paid by the entity, in the following format:*

	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	10.11%	8.58%

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 and plant-level mechanisms to address human rights-related concerns and workplace issues across its operations. TVS Motor Company's approach to human rights is guided by its Human Rights Policy, which is aligned with internationally recognised frameworks, including the Universal Declaration of Human Rights (UDHR), the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, and the United Nations Guiding Principles on Business and Human Rights (UNGPs). These principles underpin the Company's commitment to ethical labour practices, dignity at work, non-discrimination, fair treatment, and safe working conditions.

The Company also extends these expectations across its value chain through its Supplier Sustainability Code of Conduct, which sets out requirements relating to responsible business conduct and protection of human rights. The Code prohibits child labour, forced labour, bonded labour, and human trafficking, and requires suppliers to comply with applicable legal and regulatory requirements relating to wages, working hours, humane treatment, workplace safety, and non-discrimination. Further, the Code recognises the importance of freedom of association and collective bargaining and expects suppliers to provide appropriate channels for raising concerns, including grievance and whistle-blower mechanisms, without fear of retaliation. Compliance with these expectations is supported through supplier onboarding, assessments, audits, engagement, corrective action follow-up, and capability-building initiatives, as applicable.

Through these measures, TVS Motor Company continued to strengthen its human rights approach across both its own operations and its supply chain, while promoting responsible, ethical, and sustainable business practices during FY 2025–26.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has established internal grievance redressal mechanisms to address concerns related to human rights, workplace conduct, and employee well-being in a structured and confidential manner. These mechanisms are designed to enable timely reporting, fair investigation, and appropriate resolution of grievances, while safeguarding employees against retaliation.

At the operational level, relevant committees and forums are in place to address different categories of concerns. These include the Prevention of Sexual Harassment (POSH) Internal Committee for complaints relating to sexual harassment, as well as ethics- and compliance-related mechanisms for concerns involving misconduct, unfair treatment, discrimination, or other human rights-related matters. Such mechanisms are supported by defined processes for escalation, review, and resolution.

The Company's Whistleblower Mechanism / Vigil Mechanism provides employees and other stakeholders, as applicable, with a secure channel to raise concerns relating to unethical behaviour, violation of company policies, or suspected misconduct, without fear of retaliation. Complaints received through these channels are reviewed in line with established protocols and appropriate corrective actions are taken wherever required.

To strengthen awareness and accessibility, the Company also integrates sensitisation on grievance redressal and workplace rights into employee induction programmes, supported by periodic awareness sessions, workshops, training programmes, and internal communications. These efforts help reinforce a culture of respect, inclusion, accountability, and ethical conduct across the organisation. Through these mechanisms, TVS Motor Company continued to uphold employee rights and maintain a safe, equitable, and respectful workplace during FY 2025–26.

6. Number of Complaints on the following made by employees and workers:

	FY 2025-26			FY 2024-25		
	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	2	1	Enquiry in Progress	11	1	Enquiry in Progress
Discrimination at workplace	-	-		-	-	
Child Labour	-	-		-	-	
Forced Labour/Involuntary Labour	-	-		-	-	
Wages	-	-		-	-	
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:

	FY2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	2	11
Complaints on POSH as a % of female employees / workers	0.091	0.58
Complaints on POSH upheld	1	1

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

TVS Motor Company is committed to providing a workplace where employees can raise concerns related to discrimination, harassment, or inappropriate conduct without fear of retaliation. The Company has established formal mechanisms, including the Whistleblower / Vigil Mechanism and the Prevention of Sexual Harassment (POSH) Internal Committee, to enable the confidential reporting and redressal of such concerns.

These mechanisms are supported by provisions that safeguard complainants against any form of retaliation, intimidation, victimisation, or unfair treatment arising from the reporting of a concern made in good faith. Any retaliatory action against a complainant, witness, or person participating in an investigation is treated as a violation of the Company's Code of Conduct and is subject to appropriate disciplinary action. Complaints received are handled through defined processes that emphasise confidentiality, impartial review, timely investigation, and fair resolution. Access to information is restricted to authorised personnel on a need-to-know basis to protect the identity and interests of the complainant to the extent possible. Through these measures, the Company continued to strengthen trust in its grievance redressal systems and promote a safe, respectful, and non-retaliatory workplace environment during FY 2025–26.

9. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes. Human rights-related requirements are integrated into the Company's expectations from suppliers and business partners through relevant agreements and the Supplier Sustainability Code of Conduct. These requirements cover areas such as prohibition of child labour and forced labour, fair wages, safe working conditions, non-discrimination, freedom of association, and ethical conduct. Compliance is supported through assessments, audits, corrective action processes, and ongoing engagement with suppliers and partners.

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 25-26, 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.**

During FY 2025–26, the Company did not receive any human rights-related grievances or complaints that resulted in the modification or introduction of a business process. The Company continued to maintain robust preventive and monitoring systems supported by its Human Rights Policy, Code of Conduct, Policy on Prevention of Sexual Harassment, and fair practices / non-discrimination framework. Regular awareness and sensitisation initiatives, including annual policy certification, were also undertaken to reinforce employee understanding and compliance.

2. **Details of the scope and coverage of any Human rights due diligence conducted.**

During FY 2025–26, the Company's Human Rights Due Diligence framework, aligned with the SA8000 standard, covered its operations and relevant aspects of the supply chain. The due diligence process addressed key human rights areas including child labour, forced labour, health and safety, non-discrimination, equal remuneration, disciplinary practices and working hours. Implementation is supported through audits, training, management reviews, and supplier engagement processes.

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:**

During FY 2025–26, TVS Motor Company continued to assess and engage its value chain partners through the My Sustainability Index (MSI), a structured framework designed to benchmark sustainability performance, identify improvement opportunities, and build partner capability across legal, ethical, environmental, and social dimensions. During the year, 320 upstream suppliers and 617 downstream dealers were assessed under the MSI framework. These assessments supported a consistent sustainability benchmarking approach across the value chain and contributed to improved transparency, greater partner awareness, and stronger adoption of responsible business practices.

Further, as part of new supplier onboarding and the Company's broader responsible supply chain management efforts, 24 new supply chain partners were assessed under MSI. These assessments enabled the identification of approximately 15 improvement areas relating to health, safety, environmental management, and workplace practices, and relevant partners were engaged on corrective and improvement actions, wherever applicable.

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Based on the assessment findings, TVS Motor Company continued to engage with suppliers and dealers to address identified concerns and strengthen human rights-related performance across the value chain. Corrective actions focused on areas such as occupational health and safety, fair working conditions, workplace practices, employee well-being, and compliance with applicable labour and social requirements. Relevant partners were encouraged to develop and implement corrective action plans, supported through engagement, awareness-building, and periodic follow-up reviews. Progress on identified gaps continued to be monitored under the Company's ongoing value chain sustainability engagement process.

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 2025-26	FY 2024-25
From renewable sources			
Total electricity consumption (A)	Gigajoules	334168.37	282995.79
Total fuel consumption (B)	Gigajoules	0	0
Energy consumption through other sources (C)	Gigajoules	50186.64	57389.59
Total energy consumed from renewable sources (A+B+C)	Gigajoules	384355.01	340385.39
From non-renewable sources			
Total electricity consumption (D)	Gigajoules	2772.48	6699.32
Total fuel consumption (E)	Gigajoules	344746.57	276575.80
Energy consumption through other sources (F)	Gigajoules	0	0.00
Total energy consumed from non-renewable sources (D+E+F)	Gigajoules	347519.05	283275.12
Total energy consumed (A+B+C+D+E+F)	Gigajoules	731874.06	623660.52
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations in Crores)	GJ/Crores	15.48	17.20
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP))		314.92	345.45
Energy intensity in terms of physical output {Goods produced :(GJ/No of goods produced)}	GJ/No of goods	0.13	0.13
Energy intensity (optional) the relevant metric may be selected by the entity. {Goods sold:(GJ/No of goods sold)}	GJ/No of goods	0.12	0.13

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.

M/s Forvis Mazars LLP

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)

Not Applicable

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

3. Provide details of the following disclosures related to water, in the following format:

Parameter	Please specify unit	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)			
(i) Surface water	kilolitres	91322	21836
(ii) Groundwater	kilolitres	458931	239921
(iii) Third party water	kilolitres	8109	17402
(iv) Seawater / desalinated water	kilolitres	-	-
(v) Others	kilolitres	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	kilolitres	558362	279159
Total volume of water consumption (in kilolitres)*	kilolitres	212613	286067.8
Water intensity per rupee of turnover (Total water consumed / Revenue from operations in Crores)	KL/Crores	4.50	7.89
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumed / Revenue from operations adjusted for PPP))		91.49	158.46
Water intensity in terms of physical output {Goods produced :(KL/No of goods produced)}	KL/No of goods	0.037	0.060
Water intensity (optional) the relevant metric may be selected by the entity. {Goods sold:(KL/No of goods sold)}	KL/No of goods	0.036	0.049

**Note : Restatement water consumption number for FY 2024-25 (Water consumption = Withdrawal - Discharged*

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.

M/s Forvis Mazars LLP

4. Provide the following details related to water discharged:

Water discharge by destination and level of treatment (in kilolitres)	UoM	FY 2025-26	FY 2024-25
(i) To Surface water	kilolitres	-	-
- No treatment	kilolitres	-	-
- With treatment - please specify level of treatment	kilolitres	-	-
(ii) To Groundwater	kilolitres	-	-
- No treatment)	kilolitres	-	-
- With treatment - please specify level of treatment	kilolitres	-	-
(iii) To Seawater	kilolitres	-	-
- No treatment	kilolitres	-	-
- With treatment - please specify level of treatment	kilolitres	-	-

Water discharge by destination and level of treatment (in kilolitres)	UoM	FY 2025-26	FY 2024-25
(iv) Sent to third parties	kilolitres	-	-
- No treatment	kilolitres	-	-
- With treatment - please specify level of treatment	kilolitres	-	-
(v) Others	kilolitres	345749	406561
- No treatment	kilolitres	-	-
- With treatment - please specify level of treatment (Tertiary treatment inhouse zero liquid discharge)	kilolitres	345749	406561
Total water discharged (in kiloliters)	kiloliters	345749	406561

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.

M/s Forvis Mazars LLP

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 2025-26	FY 2024-25
Nox	MT	12.40	148.38
Sox	MT	21.98	55.52
Particulate matter (PM)	MT	44.06	84.79
Persistent organic pollutants (POP)			0
Volatile organic compounds (VOC)	PMP	4.4	4.1
Hazardous air pollutants (HAP)			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.

M/s Forvis Mazars LLP

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH^4, N_2O, HFCs, PFCs, SF_6, NF3, if available)	tCO_2e	23150.82	20289.97
Total Scope 2 emissions[16] (Break-up of the GHG into CO_2, CH^4, N_2O, HFCs, PFCs, SF6, NF3, if available)[3]	tCO_2e	625.34	2963.09
Total Scope 1 and Scope 2 emissions per rupee of turnover (Emission / turnover in crores)	tCO_2 e/ Crore	0.50	0.64
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)		10.23	12.88
Total Scope 1 and Scope 2 emission intensity in terms of physical output {Goods produced (tCO_2e/No of goods)}	(tCO_2e/No of goods)	0.004	0.005
Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity	(tCO_2e/No goods sold)	0.004	0.004

Note:

- CO_2 equivalent (CO_2e) emission factor covering CO_2, CH_4, and N_2O based on IPCC methodologies in DEFRA 2025
- Furnace oil - Emission factor from GHG Protocol Cross Sectoral Tools
- Central Electricity Authority 2025 for scope 2 emissions
- Petrol - E20 modelled Emission factor aligned to National Policy on Biofuels & Ethanol Blended Petrol (EBP) Programme, Government of India

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.

M/s Forvis Mazars LLP

8. **Does the entity have any project related to reducing Green House Gas emission?**

Yes

If yes, then provide details.

In FY 2025–26, the entity implemented a comprehensive portfolio of decarbonisation initiatives targeting both Scope 1 and Scope 2 emissions. These included fuel transition to lower-carbon alternatives, large-scale energy efficiency and process optimisation programs, and increased integration of renewable energy across operations.

Collectively, these initiatives delivered quantifiable reductions in energy consumption and GHG emissions, driven by technology-led interventions such as AI/ML-based optimisation, waste heat recovery, and advanced energy management systems. The approach reflects a structured transition towards low-carbon manufacturing, with measurable improvements in emission intensity and operational efficiency.

9. **Provide details related to waste management by the entity, in the following format:**

Parameter	Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)			
Plastic waste (A)	metric tonnes	762.43	582.23
E-waste (B)	metric tonnes	107.80	36.4
Bio-medical waste (C)	metric tonnes	0.36	0.629
Construction and demolition waste (D)	metric tonnes	845.61	0
Battery waste (E)	metric tonnes	29.89	792.25
Radioactive waste (F)	metric tonnes		
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	4566.81	4237.58
Other Non-hazardous waste generated (H) - Metallic waste, Composite Fibre, Paper, Wood, Cardboard, Thermocol, Rubber	metric tonnes	16221.99	15253.11
Total (A+B + C + D + E + F + G + H)	metric tonnes	22534.89	20902.199
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	MT/Crore	0.48	0.58
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)		9.70	11.58
Waste intensity in terms of physical output {Goods produced (Tonne/No of goods produced)}	MT/No of goods	0.004	0.004
Waste intensity (optional) the relevant metric may be selected by the entity {Goods produced (Tonne/No of goods sold)}	MT/No of goods	0.004	0.004
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)			

Parameter	Parameter	FY 2025-26	FY 2024-25
Category of waste			
(i) Recycled	metric tonnes	35959.41	17967.76
(ii) Re-used	metric tonnes	0	0
(iii) Other recovery operations	metric tonnes	845.61	0
Total	metric tonnes	**35527.794**	**17967.76**
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	0.36	0.70
(ii) Landfilling	metric tonnes	0	0
(iii) Other disposal operations- The remaining hazardous waste disposed to cement industry for Co-Processing	metric tonnes	2963.1	2933.81
Total	**metric tonnes**	**2963.46**	**2934.43**

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.

M/s Forvis Mazars LLP

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 Company is progressing towards its goal of Zero Waste to Landfill across all operations, supported by a structured waste management framework focused on responsible handling, disposal, and resource recovery. This approach is aligned with the Company's broader sustainability vision and circular economy principles.

Hazardous Waste Management: All hazardous waste generated is channelled for co-processing in authorised cement plants, where it is utilised as alternative fuel, thereby reducing environmental impact and enabling resource recovery.

Non-Hazardous Waste Management: Non-hazardous waste streams are segregated and directed towards recycling, ensuring maximum material recovery and minimisation of landfill disposal.

Reduction of Hazardous and Toxic Chemicals: The Company continues to advance its efforts to reduce hazardous and toxic chemicals through process optimisation, material substitution, and sustainable sourcing practices. This includes phasing out high-risk substances, adopting environmentally preferable alternatives, and implementing closed-loop systems to minimise waste generation and enhance resource efficiency.

11. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, 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

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

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 (Current Financial Year)	PY (Previous Financial Year)
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
- 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

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	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	Outcome of the initiative	Corrective action taken, if any
1	Increase white-body storage	Automation and line modification to increase buffer storage (30 → 60 units), reducing oven start-stop cycles and idle losses.	Energy savings of 174,461 kWh against expected 108,000 kWh (161.4% achievement) indicating significant operational optimisation gains.	-
2	HV fault elimination for availability improvement	Reliability enhancement through protection tuning and preventive maintenance to eliminate high-voltage faults.	Achieved 199,038 kWh vs 398,077 kWh target (50% achievement), improving uptime.	-
3	AI-based compressor optimisation	Deployment of AI models and sensors to optimise compressor load sharing and pressure settings.	Delivered 180,000 kWh vs 360,000 kWh target (50% achievement) through reduced idle running.	-
4	VFD + AI optimisation in lube compressor	Installation of VFD with AI control to align compressor output with demand and minimise throttling losses.	Achieved 77,884 kWh vs 150,000 kWh (51.9% achievement), improving energy efficiency.	-
5	AHU DC fan conversion	Replacement of conventional AC fans with energy-efficient DC fans to improve part-load efficiency.	Delivered 104,311 kWh vs 208,623 kWh (50% achievement) through reduced fan energy consumption.	-
6	Centralised PLC control	Transition from relay-based systems to PLC automation to eliminate start/stop energy losses across utilities.	Achieved 54,600 kWh vs 109,200 kWh (50% achievement) through improved operational control.	-
7	Heat pump conversion	Replacement of propane-based hot water generator with high-efficiency electric heat pump system.	Achieved 56,250 kWh vs 112,500 kWh (50% achievement) with improved energy efficiency and fuel substitution.	-
8	Cycle time reduction	Process optimisation reducing cycle time (165s → 150s) to lower energy consumption per unit.	Delivered 63,796 kWh vs 138,225 kWh (46.2% achievement) improving process efficiency.	-
9	Energy-efficient filters in Paint shop ASU	Installation of low-pressure-drop filters and differential pressure monitoring to reduce AHU fan energy.	Achieved 62,192 kWh vs 231,000 kWh (26.9% achievement) indicating partial realisation of benefits.	-

5. Does the entity have a business continuity and disaster management plan?

Yes

Give details in 100 words/ web link.

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.

6 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.

7 Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

In FY 2025–26, the Company strengthened environmental due diligence across its value chain through the My Sustainability Index (MSI), covering both upstream and downstream partners. A total of 320 suppliers—representing ~ 63% of the supplier base were assessed for environmental impacts under the MSI framework. The assessment enables systematic evaluation of supplier environmental performance, supports risk identification, and drives continuous improvement aligned with responsible sourcing

8 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 listed entity

b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners

During FY 2025–26, TVS Motor Company did not generate or procure any Green Credits. Based on information available with the Company, no Green Credits were generated or procured during the year by the top ten value chain partners, in terms of value of purchases and sales, respectively. Green Credits are part of India's Green Credit Programme under the Green Credit Rules, 2023, and are distinct from carbon credits.

Going forward, the Company will continue to monitor developments under the applicable Green Credit framework and evaluate relevant opportunities for participation, including strengthening internal processes for identification, documentation and tracking of eligible environmental initiatives, wherever applicable

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 Indicators

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)

The Company does not have a standalone public policy advocacy policy. However, it engages with recognised industry associations to contribute to public policy discussions and represent sectoral perspectives. All such engagements are undertaken in a responsible and transparent manner, aligned with applicable laws, regulatory requirements, and the Company's governance framework.

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:**

	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/ small producers	7.5%	4.4%
Directly from within India	95.4%	84%

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 2025-26	FY 2024-25
Rural	38.74%	74.76%
Semi-urban	3.87%	10.79%
Urban	24.88%	12.96%
Metropolitan	20.68%	1.49%

Note: In FY 2025–26, TVS Motor Company updated its job creation classification to align with the Reserve Bank of India (RBI) classification

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 2025-26, 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	Aspirational District	Amount spent (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***

Not applicable

(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: Nil**

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

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. Nil**

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

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	161000+	100
2	Renovation of Anganwadi's, schools, hostel, health centres, veterinary centres and other rural community infrastructure	300000+	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	119000+	75
4	Desilting of water storage bodies and channels	13000+	75
5	Livelihood initiatives for women in Self-Help Groups	24000+	70
6	Improving learning outcomes of children in primary and middle schools	8800+	90
7	Improving life-skills among children	9000+	90
8	Conducting awareness programs for agriculture and livestock farmers	41000+	75
9	Beneficiaries of social security schemes	14000+	95
10	Conducting hygiene awareness programs for children	13500+	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 structured mechanism to receive and respond to consumer complaints and feedback through a two-tier grievance redressal system. At the first level, consumers may raise complaints related to sales, service, and product-related matters through online channels, customer care touchpoints, and email at customercare@tvsmotor.com , which are addressed by the relevant sales / service teams. Matters that remain unresolved, or those involving disputes or privacy-related concerns, are escalated to higher authorities and relevant internal functions, including the legal team where necessary. This mechanism supports timely resolution, customer satisfaction, and continuous improvement in service quality

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

Number of consumer complaints in respect of the following:

	FY 2025-26 (Current Financial Year)		Remarks	FY 2024-25 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	NA	0	0	NA
Advertising						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	0	0		0	0	All closed

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	0	
Forced recall	0	

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 preventive and corrective approach to addressing issues relating to advertising practices, service delivery, cyber security, customer data privacy, product quality, and regulatory compliance. During FY 2025–26, the Company continued to strengthen internal review and monitoring mechanisms to ensure that advertising and marketing communications remain aligned with applicable regulatory requirements and responsible communication standards. Service delivery processes were also periodically reviewed to enhance responsiveness and improve overall customer experience.

With respect to cyber security and data privacy, TVSM maintains an ISO 27001-certified Information Security Management System (ISMS), which supports structured management of cyber security risks and protection of sensitive information. The Company conducts regular internal reviews, vulnerability assessments, and periodic external security audits, along with employee awareness programmes, to strengthen threat detection and response capabilities. Data protection practices, including privacy policies and system controls, are periodically reviewed and enhanced to safeguard customer information and maintain compliance with applicable requirements. In relation to product quality and safety, the Company continues to implement preventive quality control measures, root cause analysis, and corrective and preventive action (CAPA) processes to minimise the likelihood of recurrence of product-related issues, including recalls. Where required, TVSM also undertakes appropriate corrective measures in response to any regulatory observations or requirements relating to product safety or service compliance.

7. **Provide the following information relating to data breaches:**

	Number
Number of instances of data breaches	0
Percentage of data breaches involving personally identifiable information of customers	0
Impact, if any, of the data breaches	-

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 undertakes multiple measures to inform and educate consumers on the safe and responsible use of its products and services. The Company complies with applicable requirements relating to product information, labelling, and consumer disclosures, and provides customers with relevant guidance through user manuals, owner handbooks, product literature, digital platforms, and dealer touchpoints. These materials include information on safe usage, operation, maintenance, and care of products to support informed decision-making and responsible use. In addition, customer awareness is reinforced through service interactions and other communication channels, wherever relevant

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

TVSM uses multiple communication channels to inform consumers, as appropriate, of any significant disruption or discontinuation relating to customer service or other essential support mechanisms. These channels may include SMS alerts, email communication, website updates, dealer communication, customer care channels, and social media platforms, depending on the nature of the issue. This approach helps ensure timely communication, improves transparency, and enables consumers to take necessary action or seek alternate support, where required.

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 seeks to provide clear, accessible, and consumer-friendly product information beyond mandatory legal requirements through a range of communication materials and customer touchpoints. In addition to statutory disclosures, the Company provides product brochures, leaflets, owner manuals, website-based information, and digital interfaces that offer further details on product features, usage, care, service support, and related guidance. Information is also made available through the dealer network and other customer engagement channels to support consumer awareness and informed product choice. The Company continues to strengthen customer understanding through regular feedback, market insights, and improvements in communication practices.

5 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- The Company undertakes annual customer satisfaction assessments through independent agencies like J.D. Power, to capture customer sentiment across key product segments and markets. In FY 2025–26, the Company leveraged insights from the J.D. Power India Two-Wheeler Initial Quality Study and the J.D. Power India Two-Wheeler APEAL Study, securing five awards across categories. The outcomes reflected:

- Strong initial quality performance, with reduced defects and improved manufacturing consistency
- High customer satisfaction with product performance and design, particularly in ride comfort, styling, and fuel efficiency
- Enhanced ownership experience, supported by improvements in service quality and dealer engagement

These insights provide actionable market intelligence on customer expectations, product reliability, and after-sales experience. TVSM systematically integrates these learnings into product development, quality enhancement, and service delivery, strengthening customer satisfaction and long-term brand trust.

For and on behalf of the Board of Directors

SUDARSHAN VENU

Chairman and Managing Director
DIN : 03601690

Singapore
13th May 2026

Independent Assurance Statement

To the Board of Directors of TVS Motor Company Limited

TVS Motor Company Limited (Corporate Identity Number L35921TN1992PLC022845, hereafter also referred to as 'TVS' or 'the Company') has engaged Forvis Mazars LLP ('Forvis Mazars', 'us' or 'we' or 'our') to undertake independent assurance of the Company's disclosures in its Business Responsibility and Sustainability Report (hereafter referred to as 'BRSR') for the Financial Year (FY) 2025-26. The disclosures include BRSR Core as per Annexure 17A and the non-financial disclosures as per Annexure 16 of the Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155, dated November 11, 2024.

Our Conclusion:

Reasonable level of Assurance- BRSR Core

Based on the review performed and the procedures undertaken to obtain a reasonable level of assurance, Forvis Mazars concludes that, in all material respects, the BRSR Core Key Performance Indicators (KPIs) across the nine ESG attributes (as detailed in Annexure I of this statement) for FY 2025–26 have been reported in accordance with the requirements specified in the Industry Standard on Reporting of BRSR Core.

Limited Level of Assurance- BRSR Disclosures other than core

Based on the assessment undertaken, nothing has come to our attention to suggest that the non-financial disclosures (as listed in Annexure II of this statement) in BRSR do not properly adhere to the reporting requirements as per BRSR reporting guidelines in Annexure 16 of SEBI's Master Circular.

Scope of Work

The scope of our engagement includes a reasonable level of assurance for the 'BRSR Core' attributes and a limited level of assurance for 'BRSR Disclosures other than core', for the Financial Year (FY) 2025-26, in accordance with the identified sustainability information and criteria listed below.

We have performed an assurance engagement on the Identified Sustainability Information (ISI) for the Reporting Boundary as disclosed under Question No. 13 of Section A: General Disclosures of the BRSR on a standalone basis. The boundary includes the following manufacturing facilities and offices, inclusive of owned and leased workplaces:

Site	Address
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
Office	Focus Towers, Plot No. 22, 1st Main Rd, Electronic City Phase I, Electronic City, Bengaluru, Karnataka 560100

Identified Sustainability Information and Criteria

Identified Sustainability Information (ISI) and Criteria are detailed in the table below:

Identified Sustainability Information subject to assurance	Period subject to assurance	Level of assurance	Reporting criteria used by the Company to prepare Identified Sustainability Information
BRSR Core	From April 01, 2025, to March 31,2026	Reasonable	i. Regulation 34(2)(f) of the Securities and Exchange Board of India (the "SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. ii. Business Responsibility and Sustainability Reporting Requirements for listed entities per Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, and Industry Standard on Reporting of BRSR Core per SEBI Circular No. SEBI/HO/CFD/CFD- PoD1/P/CIR/2024/177 dated December 202024. iii. Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard. iv. ISO 14064-1:2018 - Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals.
BRSR Disclosures other than core	From April 01, 2025, to March 31,2026	Limited	

Basis of our conclusion

As part of the assurance process, a multidisciplinary team of assurance specialists conducted assurance procedures across selected sites of TVS. Assessment was conducted by means of physical site visits at Hosur Plant & Test Track, located in Tamil Nadu, Nalagarh Plant in Himachal Pradesh, Corporate Office in Chennai, and remote verification at other sites and offices.

The following activities were undertaken:

BRSR Core – Reasonable level of assurance	BRSR Disclosures other than core – Limited level of assurance
Reviewed the disclosures under the BRSR Core framework, which comprises a set of Key Performance Indicators (KPIs) across nine ESG attributes. These disclosures were evaluated in accordance with the Industry Standard on Reporting of BRSR Core, applying a reasonable level of assurance.	Reviewed the disclosures in line with BRSR reporting guidelines, covering general disclosures, management processes, principle-wise performance (including essential and leadership indicators), and other key metrics specified within the framework. These disclosures were assessed using a limited level of assurance.
Assessed the design and implementation of key systems, processes, and controls established for the collection, management, and reporting of BRSR Core indicators, including an evaluation of operational controls and reporting boundaries.	Gained an understanding of the key systems, processes, and controls established for the collection, management, and reporting of Disclosures other than BRSR Core, and performed sample-based testing to assess adherence to the reporting principles.
Obtained comprehensive evidence across all relevant areas to enable a thorough review of the BRSR Core indicators and engaged directly with stakeholders to gather insights and supporting evidence for each disclosed indicator.	Collected and assessed documentary evidence and management representations to support compliance with the reporting principles. A risk-based approach was applied, focusing assurance efforts on areas of high material significance to the Company's operations and its key stakeholders.
The audit team conducted an on-site audit to perform data testing, assess consistency in reporting processes, and carry out quality checks at selected sites and offices. Sites selected for data testing and evaluation of reporting systems were determined based on their contribution to the reported indicators, and the nature of reporting systems in place.	The audit team conducted on-site audit at selected sites and offices, carrying out sample-based assessment of site-specific data disclosures.

Management's Responsibility

TVS has the sole responsibility for the preparation of the BRSR and is responsible for all information disclosed in the BRSR Core and BRSR Disclosures other than core. The company is responsible for maintaining processes and procedures for collecting, analysing and reporting the information and also, ensuring the quality and consistency of the information presented in the BRSR. TVS is also responsible for ensuring the maintenance and integrity of its website and any referenced BRSR disclosures on their website.

Inherent limitations

The assurance engagements are conducted on the assumption that the data and information provided by the Company for our review have been supplied in good faith and are accurate, complete, adequate, authentic, and free from any material misstatements.

1) The assurance engagement considers an uncertainty of ±5% based on materiality threshold for estimation/ measurement errors and omissions.

2) Forvis Mazars has not participated in the evaluation or assessment of the Company's financial data or performance. Its opinion on specific BRSR Core Attribute 8 ("Number of days of accounts payable"), Attribute 9 ("Openness of business"), and all BRSR indicators expressed in currency or INR is based on the audit performed by the Company's statutory auditors. Accordingly, Forvis Mazars assumes no responsibility for the financial data presented in the Company's audited financial statements.

3) Data relating to operations outside the defined assurance boundary is excluded from this engagement, unless explicitly stated otherwise in this report.

4) Data outside the operations specified in the assurance boundary is excluded from the assurance, unless explicitly mentioned otherwise in this statement.

5) This assurance does not cover statements made by the Company that reflect opinions, claims, beliefs, aspirations, expectations, objectives, or forward-looking intentions. Furthermore, any assertions concerning Intellectual Property Rights or other competitively sensitive matters are outside the scope of this engagement.
6) The assessment does not extend to evaluating the Company's strategy or any related linkages presented in BRSR, as these elements fall beyond the assurance scope.
7) Additionally, this engagement does not include mapping BRSR against reporting frameworks other than those specifically referenced. Any evaluation or comparison with other frameworks is excluded from the scope.
8) Content within the BRSR that lies outside the defined scope and boundary has not been subjected to assurance, as the review is confined to the specified parameters.
9) Finally, this assurance engagement does not include an assessment of legal compliance. Ensuring adherence to applicable laws and regulations remains the responsibility of the Company.

Our Independence and Quality Control

1) We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India and the SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023, and its clarifications thereto and have the required competencies and experience to conduct this assurance engagement.
2) Our firm applies International Standard on Quality Management ('ISQM') 1, "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" and accordingly maintains a comprehensive system of quality management, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Our Responsibility

In performing this assurance work, Forvis Mazars' responsibility is to the Management of the Company; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company. Forvis Mazars disclaims any liability or co-responsibility for any decision a person or entity would make based on this assurance statement.

Exclusions

Our assurance scope excludes the following and therefore we do not express an opinion on the same:

- Operations of the Company other than the Identified Sustainability Information.
- Data and information outside the defined reporting period i.e., April 01, 2025-March 31, 2026.
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.

Restriction on use

Our Reasonable and Limited Assurance report has been prepared and addressed to the Board of Directors of "TVS Motor Company Limited" at the request of the Company solely, to assist the Company in reporting on its sustainability performance and activities. Accordingly, we accept no liability to anyone other than the Company.

Our Reasonable and Limited Assurance Report should not be used for any other purpose or by any person other than the addressees of our report. We neither accept nor assume any duty of care or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

For **FORVIS MAZARS LLP**
Firm Registration No.: AAI-2887

Suddhwasattwa Mukherjee
Partner

Gurugram, India
13th May 2026

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 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 Financial Year on the composition of Board of Directors

Name (M/s.)	DIN	Nature of change	Effective date	Remarks
Kalpana Unadkat	02490816	Appointment	15.12.2025	Appointed for a tenure of 5 years
Sudarshan Venu	03601690	Elevation	25.08.2025	Elevated as Chairman and Managing Director
Prof Sir Ralf Dieter Speth	03318908	Retirement	22.08.2025	Not filing up of vacancy caused by retirement
Dr. Deepali Pant Joshi	07139051	Resignation	06.11.2025	Resigned to pursue other interests and there is no material reason for her resignation

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

As on 31st March 2026, the total strength of the board was seven. With Mr Sudarshan Venu, being the Executive Chairman, the Board was duly constituted in compliance with Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (Listing Regulations),comprising at least half of Independent Directors, including one Woman Independent Director.

The Board at its meeting held on 13th May 2026, based on the recommendation of the Nomination and Remuneration Committee of Directors (NRC), appointed Mr Ravindran Shanmugam, (DIN 11700880) as a Non-Executive Independent Director of the Company (NE-ID) for a term of 5 (Five) years, effective 13th May 2026. The Company has sought approval of the shareholders by way of a special resolution through Postal Ballot.

As on the date of this report, the Board has eight (8) Directors (including a Woman Director) of which –

(i) Three (3) Directors (37.5% of the Board) viz., Mr Sudarshan Venu, Chairman & Managing Director (CMD), Mr Venu Srinivasan, Chairman Emeritus & Managing Director (CE&MD) and Mr K N Radhakrishnan, Director and Chief Executive Officer (Director & CEO) are Executive Directors and

(ii) Five (5) (62.5% of the Board) are Independent Directors (ID) viz., Mr Shailesh Haribhakti, Mr B Sriram, Mr Vijay Sankar, Ms Kalpana Unadkat and Mr Ravindran Shanmugam.

The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Sections 149 and 152 of the Act.

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.
- **Technology and Digital Transformation Expertise:** To provide strategic guidance on the adoption of advanced technologies, foster a culture of innovation, and effectively identify and manage technology-driven opportunities and risks, the Board has been strengthened with Directors possessing expertise in Artificial Intelligence (AI), digital transformation, and innovation-led business strategies. Such expertise is particularly valuable in an environment where emerging technologies are reshaping industries and redefining business models, thereby supporting the Company's pursuit of sustainable growth, operational excellence, and long-term value creation.

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 Sudarshan Venu, Director, who has been the longest in office, is liable to retire by rotation at the ensuing AGM.

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

The resolution seeking approval of the members for the re-appointment of Mr Sudarshan Venu, 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 was 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 2025-26, the board met eight (8) times viz., 28th April 2025, 5th June 2025, 31st July 2025, 25th August 2025, 28th October 2025, 15th December 2025, 28th January 2026 and 24th March 2026 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 3rd March 2026 in compliance with the provisions of the Companies Act, 2013 (Act, 2013) and Regulation 25(3) of the Listing Regulations.

The necessary quorum was present for all the meetings. Further, video-conferencing facilities were also provided to facilitate Directors travelling/ residing abroad or at other locations to participate in the meetings.

2.4 Attendance and other directorships:

The details of attendance of the Directors at the board meetings during the year 2025-26 and at the last AGM held on 22nd August 2025 and other Directorships and committee Memberships/ Chairmanships as on 31st March 2026 are as follows:

Name of the Director (M/s)	DIN	Category	Attendance Particulars		Number of other directorships and committee memberships / chairmanships		
			Board meetings	Last AGM	Other director-ships*	Committee member-ships**	Committee chairman-ships
Sudarshan Venu	03601690	ED	8	Yes	18	2	1
Venu Srinivasan	00051523	ED	7	No	21	1	-
K N Radhakrishnan	02599393	ED	8	Yes	6	2	1
Shailesh Haribhakti	00007347	ID	8	Yes	19	10	5
Vijay Sankar	00007875	ID	6	Yes	18	3	-
B Sriram	02993708	ID	6	Yes	6	4	1
Kalpana Unadkat (appointed on 15.12.2025)	02490816	ID	3	NA	4	8	3
Prof. Sir Ralf Dieter Speth$ (upto 22.08.2025)	03318908	NED	3	Yes	-	-	-
Dr. Deepali Pant Joshi$ (upto 06.11.2025)	07139051	ID	5	Yes	-	-	-
Ravindran Shanmugam@	11700880	ID	NA	NA	-	-	-

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 13th May 2026.

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 and Company acting as Manager for Real Estate Investment Trust 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, Chairman & 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
Sudarshan Venu	TVS Holdings Limited	Managing Director
	Coromandel International Limited	Non-Executive Independent Director
Venu Srinivasan	TVS Holdings Limited	Non-Executive Chairman
	Sundaram - Clayton Limited	Chairman & Managing Director
K N Radhakrishnan	-	-
Shailesh Haribhakti	Swiggy Limited	Non-Executive Independent Director
	Bajaj Electricals Limited	
	Adani Power Limited	
	Protean Egov Technologies Limited	Non- Executive, Chairman
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	
	National Bank for Financing Infrastructure and Development	
Kalpana Unadkat	Eris Lifesciences Limited	Non-Executive Independent Director
	Avenue Supermarts Limited	Non-Executive Independent Director - Chairperson
Ravindran Shanmugam	-	-

** Directorship held in High Value Debt Listed Entities has 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 adherence 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 227 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).
Global Business	Understanding of global business dynamics across various geographical markets, industry verticals and regulatory jurisdictions.

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
Mr Sudarshan Venu	- Mr. Sudarshan Venu, Chairman and Managing Director of TVS Motor Company Limited. He is also the Managing Director of TVS Holdings Limited, the Holding Company, and Chairman of TVS Credit Services Limited, the Non-Banking Finance arm of the Group. - He holds a Graduate Degree with Honours in the Jerome Fisher Program in Management and Technology from the University of Pennsylvania, USA. He also holds M.Sc. in International Technology Management from the Warwick Manufacturing Group attached to University of Warwick in U.K. He was awarded a B.S. in Mechanical Engineering from the School of Engineering and Applied Sciences and B.S. in Economics from the Wharton School.

Name of the directors	Brief description of special skills
	→ Since taking the helm as Managing Director, Sudarshan has accelerated TVS Motor's growth and transformation. Over the last decade, TVS Motor's revenue has tripled and there has been significant growth in the Company's market share both in India and internationally. → The Company has also taken first place in Customer Satisfaction for four years in a row, in the prestigious J. D. Power Awards. Sudarshan has been at the forefront of TVS Motor's global expansion, playing a pivotal role in the Company's growth in Africa, Asia, and Latam. TVS Motor now has a leading position in many of these markets, especially Africa. → He also spearheaded key acquisitions such as the iconic British brand, Norton Motorcycles. Guided by his vision to continuously shape and evolve mobility to meet future needs, he has also championed electric vehicles and sustainable practices, making TVS a front-runner in India's electric two-wheeler market. → With the goal of improving the life of every customer, Sudarshan is also steering the change at TVS Credit Services. Under his leadership the firm became one of India's fastest growing Non-Banking Financial Company and has served over 20 million happy customers. He was instrumental in the Group entering real estate business with the founding of TVS Emerald, which has become a successful real estate company based in India with nearly 19 million sq. ft. of development in Chennai and Bengaluru.
Mr Venu Srinivasan	→ Mr. Venu Srinivasan, Chairman Emeritus and Managing Director have made major contribution to the automotive industry and nation building at large for over four decades and has facilitated the Company to emerge as third 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 30 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 honoured with the Lifetime Achievement Award by the prestigious ET Awards for Corporate Excellence. The award honours his unparalleled contributions to Indian manufacturing, leadership and corporate social responsibility. → He is also Chairman in TVS Holdings Limited and Chairman 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.

Name of the directors	Brief description of special skills
Mr K N Radhakrishnan	→ Mr KN Radhakrishnan is the Director and Chief Executive Officer of TVS Motor Company, a position he has held since October 2018. → 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 V Haribhakti	→ Mr Shailesh V. 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.
Mr Vijay Sankar	→ Mr Vijay Sankar holds a 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.

Name of the directors	Brief description of special skills
Mr B Sriram	→ Mr B Sriram, is an Honours Graduate and a Master's Degree holder in Physics from St. Stephen's College, Delhi University. He is also a Certificated Associate of the Indian Institute of Banking & Finance (formerly The Indian Institute of Bankers), Mumbai. He holds a Diploma in International Law & Diplomacy from the Indian Academy of International Law & Diplomacy, New Delhi and an AIMA Diploma in Management from the All India Management Association, New Delhi. → Mr. B Sriram 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. → Mr B Sriram is an Independent Director on the Boards of ICICI Bank Ltd, National Bank for Financing Infrastructure and Development and several other Companies. → 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.
Ms Kalpana Unadkat	→ Ms. Kalpana Unadkat is an experienced Independent Director with over a decade of boardroom experience and more than 25 years of cross-border legal and governance expertise. → Ms. Kalpana is a dual-qualified solicitor (India and UK) and was a senior partner at Khaitan & Co. and a former Co-Head of Ashurst's India Practice (London). → Ms. Kalpana specialises in cross border joint ventures and M&As (international and domestic), and corporate governance laws and offers practical solutions to clients on doing business in India. She is experienced in leading diverse teams in dynamic environments while achieving success in competitive markets. → As a leading international M&A lawyer, Ms. Kalpana has helped corporates at critical inflection points in their growth journeys including: – Structuring and executing strategic acquisitions, joint ventures, and alliances for accelerated expansion. – Designing market entry strategies into new geographies and sectors. – Overseeing post-acquisition integration to ensure operational alignment and synergy realisation. – Advising on divestments and restructuring to refocus on high-growth areas. – Supporting organic growth initiatives through strategic partnerships, commercial contracts, and long-term supply agreements. → Recognised for her ability to bridge governance with strategic execution, Ms. Kalpana enables sustainable long-term value creation and strengthens organisational resilience. A mentor to senior executives, she has delivered numerous governance workshops and co-authored research on Women on Boards. → Ms. Kalpana is a well-recognized expert on Corporate Governance principles. She also advises on board effectiveness, particularly around issues of corporate governance, leadership, organizational climate and decision-making. She has led several workshops and trained more than 200 directors with a comprehensive approach to director development. She regularly acts for international companies and is recognized in independent guides as one of the leading lawyers. Ms. Kalpana was the recipient of the Chevening Scholarship - English and EC Commercial Law and Practice.

Name of the directors	Brief description of special skills
	→ She has also been recognized and awarded: – Trailblazer, Women Achiever Awards 2023 by FICCI FLO; – The Corporate Governance Lawyer of the Year, India in 2019; – The Rising Women of the Year Award in 2019 by Economic Times and Spencer Stuart; – The Corporate Governance Lawyer for India Award in 2018 by M&A Today; – The Female Lawyer of the Year for 2017 by ACQ Global Law Awards; – The Women in Law awards by Lawyer Monthly in 2017; and – The Women Super Achiever Award by World HRD congress in 2017.
Mr Ravindran Shanmugam	→ Ravi is the Co-founder and Executive Chairman of Mablle, an AI-enabled interior design and renovation platform in Singapore focused on transforming the home renovation industry through AI-driven workflows, digitised supply chain infrastructure, and technology-enabled execution. → He served as Chief Executive Officer of Livspace Southeast Asia, where he played a key role in scaling the business across the region prior to founding Mablle. → He was also responsible for the acquisition and scaling of Qanvast, a digital renovation discovery and marketplace platform, and he oversaw the development of proprietary design and supply chain systems across Southeast Asia → He held senior leadership roles at Grab and was a management consultant with McKinsey & Company in London. At Grab, he was involved in the development of the company's dynamic pricing and marketplace algorithms, while at McKinsey he advised organisations on strategy, operations, and technology-led transformation across international markets. → He holds a Bachelor's Degree in Philosophy, Politics and Economics from the University of Oxford and his professional background spanning AI applications, platform businesses, digital infrastructure, and consumer services, together with his executive leadership experience and strategic insight, positions him well to contribute meaningfully to the Board's deliberations on digital transformation, technology governance, innovation, and long-term value creation as an Independent Director.

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. 227 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 2026. 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 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 2026, the Committee consists of the following Executive/ Independent director viz., Mr Shailesh Haribhakti, Independent Director, Ms Kalpana Unadkat, Independent Director and Mr K N Radhakrishnan, Director & CEO.

During the year under review, Dr. Deepali Pant Joshi, Independent Director resigned effective 6th November 2025 and thereby ceased as member of Audit Committee.

Ms Kalpana Unadkat, Independent Director was appointed as member of the Committee effective 15th December 2025.

Mr Shailesh Haribhakti, Chairman of the Committee was present at the last AGM held on 22nd August 2025 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	SH	KNR	DPJ	KU
25-04-2025	✓	✓	✓	NA
29-07-2025	✓	✓	✓	NA
24-10-2025	✓	✓	✓	NA
14-01-2026	✓	✓	NA	✓
24-03-2026	✓	✓	NA	✓

"✓"- Attended the meeting; "NA" – Not applicable

[SH – Mr Shailesh Haribhakti, KNR – Mr K N Radhakrishnan, DPJ – Dr. Deepali Pant Joshi (upto 6th November 2025), KU - Ms Kalpana Unadkat (from 15th December 2025)]

4 Subsidiary companies

The Company has two wholly owned subsidiaries in India viz., TVS Motor Services Limited and TVS Electric Mobility Limited. It also has other subsidiaries viz. DriveX Mobility Private Limited and TVS Credit Services Limited and its three subsidiaries viz., Harita ARC Private Limited, Harita Two Wheeler Mall Private Limited and TVS Housing Finance Private Limited.

Sundaram Auto Components Limited (SACL) has been amalgamated with the Company through a Scheme of Amalgamation (Scheme) which was approved by the Hon'ble National Company Law Tribunal, Chennai Bench on 12th May 2026.

The foreign subsidiaries are TVS Motor (Singapore) Pte. Limited, Singapore, TVS Motor Company (Europe) B.V., Amsterdam, PT TVS Motor Company Indonesia, Jakarta and TVS Motor Company DMCC, Dubai.

Subsidiaries of TVS Motor (Singapore) Pte. Limited, Singapore are The Norton Motorcycle Co. Ltd., UK, TVS Digital Pte Ltd, Singapore, TVS EBike Company AG (Formerly Known as Swiss E-Mobility Group (Holding) AG), TVS Ebike Company Limited, UK (Formerly Known

as EBCO Limited, UK) and TVS Motor GmbH, Germany (Formerly Known as Celerity Motor GmbH).

Subsidiaries of TVS EBike Company AG (Formerly known as Swiss EMobility Group (Holding) AG, Switzerland) are TVS EBike Company GmbH, Germany (Formerly known as Colag E-Mobility GmBH), Swiss E-mobility group (osterreich) Gmbh, Austria and EGO Movement Deutschland GmbH, Germany.

During the year, Swiss EMobility Group (Schweiz) AG, Alexand'Ro Edouard'O Passion Velo S a r l. , Switzerland and The GO Corporation, Zurich merged with TVS EBike Company AG (Formerly known as Swiss E Mobility Group (Holding) AG, Switzerland).

TVS Motor (Singapore) Pte Ltd acquired 100% of shareholding of Engines Engineering S.p.A and it became a wholly owned subsidiary of TVS Motor (Singapore) Pte Limited and the Company effective 3rd October 2025.

The Company has increased its investment in TVS Credit Services Limited by acquiring 29,11,235 equity shares having face value of ₹ 10 each. The Company's shareholding in TVS Credit has thereby increased from 80.69% to 80.76% (on a fully diluted basis);

During the year under review, The Norton Motorcycle Co. Ltd, UK, a step down wholly owned subsidiary of the Company have incorporated two wholly owned subsidiaries in USA and India viz., Norton USA LLC and Norton Motorcycle Private Limited respectively.

The Audit Committee reviews the financial statements, and particularly 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 amended 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 2026, the Company's Indian (debt-listed) 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 turnover / net worth exceeds of 20% of the consolidated turnover 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 2025-26 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. 227 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 2025-26 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 2026.

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 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, exceed five percent of the annual consolidated turnover of the Company as per the previous audited financial statements of the Company. RPTs with those entities, where the purpose and effect of which is to benefit the related parties of the Company or any of its subsidiaries, RPTs where the Company is not a party in terms of Regulation 23 of the Listing Regulations were approved, wherever applicable, by the Audit Committee as required under Regulation 23 of the Listing Regulations.

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, 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. 227 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 2025-26 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 2026, the Committee consists of the following Executive / Independent director/ Key Management Personnel viz., Mr B Sriram, Independent Director, Mr Sudarshan Venu, Chairman and Managing Director, Mr K N Radhakrishnan, Director & CEO and Mr K Gopala Desikan, Chief Financial Officer

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, Reputational Risk, non-achievement pf planned material cost reduction, geo political issues, non-achievement of planned market share, EV Business risk, Geo Political risk on account of impact of US Tariffs, Business Continuity Risk on magnet availability, Risk of implementation of compulsory ABS norms and Cross border tensions 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
25.04.2025	✓	LOA	✓	✓
12.11.2025	✓	LOA	✓	✓

"✓"- Attended the meeting ; "LOA" – Leave of absence, "NA" – Not applicable

[BS - Mr B Sriram, SV - Mr Sudarshan Venu, KNR - Mr K N Radhakrishnan, and KGD - Mr K Gopala Desikan]

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 as on the date of report:

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	Head – International Business
5.	Madhu Manral Srivastava*	President & Group Head – Human Resources
6.	Dr. Nick Rogers*	President & Chief Technology Officer
7.	K S Srinivasan	Company Secretary

1. Mr R Anandakrishnan and Mr Bernhard Heiming ceased as SMPs as on the date of this report.
*2.*appointed during the year*

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 2026.

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 including through their immediate relatives. 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 2025-26.

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 as available in page no. 227 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 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 2026, NRC consists of the following Independent Directors viz., M/s Vijay Sankar, Sudarshan Venu, B Sriram and Kalpana Unadkat.

Dr. Deepali Pant Joshi, Independent Director resigned effective 6th November 2025 and thereby ceased as a member of the Committee.

Ms Kalpana Unadkat, Independent Director and Mr Sudarshan Venu, Chairman and Managing Director were appointed as members of the Committee effective 15th December 2025 by the Board.

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)				
	VS	SV	BS	KU	DPJ
28.04.2025	✓	NA	LOA	NA	✓
15.12.2025	✓	NA	✓	NA	NA

"✓"- Attended the meeting; "NA" – Not Applicable; "LOA"- Leave of absence

[VS – Mr Vijay Sankar, SV- Mr Sudarshan Venu (from 15th December 2025) BS – Mr B Sriram, , KU- Ms Kalpana Unadkat (from 15th December 2025), DPJ - Dr. Deepali Pant Joshi (up to 6th November 2025).

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. Based on the recommendation of NRC, the Board has delegated its authority to Chairman and Managing Director, wherever appropriate, for fixing the remuneration appropriately.

6.6 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. 227 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 Mr Sudarshan Venu, Chairman and Managing Director (CMD), Mr Venu Srinivasan, Chairman Emeritus & Managing Director (CE & MD) and Mr K N Radhakrishnan, 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 2025-26:

(₹ in Crores)

Particulars	Salary & Perks	Commission	Total
Chairman & Managing Director	9.87	54.35	64.22
Chairman Emeritus & Managing Director	2.00	1.00	3.00
Director & CEO	6.19	22.90	29.09

The above remuneration paid / payable to Director & CEO is apart from the remuneration paid by way of ESOP.

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

During the year under review, ₹40,000/- each was paid to the Non-Executive Directors for every meeting of the Board and / or Committee thereof attended by them, which is within the limits, prescribed under the Act, 2013.

The Board at its meeting held on 13th May 2026 based on the recommendation of the Nomination and Remuneration Committee, the sitting fees has been increased to ₹ 1 Lakh for attending each meeting of the Board and / or Committee by a Director, which is within the limits prescribed under the Act, 2013.

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 9th May 2026 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 ₹50 lakhs shall be payable to all Independent Directors (IDs). In addition, ₹6 lakhs shall be paid to those IDs serving as Members of the Audit Committee, and ₹4 lakhs and ₹3 lakhs to those serving as Members of the Risk Management Committee and

other Committees, respectively, for the financial year 2025–26, as approved by the Board at its meeting held on 13th May 2026

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 2025-26 are as follows:

(₹ in lakhs)

Name of the Directors (M/s)	Sitting Fees	Commission	Total
Shailesh Haribhakti	5.20	56.00	61.20
B Sriram	6.00	57.00	63.00
Vijay Sankar	3.60	56.00	59.60
Kalpana Unadkat	2.00	18.18	20.18
Prof. Sir Ralf Dieter Speth (upto 22nd August 2025)	1.20	-	1.20
Dr. Deepali Pant Joshi (upto 6th November 2025)	4.00	37.37	41.37
Total	**22.00**	**224.55**	**246.55**

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 2026.

7. Stakeholders' Relationship Committee (SRC):

7.1 As of 31st March 2026, the Committee consists of the following Executive Directors viz., M/s Venu Srinivasan, Chairman Emeritus & Managing Director (CE & MD) and Sudarshan Venu, Chairman and Managing Director (CMD) and Independent Director viz.,Kalpana Unadkat.

Dr. Deepali Pant Joshi, Independent Director resigned effective 6th November 2025 and thereby ceased as member of SRC Committee.

Ms Kalpana Unadkat, Independent Director was appointed as a member/chairperson of the Committee effective 15th December 2025 by the Board.

Dr Deepali Pant Joshi, Chairperson of the Committee was present at the last AGM held on 22nd August 2025 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 28th October 2025. 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 2025-26:

Nature of complaints	No. of complaints received and redressed
Transmission of shares	5
Non receipt of dividend	2
Non-receipt of IEPF Entitlement Letter and E-verification Reports	6
Non- Credit of Bonus shares	1
Duplicate Share Certificate & others	5
TOTAL	**19**

7.6 All the queries and complaints received during the financial year ended 31st March 2026, 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 Secretaries 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 2026, the Corporate Social Responsibility Committee consists of three Directors viz., Mr Venu Srinivasan, Mr Sudarshan Venu and Mr 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 28th April 2025. All members attended the meeting.

9. Administrative Committee:

The Administrative Committee consist of two directors viz., Mr K N Radhakrishnan and Mr B Sriram.

During the year, the Committee met on 24th April 2025, 31st July 2025, 11th September 2025, 28th October 2025, 28th January 2026 and 24th March 2026. 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)
2022-23	Through VC / OAVM	24.07.2023	03.30 PM
2023-24	Through VC / OAVM	06.08.2024	02.45 PM
2024-25	Through VC / OAVM	22.08.2025	12.15 PM

10.2 Special resolutions passed in the previous three AGMs:

During the last three years, namely 2022-23 to 2024-25 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 22nd August 2025.

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.	15.12.2025	Appointment of Ms Kalpana Unadkat, (DIN 02490816) as a Non-Executive Independent Director for a period of 5 (five) years	86.49%	13.51%	22.01.2026

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, 9/2024 dated September 19, 2024 and 03/2025 dated September 22, 2025 issued by the Ministry of Corporate Affairs ("MCA Circulars") and Regulation 44 of Listing Regulations, the above resolution was passed by means of Postal Ballot including e-Voting.

The above said Special Resolution was 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:

M/s B Chandra and Associates, Practising Company Secretaries, Chennai was 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 15th December 2025, have appointed M/s B Chandra and Associates, Practising Company Secretaries, Chennai as the scrutinizer.
2. The Scrutinizer had submitted her report on 22nd January 2026 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.	15.12.2025	23.12.2025	15.12.2025	24.12.2025 – 22.01.2026	22.01.2026

The approval of the members for the appointment of Mr Ravindran Shanmugam as an Independent Director has been sought through Postal Ballot and the same shall be passed in compliance of provisions of the Companies Act, 2013, the Listing Regulations or any other applicable laws.

10.6 NCLT Convened Meeting

Pursuant to the approval of the Hon'ble National Company Law Tribunal, Chennai Bench, the Company undertook a capital restructuring initiative under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 for distribution of surplus reserves to its shareholders by way of issuance of 6% Cumulative Non-Convertible Redeemable Preference Shares (NCRPS) as bonus and allotted 4 listed Non-Convertible Redeemable Preference Shares (NCRPS) of face value ₹10 each, fully paid-up, for every 1 equity share held.

The meetings of the equity shareholders and the unsecured creditors were convened on 12th April 2025 and necessary approval was obtained for the Scheme of Arrangement.

Mr V Shreekumar, Advocate was appointed as the Scrutinizer by the Hon'ble National Company Law Tribunal, Chennai Bench for the meeting vide order dated 21st February 2025 to provide assistance to the Chairman of NCLT convened meeting of the Equity Shareholders of the Company.

The Scrutinizer had submitted his report on 12th April 2025 after scrutiny and the results were announced as tabled below:

S. no	Dispatch Date	Cut-off Date	e-Voting period (9.00 a.m – 5.00 p.m.)	Date of Announcement of Result
1.	05.03.2025	07.04.2025	09.04.2025 - 11.04.2025	12.04.2025

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 exchanges 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 website 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	:	Wednesday, 22nd July 2026 at 11.00 A.M. (IST), through Video Conference/ Other Audio Visual Means

12.2 Financial year : 1st April to 31st March

Financial calendar	:	2026-27
Financial reporting	:	For the quarter ending
30th June, 2026	:	On or before 14th August 2026
30th September, 2026	:	On or before 14th November 2026
31st December, 2026	:	On or before 14th February 2027
31st March, 2027	:	On or before 30th May 2027

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. The Company's approach to cash dividends continues to remain guided by long-term shareholder value creation. Accordingly, the Company does not intend to pay cash dividends so long as each rupee of retained earnings is reasonably expected to generate more than one rupee of market value for shareholders.

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. 227 of this Annual Report.

12.4 Listing on Stock Exchanges:

Name and address of the Stock Exchange	
BSE Limited (BSE) Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001. India Tel.: 91 22 2272 1233 Fax: 91 22 2272 1919	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
ISIN allotted by Depositories (Company ID Number) Equity Non-Convertible Redeemable Preference Shares (NCRPS) listed with NSE and BSE	 INE494B01023 INE494B04019

(Note: Annual listing fees and custodial charges for the year 2025-26 were duly paid to the above Stock Exchanges and Depositories)

12.5 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 share transfer, 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 2025-26.

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; corpsec@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.

12.6 Shareholding Pattern of the Company as on 31st March 2026

Category of Shareholder	Equity		NCRPS	
	No. of shares held	%	No. of shares held	%
Promoter and Promoter Group				
Individual	30,000	0.01	1,20,000	0.01
Bodies Corporate	23,87,82,786	50.26	95,51,31,144	50.26
Total (A)	**23,88,12,786**	**50.27**	**9,55,251,144**	**50.27**
Public Shareholding				
Mutual Funds	6,86,28,008	14.45	40,04,81,049	21.07
Banks / Financial Institutions/NBFCs	3,89,296	0.08	3,62,512	0.02
Insurance Companies	1,15,69,810	2.44	5,82,61,676	3.07
Foreign Institutional Investors/Foreign Portfolio Investors	10,72,12,783	22.56	22,53,25,211	11.86
Alternative Investment Funds	13,12,853	0.28	6,17,604	0.03
Public Provident Fund	75,77,407	1.59	2,40,25,268	1.26
Central/State Governments	13,216	-	26,296	-
Total Institutions (B)	**19,67,03,373**	**41.40**	**70,90,99,616**	**37.31**
Bodies Corporate	28,76,931	0.61	5,53,99,509	2.92
Individuals holding nominal capital up to ₹ 2 lakhs	3,10,21,121	6.53	8,53,97,974	4.49
Individuals holding nominal capital more than ₹2 lakhs	5,88,750	0.12	5,94,78,679	3.13
NRI	17,11,466	0.36	2,15,51,589	1.13
Foreign National (IND)	3,045	-	12,180	-
Directors, KMP & their relatives	3,06,883	0.06	2,12,881	0.01
Clearing members	1,768	-	10,240	-
Investor Education Protection Fund	15,74,978	0.33	66,06,324	0.35
Others	13,58,986	0.29	54,16,212	0.29
Total Non-Institutions (C)	**3,94,43,928**	**8.30**	**23,40,85,588**	**12.32**
Total Public Shareholding (D) = (B+C)	**23,61,47,301**	**49.70**	**94,31,85,204**	**49.63**
Non Promoter- Non Public shareholder				
Employee Benefit Trust	1,27,027	0.03	19,12,108	0.10
Total Non Promoter Non Public Shareholding (E)	**1,27,027**	**0.03**	**19,12,108**	**0.10**
Grand Total (A+D+E)	**47,50,87,114**	**100**	**1,900,348,456**	**100.00**

12.7 Distribution of Shareholding as on 31st March 2026 (Equity):

Shareholding (Range)	No. of Members	%	No. of Shares	%
Upto 5000	3,32,467	99.43	2,72,21,968	5.73
5001-10000	633	0.19	46,38,345	0.98
10001-20000	364	0.11	52,78,136	1.11
20001-50000	335	0.10	1,07,40,254	2.26
50001-100000	203	0.06	1,45,94,815	3.07
100001 & above	351	0.11	41,26,13,596	86.85
Total	**3,34,353**	**100.00**	**47,50,87,114**	**100.00**

Distribution of Shareholding as on 31st March 2026 (Non- Convertible Redeemable Preference Shares)

Shareholding (Range)	No. of Members	%	No. of Shares	%
Upto 5000	2,60,672	97.90	5,71,74,486	3.01
5001-10000	2,400	0.90	1,76,64,017	0.93
10001-20000	1,454	0.55	2,11,20,078	1.11
20001-50000	843	0.32	2,67,35,820	1.41
50001-100000	322	0.12	2,27,67,504	1.20
100001 & above	572	0.21	1,75,48,86,551	92.34
Total	**2,66,263**	**100.00**	**190,03,48,456**	**100.00**

12.8 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 23,50,26,819 Equity Shares have been dematerialized as on 31st March 2026 accounting for 99.74%.

12.9 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.

12.10 100 Days Saksham Niveshak Campaign:

The 100 Days Saksham Niveshak Campaign is a nationwide investor empowerment initiative launched by the Investor Education and Protection Fund Authority (IEPFA) under the Ministry of Corporate Affairs, Government of India. The campaign was conducted for 100 days from 28th July 2025 to 6th November 2025 with the objective of helping shareholders claim unpaid or unclaimed dividends and prevent their transfer to the IEPF.

The Company also submitted periodic progress reports to the IEPF Authority as prescribed. The initiative was subsequently extended from April 1, 2026 to July 9, 2026 with an expanded scope to further facilitate investor claims and engagement.

The campaign focused on creating awareness among investors about the importance of updating their KYC details, bank account information, PAN, contact details, and nomination. The Company engaged Trustwell Management Consulting & Services LLP to proactively reach out to shareholders and assist them in completing the required formalities so that dividends could be credited directly to their bank accounts in electronic mode.

Through Saksham Niveshak, the IEPFA aimed to strengthen investor protection, promote financial literacy, and ensure rightful access to investor entitlements, thereby empowering investors to take timely action and safeguard their financial interests.

12.11 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 Master Circular HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated 30th January 2026.

h) The Company has complied with the provisions of the Maternity Benefit Act, 1961.

12.12 Plant Locations:

Hosur	:	Post Box No. 4, Harita Hosur - 635 109, Tamilnadu 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 01795 – 220493 Fax: 01795 – 220496 Email: knr@tvsmotor.com

12.13 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 Email: einward@integratedindia.in
(ii)	For non-receipt of annual report	:	Email: einward@integratedindia.in
(iii)	For investors' grievance & general correspondence	:	Email: einward@integratedindia.in / corpsec@tvsmotor.com
(iv)	NCRPS 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

12.14 List of Credit Rating:

The Company is maintaining the existing credit rating viz., CARE AA+ Stable for long term borrowings and Non - Convertible Debentures and CARE A1+ for short term borrowings, and Commercial Papers. Additionally, during the financial year the Company was assigned a rating of IND AAA for Non Convertible Debentures and CARE A1+ for Non convertible Redeemable Preference shares.

12.15 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.

12.16 Fees paid to Statutory Auditor on a consolidated basis:

During the year, the Company has paid ₹ 1.75 crores to the statutory Auditors excluding the applicable taxes & out of pocket expenses for all services received by the listed entity and its subsidiaries, on a consolidated basis.

12.17 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 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.

12.18 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 the 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 as per 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 ₹ 400 Cr as Long Term Borrowings and the Company will raise funds through listed debt securities for the incremental borrowings within the specified period after considering the market conditions and requirements of funds, in compliance with the circular.

12.19 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	Brahmayya & Co.	-
Date of Appointment of Joint Auditor	28.04.2025	-

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:

As on 31st March 2026, Mr Sudarshan Venu, Chairman and Managing Director is the Chairman of the Company.

13.2Shareholder 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 on the Company's website namely www.tvsmotor.com The results are not sent to the shareholders individually.

13.3Audit 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 3rd March 2026.

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.

In accordance with Regulation 12 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 read with SEBI Master Circular No. HO/38/13/ (4)2026 – MIRSD - POD/I/4298/2026 dated February 6, 2026, dividend to security holders shall be paid only through electronic mode including to those who are holding securities in physical form. Such payment shall be made only after the shareholders furnish their PAN, contact details (postal address with PIN and mobile number), bank account details and specimen signature ("KYC") and choice of Nomination. Shareholders are requested to register their ECS details with the STA or their respective DPs.

14.3 Investor Requests:

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. HO/38/13/ (4)2026 – MIRSD - POD/I/4298/2026 dated 06.02.2026 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. HO/38/13/ (4)2026 – MIRSD - POD/I/4298/2026 dated February 6, 2026 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 complete documents / details as aforesaid.

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 HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 6, 2026 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 dividends due for remittance into IEPF is given below:

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 ₹ 44,94,312 being unclaimed dividend, was transferred to IEPF during the year 2025-26.

Shareholders, who have not encashed their dividend warrants, in respect of 1st Interim dividend declared for the year ended 31st March 2020 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
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
2025-2026 Interim	24.03.2026	23.04.2026	23.04.2033

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 24,871 shares on 17th April 2025 and 24,815 shares on 15th December 2025 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 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/mcafoportal/login.do.
2. After login, click on 'Investor 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 in it. Save a copy of uploaded e-form and acknowledgement receipt generated with SRN. Take print of auto generated indemnity bond, IEPF Form IEPF-5, SRN 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 and entitlement letter) as per IEPF Rules to Share transfer agent of the company in an envelope marked "TVS Motor Company Limited Claim for claiming the shares and dividend 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 30 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 shares and dividend shall be released by the IEPF Authority in favour of claimant's Bank / Demat account through electronic transfer.

In the process, general information about 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 reminders to the shareholders for claiming those shares at their latest available address(es) with the Company or Depository, as the case may be.

Special Window for lodgment of share transfer request:

Pursuant to the SEBI Circular dated January 30, 2026, the Company has enabled a special window to facilitate lodgement of transfer requests executed before April 1, 2019 but were either not lodged for transfer or were lodged and subsequently rejected, returned or not attended due to deficiency in the documents. Eligible Shareholders are encouraged to submit the requisite documents to the Company/RTA before February 4, 2027. Securities transferred through this mechanism shall be credited only in demat form and will remain under a one year lock in, during which they cannot be transferred, lien marked or pledged. A newspaper advertisement has been published in this regard which can be accessed from the website of the Company.

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.

Statement of Unclaimed Shares in Suspense Account as on 31.03.2026

Equity shares

Particulars	No. of Shareholders	No. of Shares
No. of shares in the Unclaimed suspense account as on 1st April 2025.	**73**	**52,852**
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	4	8,000
Less: No. of Shares transferred to IEPF A/c during the year.	5	3,970
No. of shares in the Unclaimed suspense account as on 31st March 2026.	**64**	**40,882**

Non-Convertible Redeemable Preference Shares (NCRPS)

Particulars	No. of Shareholders	No. of Shares
No. of shares in the Unclaimed suspense account as on 1st April 2025.	**Nil**	**Nil**
Add: No. of shares credited pursuant to Regulation 39(4) of Listing Regulation.	134	2,79,804
Less: No. of shares Transferred to the Shareholders on request during the year.	Nil	Nil
Less: No. of Shares transferred to IEPF A/c during the year.	Nil	Nil
No. of shares in the Unclaimed suspense account as on 31st March 2026.	**134**	**2,79,804**

For and on behalf of the Board of Directors

SUDARSHAN VENU
Chairman and Managing Director
DIN: 03601690

Singapore
13th May 2026

LINKS TO COMPANY'S POLICIES

1. **TERMS OF APPOINTMENT OF ID's**

   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

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 2026 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: 26211785QFSTLU7957

Chennai
13th May 2026

COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS

To,
The shareholders of TVS Motor Company Limited,

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 2026.

K N Radhakrishnan
Director & Chief Executive Officer
DIN:02599393

Chennai
13th May 2026

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

Dear Sir/Madam,

We certify that we have reviewed the financial statements prepared based on the Indian Accounting Standards for the year ended 31st March 2026 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
13th May 2026

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 2026

[Pursuant to Regulation 34(3) read with Schedule V, paragraph C(10)(i) to 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 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 2026, **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 (M/s.)	Nature of Directorship	Director Identification Number (DIN)
1.	Sudarshan Venu	Chairman and Managing Director	03601690
2.	Venu Srinivasan	Chairman Emeritus and Managing Director	00051523
3.	K N Radhakrishnan	Director and Chief Executive Officer	02599393
4.	B Sriram	Non-Executive Independent Director	02993708
5.	Vijay Sankar		00007875
6.	Shailesh Haribhakti		00007347
7.	Kalpana Unadkat		02490816

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 the 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.,**
Company Secretaries
[Firm Unique Identification Number: **P1994TN045300**]
[Peer Review Certificate No.6684/2025]

K Sriram
Partner
ICSI Membership Number: F6312
Certificate of Practice Number: 2215
UDIN: F006312H000348511

Chennai
13th May, 2026

Form No.MR-3

Secretarial Audit Report
for the financial year ended 31st March 2026

[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** of 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 2025 to 31st March 2026** ("the year" / "the financial year"/ "the audit period" / "period under review"), in a manner that provided us a reasonable basis for evaluating the Company's corporate conducts / statutory compliances and expressing our opinion thereon.

We are issuing this **Secretarial Audit Report** based on:

1. Our **verification** of the books, papers, minute books, documents and other records maintained by the Company, including scanned copies of documents provided through electronic form, forms and returns filed with or as mandated by applicable statutory / regulatory authorities, information disseminated on the website of the Company and websites of the stock exchanges on which its securities are listed;
2. **Compliance report** on compliance with applicable statutory provisions submitted by the key managerial personnel and reviewed and noted by the Board of Directors;
3. Compliance related actions taken by the Company during the financial year as well as after 31st March 2026 but before the issue of this secretarial audit report; and
4. **Representations** made and Information, explanation and clarifications provided by the key managerial personnel, officers, agents and authorised representatives of the Company during our conduct of the Secretarial Audit.

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 2025 to **31st March 2026**.

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 or disseminated during the year according to the applicable provisions / clauses of the Acts, Rules, Regulations, Standards and Agreements set-out hereunder.

1.2. During the period under review, and also considering compliance related action taken by the Company after 31st March 2026 but before the issue of this report, to the best of our knowledge and belief and based on the records, information, explanations and representations furnished to us, the Company's compliance with the said applicable provisions / clauses of the Acts, Rules, Regulations, Standards and Agreements is as set-out hereunder.

1.3. The Company has **complied** with applicable provisions of the following:

(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 and bye-laws framed thereunder, to the extent applicable to an Issuer Company;

(d) The following Regulations made under the Securities and Exchange Board of India Act, 1992 (SEBI Act):

(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 of Capital and Disclosure Requirements) Regulations, 2018;

(v) SEBI (Issue and listing of Non-convertible Securities) Regulations, 2021; and

(vi) SEBI (Share based employee benefits and Sweat Equity) Regulations, 2021;

(e) Listing agreements entered into with the stock exchanges viz; BSE Limited (in relation to listing of Equity shares and Non-Convertible Redeemable Preference Shares) and National Stock Exchange of India Limited (in relation to listing of Equity shares, Non-Convertible Redeemable Preference Shares and Non-Convertible Debentures).

1.4. The Company has **generally complied** with applicable provisions of the following:

(a) The Foreign Exchange Management Act, 1999, and the Rules and Regulations made thereunder, to the extent of Foreign Direct Investment and Overseas Direct Investments. The Non-Convertible Redeemable Preference Shares allotted as Bonus Shares to the Equity shareholders were allotted pursuant to a Scheme of Arrangement approved by the National Company Law Tribunal, Chennai Bench (as detailed in paragraph 4.1 below) and hence no specific approval was required from Reserve Bank of India in respect of such allotment to foreign/non-resident equity shareholders.

(b) Secretarial Standards on Meeting of the Board of the Directors (SS-1) (to the extent applicable to Board meetings held during the year) and Secretarial Standards on General Meetings (SS-2) (to the extent applicable to the 33rd Annual General Meeting held on 22nd August 2025 and the Postal ballot process conducted during the year), issued by the Institute of Company Secretaries of India (ICSI).

1.5. 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 Regulations made under the SEBI Act, 1992 (which were not applicable):

(i) SEBI (Buy-back of Securities) Regulations, 2018;

(ii) SEBI (Delisting of Equity shares) Regulations, 2021; and

(iii) SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 (from 15th December 2025) and SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 (upto 14th December 2025), regarding the Companies Act, 2013, and dealing with client.

(c) Specific laws applicable to the Company (no specific laws were applicable during the period under review, considering the nature of its business).

(d) Secretarial Standards – 3 on Dividend (SS-3) and Secretarial Standards – 4 on Report of the Board of Directors (SS-4) issued by the ICSI (being non-mandatory).

2. Board constitution and processes

We further report that:

2.1 The constitution 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 of the Company is constituted with 7 (seven) Directors, as at the end of the year, comprising of:

(a) 1 (one) Executive Director, designated as Chairman Emeritus and Managing Director;

(b) 1 (one) Executive Director, designated as Chairman and Managing Director;

(c) 1 (one) Executive Director (whole-time director), designated as Director and Chief Executive Officer (CEO); and

(d) 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) Re-appointment of Mr. Venu Srinivasan (DIN: 00051523) 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.

(ii) Re-appointment of Mr. Venu Srinivasan (DIN: 00051523), Chairman Emeritus and Managing Director, on retirement by rotation at the 33rd Annual General Meeting (33rd AGM) held on 22nd August 2025.

(iii) Retirement of Prof. Sir Ralf Dieter Speth (DIN: 03318908), Chairman and Non-Executive

Non-Independent Director, by rotation, at the 33rd AGM held on 22nd August 2025. The said director did not offer himself for re-appointment and it was resolved by the members at the said AGM not to fill-up the resultant vacancy in the Board.

(iv) Appointment of Mr. Sudarshan Venu (DIN: 03601690), Managing Director, as the Chairman of the Company and his designation as Chairman and Managing Director effective 25th August 2025.

(v) Resignation of Dr. Deepali Pant Joshi (DIN: 07139051) as an Independent Director, effective close of business hours on 6th November 2025, to pursue other interests. Dr. Deepali Pant Joshi, Independent Director, has also confirmed that there was no other material reason for her resignation from the Board of the Company. In terms of Regulation 17(1E) of LODR, a new Independent Director was appointed as detailed in sub-clause (vi) below.

(vi) Appointment of Ms. Kalpana Unadkat (DIN: 02490816) as an Additional Director and Non-Executive Independent Director, effective 15th December 2025, and approval of her appointment as a Non-Executive Independent Director, not liable to retire by rotation, by way of special resolution passed by the members through postal ballot process on 22nd January 2026, to hold office for a term of 5 (five) consecutive years from 15th December 2025 to 14th December 2030.

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 of the Board members 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 / Audit Committee as part of financial reporting by the said subsidiaries. We have not conducted a separate review in this regard.

4. Specific events / actions

We further report that, the following specific events / actions took place during the year, in pursuance of the above-referred laws, rules, regulations, guidelines, agreements and standards, which have a major bearing on the affairs of the Company.

4.1 Issue and allotment 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, provided 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).

The Scheme was approved with the requisite majority by the Equity shareholders and the unsecured creditors of the Company, at their respective meetings held on 12th April 2025, convened pursuant to the order of Hon'ble National Company Law Tribunal, Chennai Bench (NCLT) dated 21st February 2025 in CA(CAA)/3(CHE)/2025. The Scheme was sanctioned

by the NCLT through its order dated 31st July 2025 in CP(CAA)/29(CHE)/2025 and became effective from 12th August 2025.

In terms of the Scheme, the Authorised share capital of the Company stood increased from ₹50 Crores to ₹2,050 Crores divided into 50,00,00,000 Equity shares of ₹1/- each and 200,00,00,000 preference shares of ₹10/- each, effective 12th August 2025.

In terms of the Scheme, the Scheme Implementation Committee of the Board of Directors, approved on 1st September 2025, the allotment of 190,03,48,456 number of bonus 6% cumulative Non-Convertible Redeemable Preference Shares (NCRPS) of ₹10/- each, fully paid-up, to the Equity shareholders as on 25th August 2025, being the Record date fixed for the purpose, redeemable at the end of 1 (one) year from the date of allotment.

Consequent to the allotment, the issued and paid-up share capital of the Company stood increased from ₹47,50,87,114 to ₹1,947,85,71,674 divided into 47,50,87,114 number of Equity shares of ₹1/- each and 190,03,48,456 number of 6% cumulative NCRPS of ₹10/-each, fully paid-up. The NCRPS were listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) effective 10th March 2026 with ISIN INE494B04019.

4.2 Grant and exercise of stock options under Employee stock option plan

The Board of Directors at the meeting held on 20th March 2024, and the members by way of special resolutions passed through postal ballot process on 10th May 2024, approved:

(i) the 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.

The Nomination and Remuneration Committee (NRC), being the Committee designated for implementation of the ESOP Plan, approved the grant of 1,27,027 stock options to identified employees of the Company, on 28th April 2025, with vesting period of not more than 4 (four) years. The equivalent number of Equity shares were acquired and held by the ESOP Trust. The NRC had approved the grant of 3,51,000 stock options to identified employees of the Company on 5th July 2024, with a vesting period of 1 (one) year, which were fully exercised during the year. Since the ESOP plan is being implemented through secondary acquisition by the ESOP Trust, the grant and exercise of stock options does not involve any change or dilution of share capital of the Company.

4.3 Investments and Divestment in subsidiary / associate / other companies

Direct / indirect investments / divestments in subsidiaries / associate / other companies (Indian / foreign), as disclosed in the audited financial statements and report of the Board of Directors for the year, inter-alia, including the following:

(i) Merger of Swiss E-Mobility Group (Schweiz) AG (SEMG CH), Alexand'Ro Edouard'O Passion Velo Sàrl, Switzerland (Passion Velo) and The GO Corporation, Zurich (Go AG) with Swiss E-Mobility Group (Holding) AG, Switzerland (SEMG Holding), a wholly-owned subsidiary of TVS Motor (Singapore) Pte. Ltd., consequent to which SEMG CH, Passion Velo and Go AG ceased to be subsidiaries of TVS Motor (Singapore) Pte. Ltd. (TVSM SG), and step-down subsidiaries of the Company, on 30th June 2025. SEMG Holding was renamed as TVS EBike Company AG.

(ii) Incorporation of Norton Motorcycle Private Limited in India, effective 19th August 2025, as a wholly-owned subsidiary of The Norton Motorcycle Co. Ltd., UK, a step-down wholly-owned subsidiary of the Company.

(iii) Acquisition of 10,00,000 Equity shares amounting to 100% of the share capital in Engines Engineering S.p.A., Italy, from ACT S.r.l., for a total consideration of Euro 5.05 million, by TVS Motor (Singapore) Pte. Ltd., consequent to which Engines Engineering S.p.A., Italy, became a wholly owned subsidiary of TVS Motor (Singapore) Pte. Ltd. and step-down wholly-owned subsidiary of the Company, effective 3rd October 2025.

(iv) Incorporation of Norton USA LLC in Delaware, USA, effective 6th November 2025, as a wholly-owned subsidiary of The Norton Motorcycle Co. Ltd., UK, a step-down wholly-owned subsidiary of the Company.

(v) Further investment in TVS Motor (Singapore) Pte. Ltd. (TVSM Singapore), wholly-owned subsidiary of the Company, and The Norton Motorcycle Co. Ltd., UK, and TVS EBike Company AG, Switzerland, wholly-owned subsidiaries of TVSM Singapore and step-down wholly-owned subsidiaries of the Company.

(vi) Further investment in TVS Motor Company DMCC, Dubai, and PT TVS Motor Company, Indonesia, wholly-owned subsidiaries of the Company.

(vii) Further investment in TVS Credit Services Limited (TVS CS), subsidiary company, to an extent of ₹171.51 crores on 3rd November 2025, resulting in increase in shareholding of the Company in TVS CS from 80.69% to 80.76% (on a fully diluted basis).

(viii) Further investment in DriveX Mobility Private Limited (DriveX), subsidiary company, to an extent of ₹88.09 crores in various tranches, resulting in increase in shareholding of the Company in DriveX from 89.40% to 92.21%.

(ix) Further investment in TVS Supply Chain Solutions Limited.

(x) Divestment of entire shareholding in Roppen Transportation Services Private Limited pursuant to Share purchase agreement dated 6th November 2025, with:

(a) Accel India VIII (Mauritius) Limited (Purchaser 1), for sale of 11,997 number of Series D Compulsory Convertible Preference Shares (Series D CCPS) of ₹10/-each, at a consideration of ₹143.964 crores, of which 1,800 number of Series D CCPS were sold to Purchaser 1 and 10,197 number of Series D CCPS were sold to Accel Leaders 5 Holdings (Mauritius) Limited (affiliate of Purchaser 1) on 25th February 2026; and

(b) MIH Investments One B.V. (Purchaser 2), for sale of 10 number of Equity shares of ₹1/- each and 11,988 number of Series D CCPS of ₹10/- each, at a consideration of ₹143.976 crores, which was completed on 17th February 2026.

(xi) Cessation of Altizon Inc., USA (Altizon US), as an associate of TVS Digital Pte. Ltd., Singapore (TVS Digital), a step-down wholly-owned subsidiary of the Company, and as an associate of the Company, effective 23rd January 2026, consequent to reduction in TVS Digital's stake in Altizon US from 20.064% to 10.489% due to issuance of additional shares by Altizon US to its promoters.

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 Arrangement (Amalgamation) of Sundaram Auto Components Limited ("Transferor Company"), a wholly owned subsidiary, with TVS Motor Company Limited ("Transferee Company" / "the Company") and their respective shareholders and creditors, under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder ("the Scheme"). The Scheme was sanctioned by the Hon'ble National Company Law Tribunal, Division Bench – I, Chennai, vide its order dated 6th May 2026, with appointed date of 1st April 2025, and became effective on 12th May 2026.

Upon the Scheme becoming effective, the Transferor Company stood dissolved without winding-up. Since the Transferor Company is a wholly owned subsidiary of the Transferee Company, the entire paid-up capital of the Transferor Company comprising of 1,19,37,422 Equity shares of ₹10/- each, fully paid-up, held by the Transferee Company (including its nominees) stood cancelled and no consideration was issued by the Transferee Company.

4.5 Approval for issue of listed Non-convertible debentures on private placement basis

The Board of Directors at their meeting held on 31st July 2025, approved the issuance of listed Non-convertible Debentures (NCD) upto an aggregate amount not exceeding ₹500 crores, on private placement basis, in one or more tranches.

The Company has redeemed on 13th March 2026, the 12,500 numbers of Rated, Unsecured, Redeemable, Floating Rate NCDs having face value of ₹1 lakh each, aggregating to ₹125 crores, issued and allotted on 14th March 2023 and listed with NSE on 15th March 2023. No NCDs were issued during the year.

For **Sriram Krishnamurthy & Co.,**
Company Secretaries
[Firm Unique Identification Number: **P1994TN045300**]
[Peer Review Certificate No.6684/2025]

K Sriram
Partner
ICSI Membership Number: F6312
Certificate of Practice Number: 2215
UDIN: F006312H000348247

Chennai
13th May, 2026

Annexure – I to the Secretarial Audit Report

To the Members of
TVS Motor Company Limited
[CIN: L35921TN1992PLC022845]
"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai – 600 006.

Our Secretarial Audit Report (in Form MR-3) of even date for the **financial year ended 31st March 2026** 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 statutory / regulatory disclosures / filings, as applicable and ensuring compliance with the provisions of corporate and other applicable laws, rules, regulations and standards and ensuring the authenticity of the records, documents and information furnished to us for the purposes of this Report.

2. Secretarial Auditors' responsibility:

Our responsibility as the Secretarial Auditor 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 auditing standards issued by The Institute of Company Secretaries of India (ICSI). Those Standards require that we comply with statutory and regulatory requirements and plan and perform the audit in a manner so as 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 actions taken by the Company after 31st March 2026 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 / compliance-related records furnished to us, on a test basis to see whether the correct facts are reflected therein. We have also examined some of the compliance processes / procedures followed by the Company on a test basis to ascertain their adequacy.
8. We believe that the processes and practices we followed during the course of our audit provide a reasonable basis for forming our opinion on the matters covered in this Report.
9. We have not verified the correctness and appropriateness of the financial statements, 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.
10. We have obtained the Management's representation about compliance of laws, rules and regulations and happening of events, wherever required.
11. 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.
12. 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 Auditing Standards prescribed by the ICSI.

For **Sriram Krishnamurthy & Co.,**
Company Secretaries
[Firm Unique Identification Number: **P1994TN045300**]
[Peer Review Certificate No. 6684/2025]

K Sriram
Partner
ICSI Membership Number: F6312
Certificate of Practice Number: 2215
UDIN: F006312H000348247

Chennai
13th May, 2026

Secretarial Audit Report of TVS Credit Services Limited, a material subsidiary.

To
The Members
TVS CREDIT SERVICES LIMITED
Jayalakshmi Estates, 29, Haddows Road,
Nungambakkam, Chennai - 600006

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**
Certificate of Practice No. 7859
Partner
B Chandra & Associates
Firm Regn. No. P2017TN065700
UDIN: A020879H000332938
PEER REVIEW NUMBER 1711/2022

Chennai
12th May 2026

Form No.MR-3

Secretarial Audit Report
for the financial year ended 31.03.2026

[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
Jayalakshmi Estates, 29, Haddows Road,
Nungambakkam, Chennai - 600006

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, 2026 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, 2026 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

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.

Name of the Company Secretary: **B CHANDRA**
Certificate of Practice No. 7859
Partner
B Chandra & Associates
Firm Regn. No. P2017TN065700
UDIN: A020879H000332938
PEER REVIEW NUMBER 1711/2022

Chennai
12th May 2026

Independent Auditors' Report

for the year ended 31st march 2026

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 2026, 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, 2026, 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 standards; 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.

Key Audit matter	Principal Audit Procedure
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.
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, Value Added 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 2026. 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. Satisfied ourselves that it is not probable that an outflow of economic benefits will be required and disclosed such obligation as a contingent liability.

Independent Auditors' Report (Contd.)

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 Management Discussion and analysis, Board's Report including annexures to Board's Report, Business Responsibility and Sustainability 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 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 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.

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 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.

Independent Auditors' Report (Contd.)

e. On the basis of the written representations received from the directors as on 31st March 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2026 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. Provision has been made in the Standalone financial statements, as required under applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - 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 (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 (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, 2026 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
Membership No.: 211785
UDIN: 26211785SIUSGM6597

Place: Chennai
Date: 13th May 2026

Annexure A

to Independent Auditors' Report - 31st March 2026

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 2026, 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 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) (c) to (f) of para 3 of the Order are not applicable to the Company.

iv. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with

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.

Independent Auditors' Report (Contd.)

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:

Name of the Statute / (Nature of dues)	Period of dues	Amount ₹ in Crores	Pre-deposit ₹ in Crores	Forum where dispute is pending
Customs Duty	2015-2016 to 2019-20	156.15	3.48	Central Excise and Service Tax Appellate Tribunal, Chennai/Mumbai
Central Excise Act, 1944 (Cenvat / Excise Duty)	2013-14 to 2015-16	7.41	0.29	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	-	Original assessing Authority for Giving effect order to Appellate order of CESTAT, Chennai
Finance Act, 1994 (Service Tax)	2002-2014	1.45	0.04	Central Excise and Service Tax Appellate Tribunal, Chennai / Bangalore
Sales Tax / VAT Laws (Sales Tax)	1998 to 2016	0.26	0.88	Sales Tax Appellate Tribunal - Madhya Pradesh & Jharkhand
		0.79		Assessing officer - Tamil Nadu, Jharkhand & Delhi
		0.37		Assistant/Joint Commissioner (Appeals) - Bihar, Madhya Pradesh, Uttar Pradesh and West Bengal
Goods and Service Tax Act	2017-18 to 2020-21	23.44	1.41	Commissioner (Appeals) - GST - Andhra Pradesh, Telangana, Rajasthan, Madhya Pradesh, Delhi, Chhattisgarh, Bihar, West Bengal, Karnataka, Uttar Pradesh, Assam and Maharashtra
Goods and Service Tax Act	2017-18	8.54	1.12	Pending with GSTAT
Goods and Service Tax Act	2020-21	4.90	-	Writ before High Court of Karnataka
Goods and Service Tax Act	2017-18	0.12	-	High Court of Andhra Pradesh
Goods and Service Tax Act	2017-18	2.06	0.11	GSTAT, Salem
Goods and Service Tax Act	2019-20	0.40	0.02	GSTAT, Salem
Goods and Service Tax Act	2024-25	18.55	0.14	GSTAT,Chandigarh
Goods and Service Tax Act	2024-25	10.62	1.18	GSTAT,Tirupati
Goods and Service Tax Act	2017-18	6.16	0.24	GSTAT,Patna
Goods and Service Tax Act	2019-20	0.01	-	Assistant Commissioner, Nanjungud,Mysore
Gujarat Stamp Act, 1958	2025-26	1.26	-	High Court of Gujarat
Income Tax	AY 2018-19	3.63	-	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
Membership No.: 211785
UDIN: 26211785SIUSGM6597

Place: Chennai
Date: 13th May 2026

Annexure - B

to the Independent Auditors' Report - 31st March 2026

[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, 2026 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, 2026, 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
Membership No.: 211785
UDIN: 26211785SIUSGM6597

Place: Chennai
Date: 13th May 2026

Balance Sheet

as at 31st March 2026

₹ in crores

	Notes	As at 31-03-2026	As at 31-03-2025
ASSETS			
Non-current assets			
Property, plant and equipment	2	4,849.17	3,936.30
Capital work-in-progress	2	586.39	642.04
Other intangible assets	2	610.55	466.14
Intangible assets under development	2	773.58	596.78
Financial assets			
i. Investments	3	11,416.43	8,930.25
ii. Other financial assets	4	24.50	28.00
Other non-current assets	5	603.53	232.41
		18,864.15	**14,831.92**
Current assets			
Inventories	6	1,580.23	1,725.76
Financial assets			
i. Investments	3	231.02	233.19
ii. Trade receivables	7	2,086.50	1,280.06
iii. Cash and cash equivalents	8	400.83	324.45
iv. Bank balances other than (iii) above	9	573.90	264.77
v. Other financial assets	10	259.83	99.95
Other current assets	11	1,919.23	1,192.00
		7,051.54	**5,120.18**
Total assets		**25,915.69**	**19,952.10**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	47.51	47.51
Other equity	13	11,186.79	9,849.71
		11,234.30	**9,897.22**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	14	611.83	834.51
ii. Lease liabilities		426.28	194.05
Provisions	15	285.05	259.65
Deferred tax liabilities (Net)	16	358.10	276.23
Other non-current liabilities		24.50	28.00
		1,705.76	**1,592.44**
Current liabilities			
Financial liabilities			
i. Borrowings	17	2,522.36	900.43
ii. Lease liabilities		172.67	108.50
iii. Trade payables	18		
a. Total outstanding dues of micro and small enterprises		101.28	38.10
b. Total outstanding dues of other than (iii) (a) above		8,163.51	6,124.60
iv. Other financial liabilities	19	830.69	313.88
Other current liabilities	20	824.32	754.31
Provisions	15	216.95	185.22
Current tax liabilities (Net)		143.85	37.40
		12,975.63	**8,462.44**
Total liabilities		**14,681.39**	**10,054.88**
Total equity and liabilities		**25,915.69**	**19,952.10**
Material accounting policies	1		

See the accompanying notes to the financial statements

SUDARSHAN VENU
Chairman & 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

Chennai
13th May 2026

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 2026

₹ in crores

		Notes	Year Ended 31-03-2026	Year Ended 31-03-2025
I	Revenue from operations	21	47,270.32	36,251.32
II	Other income	22	(29.97)	(41.29)
III	**Total income (I + II)**		**47,240.35**	**36,210.03**
IV	Expenses:			
	Cost of materials consumed	23	32,786.77	25,542.35
	Purchase of stock-in-trade	23	487.98	406.73
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	23	391.73	(188.43)
	Employee benefits expense	24	2,452.24	1,971.07
	Finance costs	25	203.88	138.84
	Depreciation and amortisation expense	26	900.61	747.91
	Other expenses	27	5,072.25	4,070.02
	Total expenses		**42,295.46**	**32,688.49**
V	**Profit before exceptional items and tax (III - IV)**		**4,944.89**	**3,521.54**
VI	Exceptional items	49	(41.37)	-
VII	**Profit before tax from continuing operations (V + VI)**		**4,903.52**	**3,521.54**
VIII	Tax expense / (credit) of continuing operations	28		
	i. Current tax		1,211.66	867.67
	ii. Deferred tax		76.64	49.89
	Total Tax expense / (credit) from continuing operations (i+ii)		**1,288.30**	**917.56**
IX	**Profit after tax from continuing operations (VII - VIII)**		**3,615.22**	**2,603.98**
X	**Profit / (Loss) before tax from discontinued operations**		**-**	**22.49**
XI	Tax expense / (credit) of discontinued operations			
	i. Current tax		-	2.63
	ii. Deferred tax		-	(10.05)
	Total Tax expense/ (credit) from discontinued operations (i+ii)		**-**	**(7.42)**
XII	**Profit / (Loss) after tax from discontinued operations (X - XI)**		-	29.91
XIII	**Profit / (Loss) for the year (IX + XII)**		**3,615.22**	**2,633.89**
XIV	Other comprehensive income			
	A. Items that will not be reclassified to profit or loss:			
	Remeasurements of post employment benefit obligations		37.77	5.87
	Fair value changes of equity instruments		151.18	23.27
	Income tax relating to these items		(11.28)	(4.61)
	B. Items that will be reclassified to profit or loss:			
	Fair value changes on cash flow hedges		(16.45)	10.23
	Income tax relating to these items		4.14	(2.57)
	Other comprehensive income for the year, net of tax		**165.36**	**32.19**
XV	**Total comprehensive income for the year (XIII + XIV)**		**3,780.58**	**2,666.08**
XVI	Earnings per equity share (Face value of Re.1/- each)	36		
	Basic & Diluted earnings per share (in ₹)			
	Continuing Operations		76.09	54.81
	Discontinued Operations		-	0.63
	Continuing Operations and Discontinued Operations		76.09	55.44
	Material accounting policies	1		

See the accompanying notes to the financial statements

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K S SRINIVASAN
Company Secretary

S USHA
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Membership No.: 211785

Statement of Changes in Equity

a Equity Share Capital

	₹ in crores
As at 01-04-2024	**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**
Changes in equity share capital due to prior period errors	-
Restated balance as at 01-04-2025	47.51
Changes in equity share capital during the year	-
As at 31-03-2026	**47.51**

b Other Equity

₹ 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 01-04-2024	**865.64**	**6.43**	**6,812.80**	**2.43**	**(3.77)**	**-**	**7,683.53**
Add : Change on account of Business Combination	8.05	(79.58)	109.39	(0.21)	-	-	37.65
Add : Profit for the year 2024-25	-	-	2,633.89	-	-	-	2,633.89
Add : Other comprehensive income for the year 2024-25 (Net of tax)	-	-	4.78	19.75	7.66	-	32.19
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	**873.69**	**(73.15)**	**9,085.77**	**21.97**	**3.89**	**(62.46)**	**9,849.71**
Add : Profit for the year 2025-26	-	-	3,615.22	-	-	-	3,615.22
Add/(Less) : Issue of 6% Non-Convertible redeemable preference shares (NCRPS) during the year	(865.64)	-	(1,034.71)	-	-	-	(1,900.35)
Add : Other comprehensive income for the year 2025-26 (Net of tax)	-	-	28.26	149.41	(12.31)	-	165.36
Add : Reversal of Tax on OCI on account of sale of equity instruments measured at FVTOCI	-	-	-	1.91	-	-	1.91
Add/(Less) : Transfer on account of Sale of Equity instruments measured at FVTOCI (Net of tax)	-	-	178.02	(178.02)	-	-	-
Add : Adjustment of reserves on exercise of ESOP by Employees	-	-	(9.40)	-	-	-	(9.40)
Less : Treasury shares held by ESOP Trust	-	-	-	-	-	(34.44)	(34.44)
Less : Distribution to shareholders :							
2025-26 Interim dividend	-	-	570.10	-	-	-	570.10
Balance as at 31-03-2026	**8.05**	**(73.15)**	**11,293.06**	**(4.73)**	**(8.42)**	**(28.02)**	**11,186.79**

Nature and purpose of Other Reserves

1. General reserve is available for distribution to shareholders.

2. Capital reserve

Particulars	₹ in crores
i. On shares forfeited (₹ 55,200/-)	-
ii. On surplus arising out of amalgamation	(73.15)
	(73.15)

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 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

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Chairman & Managing Director
DIN: 03601690

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Director & Chief Executive Officer
DIN: 02599393

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Chennai
13th May 2026

K GOPALA DESIKAN
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S USHA
Partner
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Cash Flow Statement

for the year ended 31st March 2026

₹ in crores

		Year ended 31-03-2026		Year ended 31-03-2025	
A.	**Cash flow from operating activities:**				
	Profit before tax				
	From Continuing Operations		4,903.52		3,521.54
	From Discontinued Operations		-		22.49
	Add:				
	Depreciation and amortisation for the year	900.61		747.91	
	(Profit) / Loss on sale of property, plant and equipment (Net)	(14.92)		(8.42)	
	(Profit) / Loss on sale of investments (Net)	(2.09)		(1.15)	
	Loss / (Gain) on fair valuation of investment (Net)	87.83		78.27	
	(Gain) / Loss on lease preclosure (Net)	0.03		(0.07)	
	Unrealised exchange loss / (gain) (Net)	(63.31)		9.95	
	Interest income	(34.63)		(20.67)	
	Finance cost	203.88		138.84	
	Share based payment expense	18.97		32.81	
	Provisions	92.98		95.14	
			1,189.35		1,072.61
	Operating profit before working capital changes		**6,092.87**		**4,616.64**
	Adjustments for:				
	Trade receivables	(743.82)		10.94	
	Inventories	145.53		(354.96)	
	Other current assets	(727.23)		(413.50)	
	Other financial assets	(485.48)		(231.76)	
	Trade payables	2,102.78		1,042.68	
	Other financial liabilities	413.85		205.06	
	Other current liabilities	70.01		229.81	
	Other non-current assets	62.52		21.06	
			838.16		509.33
	Cash generated from operations		**6,931.03**		**5,125.97**
	Direct taxes paid (Net of refunds)		(1,200.89)		(833.98)
	Net cash from operating activities	**(A)**	**5,730.14**		**4,291.99**
B.	**Cash flow from investing activities:**				
	Purchase of property, plant and equipment, intangible assets, including capital advances	(2,013.06)		(1,798.47)	
	Proceeds from sale of property, plant and equipment	88.17		18.76	
	Investments in subsidiaries / associates	(2,625.05)		(2,129.26)	
	Purchase of other investments	(93.09)		(134.52)	
	Sale of investments in subsidiaries/associates	-		4.15	
	Sale / redemption of investments	296.61		49.51	
	Sale / redemption of mutual funds (Net)	2.09		-	
	Interest received	34.63		19.54	
			(4,309.70)		(3,970.29)
	Net cash used in investing activities	**(B)**	**(4,309.70)**		**(3,970.29)**

₹ in crores

		Year ended 31-03-2026		Year ended 31-03-2025
C.	**Cash flow from financing activities :**			
	Borrowings:			
	Non-current borrowings availed / (repaid)	(500.81)		219.99
	Finance cost paid	(136.76)		(138.60)
	Purchase of treasury shares by ESOP trust	6.08		(95.27)
	Repayment of lease liabilities	(142.47)		(98.82)
	Dividend	(570.10)		(475.09)
			(1,344.06)	(587.79)
	Net cash from financing activities	**(C)**	**(1,344.06)**	**(587.79)**
	Total (A+B+C)		**76.38**	**(266.09)**
	Dividend adjustment on account of Business Combination		-	100.27
	Cash and cash equivalents at the beginning of the year		324.45	490.27
	Cash and cash equivalents at the end of the year (Refer note no. 8)		400.83	324.45
D.	**Net Increase / (Decrease) in cash and cash equivalents**		**76.38**	**(266.09)**

Note : The above statement of cash flow is prepared using indirect method.

Change in liability arising from financing activities:

₹ in crores

Particulars	As at 01-04-2025	Cash flow	Foreign exchange movement	Amortisation	As at 31-03-2026
Non-current borrowings	1,734.94	(500.81)	-	1.12	1,235.25

Non-cash investing activities:

₹ in crores

Particulars	2025-26	2024-25
Acquisition of right-of-use assets	439.29	144.91

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Firm Regn. No. 004207S

Chennai
13th May 2026

K GOPALA DESIKAN
Chief Financial Officer

K S SRINIVASAN
Company Secretary

S USHA
Partner
Membership No.: 211785

Notes to the Standalone 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 2026 have been approved and authorized for issue by the board of directors at its meeting on 13th May 2026.

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 services, the revenue is recognised on a time proportion basis as the customer simultaneously receives and consumes the benefits

Notes to the Standalone Financial Statements (Contd.)

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 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.

Notes to the Standalone Financial Statements (Contd.)

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.

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:

Notes to the Standalone Financial Statements (Contd.)

- 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' 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'

Notes to the Standalone Financial Statements (Contd.)

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.

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

Notes to the Standalone Financial Statements (Contd.)

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 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.

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.

Notes to the Standalone Financial Statements (Contd.)

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.

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 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

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 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

Notes to the Standalone Financial Statements (Contd.)

- 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.

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

Notes to the Standalone Financial Statements (Contd.)

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.

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.

Notes to the Standalone Financial Statements (Contd.)

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 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.

Notes to the Standalone Financial Statements (Contd.)

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.

The Company has applied the following Ind AS pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Second Amendment Rules, 2025 with effect from 1st April 2025:

(i) Ind AS 7 – Statement of Cash Flows and Ind AS 107 – Financial Instruments: Disclosures: The amendment requires disclosure of the effects of supplier finance arrangements on the Company's liabilities, cash flows and exposure to liquidity risk. The company has assessed the impact of such arrangements on the standalone Financial Statements and has provided requisite disclosures in accordance with the amendments. These amendments do no have any other impact on the Standalone Financial Statements.

(ii) Ind AS 1 – Presentation of Financial Statements: The amendments primarily impacts classification of liabilities. In accordance with the amendments, the requirement of classification of a liability as non-current based on the existence of a right to defer settlement for at least 12 months after the reporting date has been revised to require that such right must exist, with substance, at the end of the reporting period. The amendments also require assessment of compliance with covenants for the purpose of classification of liabilities, along with enhanced disclosures. The Company has assessed the impact of these amendments and has applied the revised requirements for classification of liabilities as current or non-current including compliance with covenants, where applicable. These amendments do not have any other impact on the Standalone Financial Statements.

Notes to the Standalone Financial Statements (Contd.)

2 Property, Plant & Equipment and Other Intangible Assets as at 31-03-2026

₹ 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 01-04-2025	522.35	1,137.31	5,638.58	189.80	328.96	315.32	458.18	8,590.50	290.05	960.23	1,250.28
Additions	168.15	184.53	565.51	91.64	178.92	71.03	439.29	1,699.07	71.37	263.43	334.80
Sub-total	**690.50**	**1,321.84**	**6,204.09**	**281.44**	**507.88**	**386.35**	**897.47**	**10,289.57**	**361.42**	**1,223.66**	**1,585.08**
Sales / deletion	64.53	0.45	94.33	1.10	4.31	9.43	2.16	176.31	-	1.45	1.45
Total	**625.97**	**1,321.39**	**6,109.76**	**280.34**	**503.57**	**376.92**	**895.31**	**10,113.26**	**361.42**	**1,222.21**	**1,583.63**
Depreciation / Amortisation											
Upto 31-03-2025	-	400.11	3,675.31	107.83	57.16	228.51	185.28	4,654.20	221.47	562.67	784.14
For the year	-	45.71	408.46	25.86	50.89	49.58	129.72	710.22	59.24	131.15	190.39
Sub-total	**-**	**445.82**	**4,083.77**	**133.69**	**108.05**	**278.09**	**315.00**	**5,364.42**	**280.71**	**693.82**	**974.53**
Withdrawn on assets sold / deleted	-	0.40	85.27	1.09	3.60	9.36	0.61	100.33	-	1.45	1.45
Total	**-**	**445.42**	**3,998.50**	**132.60**	**104.45**	**268.73**	**314.39**	**5,264.09**	**280.71**	**692.37**	**973.08**
Net carrying value as at 31-03-2026	625.97	875.97	2,111.26	147.74	399.12	108.19	580.92	4,849.17	80.71	529.84	610.55

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 31-03-2026

₹ in crores

(a) Building	126.92
(b) Plant & equipment	459.47
Total	**586.39**

Ageing of Capital work-in-progress as at 31-03-2026

₹ in crores

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	366.79	122.00	73.62	23.98	586.39

Ageing of Intangible assets under development as at 31-03-2026

₹ in crores

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	436.04	205.78	121.58	10.18	773.58

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 Standalone Financial Statements (Contd.)

2 Property, Plant & Equipment and Other Intangible Assets as at 31-03-2025

₹ 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
Other adjustments on account of Business Combination	1.94	46.41	33.28	0.16	1.43	0.25	1.78	85.25	-	-	-
Sub-total	**522.35**	**1,139.82**	**5,728.86**	**189.94**	**336.82**	**322.54**	**846.88**	**9,087.21**	**290.05**	**960.23**	**1,250.28**
Sales / deletion	-	2.51	90.28	0.14	7.86	7.22	388.70	496.71	-	-	-
Total	**522.35**	**1,137.31**	**5,638.58**	**189.80**	**328.96**	**315.32**	**458.18**	**8,590.50**	**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
Other adjustments on account of Business Combination	-	10.60	13.55	0.13	0.92	0.18	0.48	25.86	-	-	-
For the year	-	40.94	343.74	19.25	26.92	40.47	79.70	551.02	51.46	142.12	193.58
Other adjustments on account of Business Combination	-	1.62	1.56	-	-	-	0.13	3.31	-	-	-
Sub-total	**-**	**402.38**	**3,754.93**	**107.94**	**64.91**	**235.63**	**378.32**	**4,944.11**	**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	**-**	**400.11**	**3,675.31**	**107.83**	**57.16**	**228.51**	**185.28**	**4,654.20**	**221.47**	**562.67**	**784.14**
Net carrying value as at 31-03-2025	522.35	737.20	1,963.27	81.97	271.80	86.81	272.90	3,936.30	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

₹ in crores

(a) Building	304.63
(b) Plant & equipment	337.41
Total	**642.04**

Ageing of Capital work-in-progress as at 31-03-2025

₹ in crores

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 as at 31-03-2025

₹ in crores

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 Standalone Financial Statements (Contd.)

3 Investments

3A Non Current Investments

Sl. No.	Particulars	Subsidiary / Associate	No. of shares / units		Face Value	Currency	₹ in crores	
			As at 31-03-2026	As at 31-03-2025			As at 31-03-2026	As at 31-03-2025
(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	0.74	1.20
(ii)	Indie Semiconductor Inc., USA (face value 0.01 cent)		24,008	-	0.0001	USD	0.65	-
	Unquoted :							
(iii)	Green Infra BTV Limited, New Delhi		32,50,000	32,50,000	10.00	INR	2.20	2.04
(iv)	TVS Lanka (Private) Limited, Colombo		50,00,000	50,00,000	10.00	LKR	27.83	16.99
(v)	Green Infra Wind Power Projects Limited, New Delhi		1,11,600	1,11,600	10.00	INR	0.08	0.08
(vi)	Green Infra Wind Power Generation Limited, New Delhi		2,16,000	2,16,000	10.00	INR	0.20	0.19
(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)	Atria Wind Power Bijapur 1 Limited, Bengaluru		1,01,217	1,01,217	10.00	INR	2.00	2.00
(x)	Altizon Systems Private Limited, Pune		10	10	10.00	INR	0.01	0.01
(xi)	Roppen Transportation Services Private Limited, Hyderabad		-	10	1.00	INR	-	0.05
(xii)	Roppen Transportation Services Private Limited, Hyderabad[$]		-	23,985	10.00	INR	-	125.84
(xiii)	Green Infra Wind Energy Generation Limited, Gurugram		23,45,000	23,45,000	10.00	INR	2.35	2.35
(xiv)	Atria Wind Power (Basavana Bagewadi), Bengaluru		47,000	47,000	100.00	INR	0.91	0.91
(xv)	Indian Foundation for Quality Management, Bengaluru		2,50,00,000	2,50,00,000	10.00	INR	-	25.00
	Valued at Cost (Unquoted):							
(i)	TVS Motor Company Europe B.V., Amsterdam	Subsidiary	2,25,301	2,25,301	100.00	EUR	1.80	1.80
(ii)	TVS Motor Singapore Pte. Limited, Singapore	Subsidiary	1,21,41,23,059	92,74,88,807	1.00	SGD	7,172.45	5,195.12
(iii)	PT. TVS Motor Company Indonesia, Jakarta	Subsidiary	95,97,000	85,97,000	97,400.00	IDR	477.27	389.06
(iv)	TVS Motor Services Limited, Chennai	Subsidiary	14,96,33,814	14,96,33,814	10.00	INR	148.68	148.68
(v)	TVS Credit Services Limited, Bengaluru	Subsidiary	20,52,30,324	20,23,19,089	10.00	INR	2,415.17	2,243.65
(vi)	TVS Credit Services Limited, Bengaluru[$]	Subsidiary	31,69,773	31,69,773	10.00	INR	100.00	100.00
(vii)	TVS Electric Mobility Limited, Chennai	Subsidiary	10,00,000	10,00,000	10.00	INR	1.00	1.00
(viii)	TVS Motor Company DMCC, Dubai	Subsidiary	2,20,552	92,000	1,000.00	AED	510.68	210.78
(ix)	DriveX Mobility Pvt Ltd, Coimbatore	Subsidiary	28,110	20,981	10.00	INR	313.83	225.74
(x)	Ultraviolette Automotive Private Limited, Bengaluru	Associate	14,85,000	14,85,000	10.00	INR	11.00	11.00
(xi)	Ultraviolette Automotive Private Limited, Bengaluru[$]	Associate	12,31,600	12,31,600	*	INR	110.00	110.00
	Total value of Equity Instruments (a)						**11,298.87**	**8,813.51**
(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	-	-
(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**

Notes to the Standalone Financial Statements (Contd.)

Sl. No.	Particulars	Subsidiary / Associate	No. of shares / units		Face Value	Currency	₹ in crores	
			As at 31-03-2026	As at 31-03-2025			As at 31-03-2026	As at 31-03-2025
(c)	**Investment in Debt Instruments (Unquoted):**							
	Valued at Amortised Cost :							
	Pension Funds / Others							
	(i) ICICI Prudential Life Insurance Group Superannuation Fund, Mumbai					INR	6.85	6.95
	(ii) Life Insurance Corporation Pension Policy, Mumbai					INR	21.58	22.36
	(iii) Stemford Energy Private Limited		20,00,000	-	100	INR	5.17	-
	Total value of Debt Instruments (c)						**33.60**	**29.31**
(d)	**Other Non-Current Investments (Unquoted):**							
	Fair valued through OCI:							
	(i) Autotech Fund I, L.P., USA					USD	33.96	37.43
	Total value of Other Non-Current Investments (d)						**33.96**	**37.43**
	Total (a) + (b) + (c) + (d)						**11,416.43**	**8,930.25**
	Aggregate amount of quoted investments and market value thereof						1.39	1.20
	Aggregate amount of unquoted investments						11,415.04	8,929.05
	Total						**11,416.43**	**8,930.25**

All investments are fully paid up.

$Preference Shares in the nature of equity instruments

*Particulars of Preference Shares held in Ultraviolette Automotive Private Limited, Bengaluru	No. of shares / units		Face Value (in ₹)
	As at 31-03-2026	As at 31-03-2025	
Series A2 Preference Shares	99,000	99,000	50,545
Series B Preference Shares	7,38,700	7,38,700	40,616
Series C Preference Shares	3,93,900	3,93,900	10
Total	**12,31,600**	**12,31,600**	

3B Current Investments

Sl. No.	Particulars	No. of shares / units		Face Value	Currency	₹ in crores	
		As at 31-03-2026	As at 31-03-2025			As at 31-03-2026	As at 31-03-2025
(a)	**Investment in Equity Instruments Fair valued through Profit or**						
	Loss :						
	Quoted :						
	(i) TVS Supply Chain Solutions Limited, Madurai	2,53,95,032	1,92,72,200	1.00	INR	231.02	233.19
	Total (a)						
	Aggregate amount of quoted investments and market value thereof					231.02	233.19
	Total					**231.02**	**233.19**

All investments are fully paid up.

Notes to the Standalone Financial Statements (Contd.)

4 Other Financial Assets - Non Current

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Claims receivable	24.50	28.00
	24.50	**28.00**

5 Other Non-Current Assets

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Capital advances	554.22	215.67
Prepaid expenses	15.16	3.44
Advances other than capital advances:		
Deposits made	34.15	13.30
	603.53	**232.41**

6 Inventories

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Raw materials and components	805.58	728.97
Goods-in-transit - Raw materials and components	298.37	132.47
Work-in-progress	73.44	50.12
Finished goods	180.12	617.84
Stock-in-trade	162.86	140.19
Stores and spares	59.86	56.17
	1,580.23	**1,725.76**

7 Trade Receivables

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Secured, considered good	10.48	14.03
Unsecured, considered good*	2,076.02	1,266.03
Receivables which have significant increase in credit risk	37.41	29.60
	2,123.91	**1,309.66**
Less: Loss allowance	37.41	29.60
	2,086.50	**1,280.06**

* Includes balances with related parties [Refer Note 35 (d)(i)]

Notes to the Standalone Financial Statements (Contd.)

Ageing for trade receivables as on 31.03.2026

₹ 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	1,870.52	210.90	3.89	0.56	0.63	2,086.50
(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	7.01	4.24	3.06	1.70	21.40	37.41
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**1,877.53**	**215.14**	**6.95**	**2.26**	**22.03**	**2,123.91**

Ageing for trade receivables as on 31.03.2025

₹ 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**

8 Cash And Cash Equivalents

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Balances with banks	400.65	304.14
Cash on hand	0.14	0.27
Cash equivalents:		
Deposits with maturity of less than three months from the date of deposit	0.04	20.04
	400.83	**324.45**
Cash and cash equivalents for the purpose of cash flow statement	**400.83**	**324.45**

Notes to the Standalone Financial Statements (Contd.)

9 Other Bank Balances

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Earmarked balances with banks^	573.79	264.66
Deposits with maturity of more than three months and less than one year from the date of deposit	0.11	0.11
	573.90	**264.77**

^ Includes balances towards unpaid dividend

10 Other Financial Assets - Current

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Unsecured, considered good :		
- Employee advances	19.12	13.83
- Other bank balances (Bank deposit)	2.10	2.09
- Security deposits	88.88	43.45
- Claims receivable	149.73	24.85
- Hedge asset (net)	-	15.73
	259.83	**99.95**

11 Other Current Assets

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Balances with tax authorities	781.54	520.03
Prepaid expenses	119.95	103.50
Vendor advance*	265.78	125.71
Trade deposits	1.26	1.11
Incentive receivable from government	750.15	468.13
Employee benefit assets (Refer Note 33)	18.58	5.91
	1,937.26	**1,224.39**
Less: Loss allowance	18.03	32.39
	1,919.23	**1,192.00**

* Includes balances with related parties [Refer Note 35(d)(i)]

Notes to the Standalone Financial Statements (Contd.)

12 Share Capital

(a) Details of authorised, issued and subscribed share capital

(i) Equity Share Capital

Authorised, issued, subscribed and fully paid up

Particulars	As at 31-03-2026		As at 31-03-2025	
	Number	₹ in crores	Number	₹ in crores
Authorised:				
Equity shares of Re.1/- each	50,00,00,000	50.00	50,00,00,000	50.00
Issued, subscribed and fully paid up:				
Equity shares of Re.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**

(ii) Preference Share Capital

Particulars	As at 31-03-2026		As at 31-03-2025	
	Number	₹ in crores	Number	₹ in crores
Authorised:				
Preference shares of ₹ 10/- each	2,00,00,00,000	2,000.00	-	-
Issued, subscribed and fully paid up:				
6% Cumulative Non-Convertible Redeemable Preference shares of ₹ 10/- each (NCRPS)	1,90,03,48,456	1,900.35	-	-
	1,90,03,48,456	**1,900.35**	**-**	**-**

(b) Reconciliation of equity shares outstanding at the beginning and at the end of the year

(i) Equity Share Capital

Particulars	As at 31-03-2026		As at 31-03-2025	
	Number	₹ in crores	Number	₹ 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

(ii) Preference Share Capital

Particulars	As at 31-03-2026		As at 31-03-2025	
	Number	₹ in crores	Number	₹ in crores
Shares outstanding at the beginning of the year	-	-	-	-
Shares issued during the year	1,90,03,48,456	1,900.35	-	-
Shares outstanding at the end of the year	1,90,03,48,456	1,900.35	-	-

(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.

There are no restrictions attached to equity shares.

Notes to the Standalone Financial Statements (Contd.)

(ii) Rights and preferences attached to NCRPS share:

The NCRPS do not have voting rights other than in respect of matters directly affecting it. The NCRPS will be redeemed along with interest on 01st September, 2026.

(d) Shares held by Holding company at the end of the year

Name of shareholder	Class of share	As at 31-03-2026		As at 31-03-2025	
		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

Name of shareholder	Class of share	As at 31-03-2026		As at 31-03-2025	
		No. of shares held	% of holding	No. of shares held	% of holding
TVS Holdings Limited, Chennai (Holding Company)	Preference	95,51,31,144	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 31-03-2026		As at 31-03-2025	
		No. of shares held	% of holding	No. of shares held	% of holding
ICICI Prudential Mutual Fund	Equity	2,76,08,033	5.81	3,49,41,063	7.35

Name of shareholder	Class of share	As at 31-03-2026		As at 31-03-2025	
		No. of shares held	% of holding	No. of shares held	% of holding
ICICI Prudential Mutual Fund	Preference	16,37,88,001	8.62	-	-

(f) Shares held by Promoters at the end of the year 31-03-2026

Promoter name	Class of share	As at 31-03-2026		As at 31-03-2025		% 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	-

Promoter name	Class of share	As at 31-03-2026		As at 31-03-2025		% change during the year
		No. of shares held	% of holding	No. of shares held	% of holding	
TVS Holdings Limited, Chennai (Holding Company)	Preference	95,51,31,144	50.26	-	-	-

(g) 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	-

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)	Preference	-	-	-	-	-

Notes to the Standalone Financial Statements (Contd.)

13 Other Equity

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
General reserve	8.05	873.69
Capital reserve	(73.15)	(73.15)
Retained earnings	11,293.06	9,085.77
Other Reserves	(41.17)	(36.60)
	11,186.79	**9,849.71**

14 Non-Current Liabilities - Financial Liabilities - Borrowings

₹ in Crores

Description	Frequency	No. of instalments due	Maturity	As at 31-03-2026	As at 31-03-2025
Secured:					
State Owned Corporation	Specific Period	2	Apr 2030	10.58	10.11
Unsecured:					
Non Convertible Debentures	-	-	Mar 2026	-	124.93
Term loan from Bank - I	Quarterly	4	Mar 2027	139.99	289.98
Term loan from Bank - II	-	-	Mar 2026	-	46.46
Term loan from Bank - III	Quarterly	2	July 2026	20.92	104.17
Term loan from Bank - IV	Quarterly	1	May 2026	62.32	312.11
Term loan from Bank - V	Quarterly	8	Mar 2028	200.00	300.00
Term loan from Bank - VI	Quarterly	8	Mar 2028	100.00	150.00
Term loan from Bank - VII	Quarterly	16	Mar 2030	119.98	150.00
Term loan from Bank - VIII	Quarterly	9	Apr 2028	150.00	200.00
Term loan from Bank - IX	Quarterly	12	Mar 2029	400.00	-
Sales Tax Deferral	Yearly	2	Jun 2027	31.46	47.18
Total Long-term Borrowings:				**1,235.25**	**1,734.94**
Less : Current Maturities of Long-term Borrowings				623.42	900.43
Total Long-term Borrowings (net)				**611.83**	**834.51**

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)	
Term Loan from Bank - I	INR	4 quarterly equated instalments from 28th June 2026	6.30%
Term loan from Bank - III	INR	2 quarterly unequated instalments from 30th June 2026	Repo Rate plus Margin
Term loan from Bank - IV	INR	1 quarterly instalment beginning from 31st May 2026	Repo Rate plus Margin
Term loan from Bank - V	INR	8 quarterly equated instalments beginning from 21st June 2026	Repo Rate plus Margin
Term loan from Bank - VI	INR	8 quarterly equated instalments beginning from 21st June 2026	Repo Rate plus Margin
Term loan from Bank - VII	INR	16 quarterly equated instalments beginning from 30th June 2026	Repo Rate plus Margin
Term loan from Bank - VIII	INR	9 quarterly equated instalments beginning from 19th April 2026	Repo Rate plus Margin
Term loan from Bank - IX	INR	12 quarterly equated instalments beginning from 25th June 2026	Repo Rate plus Margin
Sales tax deferral	INR	₹ 15.73 crores per annum from June - 2026 to June - 2027	Nil

*undiscounted cash outflows

Notes to the Standalone Financial Statements (Contd.)

15 Provisions

₹ in crores

Particulars	As at 31-03-2026		As at 31-03-2025	
	Current	Non-current	Current	Non-current
Provision for employee benefits:				
(a) Pension	61.55	129.49	59.38	127.95
(b) Leave salary	15.98	109.09	12.64	93.97
Others:				
(a) Warranty	139.42	46.47	113.20	37.73
	216.95	**285.05**	**185.22**	**259.65**

16 Deferred Tax Liabilities (Net)

The balance comprises temporary differences attributable to:

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Deferred tax liability consists of tax impact on:		
- Depreciation	511.85	397.25
- Others	17.78	18.60
Other adjustments on account of Business Combination		
- Depreciation	10.31	10.31
Total deferred tax liability (A)	**539.94**	**426.16**
Deferred tax asset consists of tax impact on:		
- Employee benefit expenses	72.87	35.48
- Warranty provision	-	37.99
- Others	108.97	76.46
Total deferred tax assets (B)	**181.84**	**149.93**
Net deferred tax liability (A)-(B)	**358.10**	**276.23**

Movement in deferred tax :

₹ in crores

Particulars	Depreciation	Others	Total
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
- Other adjustments on account of Business Combination	10.31	-	10.31
- relating to earlier years	-	21.23	21.23
As at 31-03-2025			**276.23**
Charged / (Credited):			
- to profit or loss	114.60	(37.96)	76.64
- to other comprehensive income	-	7.14	7.14
- Reversal of DTL relating to earlier years on account of sale of equity instruments measured at FVTOCI	-	(1.91)	(1.91)
As at 31-03-2026			**358.10**

Notes to the Standalone Financial Statements (Contd.)

17 Financial Liabilities - Borrowings - Current

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
6% Cumulative Non-Convertible Redeemable Preference shares (NCRPS)	1,898.94	-
Current Maturities of long term borrowings:		
Unsecured	623.42	900.43
	2,522.36	**900.43**

18 Trade Payables

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Dues to Micro and Small Enterprises**	101.28	38.10
Dues to enterprises other than Micro and Small Enterprises#	8,163.51	6,124.60
	8,264.79	**6,162.70**

***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 theron and remaining unpaid at the end of the year. (Refer Note 38)*

#Includes balances due to related parties [Refer Note 35(d)(ii)].

Ageing for trade payables as on 31-03-2026

₹ 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)	101.28	-	-	-	-	101.28
(ii) Others	4,592.90	696.79	63.99	1.87	43.31	5,398.86
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
Total (i) to (iv)	**4,694.18**	**696.79**	**63.99**	**1.87**	**43.31**	**5,500.14**
Accrued expenses						2,764.65
Total						**8,264.79**

Ageing for trade payables as on 31-03-2025

₹ 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	627.24	11.56	19.52	25.34	4,369.19
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
Total (i) to (iv)	**3,722.74**	**627.24**	**11.56**	**19.52**	**25.34**	**4,406.40**
Accrued expenses						1,756.30
Total						**6,162.70**

Notes to the Standalone Financial Statements (Contd.)

Supplier finance arrangement

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Carrying amount of trade payables that are part of a supplier finance arrangement	946.15	1,236.11
Of which suppliers have received payment	651.70	829.02

The Company has a supplier financing program with external financial institutions in respect of approved trade payables. Under these arrangements, participating suppliers may, at their discretion, elect to receive early payment on approved invoices from the finance providers, subject to the suppliers' separate agreements with such financial institutions. The Company's payment obligation to settle the full invoice amount with the finance providers arises on the contractual maturity date of the invoice. The supplier finance arrangements do not modify the contractual payment terms between the Company and its suppliers or result in an extension of payment terms, hence there is no effect on the Company's obligation to pay amounts due under the supplier contracts. The Company does not provide any collateral, guarantees, or other forms of security in connection with these arrangements.

19 Other Financial Liabilities

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Interest accrued but not due on loans	67.07	2.99
Trade deposits received	32.30	34.66
Unpaid dividend	573.23	215.14
(Not due for transfer to Investor Education and Protection Fund)		
Payables against capital goods	99.97	61.09
Hedge liability (Net)	58.12	-
	830.69	**313.88**

20 Other Current Liabilities

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Statutory dues	128.44	174.49
Employee related	314.57	211.37
Advance received from customers	377.81	364.95
Deferred income	3.50	3.50
	824.32	**754.31**

21 Revenue From Operations

₹ in crores

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
Revenue from Contract with Customers		
Sale of products	45,963.25	35,618.32
Sale of services	96.47	74.38
Other operating revenue[#]	1,210.60	558.62
	47,270.32	**36,251.32**

[#]Includes Government Grants of ₹ 973.62 crores (Last year ₹ 488.48 crores)

Notes to the Standalone Financial Statements (Contd.)

22 Other Income

₹ in crores

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
Dividend income from:		
(i) Subsidiaries*	-	-
Interest income	34.63	20.67
Profit on sale of investments - (Net)	2.09	1.15
Profit on sale of property, plant and equipment (Net)	14.92	8.42
(Loss)/Gain on valuation of investments Fair Valued through profit and loss (Net)	(87.83)	(78.27)
Other non-operating income	6.22	6.74
	(29.97)	**(41.29)**

**Dividend Income of ₹ 100.27 Crores in FY 2024-25 was restated due to the Business Combination and considered in Opening reserves.*

23 Material Cost

₹ in crores

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
Cost of materials consumed:		
Opening stock of raw materials and components	728.97	650.11
Add: Purchases	32,863.38	25,621.21
	33,592.35	**26,271.32**
Less: Closing stock of raw materials and components	805.58	728.97
	32,786.77	**25,542.35**
Purchases of stock-in-trade:		
Spare parts	287.03	223.16
Engine oil	200.95	183.57
	487.98	**406.73**
Changes in inventories of finished goods, work-in-progress and stock-in-trade:		
Opening stock:		
Work-in-progress	50.12	48.89
Stock-in-trade	140.19	104.70
Finished goods	617.84	466.13
(A)	**808.15**	**619.72**
Closing stock:		
Work-in-progress	73.44	50.12
Stock-in-trade	162.86	140.19
Finished goods	180.12	617.84
(B)	**416.42**	**808.15**
(A)-(B)	**391.73**	**(188.43)**

24 Employee Benefits Expense

₹ in crores

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
Salaries, wages and bonus	2,035.62	1,631.32
Employee share-based payment expense	18.97	32.81
Contribution to provident and other funds	181.60	146.40
Staff welfare expenses	216.05	160.54
	2,452.24	**1,971.07**

Notes to the Standalone Financial Statements (Contd.)

25 Finance Costs

₹ in crores

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
Interest on borrowings	169.59	120.78
Interest on lease liabilities	31.24	15.76
Exchange differences	3.05	2.30
	203.88	**138.84**

26 Depreciation and Amortisation Expense

₹ in crores

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
Depreciation on property, plant and equipment	580.50	474.50
Amortisation on right of use asset	129.72	79.83
Amortisation on intangible assets	190.39	193.58
	900.61	**747.91**

27 Other Expenses

₹ in crores

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
(a) Consumption of stores, spares and tools	60.81	53.75
(b) Power and fuel	128.83	111.23
(c) Repairs - buildings	57.06	43.87
(d) Repairs - plant and equipment	98.84	133.91
(e) Insurance	60.84	53.06
(f) Rates and taxes (excluding taxes on income)	17.09	11.47
(g) Audit fees[#]	1.81	1.34
(h) Cost audit fees	0.08	0.08
(i) Packing and freight charges	625.22	556.89
(j) Advertisement and publicity	888.25	762.03
(k) Other marketing expenses	999.08	774.24
(l) Foreign exchange loss (Net)	-	3.89
(m) Corporate Social Responsibility expenditure*	56.37	40.00
(n) Contributions to Electoral Trust / Bond	-	13.00
(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)	2,077.97	1,511.26
	5,072.25	**4,070.02**

[#]Refer Note No. 39 for details on Audit fees.

**Refer Note No. 48 for details on Corporate Social Responsibility expenditure.*

Notes to the Standalone Financial Statements (Contd.)

28 Tax Expense and Reconciliation

₹ in crores

Particulars		Year Ended 31-03-2026	Year Ended 31-03-2025
(a) Tax expense			
Current tax:			
On profits for the year		1,211.66	867.67
	(A)	**1,211.66**	**867.67**
Deferred tax:			
Decrease / (increase) in deferred tax assets		(75.93)	(45.09)
(Decrease) / increase in deferred tax liabilities		152.57	94.98
	(B)	**76.64**	**49.89**
	(A + B)	**1,288.30**	**917.56**
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:			
Profit before income tax expense		**4,903.52**	**3,521.54**
Tax expense at 25.168%		1,234.12	886.30
Add / (Less) : Tax Impact on			
- Tax on income chargeable at lower rates		5.10	(6.67)
- Expenses not admissible for deduction		49.08	37.93
Tax expense		**1,288.30**	**917.56**

29 Fair Value Measurements

₹ in crores

Particulars	As at 31-03-2026			As at 31-03-2025		
	FVTPL[$]	FVTOCI*	Amortised cost	FVTPL[$]	FVTOCI*	Amortised cost
Financial assets						
Investments						
- Equity instruments	231.02	36.99	-	233.19	176.68	-
- Preference shares	50.00	-	-	50.00	-	-
- Other non-current investments	-	33.96	-	-	37.43	-
- Debt Instruments	-	-	33.60	-	-	29.31
Trade receivables	-	-	2,086.50	-	-	1,280.06
Derivative financial asset	-	-	-	-	15.73	-
Cash and cash equivalents	-	-	400.83	-	-	324.45
Other bank balances - Bank deposit	-	-	2.21	-	-	2.20
Earmarked balances with banks	-	-	573.79	-	-	264.66
Other financial assets	-	-	282.23	-	-	110.13
	281.02	**70.95**	**3,379.16**	**283.19**	**229.84**	**2,010.81**
Financial liabilities						
Borrowings	-	-	3,134.19	-	-	1,734.94
Trade payables	-	-	8,264.79	-	-	6,162.70
Lease liability	-	-	598.95	-	-	302.55
Derivative financial liability	-	58.12	-	-	-	-
Other financial liability	-	-	772.57	-	-	313.88
	-	**58.12**	**12,770.50**	**-**	**-**	**8,514.07**

** FVTOCI - Fair Valued Through Other Comprehensive Income $ FVTPL- Fair Value Through Profit or Loss*

Notes to the Standalone Financial Statements (Contd.)

(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

₹ in crores

As at 31-03-2026	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial investments at FVTPL	3A & 3B	231.02	-	50.00	281.02
Financial investments at FVTOCI	3A	1.39	33.96	35.60	70.95
		232.41	**33.96**	**85.60**	**351.97**
Financial liabilities					
Derivatives	19	-	58.12	-	58.12
		-	**58.12**	**-**	**58.12**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

₹ in crores

As at 31-03-2026	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Investments:					
Debt instruments	3A	-	-	33.60	33.60
		-	**-**	**33.60**	**33.60**
Financial liabilities					
Borrowings	14 & 17	1,898.94	-	1,235.25	3,134.19
		1,898.94	**-**	**1,235.25**	**3,134.19**

Financial assets and liabilities measured at fair value - recurring fair value measurements

₹ 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

₹ in crores

As at 31-03-2025	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Investments:					
Debt instruments	3A	-	-	29.31	29.31
		-	**-**	**29.31**	**29.31**
Financial liabilities					
Borrowings	14 & 17	-	-	1,734.94	1,734.94
		-	**-**	**1,734.94**	**1,734.94**

Notes to the Standalone Financial Statements (Contd.)

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.

(iii) Fair value measurements using significant unobservable inputs (Level 3)

₹ in crores

Particulars	Unlisted Equity Shares	Unlisted Preference Shares	Debt Instruments	Total
As at 01-04-2024	**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**
Additions / (Deletions)	(287.93)	-	-	(287.93)
Gains/(losses) recognised in other comprehensive income	148.05	-	-	148.05
As at 31-03-2026	**35.60**	**50.00**	**-**	**85.60**

Notes to the Standalone Financial Statements (Contd.)

(iv) Valuation inputs and relationships to fair value

₹ in crores

Particulars	Fair value as at		Significant unobservable input	Probability weighted range for the year ended		Sensitivity
	31-03-2026	31-03-2025		31-03-2026	31-03-2025	
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	-	-	a) Earnings growth rate	1-3%	1-3%	Not significant
			b) Risk adjusted discount rate	8%	8%	
Unquoted Equity shares	35.60	175.48	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

₹ in crores

Particulars	31-03-2026		31-03-2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Investments:				
Preference shares	-	-	-	-
Debt instruments	33.60	33.60	29.31	29.31
	33.60	**33.60**	**29.31**	**29.31**
Financial liabilities				
Borrowings	3,134.19	3,134.19	1,734.94	1,734.94
	3,134.19	**3,134.19**	**1,734.94**	**1,734.94**

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 Standalone 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 Standalone 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 31-03-2026

a) Expected credit loss for investments, loans and other financial assets

₹ 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	33.60	0%	-	33.60
	1	Other financial assets	282.23	0%	-	282.23

b) Expected credit loss for trade receivables under simplified approach

₹ in crores

Particulars	0 to 180 days past due	More than 180 days past due	Total
Gross carrying amount	1,877.53	246.38	2,123.91
Expected loss rate	0.4%	12%	2%
Expected credit losses	7.01	30.40	37.41
Carrying amount of trade receivables	1,870.52	215.98	2,086.50

Notes to the Standalone Financial Statements (Contd.)

As at 31-03-2025

a) Expected credit loss for investments, loans and other financial assets

₹ 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	29.31	0%	-	29.31
	1	Other financial assets	110.13	0%	-	110.13

b) Expected credit loss for trade receivables under simplified approach

₹ 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	0.1%	11%	1.8%
Expected credit losses	1.09	28.51	29.60
Carrying amount of trade receivables	1,060.26	219.80	1,280.06

Reconciliation of loss allowance provision - Trade receivables

	₹ in crores
Loss allowance on 01-04-2024	28.13
Changes in loss allowance	1.47
Loss allowance on 31-03-2025	29.60
Changes in loss allowance	7.81
Loss allowance on 31-03-2026	37.41

(B) Liquidity risk

(i) Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Floating rate		
- Expiring within one year (bank overdraft and other facilities)	1,469.71	1,952.03
- 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.

Notes to the Standalone Financial Statements (Contd.)

(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 31-03-2026

₹ 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	233.33	2,029.04	259.99	614.97	-	3,137.33
Lease liabilities	45.24	44.04	83.39	455.42	93.50	721.59
Trade payables	8,264.79	-	-	-	-	8,264.79
Other financial liabilities	830.69	-	-	-	-	830.69

As at 31-03-2025

₹ 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	193.20	194.14	513.09	838.59	-	1,739.02
Lease liabilities	28.42	29.91	50.17	205.84	26.95	341.29
Trade payables	6,162.70	-	-	-	-	6,162.70
Other financial liabilities	313.88	-	-	-	-	313.88

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.

(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:

₹ in crores

Particulars	As at 31-03-2026		As at 31-03-2025	
Exposure in foreign currency	USD	EUR	USD	EUR
Financial assets:				
Trade receivables	1,276.61	202.23	711.31	40.45
Investments	34.61	-	37.43	-
Derivative assets:				
Foreign exchange forward contracts				
Sell foreign currency	(1,276.61)	(202.23)	(711.31)	(40.45)
Financial liabilities:				
Foreign currency loan	-	-	-	-
Trade payables	288.48	22.77	159.42	8.70
Derivative liabilities:				
Foreign exchange forward contracts				
Buy foreign currency	-	-	-	-
Principal swap				
Buy foreign currency	-	-	-	-

Notes to the Standalone Financial Statements (Contd.)

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.

₹ in crores

Particulars	Impact on profit after tax*		Impact on other components of equity*	
	As at 31-03-2026	As at 31-03-2025	As at 31-03-2026	As at 31-03-2025
USD sensitivity				
INR/USD increases by 10%	72.85	40.81	(91.57)	(49.83)
INR/USD decreases by 10%	(72.85)	(40.81)	91.57	49.83
EURO sensitivity				
INR/EURO increases by 10%	13.23	2.38	(14.91)	(3.03)
INR/EURO decreases by 10%	(13.23)	(2.38)	14.91	3.03

** 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)

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Variable rate borrowings	2,955.30	1,538.14
Fixed rate borrowings	182.03	200.88

The Amount disclosed in the table are the contractual undiscounted cash flows.

₹ in crores

Sensitivity	Impact on profit after tax	
	As at 31-03-2026	As at 31-03-2025
Increase in interest rates by 100 bps	(21.79)	(11.37)
Decrease in interest rates by 100 bps	21.79	11.37

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.

Notes to the Standalone Financial Statements (Contd.)

(D) Impact of hedging activities

i) Disclosure of effects of hedge accounting on financial position

Disclosure of effects of hedge accounting on financial position as at 31-03-2026

₹ in crores

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	1,478.84	-	-	58.12	Apr'26 to June'26	58.12	(58.12)

Disclosure of effects of hedge accounting on financial position as at 31-03-2025

₹ in crores

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)

ii) Disclosure of effects of hedge accounting on financial performance

Disclosure of effects of hedge accounting on financial performance for the year ended 31-03-2026

₹ 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	(8.42)	-	3.89	Revenue and Borrowing cost

Disclosure of effects of hedge accounting on financial performance for the year ended 31-03-2025

₹ 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

Notes to the Standalone 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:

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Net debt	2,733.36	1,410.49
Total equity	11,234.30	9,897.22
Net debt to equity ratio (times)	**0.24**	**0.14**

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:

₹ in crores

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
EBIT	5,117.53	3,644.62
Interest	172.64	123.08
Interest coverage ratio (times)	**29.64**	**29.61**

(b) Dividends

₹ in crores

Particulars	Year ended 31-03-2026	Year ended 31-03-2025
(i) Equity shares		
Interim dividend for the year ended 31-03-2026 of ₹ 12.00 (31-03-2025 of ₹ 10.00) per fully paid share	570.10	475.09
(ii) Dividends not recognised at the end of the reporting period	-	-

(c) Issuance of 6% Cumulative Non-Convertible redeemable preference shares of ₹ 10/- each (NCRPS)

During the year, the Company issued 6% NCRPS aggregating to 1900.35 crores, redeemable at par after 12 months from the date of allotment. The issuance is part of the Company's capital management framework to optimise capital structure and maintain financial flexibility .

Notes to the Standalone Financial Statements (Contd.)

32 Key Financial Ratios

Sl. No.	Particulars	As at 31-03-2026	As at 31-03-2025	Variance
1	Current ratios (times) [Current Assets / Current Liabilities]	0.54	0.61	10.2%
2	Net Debt / Equity Ratio (times) [(Total borrowing - Cash) / Equity] - Note 1	0.24	0.14	(70.7%)
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)]	4.77	5.18	(8.0%)
4	Return on Equity (%) [Net Profit after tax / Average shareholders equity]	34.2%	29.5%	15.8%
5	Inventory Turnover Ratio (times) [Annualised Cost of goods sold / Average Inventory]	20.37	16.64	(22.4%)
6	Debtors Turnover ratio (times) [Annualised Turnover / Average Debtors]	28.08	28.08	(0.0%)
7	Trade Payable turnover ratio (times) [(Cost of Goods sold + Other expenses) / Average Trade payable]	5.37	5.29	(1.5%)
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]	7.6%	7.3%	5.3%
10	Return on Capital Employed (%) [Earnings before Interest, Tax and Exceptional Items / Capital Employed]	35.0%	30.7%	13.7%
11	Return on Investment (%) [Income generated from invested funds / Average invested funds.] - Note 2	NA	NA	NA

Notes:

1. The increase in Debt Equity ratio is mainly due to issue of NCRPS.
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 Employee Benefit Obligations

Defined benefit plans as per actuarial valuation

₹ in crores

Particulars	Funded Plan			Unfunded Plan
	Gratuity			Pension
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation
As at 01-04-2024	**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**

Notes to the Standalone Financial Statements (Contd.)

₹ in crores

Particulars	Funded Plan			Unfunded Plan
	Gratuity			Pension
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation
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**
Current service cost	53.85	-	53.85	-
Past service cost	25.80	-	25.80	-
Interest expense / (income)	18.37	(17.31)	1.06	11.71
Total amount recognised in profit or loss	**98.02**	**(17.31)**	**80.71**	**11.71**
Remeasurements				
Return on plan assets, excluding amounts included in interest expense / (income)	-	(1.90)	(1.90)	-
(Gain) / loss from change in financial assumptions	(24.64)	-	(24.64)	2.40
Experience (gains) / losses	(15.06)	-	(15.06)	1.43
Total amount recognised in other comprehensive income	**(39.70)**	**(1.90)**	**(41.60)**	**3.83**
Employer contributions	-	(51.78)	(51.78)	-
Benefit payments	(10.46)	10.46	-	(7.03)
As at 31-03-2026	**296.60**	**(315.18)**	**(18.58)**	**191.04**

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, 2026 are as follows

₹ in crores

Year ending March 31,	Defined Benefit Obligations
2026	38.16
2027	21.20
2028	24.84
2029	22.47
2030	22.56
2031-2035	123.80

The significant actuarial assumptions were as follows:

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Discount rate (Gratuity)	7.42%	6.67%
Discount rate (Pension)	6.23%	6.34%
Salary growth rate	5.5%	5.5%
Pre-retirement Mortality rate	IALM (2006-08) Ultimate	
Post retirement 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.

Notes to the Standalone Financial Statements (Contd.)

(i) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

₹ in crores

Particulars	Impact on defined benefit obligation - Gratuity					
	Change in assumption		Increase in assumption		Decrease in assumption	
	Year ended 31-03-2026	Year ended 31-03-2025	Year ended 31-03-2026	Year ended 31-03-2025	Year ended 31-03-2026	Year ended 31-03-2025
Discount rate	0.50%	0.50%	284.72	238.05	309.37	260.26
Salary growth rate	0.50%	0.50%	309.55	260.33	284.46	237.89
Mortality	5.00%	5.00%	296.66	248.77	296.53	248.70

₹ in crores

Particulars	Impact on defined benefit obligation - Pension					
	Change in assumption		Increase in assumption		Decrease in assumption	
	Year ended 31-03-2026	Year ended 31-03-2025	Year ended 31-03-2026	Year ended 31-03-2025	Year ended 31-03-2026	Year ended 31-03-2025
Discount rate	1.00%	1.00%	173.59	165.91	211.60	202.14
Salary growth rate	1.00%	1.00%	212.56	203.13	172.54	164.89
Mortality	5.00%	5.00%	189.15	180.82	193.02	184.32

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 ₹ 71.24 crores (previous year ₹ 58.79 crores) has been recognised in the Statement of Profit and Loss.

Notes to the Standalone Financial Statements (Contd.)

34 TVS Motor Company Employee Stock Option Plan

(A) 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. The Nomination and Remuneration Committee of the Company granted a further 1,27,027 stock options during the year under the TVS Motor Company Stock Option Plan (ESOP Plan 2024) comprising 28,337 options under Category I and 98,690 options under Category II.

As at 31st March 2026

Plan	No. of options granted	Grant Date	Vesting of options	No. of options outstanding	Expected life of options (years)	Weighted average fair value of the options at the grant date (₹)
ESOP 2024-Category 1	28,337	28th April 2025	100%	28,337	1.12	1,458.38
ESOP 2024-Category 2	98,690	28th April 2025	25%	98,690	1.12	1,573.71
			25%		2.12	
			25%		3.12	
			25%		4.12	

As at 31st March 2025

Plan	No. of options granted	Grant Date	Vesting of options	No. of options outstanding	Expected life of options (years)	Weighted average fair value of the options at the grant date (₹)
ESOP 2024	3,51,000	4th July 2024	100%	3,51,000	1.12	1,263.66

(B) Method used for accounting for share based payment plan

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:

Category 1

Grant Date	Weighted average fair value of the options at the grant date	Weighted average share price	Exercise Price	Expected Volatility	Expected life of options (years)	Dividend yield (%)	Risk-free interest rate (%)
28th April 2025	1,458.38	2,470.04	1,369.00	23.50%	1.12	0.44%	6.01%

Category 2

Grant Date	Weighted average fair value of the options at the grant date	Weighted average share price	Exercise Price	Expected Volatility	Expected life of options (years)	Dividend yield (%)	Risk-free interest rate (%)
28th April 2025	1,573.71	2,470.04	1,369.00	23.50%	1.12	0.44%	6.01%
				20.83%	2.12		6.13%
				21.52%	3.12		6.20%
				21.52%	4.12		6.20%

Notes to the Standalone Financial Statements (Contd.)

For the year ended 31st March 2026, the Company has accounted expense of ₹ 18.97 crores (31st March 2025: ₹ 32.81 crores) as employee benefits expense (Note no. 24) on the aforementioned employee stock option plan.

(C) Movement in ESOP

Particulars	As at 31st March 2026		As at 31st March 2025	
	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	3,51,000	1,263.66	-	-
Granted during the year	-	-	3,51,000	1,263.66
Granted during the year- Category 1	28,337	1,458.38	-	-
Granted during the year- Category 2	98,690	1,573.71	-	-
Forfeited/ cancelled during the year	-	-	-	-
Exercised during the year	3,51,000	1,263.66	-	-
Outstanding at the end of the year	-	-	3,51,000	1,263.66
Outstanding at the end of the year- Category 1	28,337	1,458.38	-	-
Outstanding at the end of the year- Category 2	98,690	1,573.71	-	-
Exercisable at the end of the year	-	-	-	-

35 Related Party Disclosure

(a) (i) Related parties and their relationship where control exists

Holding Company

TVS Holdings Limited, Chennai

Subsidiaries

TVS Credit Services Limited, Bengaluru
The Norton Motorcycle Co Limited, UK
PT TVS Motor Company Indonesia, Jakarta
DriveX Mobility Private Limited, Coimbatore
TVS Motor Singapore Pte. Limited, Singapore
TVS Motor Services Limited, Chennai
TVS Electric Mobility Limited, Chennai
TVS Motor Company DMCC, Dubai
TVS Motor Company Europe B.V., Amsterdam
Harita ARC Services Private Limited, Chennai
Harita Two Wheeler Mall Private Limited, Chennai
TVS Housing Finance Private Limited, Chennai
Norton Motorcycle Private Limited, Chennai (w.e.f 19.08.2025)
Norton USA LLC, Delaware (w.e.f 06.11.2025)
TVS EBike Company AG, Switzerland (Formerly known as Swiss E-Mobility Group (Holding) AG, Switzerland) (name change w.e.f 30.06.2025)
TVS Digital Pte Limited, Singapore
TVS EBike Company Limited, UK (Formerly known as EBCO Limited) (name change w.e.f 12.08.2025)
TVS Motor GmbH, Germany (Formerly Known as Celerity Motor GmbH, Germany) (name change w.e.f 11.12.2025)
Engines Engineering S.p.A, Castenaso, Italy (w.e.f 03.10.2025)

Notes to the Standalone Financial Statements (Contd.)

EGO Movement Deutschland GmbH, Germany

TVS EBike Company GmbH, Germany, Nuremberg (Formerly Known as Colag E-Mobility GmbH, Germany, Nuremberg) (name change w.e.f 15.10.2025)

Swiss E-mobility group (österreich) GmbH, Austria

The GO Corporation, Switzerland (GO AG) (Merged with TVS Ebike Company AG, Switzerland on 30.06.2025)

Swiss E-Mobility Group (Schweiz) AG Switzerland, Zurich (Merged with TVS Ebike Company AG, Switzerland on 30.06.2025)

Alexand'Ro Edouard'O Passion Vélo Sàrl, Switzerland (Merged with TVS Ebike Company AG, Switzerland on 30.06.2025)

Associate Company

Ultraviolette Automotive Private Limited, Bengaluru

(ii) Other related parties and their relationship where transaction exists

Fellow Subsidiaries

TVS Digital Limited, Chennai

Associate / Branches / Joint Venture of Holding / Subsidiary / Fellow Subsidiary company

TVS Training & Services Limited, Chennai

TVS Motor Singapore Pte. Limited, Italy Branch

TVS Motor Singapore Pte. Limited, Philippines Branch

(iii) Enterprises under Common Control

Sundaram - Clayton Limited, Chennai

Sundaram - Clayton USA LLC, USA (Subsidiary of Sundaram - Clayton Limited)

TVS Emerald Limited, Chennai (Enterprises in which one of the promoter group holding control)

Emerald Haven Development Limited, Chennai (Subsidiary of TVS Emerald Limited, Chennai)

(iv) Enterprises in which Directors are Interested

Trichur Sundaram Santhanam & Family Private Limited, Chennai

T.V Sundram Iyengar & Sons Private Limited, Madurai

TVS Organics Private Limited, Chennai

TVS Automobile Solutions Private Limited, Madurai

TVS Cheema Scholarship Foundation, Chennai

Veeyes Charities Foundation, Chennai

Adwaith Lakshmi Industries Private Limited, Coimbatore

Lakshmi Energy and Environment Designs Private Limited, Coimbatore

Southern Roadways Private Limited, Madurai

Gleco International Private Limited, Mumbai

Eeshapriya LLP, Coimbatore (formerly known as Eeshapriya Private Limited)

Rapidue Technologies Private Limited, Hyderabad (upto 18.11.2025)

Notes to the Standalone Financial Statements (Contd.)

(v) Limited Liability Partnership controlled by Promoter / Promoter Group

Harita Receivables and Collection Services LLP, Chennai

Harita Insurance Broking LLP, Chennai

Future Accessories LLP, Chennai

Khadak Restaurant LLC, UAE

Bagalur Development LLP, Chennai

Key Management Personnel

Executive Directors

Mr. Sudarshan Venu, Chairman and Managing Director

Mr. Venu Srinivasan, Chairman Emeritus & Managing Director

Mr. K N Radhakrishnan, Director & Chief Executive Officer

Non-executive Directors

Independent Directors

Mr. Shailesh Haribhakti

Mr. Vijay Sankar

Mr. B Sriram

Ms. Kalpana Unadkat (w.e.f 15.12.2025)

Dr. Deepali Pant Joshi (up to 06.11.2025)

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 Standalone Financial Statements (Contd.)

(b) Transactions with related parties: (Transactions from the date of becoming / upto the date of ceasing to be related party)

₹ in crores

Particulars		As at 31-03-2026	As at 31-03-2025
(i)	**Purchase of Goods**		
	- **Subsidiary Companies**		
	PT. TVS Motor Company Indonesia, Jakarta	1.26	0.54
	The Norton Motorcycle Co Limited, UK	0.39	-
	- **Enterprises under Common Control**		
	Sundaram-Clayton Limited, Chennai	20.51	426.83
	- **Enterprises in which directors are interested**		
	TVS Organics Private Limited, Chennai	1.07	0.90
	Adwaith Lakshmi Industries Private Limited, Coimbatore	0.01	-
	- **Limited Liability Partnership controlled by Promoter / Promoter Group**		
	Future Accessories LLP, Chennai	39.11	-
(ii)	**Sale of Goods**		
	- **Holding Company**		
	TVS Holdings Limited, Chennai	-	113.76
	- **Subsidiary Companies**		
	PT. TVS Motor Company Indonesia, Jakarta	430.84	301.77
	The Norton Motorcycle Co. Limited, UK	10.75	3.03
	TVS Motor GmbH, Germany (Formerly Known as Celerity Motor GmbH, Germany) (name change w.e.f 11.12.2025)	0.01	0.02
	DriveX Mobility Private Limited, Coimbatore	0.04	0.07
	- **Associate / Branches / Joint Venture of Holding / Subsidiary / Fellow Subsidiary Company**		
	TVS Motor Singapore Pte. Limited, Italy Branch	17.54	14.23
	TVS Motor Singapore Pte. Limited, Philippines Branch	9.00	0.60
	- **Enterprises under Common Control**		
	Sundaram-Clayton Limited, Chennai	17.09	20.49
(iii)	**Purchase of Assets**		
	- **Holding Company**		
	TVS Holdings Limited, Chennai	-	7.42
	- **Enterprises under Common Control**		
	Sundaram-Clayton Limited, Chennai	-	108.00
	- **Enterprises in which directors are interested**		
	Trichur Sundaram Santhanam & Family Private Limited, Chennai	0.19	1.87
	Eeshapriya LLP, Coimbatore (formerly known as Eeshapriya Private Limited)	9.50	-
	- **Key Management Personnel**	-	18.71
(iv)	**Sale of Assets**		
	- **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	0.23	-
	- **Subsidiary Companies**		
	PT. TVS Motor Company Indonesia, Jakarta	1.12	0.55
	TVS Credit Services Limited, Bengaluru	2.16	2.46
	The Norton Motorcycle Co. Limited, UK	26.33	22.53
	TVS EBike Company AG, Switzerland	2.94	-

Notes to the Standalone Financial Statements (Contd.)

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
DriveX Mobility Private Limited, Coimbatore	0.13	-
Engines Engineering S.p.A, Castenaso, Italy (w.e.f 03.10.2025)	0.25	-
- **Fellow Subsidiary Companies**		
TVS Digital Limited, Chennai	0.01	-
- **Enterprises under Common Control**		
Sundaram-Clayton Limited, Chennai	2.42	1.79
Emerald Haven Development Limited, Chennai (Subsidiary of TVS Emerald Limited, Chennai)	0.06	-
TVS Emerald Limited, Chennai	1.15	-
- **Limited Liability Partnership controlled by Promoter / Promoter Group**		
Future Accessories LLP, Chennai	0.83	-
Harita Insurance Broking LLP, Chennai	0.96	-
(vi) Availing of Services		
- **Holding Company**		
TVS Holdings Limited, Chennai	181.81	141.72
- **Subsidiary Company**		
TVS Credit Services Limited, Bengaluru	15.10	8.81
TVS Digital Pte Limited, Singapore	-	1.51
TVS Motor GmbH, Germany (Formerly Known as Celerity Motor GmbH, Germany) (name change w.e.f 11.12.2025)	31.07	16.95
TVS Motor Singapore Pte. Limited, Singapore	5.81	-
TVS EBike Company AG, Switzerland	29.00	-
PT. TVS Motor Company Indonesia, Jakarta	1.91	-
- **Fellow Subsidiary Companies**		
TVS Digital Limited, Chennai	36.44	12.53
- **Associate / Branches / Joint Venture of Holding / Subsidiary / Fellow Subsidiary Company**		
TVS Training & Services Limited, Chennai	-	0.01
TVS Motor Singapore Pte. Limited, Philippines Branch	0.45	0.01
- **Enterprises under Common Control**		
Sundaram-Clayton Limited, Chennai	3.75	3.91
- **Enterprises in which directors are interested**		
Trichur Sundaram Santhanam & Family Private Limited, Chennai	0.13	0.16
TVS Automobile Solutions Private Limited, Madurai	3.41	0.17
Southern Roadways Private Limited, Madurai	1.15	-
Lakshmi Energy and Environment Designs Private Limited, Coimbatore	0.41	-
Gleco International Private Limited, Mumbai	0.07	-
Rapidue Technologies Private Limited, Hyderabad (upto 18.11.2025)	0.31	-
- **Limited Liability Partnership controlled by Promoter / Promoter Group**		
Khadak Restaurant LLC, UAE	0.05	-
(vii) Investments made during the year		
- **Subsidiary Companies**		
TVS Motor Singapore Pte. Limited, Singapore	1,977.33	1,497.24
TVS Credit Services Limited, Bengaluru	171.52	282.67
TVS Motor Company DMCC, UAE	299.90	210.78
DriveX Mobility Private Limited, Coimbatore	88.09	40.79
PT. TVS Motor Company Indonesia, Jakarta	88.21	-
- **Fellow Subsidiary Companies**		
TVS Digital Limited, Chennai	-	(3.05)

Notes to the Standalone Financial Statements (Contd.)

₹ in crores

Particulars		As at 31-03-2026	As at 31-03-2025
(viii)	**Remuneration to Key Management and Managerial Personnel**		
	Short-term employee benefits	106.45	75.60
	Post-employment benefits	0.86	0.54
	Share based payments	60.86	-
	(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 for the options which have not been exercised)		
(ix)	**Contributions to Post Employment Benefit Plans**		
	TVS Motor Company Employees' Gratuity Fund	52.25	30.37
	TVS Motor Company Employees' Provident Fund	170.01	142.75
	(Including Employee and Employer Contributions)		
(x)	**Dividend paid to**		
	- Holding Company (TVS Holdings Limited, Chennai)	286.53	238.78
	- KMP and their relatives	0.37	0.05
(xi)	**Donations made**		
	- Enterprises in which directors are interested		
	TVS Cheema Scholarship Foundation, Chennai	60.00	39.98
	Veeyes Charities Foundation, Chennai	7.43	7.00
(xii)	**Others**		
	Srinivasan Services Trust - CSR contribution	56.37	40.00
	TVSM Employees Stock Option Trust - Purchase of Shares	35.44	95.27
	TVSM Employees Stock Option Trust - Amount received on Exercise of Options	41.52	-

(c) Reimbursements made / received

₹ in crores

Particulars		As at 31-03-2026	As at 31-03-2025
(i)	**Reimbursements made**		
	- Holding Company		
	TVS Holdings Limited, Chennai	8.60	1.78
	- Subsidiary Company		
	TVS Motor GmbH, Germany (Formerly Known as Celerity Motor GmbH, Germany) (name change w.e.f 11.12.2025)	10.93	9.14
	PT. TVS Motor Company Indonesia, Jakarta	2.18	10.47
	TVS Motor Singapore Pte. Limited, Singapore	289.79	183.79
	The Norton Motorcycle Co. Limited, UK	25.54	-
	- Associate / Branches / Joint Venture of Holding / Subsidiary / Fellow Subsidiary Company		
	TVS Motor Singapore Pte. Limited, Italy Branch	7.64	-
	- Enterprises under Common Control		
	Sundaram-Clayton Limited, Chennai	3.00	0.12
	- Limited Liability Partnership controlled by Promoter / Promoter Group		
	Future Accessories LLP, Chennai	0.27	-

Notes to the Standalone Financial Statements (Contd.)

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
(ii) Reimbursements received		
- Subsidiary Company		
TVS Credit Services Limited, Bengaluru	3.05	1.60
The Norton Motorcycle Co. Limited, UK	26.49	8.57
TVS EBike Company AG, Switzerland	0.70	-
TVS Digital Pte Limited, Singapore	0.17	-
PT. TVS Motor Company Indonesia, Jakarta	9.91	1.49
- Fellow Subsidiary Companies		
TVS Digital Limited, Chennai	0.87	-
- Enterprises under Common Control		
TVS Emerald Limited, Chennai	3.48	6.28
- Limited Liability Partnership controlled by Promoter / Promoter Group		
Future Accessories LLP, Chennai	0.88	-

(d) Balances with related parties:

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
(i) Trade Receivables / Other Current Assets		
- Holding Company		
TVS Holdings Limited, Chennai	1.21	-
- Subsidiary Companies		
PT. TVS Motor Company Indonesia, Jakarta	310.49	300.78
TVS Credit Services Limited, Bengaluru	1.40	8.68
TVS Motor Singapore Pte Limited, Singapore	0.02	-
The Norton Motorcycle Co. Limited, UK	88.80	32.31
TVS Digital Pte Limited, Singapore	8.14	8.06
TVS EBike Company AG, Switzerland	2.08	4.82
DriveX Mobility Private Limited, Coimbatore	0.17	-
Engines Engineering S.p.A, Castenaso, Italy (w.e.f 03.10.2025)	0.25	-
- Associates		
Ultraviolette Automotive Private Limited, Bengaluru	0.02	0.02
- Associate / Branches / Joint Venture of Holding / Subsidiary / Fellow Subsidiary Company		
TVS Motor Singapore Pte. Limited, Italy Branch	23.91	4.61
TVS Motor Singapore Pte. Limited, Philippines Branch	4.03	0.59
- Fellow Subsidiary Companies		
TVS Digital Limited, Chennai	-	1.00
- Enterprises under Common Control		
Sundaram-Clayton Limited, Chennai	12.73	1.65
Emerald Haven Development Limited, Chennai (Subsidiary of TVS Emerald Limited, Chennai)	0.21	0.16
TVS Emerald Limited, Chennai	9.77	14.09
Sundaram - Clayton USA LLC, USA (Subsidiary of Sundaram - Clayton Limited)	0.24	-
- Enterprises in which directors are interested		
Trichur Sundaram Santhanam & Family Private Limited, Chennai	-	0.21
TVS Cheema Scholarship Foundation, Chennai	-	0.48

Notes to the Standalone Financial Statements (Contd.)

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
- **Limited Liability Partnership controlled by Promoter / Promoter Group**		
Harita Insurance Broking LLP, Chennai	2.67	-
Bagalur Development LLP, Chennai	1.74	-
Harita Receivables and Collection Services LLP, Chennai	1.00	-
Future Accessories LLP, Chennai	0.95	-
(ii) Trade payables		
- **Holding Company**	-	2.67
TVS Holdings Limited, Chennai	-	2.67
- **Subsidiary Companies**		
TVS Motor Singapore Pte Limited, Singapore	46.12	10.69
TVS Credit Services Limited, Bengaluru	5.39	5.36
The Norton Motorcycle Co. Limited, UK	0.20	-
PT. TVS Motor Company Indonesia, Jakarta	1.93	0.17
TVS Motor GmbH, Germany (Formerly Known as Celerity Motor GmbH, Germany) (name change w.e.f 11.12.2025)	0.42	0.41
DriveX Mobility Private Limited, Coimbatore	0.01	0.02
- **Enterprises under Common Control**		
Sundaram-Clayton Limited, Chennai	9.91	1.78
- **Enterprises in which directors are interested**		
Trichur Sundaram Santhanam & Family Private Limited, Chennai	0.16	-
Lakshmi Energy and Environment Designs Private Limited, Coimbatore	0.02	-
T.V Sundram Iyengar & Sons Private Limited, Madurai	0.03	0.03
TVS Automobile Solutions Private Limited, Madurai	0.36	-
TVS Organics Private Limited, Chennai	0.01	-
- **Limited Liability Partnership controlled by Promoter / Promoter Group**		
Future Accessories LLP, Chennai	8.00	-

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

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Profit after tax from Continuing Operations	3,615.22	2,603.98
Profit after tax from Discontinued Operations	-	29.91
Number of equity shares	47,50,87,114	47,50,87,114
Face value of the share (in ₹)	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 continuing operations (in ₹)	76.09	54.81
Basic and diluted earnings per share for discontinued operations (in ₹)	-	0.63
Basic and diluted earnings per share for continuing and discontinued operations (in ₹)	76.09	55.44

Notes to the Standalone Financial Statements (Contd.)

37 Warranty Provision

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Opening balance	150.93	88.32
Add: Provision for the year (Net)	185.89	150.93
	336.82	**239.25**
Less: Payments / debits (Net)	150.93	88.32
Closing balance	**185.89**	**150.93**

38 Disclosure Under Micro, Small and Medium Enterprises Development Act, 2006.

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Trade Payables pertaining to dues to Micro and Small Enterprises (all are within agreed credit period and not due for payment) [Refer Note 18]	101.28	37.21
(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	Nil	Nil
of each accounting year		
(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

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Audit fees	1.25	0.85
Tax Audit fees	0.30	0.20
Certification fees	0.20	0.10
Other services	0.06	0.19
	1.81	**1.34**
Miscellaneous expenses include travel and stay expenses of auditors	-	-
	1.81	**1.34**

Notes to the Standalone Financial Statements (Contd.)

40 Contingent Liabilities And Commitments Not Provided For

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
(a) Claims against the company not acknowledged as debts:		
(i) Central Excise	27.72	27.72
(ii) GST	79.03	63.93
(iii) Service tax	1.49	1.49
(iv) Customs	159.63	-
(v) Income tax	32.09	39.98
(vi) Stamp Duty Authorities	1.26	-
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	459.50	330.98
(c) Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for	472.01	314.55

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.

(i) Classification of current and non current lease liabilities

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Current Liabilities	172.67	108.50
Non Current Liabilities	426.28	194.05
Total Lease Liabilities	**598.95**	**302.55**

(ii) Movement in the carrying value of the Lease liabilities

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Opening Balance	302.55	450.18
Interest expenses	31.24	15.76
Lease repayments	(153.36)	(114.68)
Additions during the year	410.04	144.57
Adjustments/Deletions	8.48	(193.28)
Closing balance	**598.95**	**302.55**

Payment made towards short term leases during the year is ₹ 136.81 Crores (Previous year: ₹ 87.84 Crores)

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 ₹ 1.98 Crores (Previous year: ₹ 0.39 Crores)

Notes to the Standalone Financial Statements (Contd.)

42 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 31st March 2026.

(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 2026.

(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) a. The Company has issued Cumulative Non-Convertible Redeemable Preference Shares (NCRPS) in accordance with the applicable provisions of the Companies Act, 2013 and relevant rules thereunder.

b. A scheme of amalgamation of Sundaram Auto Components Limited (a wholly owned subsidiary) with the company was duly approved by the competent authority in terms of Sections 230 to 232 of the Companies Act, 2013. Apart from the above, no other scheme of arrangement has been approved during the year."

(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 Standalone Financial Statements (Contd.)

43 Segment Information

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.

₹ in crores

Particulars	Business Segment					
	Year ended 31-03-2026			Year ended 31-03-2025		
	Automotive vehicles & parts	Financial Services	Total	Automotive vehicles & parts	Financial Services	Total
Revenue						
External sales - domestic	36,334.13	-	36,334.13	27,819.21	-	27,819.21
- exports	10,936.19	-	10,936.19	8,432.11	-	8,432.11
Other income	(37.28)	7.31	(29.97)	(44.16)	2.87	(41.29)
Inter segment sales	-	-	-	-	-	-
Total revenue	**47,233.04**	**7.31**	**47,240.35**	**36,207.16**	**2.87**	**36,210.03**
Segment-wise results before interest and tax	5,100.09	7.31	5,107.40	3,657.51	2.87	3,660.38
Less: Interest	203.88	-	203.88	138.84	-	138.84
Profit / (Loss) before tax from continuing operations	4,896.21	7.31	4,903.52	3,518.67	2.87	3,521.54
Less: Tax expense	1,286.39	1.91	1,288.30	916.81	0.75	917.56
Profit / (Loss) after tax from continuing operations	3,609.82	5.40	3,615.22	2,601.87	2.12	2,603.98
Profit / (Loss) before tax from discontinued operations	-	-	-	22.49	-	22.49
Less: Tax expense	-	-	-	(7.42)	-	(7.42)
Profit / (Loss) after tax from discontinued operations	-	-	-	29.91	-	29.91
Profit / (Loss) for the year	**3,609.82**	**5.40**	**3,615.22**	**2,631.78**	**2.12**	**2,633.89**
Segment assets	23,166.49	2,749.20	25,915.69	17,371.14	2,580.96	19,952.10
Segment liabilities	14,681.39	-	14,681.39	10,054.88	-	10,054.88
Segment depreciation / amortisation	900.61	-	900.61	747.91	-	747.91

Notes to the Standalone Financial Statements (Contd.)

44 Revenue From Contract With Customers:

₹ in crores

Particulars		Year Ended 31-03-2026	Year Ended 31-03-2025
(a)	Geographical market		
	(i) Domestic	35,123.53	27,260.59
	(ii) Exports	10,936.19	8,432.11
		46,059.72	**35,692.70**
(b)	Revenue recognized that was included in the contract liabilities at the beginning of the period	424.71	265.58
	(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.)		
(c)	Reconciliation of revenue with contract price:		
	(i) Contract price	47,972.74	37,124.81
	(ii) Adjustments :		
	Incentive schemes	1,138.86	829.73
	Transport cost	774.16	602.38
	Revenue from sale of products/services	**46,059.72**	**35,692.70**

45 Disclosure Made in Terms of Regulation 34(3) of Listing Regulations

₹ in crores

Sl. No.	Particulars	Name of the company		Amount outstanding as at 31-03-2026	Amount outstanding as at 31-03-2025
(a)	**Investments by the company**				
(i)	**In subsidiary companies**	**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, Bengaluru		2,415.17	2,243.65
		[20,52,30,324 (last year - 20,23,19,089) Equity shares of ₹ 10/- each fully paid up]			
		Maximum amount held at any time			
		During the year	2,415.17		
		During the previous year	2,243.65		
		TVS Credit Services Limited, Bengaluru		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		

Notes to the Standalone Financial Statements (Contd.)

₹ in crores

Sl. No.	Particulars	Name of the company		Amount outstanding as at 31-03-2026	Amount outstanding as at 31-03-2025
		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		
		TVS Motor Singapore Pte. Limited, Singapore		7,172.45	5,195.12
		[1,21,41,23,059 (last year 92,74,88,807) Ordinary shares of Singapore $ 1/- each fully paid up]			
		Maximum amount held at any time			
		During the year	7,172.45		
		During the previous year	5,195.12		
		PT. TVS Motor Company Indonesia, Jakarta		477.27	389.06
		[95,97,000 (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	477.27		
		During the previous year	389.06		
		DriveX Mobility Private Limited, Coimbatore		313.83	225.74
		[28,110 (last year - 20,981) Equity shares of ₹ 10 each fully paid]			
		Maximum amount held at any time			
		During the year	313.83		
		During the previous year	225.74		
		TVS Motor Company DMCC, Dubai		510.68	210.78
		[2,20,552 (last year - 92,000) Equity shares of AED1000 each fully paid]			
		Maximum amount held at any time			
		During the year	510.68		
		During the previous year	210.78		
		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 Standalone Financial Statements (Contd.)

₹ in crores

Sl. No.	Particulars	Name of the company		Amount outstanding as at 31-03-2026	Amount outstanding as at 31-03-2025
(ii)	in associate companies	**Ultraviolette Automotive Private Limited, Bengaluru**		11.00	11.00
		[14,85,000 (last year-14,85,000) 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
		[99,000 (last year - 99,000) 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		
		(7,38,700 (last year - 7,38,700) 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		
		[3,93,900 (last year - 3,93,900) Preference shares of ₹ 10/- 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		
(b)	Investments by the holding company	**TVS Holdings 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		

Notes to the Standalone Financial Statements (Contd.)

46. Disclosure Pursuant to Ind As 103 " Business Combination" - Amalgamation of Sundaram Auto Components Limited with TVS Motor Company Limited

The National Company Law Tribunal, Chennai Bench, has approved the Scheme of Amalgamation of Sundaram Auto Components Limited ('SACL' or the 'Transferor Company') with TVS Motor Company Limited ('TVSM' or the 'Transferee Company') vide order dated 6th May 2026. The appointed date under the Scheme is 1st April 2025.

During the financial year 2024–25, SACL entered into a Business Transfer Agreement under which its Injection Moulding and Seating Business was transferred by way of a slump sale, following which SACL discontinued its operations. Consequently, with the objective of simplifying the group structure and consolidating assets and liabilities, it was decided to merge SACL with TVSM.

The Merger is accounted for under the Pooling of Interests method in accordance with Appendix C of Ind AS 103 Business Combinations of Entities under Common Control involving the following:

(i) All assets and liabilities have been recorded at their carrying values as appearing in the consolidated financial statements of the Company.

(ii) The reserves of the SACL have been preserved and recorded by the Company in the same form and at the same carrying amounts as appearing in the consolidated financial statements prior to the amalgamation. Any surplus or deficit arising after giving effect to the above adjustments has been transferred to Capital Reserve, which is disclosed separately with its nature and purpose.

(iii) Inter-company balances between the Company have been cancelled pursuant to the amalgamation.

(iv) Comparative financial information has been restated as if the amalgamation had occurred from the beginning of the comparative period

The impact of the merger on the previous year included in these standalone results as under:

₹ in crores

Particualrs	Year ended 31.03.2025	
	Reported	Restated
Profit before tax	3,628.79	3,521.54
Profit after tax#	2,710.54	2,633.89
Other comprehensive income	32.62	32.19

#Includes Profit from Discontinued operations

47 Details of Loans Given, Investments Made and Guarantees Given

(Disclosure as per Section 186 of The Companies Act, 2013)

(a) Investments made - Refer Note 3

Notes to the Standalone Financial Statements (Contd.)

48 Corporate Social Responsibility

Expenditure incurred on Corporate Social Responsibility (CSR) activities:

(a) Gross amount required to be spent during the year is ₹ 55.99 crores (Previous year ₹ 39.55 crores)

(b) Amount spent during the year:

₹ in crores

Sl. No.	Particulars	In cash	Yet to be paid in cash	Year ended 31-03-2026	Year ended 31-03-2025
1	Construction / acquisition of any asset	-	-	-	-
2	Other than above	-	-	56.37	40.00

₹ in crores

Sl. No.	Particulars	Year ended 31-03-2026	Year ended 31-03-2025
1	Amount required to be spent by the Company during the year	55.99	39.55
2	Amount of expenditure incurred	56.37	40.00
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	56.37	40.00
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.		

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The Government of India notified on November 21, 2025, the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating existing labour laws. The entity has assessed the incremental impact of these changes on the basis consistent with the Labour Codes, draft rules, FAQs and legal opinion. Considering the regulatory driven non-recurring nature, the past period employee benefit liability has been disclosed under Exceptional Items in the Statement of Profit and Loss for the year ended March 31, 2026.

The Government of India is in the process of notifying related rules to the New Labour Codes and the impact of these will be evaluated and appropriately accounted as and when notified.

50 Previous Year's Figures have been regrouped wherever necessary to conform to the Current Year's classification.

See the accompanying notes to the financial statements

SUDARSHAN VENU
Chairman & 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

Chennai
13th May 2026

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 2026

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, 2026, 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, 2026, 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 Matters

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	
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	
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, Value Added 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 2026. 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. Satisfied ourselves that it is not probable that an outflow of economic benefits will be required and disclosed such obligation as a contingent liability.

Independent Auditors' Report (Contd.)

Key Audit Matter Principal Audit Procedures	
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 identifi cation 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.
7. IT Systems and Controls (as carried in TVS Credit Services Limited ("TVSCS")- Subsidiary) 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 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.

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, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and 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. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.

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 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 are 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

Independent Auditors' Report (Contd.)

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 12 subsidiaries, whose Ind AS financial statement reflect total asset of ₹ 45,706.91 crores as at 31st March 2026 and total revenues of ₹ 9,428.25 Crores, total net profit after tax of ₹ 49.63 Crores and total comprehensive income of ₹ 306.38Crores, for the year ended 31st March 2026 and cash outflow of ₹ 263.28 crores for the period from 1st April 2025 to 31st March 2026. 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 audited Ind AS financial Statement of 1 subsidiary which have been audited us, whose Ind AS financial Statement reflect total asset of ₹ 0.01 crores as at 31st March 2026 and total revenue of NIL and total net profit after tax of ₹ NIL and total comprehensive income of ₹ NIL for the year ended 31st March 2026 and cash inflow of ₹ 0.01 crores for the period from 1st April 2025 to 31st March 2026 as considered in the consolidated Ind AS audited financial Statement.

The consolidated annual Ind AS financial Statement include the unaudited Ind AS financial Statement of 9 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 ₹ 1,510.97 crores as at 31st March 2026 and total revenue of ₹ 749.45 Crores and total net loss after tax of ₹ 401.47 crores and total comprehensive Loss of ₹ 305.16 Crores for the year ended 31st March 2026 and cash outflow of ₹ 1.66 crores for the period from 1st April 2025 to 31st March 2026 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 ₹ 41.27 Crores and total comprehensive Loss of ₹ 41.35 Crores for the year ended 31st March 2026, as considered in the

consolidated Ind AS audited financial Statement, in respect of 3 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" or "the Order") issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013, and based on the CARO reports issued by us and by the auditors of the 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, 2026, 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, 2026, from being appointed as a director in terms of Section 164(2) of the Act.

Independent Auditors' Report (Contd.)

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 2026 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 and Srinivasan**
Chartered Accountants
Firm Registration No. 004207S

S. USHA
Partner
Membership No.: 211785
UDIN: 26211785GUZMBH9794

Place: Chennai
Date: 13th May 2026

Annexure

to Independent Auditors' Report - 31st March 2026

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, 2026, 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, 2026, 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 7 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 statement in so far as it relates to 1 subsidiary company which is company incorporated in India, is based on report issued by us 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 9 subsidiary companies and 2 associate companies, which are companies incorporated outside India.

Our opinion is not modified in respect of this matter.

For **Sundaram and Srinivasan**
Chartered Accountants
Firm Registration No. 004207S

S. USHA
Partner
Membership No.: 211785
UDIN: 26211785GUZMBH9794

Place: Chennai
Date: 13th May 2026

Balance Sheet

as at 31st March 2026

₹ in crores

	Notes	As at 31-03-2026	As at 31-03-2025
ASSETS			
Non-current assets			
Property, plant and equipment	2	6,050.09	5,488.74
Capital work-in-progress	2	973.55	663.78
Investment properties	3	145.65	141.38
Goodwill on consolidation		731.43	731.43
Other intangible assets	2	1,706.78	1,282.90
Intangible assets under development		1,098.67	801.67
Financial assets			
i. Investments	4	519.41	564.94
ii. Loans (receivable from financing activity)	5	12,298.73	11,206.99
iii. Other financial assets	6	124.07	160.24
Investments accounted using equity method	7	107.23	167.13
Non-current tax assets (Net)		9.02	12.55
Deferred tax assets	8	574.46	495.91
Other non-current assets	9	692.10	235.00
		25,031.19	**21,952.66**
Current assets			
Inventories	10	2,459.20	2,416.58
Financial assets			
i. Investments	4	520.00	515.31
ii. Trade receivables	11	2,654.13	1,716.75
iii. Loans (receivable from financing activity)	5	17,988.44	15,093.48
iv. Cash and cash equivalents	12	3,926.45	4,115.00
v. Bank balances other than (iv) above	13	574.67	271.24
vi. Other financial assets	14	507.42	325.96
Right of Use Assets held for surrender		466.96	-
Other current assets	15	2,372.16	1,529.93
		31,469.43	**25,984.25**
Total assets		**56,500.62**	**47,936.91**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	47.51	47.51
Other equity	17	9,516.74	8,455.87
Equity attributable to owners		**9,564.25**	**8,503.38**
Non-controlling interest		1,148.61	938.89
		10,712.86	**9,442.27**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	18	12,486.26	13,932.68
ii. Lease Liabilities		499.46	751.83
Provisions	19	354.86	322.57
Deferred tax liabilities (Net)	20	355.00	286.02
Other non-current liabilities		24.50	28.00
		13,720.08	**15,321.10**
Current liabilities			
Financial liabilities			
i. Borrowings	21	19,137.67	13,683.08
ii. Lease Liabilities		667.62	241.12
iii. Trade payables	22		
a. Total outstanding dues of micro and small enterprises		131.12	45.51
b. Total outstanding dues of other than (iii) (a) above		9,703.16	7,515.75
iv. Other financial liabilities	23	922.31	400.39
Provisions	19	241.54	218.27
Current tax liabilities		145.65	39.80
Other current liabilities	24	1,118.61	1,029.62
		32,067.68	**23,173.54**
Total liabilities		**45,787.76**	**38,494.64**
Total equity and liabilities		**56,500.62**	**47,936.91**
Material accounting policies	1		

See the accompanying notes to the financial statements

SUDARSHAN VENU
Chairman & 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

Chennai
13th May 2026

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 2026

₹ in crores

		Notes	Year ended 31-03-2026	Year ended 31-03-2025
I	Revenue from operations	25	56,069.52	44,089.01
II	Other income	26	22.01	69.56
III	**Total Income (I +II)**		**56,091.53**	**44,158.57**
IV	Expenses:			
	Cost of material consumed	27	33,270.05	25,968.44
	Purchase of stock in trade	27	1,230.66	834.62
	Changes in inventories of finished goods, Stock-in -trade and work-in-progress	27	379.05	(79.22)
	Employee benefits expense	28	4,391.61	3,580.88
	Finance costs	29	2,229.82	2,093.25
	Depreciation and amortisation expense	30	1,272.64	1,045.56
	Other expenses	31	8,404.82	7,135.57
	Total expenses		**51,178.65**	**40,579.10**
V	**Profit before exceptional items, share of net profit / (loss) from associates and tax (III - IV)**		**4,912.88**	**3,579.47**
VI	Share of net profit / (loss) from associates using equity method		(41.06)	(74.12)
VII	**Profit before exceptional items and tax (V + VI)**		**4,871.82**	**3,505.35**
VIII	Exceptional items	50	(50.08)	-
IX	**Profit before tax from continuing operations (VII + VIII)**		**4,821.74**	**3,505.35**
X	Tax expense	32		
	i) Current tax		1,620.38	1,190.17
	ii) Deferred tax		14.93	(34.72)
	Total Tax expense from continuing operations (i+ii)		**1,635.31**	**1,155.45**
XI	**Profit for the year from continuing operations (IX - X)**		**3,186.43**	**2,349.90**
XII	**Profit before tax from discontinued operations**		**-**	**22.49**
XIII	Tax expense	32		
	i) Current tax		-	2.63
	ii) Deferred tax		-	(10.05)
	Total Tax expense from discontinued operations (i+ii)		**-**	**(7.42)**
XIV	**Profit for the year from discontinued operations (XII - XIII)**		**-**	**29.91**
XV	**Profit for the year (XI + XIV)**		**3,186.43**	**2,379.81**
XVI	(Profit) / Loss attributable to non-controlling Interest		(168.10)	(144.25)
XVII	**Profit for the year attributable to owners (XV+ XVI)**		**3,018.33**	**2,235.56**
XVIII	Other comprehensive income			
	A. Items that will not be reclassified to profit or loss:			
	Remeasurements of post employment benefit obligations		26.39	(4.35)
	Change in fair value of equity instruments		153.49	23.27
	Share of other comprehensive income of an associate		(0.08)	-
	Income tax relating to these items		(9.62)	(1.78)
	B. Items that will be reclassified to profit or loss:			
	Fair value changes on cash flow hedges		0.06	(3.29)
	Foreign currency translation adjustments		336.01	33.55
	Income tax relating to these items		0.66	(0.18)
	Other comprehensive income for the year, net of tax		**506.91**	**47.22**
XIX	Other comprehensive income attributable to non-controlling interest		1.10	(2.85)
XX	**Other comprehensive income attributable to owners (XVIII - XIX)**		**505.81**	**50.07**
XXI	**Total comprehensive income attributable to owners (XVII +XX)**		**3,524.14**	**2,285.63**
XXII	Earnings per equity share (Face value of Re.1/- each)	42		
	Basic & Diluted earnings per share (in ₹)			
	Continuing operations		63.53	46.42
	Discontinued operations		-	0.63
	Continuing operations and discontinued operations		63.53	47.05
	Material accounting policies	1		

See the accompanying notes to the financial statements

SUDARSHAN VENU
Chairman & 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

Chennai
13th May 2026

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

	₹ in crores
As at 01-04-2024	**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**
Changes in Equity Share capital due to prior period errors	-
Restated balance as at 01-04-2025	47.51
Changes in equity share capital during the year	-
As at 31-03-2026	**47.51**

b Other Equity

₹ 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 01-04-2024	**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 2024-25	-	-	-	2,235.56	-	-	-	-	-	144.25	2,379.81
Add : Other comprehensive income for the year 2024-25 (net of tax)	-	-	-	(1.67)	20.31	33.55	(2.12)	-	-	(2.85)	47.22
Add: Reclassification to Statutory 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											
2024-25 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**	**(5.41)**	**(62.46)**	**0.27**	**938.89**	**9,394.76**
Add : Profit for the year 2025-26	-	-	-	3,018.33	-	-	-	-	-	168.10	3,186.43
Add/(Less) : Issue of 6% Non-Convertible redeemable preference shares (NCRPS) during the year	(865.64)	-	-	(1,034.71)	-	-	-	-	-	-	(1,900.35)
Add : Other comprehensive income for the year 2025-2026 (net of tax)	-	-	-	21.25	149.85	336.01	(1.23)	-	-	1.10	506.98
Add : Share of OCI of an associate (net of tax)	-	-	-	-	(0.07)	-	-	-	-	-	(0.07)
Add : Reversal of Tax on OCI on account of sale of equity instruments measured at FVTOCI	-	-	-	-	1.91	-	-	-	-	-	1.91
Add/(Less) : Transfer on account of Sale of Equity instruments measured at FVTOCI (net of tax)	-	-	-	178.02	(178.02)	-	-	-	-	-	-
Less : Capital reserves on acquisition of new subsidiary	-	11.48	-	-	-	-	-	-	-	-	11.48
Add : Reclassification to statuatory reserve from retained earning	-	-	182.77	(182.77)	-	-	-	-	-	-	-
Add : Recognition of share based payments to employees	-	-	-	-	-	-	-	-	0.69	-	0.69
Less : Treasury shares held by ESOP Trust	-	-	-	-	-	-	-	(34.44)	-	-	(34.44)
Transaction in capacity of owners											
Add/(Less) : Transactions with non-controlling interest	-	-	-	(41.34)	-	-	-	-	-	40.52	(0.82)
Less : Distribution to shareholders:											
2025-26 Interim dividend	-	-	-	570.10	-	-	-	-	-	-	570.10
Balance as at 31-03-2026	**10.60**	**17.99**	**634.18**	**8,494.91**	**(12.99)**	**405.75**	**(6.64)**	**(28.02)**	**0.96**	**1,148.61**	**10,665.35**

Nature and purpose of Other Reserves

1. General reserve is available for distribution to share holders.

Particulars		₹ in crores
i.	On shares forfeited (₹ 55,200)	-
ii.	On surplus arising out of amalgamation	6.51
iii.	On surplus arising out of Business Combination	11.48
		17.99

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 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

SUDARSHAN VENU
Chairman & 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

Chennai
13th May 2026

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 2026

₹ in crores

		Year ended 31-03-2026		Year ended 31-03-2025	
A.	**Cash flow from operating activities:**				
	Profit before tax				
	From Continuing Operations		4,821.74		3,505.35
	From Discontinued Operations		-		22.49
	Add:				
	Depreciation and amortisation for the year	1,272.64		1,045.56	
	(Profit)/Loss on sale of property, plant and equipment (Net)	(14.97)		(9.15)	
	(Gain)/Loss on fair valuation of investments (Net)	87.83		78.27	
	(Gain)/Loss on sale of investments (Net)	(2.09)		(1.02)	
	(Gain)/Loss on sale of Associate	(2.54)		(95.14)	
	(Gain)/Loss on lease preclosure	0.03		(0.07)	
	Unrealised exchange (gain) / loss	(63.31)		9.95	
	Net (profit)/ loss from associates using equity method	41.06		74.12	
	Interest income	(41.86)		(27.16)	
	Finance cost [excluding relatable to financial enterprise]	308.69		229.93	
	Share based payment expense	19.66		33.08	
	Provisions	80.04		99.67	
			1,685.18		**1,438.04**
	Operating profit before working capital changes		**6,506.92**		**4,965.88**
	Adjustments for:				
	Loans given by a financial enterprise (Net)	(3,986.70)		(828.66)	
	Trade receivables	(874.76)		110.50	
	Inventories	(42.62)		(168.18)	
	Other current assets	(842.23)		(330.64)	
	Other financial assets	(467.81)		(324.92)	
	Trade payables	2,273.67		923.94	
	Other financial liabilities	484.25		140.69	
	Other current liabilities	104.49		125.43	
	Other non - current assets	336.89		35.53	
			(3,014.82)		(316.31)
	Cash generated from operations		3,492.10		4,649.57
	Direct taxes paid		(1,625.51)		(1,146.65)
	Net cash from operating activities	**(A)**	**1,866.59**		**3,502.92**
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	(3,235.08)		(2,478.06)	
	Proceeds from sale of property, plant and equipment	88.89		19.00	
	Purchase of investments	(186.77)		(424.13)	
	Purchase of Investments in associates/Subsidiaries	(4.04)		(98.49)	
	Sale of Investments in subsidiaries/Associates	-		4.15	
	Sale / redemption of investments	332.93		56.32	
	Sale / redemption of mutual funds (net)	2.09		-	
	Purchase of investment property	(4.27)		(3.68)	
	Interest received	41.78		25.93	
			(2,964.47)		(2,898.96)
	Net cash from / (used in) investing activities	**(B)**	**(2,964.47)**		**(2,898.96)**

₹ in crores

		Year ended 31-03-2026		Year ended 31-03-2025	
C.	**Cash flow from financing activities :**				
	Borrowings:				
	Non-current borrowings availed / (repaid)	(1,447.54)		1,301.85	
	Current borrowings availed / (repaid)	3,555.65		1,025.78	
	Finance cost paid	(249.17)		(406.54)	
	Contribution from non-controlling Interest	28.48		42.74	
	Changes in treasury shares by ESOP trust	6.08		(95.27)	
	Lease liabilities paid	(414.07)		(238.23)	
	Dividend	(570.10)		(475.09)	
			909.33		**1,155.24**
	Net cash from / (used in) financing activities	**(C)**	**909.33**		**1,155.24**
	Total (A)+(B)+(C)		**(188.55)**		**1,759.20**
	Cash and cash equivalents at the beginning of the year		4,115.00		2,355.80
	Cash and cash equivalents at the end of the year (Refer note no. 12)		3,926.45		4,115.00
D.	**Net increase/(decrease) in cash and cash equivalents**		**(188.55)**		**1,759.20**

Note : The above statement of cash flow is prepared using indirect method.

Change in liability arising from financing activities:

₹ in crores

Particulars	As at 31-03-2025	Cash flow	Foreign exchange movement	Outgoing subsidiary	Amortisation	As at 31-03-2026
Non-current borrowings	13,932.68	(1,447.54)	-	-	1.12	12,486.26
Current borrowings (Excluding NCRPS)	13,683.08	3,555.65	-	-	-	17,238.73

Non-cash investing activities:

₹ in crores

Particulars	2025-26	2024-25
Acquisition of right-of-use assets	625.78	737.81

SUDARSHAN VENU
Chairman & 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

Chennai
13th May 2026

K GOPALA DESIKAN
Chief Financial Officer

K S SRINIVASAN
Company Secretary

S USHA
Partner
Membership No.: 211785

Notes to the Consolidated Financial Statements

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 2026 have been approved and authorised for issue by the Board of Directors at its meeting held on 13th May 2026.

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
			2025-26	2024-25	
1	**Subsidiary Companies:**				
a.	TVS Motor Company Europe B.V. Amsterdam	Netherlands	100%	100%	31-03-2026
b.	PT. TVS Motor Company Indonesia, Jakarta	Indonesia	53.94% direct holding, 29.93% by (c) and 16.13% by (a)	51.20% direct holding, 31.71% by (c) and 17.09% by (a)	31-03-2026
c.	TVS Motor Singapore Pte. Limited, Singapore	Singapore	100%	100%	31-03-2026
d.	TVS Motor Services Limited, Chennai	India	100%	100%	31-03-2026
e.	TVS Credit Services Limited, Bengaluru	India	80.76 % direct holding and 0.42% by (d)	80.69 % direct holding and 0.43% by (d)	31-03-2026
f.	Harita ARC Services Private Limited, Chennai	India	100% by (e)	100% by (e)	31-03-2026
g.	Harita Two Wheeler Mall Private Limited, Chennai	India	100% by (e)	100% by (e)	31-03-2026
h.	TVS Housing Finance Private Limited, Chennai	India	100% by (e)	100% by (e)	31-03-2026
i.	The Norton Motorcycle Co. Limited, London	United Kingdom	100% by (c)	100% by (c)	31-03-2026
j.	Norton Motorcycle Private Limited, Chennai	India	100% by (i)	-	31-03-2026
k.	Norton USA LLC, Delaware	USA	100% by (i)	-	31-03-2026
l.	TVS Digital Pte Limited, Singapore	Singapore	100% by (c)	100% by (c)	31-03-2026
m.	TVS EBike Company AG (Formerly known as Swiss E-Mobility Group)	Switzerland	100% by (c)	100% by (c)	31-03-2026
n.	EGO Movement Deutschland GmbH, Germany	Germany	100% by (m)	100% by (m)	31-03-2026
o.	TVS Electric Mobility Ltd, Chennai	India	100%	100%	31-03-2026
p.	TVS EBike Company GmBH Germany, Nuremberg (Formerly known as Colag E-Mobility GmbH)	Germany	100% by (m)	100% by (m)	31-03-2026
q.	TVS EBike Company Limited, Warwickshire, England (Formerly known as EBCO Limited)	United Kingdom	100% by (c)	70% by (c)	31-03-2026
r.	TVS Motor GmbH, Germany (Formerly known as Celerity Motor GmBH)	Germany	100% by (c)	100% by (c)	31-03-2026
s.	DriveX Mobility private Limited, Coimbatore	India	92.21%	89.40%	31-03-2026
t.	TVS Motor Company DMCC, Dubai	UAE	100%	100%	31-03-2026
u.	Swiss E-mobility group (österreich) Gmbh, Austria	Austria	100% by (m)	100% by (m)	31-03-2026
v.	Engines Engineering S.p.A, Castenaso.	Italy	100% by (c)	-	31-03-2026
2.	**Associate Companies:**				
aa.	Ultraviolette Automotive Private Limited, Bengaluru	India	24.92%	29.33%	31-03-2026
ab.	Predictronics Corporation	USA	23.49% by (l)	23.49% by (l)	31-03-2026
ac.	Altizon Inc (up to 23.01.2026)	USA	-	20.0% by (l)	31-03-2026
ad.	Killwatt Gmbh	Germany	49% by (c)	49% by (c)	31-03-2026

Notes to the Consolidated Financial Statements (Contd.)

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

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, spare parts and accessories

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 services, 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.

Notes to the Consolidated Financial Statements (Contd.)

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, 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 to 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 property, plant and equipment costing less than Rs. 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

Notes to the Consolidated Financial Statements (Contd.)

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.

The intangible assets are amortised on straight line basis over its useful life, viz., 2 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.

Notes to the Consolidated Financial Statements (Contd.)

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).

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.

Notes to the Consolidated Financial Statements (Contd.)

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 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 recognised in other comprehensive income. 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

Notes to the Consolidated Financial Statements (Contd.)

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.

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.

Notes to the Consolidated Financial Statements (Contd.)

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 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.

Notes to the Consolidated Financial Statements (Contd.)

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.

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 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.

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.

Notes to the Consolidated Financial Statements (Contd.)

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 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.

Notes to the Consolidated Financial Statements (Contd.)

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 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.

Notes to the Consolidated Financial Statements (Contd.)

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 other than real estate. 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 and realisation of project into cash and cash equivalents and range from 3 to 7 years. Accordingly, assets and liabilities have been classified into current and non-current based on operating cycle.

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.

The Group has applied the following Ind AS pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Second Amendment Rules, 2025 with effect from 1st April 2025:

Notes to the Consolidated Financial Statements (Contd.)

(i) Ind AS 7 – Statement of Cash Flows and Ind AS 107 – Financial Instruments: Disclosures: The amendment requires disclosure of the effects of supplier finance arrangements on the Group's liabilities, cash flows and exposure to liquidity risk. The Group has assessed the impact of such arrangements on the Consolidated Financial Statements and has provided requisite disclosures in accordance with the amendments. These amendments do no have any other impact on the Consolidated Financial Statements.

(ii) Ind AS 1 – Presentation of Financial Statements: The amendments primarily impacts classification of liabilities. In accordance with the amendments, the requirement of classification of a liability as non-current based on the existence of a right to defer settlement for at least 12 months after the reporting date has been revised to require that such right must exist, with substance, at the end of the reporting period. The amendments also require assessment of compliance with covenants for the purpose of classification of liabilities, along with enhanced disclosures. The Group has assessed the impact of these amendments and has applied the revised requirements for classification of liabilities as current or non-current including compliance with covenants, where applicable. These amendments do not have any other impact on the Consolidated Financial Statements.

(iii) Ind AS 12 – Income Taxes: The amendment requires disclosure of Pillar Two Income taxes arising pursuant to the introduction of model rules for global minimum tax published by the Organisation for Economic Co-operation and Development ('OECD'). The Group has adopted the requirements pertaining to recognition and disclosure of current and deferred taxes related to income taxes arising on applying the model rules issued by OECD. There is immaterial impact of the amendment on the Consolidated Financial Statements.

Notes to the Consolidated Financial Statements (Contd.)

2 Property, Plant & Equipment and Other Intangible Assets as at 31st March 2026

₹ 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	Trade Mark	Total
	1	2	3	4	5	6	7	8	9	10	11	12
Gross carrying value as at 01-04-2025	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
Acquired in business combination	12.30	25.58	1.65	0.56	1.47	1.20	-	42.76	0.22	2.49	0.07	2.78
Additions	176.60	195.38	589.22	111.88	182.08	107.66	625.78	1,988.60	136.33	555.25	0.58	692.16
Foreign exchange translation reserve adjustments	56.34	13.11	17.65	4.23	5.46	1.92	90.11	188.82	31.37	32.85	62.42	126.64
Sub-total	**1,291.56**	**1,485.59**	**6,622.07**	**414.87**	**579.26**	**539.73**	**2,202.35**	**13,135.43**	**700.35**	**1,793.56**	**707.99**	**3,201.90**
Sales / deletion	64.53	6.29	95.38	7.65	4.61	18.45	236.15	433.06	8.62	2.37	0.68	11.67
Total	**1,227.03**	**1,479.30**	**6,526.69**	**407.22**	**574.65**	**521.28**	**1,966.20**	**12,702.37**	**691.73**	**1,791.19**	**707.31**	**3,190.23**
Depreciation / Amortisation												
Upto 1-04-2025	-	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
For the year	-	58.36	434.39	42.83	59.73	74.08	243.92	913.31	107.86	165.09	86.38	359.33
Foreign exchange translation reserve adjustments	-	6.50	15.26	(0.22)	1.96	3.04	19.86	46.40	13.00	6.14	15.08	34.22
Sub-total	**-**	**527.79**	**4,354.93**	**213.28**	**153.58**	**383.24**	**753.40**	**6,386.22**	**421.57**	**766.30**	**303.10**	**1,490.97**
Withdrawn on assets sold / deleted	-	0.40	85.40	6.28	3.68	16.42	88.72	200.90	4.99	2.32	0.21	7.52
Total	**-**	**527.39**	**4,269.53**	**207.00**	**149.90**	**366.82**	**664.68**	**6,185.32**	**416.58**	**763.98**	**302.89**	**1,483.45**
Reclassify to Right of Use Assets held for surrender	-	-	-	-	-	-	466.96	466.96	-	-	-	-
Net Carrying value As at 31-03-2026	1,227.03	951.91	2,257.16	200.22	424.75	154.46	834.56	6,050.09	275.15	1,027.21	404.42	1,706.78

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 31-03-2026

₹ in crores

(a) Building	420.96
(b) Plant & equipment	552.59
Total	**973.55**

Ageing of Capital work-in-progress as at 31-03-2026

₹ in crores

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	724.88	149.05	73.62	26.00	973.55

Ageing of Intangible assets under development as at 31-03-2026

₹ in crores

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	568.85	398.06	121.58	10.18	1,098.67

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 Other Intangible Assets as at 31st March 2025

₹ 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	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

₹ in crores

(a) Building	304.63
(b) Plant & equipment	359.15
Total	**663.78**

Ageing of Capital work-in-progress as at 31-03-2025

₹ in crores

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	514.51	111.56	16.90	20.81	663.78

Ageing of Intangible assets under development as at 31-03-2025

₹ in crores

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	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.)

3 Investment Properties

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Gross carrying amount	141.38	137.70
Additions	4.27	3.68
Deletions	-	-
Closing gross carrying amount (A)	**145.65**	**141.38**
Opening accumulated depreciation	-	
Additions	-	-
Deletions	-	-
Closing accumulated depreciation (B)	**-**	**-**
Total investment properties (A)-(B)	**145.65**	**141.38**

4 Investment

4A Non Current Investment

Sl. No.	Particulars	No. of shares / units		Face Value	Currency	₹ in crores	
		As at 31-03-2026	As at 31-03-2025			As at 31-03-2026	As at 31-03-2025
(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	0.74	1.20
	(ii) Indie Semiconductor Inc., USA (face value 0.01 cent)	24,008	-	0.0001	USD	0.65	-
	Unquoted :						
	(iii) Green Infra BTV Limited, New Delhi	32,50,000	32,50,000	10.00	INR	2.20	2.04
	(iv) TVS Lanka (Private) Limited, Colombo	50,00,000	50,00,000	10.00	LKR	27.83	16.99
	(v) Green Infra Wind Power Projects Limited, New Delhi	1,11,600	1,11,600	10.00	INR	0.08	0.08
	(vi) Green Infra Wind Power Generation Limited, New Delhi	2,16,000	2,16,000	10.00	INR	0.20	0.19
	(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) Altizon Systems Private Limited, Pune	10	10	10.00	INR	0.01	0.01
	(xii) Roppen Transportation Services Private Limited, Hyderabad	-	10	1.00	INR	-	0.05
	(xiii) Roppen Transportation Services Private Limited, Hyderabad$	-	23,985	10.00	INR	-	125.84
	(xiv) Green Infra Wind Energy Generation Limited, Gurugram	23,45,000	23,45,000	10.00	INR	2.35	2.35
	(xv) Eight Innovate Fund, Mumbai	80,000	60,000	1,000.00	INR	12.14	5.38
	(xvi) ARC Ride Limited., UK	575	575	0.01	GBP	9.49	8.73
	(xvii) Atria Wind Power (Basavana Bagewadi), Bengaluru	47,000	47,000	100.00	INR	0.91	0.91
	(xviii) Indian Foundation for Quality Management, Bengaluru	2,50,00,000	2,50,00,000	10.00	INR	-	25.00
	(xix) Altizon Inc., USA ^ (face value 0.001 cent)	8,06,429	-	0.00001	USD	34.28	-
	Total value of Equity Instruments (a)					**96.26**	**194.15**

Notes to the Consolidated Financial Statements (Contd.)

Sl. No.	Particulars	No. of shares / units		Face Value	Currency	₹ in crores	
		As at 31-03-2026	As at 31-03-2025			As at 31-03-2026	As at 31-03-2025
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
(b)	**Investments in Preference Shares:**						
	Unquoted :						
	Fair valued through OCI:						
	(i) Mottu Holdings Ltd., Brazil	3,26,064	3,26,064	0.001	USD	132.77	119.00
	(ii) Quadrant Esports Ltd., UK	12,547	12,547	0.001	Euro	1.18	1.07
	(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	8,29,773	22,73,941	3.20	USD	25.18	61.91
	(vi) Commeasure Pte Ltd, Singapore	78,703	78,703	86.15	SGD	49.85	43.20
	Total value of Preference shares (b)					**208.98**	**225.18**
(c)	**Investment in Debt Instruments:**						
	Unquoted :						
	Valued at Amortised Cost :						
	Pension Funds / Others						
	(i) ICICI Prudential Life Insurance Group Superannuation Fund, Mumbai				INR	6.85	6.95
	(ii) Life Insurance Corporation Pension Policy, Mumbai				INR	21.58	22.36
	(iii) Stemford Energy Private Limited	20,00,000	-	100.00	INR	5.17	-
	(iv) Hyper Grocers Private Limited	25	25	1,00,000.00	INR	0.25	0.25
	(v) SEC - Securities and Exchange Commission Bonds				USD	0.01	0.07
	Fair Valued through Profit and Loss :						
	(vi) DAT Bike, Singapore				USD	4.74	4.27
	(vii) Zapata Group B.V, Singapore				Euro	56.54	48.64
	(viii) Vianai Systems,Inc, USA				USD	9.48	8.54
	(ix) Aegis Rider Ag,Switzerland				USD	28.45	17.10
	Total value of Debt instruments (c)					**133.07**	**108.18**
(d)	**Other non-current Investments :**						
	Unquoted:						
	Fair valued through OCI:						
	(i) Autotech Fund I L.P., USA				USD	33.96	37.43
	(ii) Investment Portfolio GF 2023 LP., USA				USD	5.56	-
	(iii) InIconiq Strategic Partners VII-B. L.P., USA				USD	8.19	-
	(iv) Private Equity Portfolio GF 2023 LP., USA				USD	0.76	-
	(v) Venture Capital Portfolio GF 2023 LP., USA				USD	3.60	-
	(vi) ACV Capital III L.P., USA				USD	15.25	-
	(vii) Secondary Portfolio GF 2023 LP., USA				USD	6.84	-
	(viii) Other portfolio investments., USA				USD	4.40	-
	(ix) P.A.C. - CAPITAL ACCUMULATION PLAN, Italy				Euro	2.51	-
	(x) B.C.C. FELSINEA, Italy				Euro	0.03	-
	Total value of Other Non-Current Investments (d)					**81.10**	**37.43**
	Total (a) + (b) + (c) + (d)					**519.41**	**564.94**
	Aggregate amount of quoted investments and market value thereof					1.39	1.20
	Aggregate amount of unquoted investments					518.02	563.74
	Total					**519.41**	**564.94**

All Investments are fully paid up.

$Preference shares in the nature of equity instruments

^Reclassified from investment in Associates to Non current Investments as on 31st March 2026

Notes to the Consolidated Financial Statements (Contd.)

4B Current Investments

Sl. No.	Particulars	No. of shares / units		Face Value	Currency	₹ in crores	
		As at 31-03-2026	As at 31-03-2025			As at 31-03-2026	As at 31-03-2026
(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, Madurai	2,53,95,032	1,92,72,200	1.00	INR	231.02	233.19
(b)	**Investment in Debt Instruments :**						
	Unquoted:						
	Valued at Amortised Cost :						
	(i) Investment in Government securities				INR	288.98	282.12
	Total					**520.00**	**515.31**
	Aggregate amount of quoted and non-quoted investments					520.00	515.31
	Total					**520.00**	**515.31**

All investments are fully paid up.

5 Loans (Receivable From Financing Activity)

₹ in crores

Particulars	As at 31-03-2026		As at 31-03-2025	
	Current	Non-current	Current	Non-current
Secured:				
Automobile financing				
Considered good	14,834.87	10,174.43	12,078.39	9,145.69
Considered doubtful	481.28	214.68	480.56	214.06
Less: Loss allowance				
Provision for expected credit loss (Refer Note 35)	(428.64)	(302.01)	(369.76)	(296.95)
Unsecured:				
Financing (Others)				
Considered good	2,946.13	2,276.79	2,776.00	2,211.82
Considered doubtful	39.52	21.84	65.65	23.00
Less: Loss allowance				
Provision for expected credit loss (Refer Note 35)	(110.83)	(87.00)	(119.34)	(92.26)
Unsecured:				
Trade advance and term loan				
Considered good	227.66	-	183.57	1.63
Considered doubtful	0.52	-	0.68	-
Less: Loss allowance				
Provision for expected credit loss (Refer Note 35)	(2.07)	-	(2.27)	-
	17,988.44	**12,298.73**	**15,093.48**	**11,206.99**

Notes to the Consolidated Financial Statements (Contd.)

6 Other Financial Assets - Non-Current

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Deposits	91.92	127.42
Loans given to employees	5.26	4.82
Other bank balances (Bank deposit)	2.39	-
Claim receivable	24.50	28.00
	124.07	**160.24**

7 Investments Accounted Using Equity Method

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Ultraviolette Automotive Private Limited, Bengaluru	7.29	7.29
[14,85,000 (last year - 14,85,000) Equity shares]		
Ultraviolette Automotive Private Limited, Bengaluru	14.92	56.20
[12,31,600 (last year - 12,31,600) Preference shares]		
Predictronics Corp, USA	17.25	17.37
[24,827 (last year - 24,827) Equity shares]		
Altizon Inc., USA^	-	22.59
[8,06,429 (last year - 8,06,429) Equity shares]		
Killwatt, GmbH	67.77	63.68
[24,500 (last year - 24500) Equity shares]		
	107.23	**167.13**

^Ceased to be associate as on 31st March 2026

8. Deferred Tax Assets

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
The balance comprises temporary differences attributable to:		
- Depreciation	12.87	6.68
- tax on employee benefit expenses	30.74	18.68
- tax on expected credit losses provision	263.83	244.94
- tax on investment property	13.53	14.72
- tax on carried forward loss	44.54	65.92
- tax on others	226.18	155.48
Total deferred tax assets (A)	**591.69**	**506.42**
Deferred tax liability on other items (B)	**17.23**	**10.51**
Net deferred tax assest (A)-(B)	**574.46**	**495.91**

Notes to the Consolidated Financial Statements (Contd.)

Movement in deferred tax :

₹ in crores

Particulars	Depreciation	Others	Total
As at 31-03-2024			**394.28**
Charged / (Credited):			
- to profit or loss	(1.80)	80.97	79.17
- to subsidiaries incumbent deferred tax assets	-	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**
Charged / (Credited):			
- to profit or loss	(6.19)	55.01	48.82
- to foreign currency translation	-	31.55	31.55
- to other comprehensive income	-	(1.82)	(1.82)
As at 31-03-2026			**574.46**

9 Other Non-Current Assets

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Capital advances	632.70	215.67
Advances other than capital advances:		
Prepaid expenses	18.96	5.71
Deposits made	40.44	13.62
	692.10	**235.00**

10 Inventories

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Raw materials and components	1,127.65	971.25
Goods-in-transit - Raw materials and components	298.37	132.47
Work-in-progress	75.24	50.80
Finished goods	254.94	680.28
Stock-in-trade	505.03	483.18
Stores and spares	197.97	98.60
	2,459.20	**2,416.58**

11 Trade Receivables

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Secured, considered good	12.64	21.37
Unsecured, considered good*	2,641.49	1,695.38
Receivables which have significant increase in credit risk	40.56	43.70
	2,694.69	**1,760.45**
Less: Loss allowance	40.56	43.70
	2,654.13	**1,716.75**

**Include balance with related parties [Refer Note 41(d)(i)].*

Notes to the Consolidated Financial Statements (Contd.)

Ageing for trade receivable as on 31.03.2026

₹ 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	142.26	2,077.19	220.99	6.71	195.87	11.11	2,654.13
(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	-	7.01	4.24	6.21	1.70	21.40	40.56
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	**142.26**	**2,084.20**	**225.23**	**28.47**	**121.86**	**32.51**	**2,694.69**

Ageing for trade receivable as on 31.03.2025

₹ 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**

12 Cash and Cash Equivalents

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Balances with banks	3,907.74	4,076.47
Cash on hand	2.03	2.90
Cash equivalents:		
Deposits with maturity of less than three month from the date of deposit.	16.68	35.63
	3,926.45	**4,115.00**
Cash and cash equivalents for the purpose of cash flow statement	**3,926.45**	**4,115.00**

Notes to the Consolidated Financial Statements (Contd.)

13 Other Bank Balances

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Earmarked balances with banks^	573.79	264.66
Deposits with maturity of more than three month and less than one year from the date of deposit	0.88	6.58
	574.67	**271.24**

^Includes balances towards unpaid dividend

14 Other Financial Assets - Current

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Unsecured, considered good :		
- Employee advances	26.45	21.85
- Other bank balances (Bank deposit)	18.12	2.09
- Security deposits	92.51	48.64
- Claims receivable	149.73	31.68
- Loans and advances - Non Related Parties	54.03	142.91
- Interest accrued on Fixed deposit	0.17	0.09
- Receivable towards sale of fixed assets	62.98	62.97
- Hedge asset (net)	103.43	15.73
	507.42	**325.96**

15 Other Current Assets

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Balances with tax authorities	1,109.06	682.41
Prepaid expense	186.30	175.56
Vendor advance*	311.13	199.53
Trade deposits	1.92	5.06
Incentive receivable from Government	750.15	468.13
Employee benefit assets (Refer Note 39)	18.57	11.88
Others	13.06	19.75
	2,390.19	**1,562.32**
Less: loss allowance	18.03	32.39
	2,372.16	**1,529.93**

**Balances include balance with related parties [Refer Note 41(d)(i)].*

Notes to the Consolidated Financial Statements (Contd.)

16 Share Capital

(a) Details of authorised, issued and subscribed share capital

(i) Equity Share Capital

Authorised, issued, subscribed and fully paid up

Particulars	As at 31-03-2026		As at 31-03-2025	
	Number	₹ in crores	Number	₹ in crores
Authorised:				
Equity shares of Re.1/- each	50,00,00,000	50.00	50,00,00,000	50.00
Issued, subscribed and fully paid up:				
Equity shares of Re.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**

(ii) Preference Share Capital

Particulars	As at 31-03-2026		As at 31-03-2025	
	Number	₹ in crores	Number	₹ in crores
Authorised:				
Preference shares of ₹ 10/- each	2,00,00,00,000	2,000.00	-	-
Issued, subscribed and fully paid up:				
6% Cumulative Non-Convertible redeemable preference shares of ₹ 10/- each (NCRPS)	1,90,03,48,456	1,900.35	-	-
	1,90,03,48,456	**1,900.35**	**-**	**-**

(b) Reconciliation of equity shares outstanding at the beginning and at the end of the year

(i) Equity Share Capital

Particulars	As at 31-03-2026		As at 31-03-2025	
	Number	₹ in crores	Number	₹ 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**

(ii) Preference Share Capital

Particulars	As at 31-03-2026		As at 31-03-2025	
	Number	₹ in crores	Number	₹ in crores
Shares outstanding at the beginning of the year	-	-	-	-
Shares issued during the year	1,90,03,48,456	1,900.35	-	-
Shares outstanding at the end of the year	1,90,03,48,456	1,900.35	-	-

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.

There are no restrictions attached to equity shares.

(ii) Rights and preferences attached to NCRPS share:

The NCRPS do not have voting rights other than in respect of matters directly affecting it. The NCRPS will be redeemed along with interest on 01st September, 2026.

(d) Shares held by holding company at the end of the year

Name of shareholder	Class of share	As at 31-03-2026		As at 31-03-2025	
		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

Name of shareholder	Class of share	As at 31-03-2026		As at 31-03-2025	
		No. of shares held	% of holding	No. of shares held	% of holding
TVS Holdings Limited, Chennai (Holding Company)	Preference	95,51,31,144	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 31-03-2026		As at 31-03-2025	
		No. of shares held	% of holding	No. of shares held	% of holding
ICICI Prudential Mutual Fund	Equity	2,76,08,033	5.81	3,49,41,063	7.35

Name of shareholder	Class of share	As at 31-03-2026		As at 31-03-2025	
		No. of shares held	% of holding	No. of shares held	% of holding
ICICI Prudential Mutual Fund	Preference	16,37,88,001	8.62	-	-

(f) Shares held by Promoters at the end of the year 31.03.2026

Promoter name	Class of share	As at 31-03-2026		As at 31-03-2025		
		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	-

Promoter name	Class of share	As at 31-03-2026		As at 31-03-2025		
		No. of shares held	% of holding	No. of shares held	% of holding	% change during the year
TVS Holdings Limited, Chennai (Holding Company)	Preference	95,51,31,144	50.26	-	-	-

Notes to the Consolidated Financial Statements (Contd.)

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	-

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)	Preference	-	-	-	-	-

17 Other Equity

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
General reserve	10.60	876.24
Capital reserve	17.99	6.51
Statutory reserve	634.18	451.41
Retained earnings	8,494.91	7,106.23
Other reserves	359.06	15.48
	9,516.74	**8,455.87**

18. Non Current Liabilities - Financial Liabilities - Borrowings

₹ in crores

Nature	Lenders	As at 31-03-2026	As at 31-03-2025	Status as at 31-03-2026			
				Interest Rate	Frequency	No. of Instalments Due	Maturity
Secured Borrowings:							
ECB Loan 1	Bank	331.42	300.30	7.77%	Bullet	1	Mar-2028
ECB Loan 2	Bank	285.62	-	7.50%	Bullet	1	May-2028
ECB Loan 3	Bank	331.84	-	7.59%	Bullet	1	Jun-2028
Term Loan 1	Bank	153.75	138.52	SOFR + 2.60% p.a	Quarterly	7	Dec-2027
Term Loan 2	Bank	-	13.64	-	-	-	Apr-2025
Term Loan 3	Bank	-	81.61	-	-	-	Jul-2025
Term Loan 4	Bank	-	99.99	-	-	-	Jul-2025
Term Loan 5	Bank	-	125.69	-	-	-	Jan-2026
Term Loan 6	Bank	31.42	125.66	7.25%	Quarterly	1	Apr-2026
Term Loan 7	Bank	-	209.67	-	-	-	Dec-2025
Term Loan 8	Bank	-	27.19	-	-	-	Jan-2026
Term Loan 9	Bank	-	20.13	-	-	-	Mar-2026
Term Loan 10	Bank	-	29.39	-	-	-	Mar-2026
Term Loan 11	Bank	-	39.99	-	-	-	Sep-2025
Term Loan 12	Bank	-	90.02	-	-	-	Oct-2025
Term Loan 13	Bank	176.69	317.88	7.10%	Quarterly	5	Jun-2027
Term Loan 14	Bank	58.86	105.89	7.10%	Quarterly	5	Jun-2027

Notes to the Consolidated Financial Statements (Contd.)

₹ in crores

Nature	Lenders	As at 31-03-2026	As at 31-03-2025	Status as at 31-03-2026			
				Interest Rate	Frequency	No. of Instalments Due	Maturity
Term Loan 15	Bank	144.86	241.35	7.10%	Quarterly	6	Sep-2027
Term Loan 16	Bank	125.59	251.25	7.15%	Quarterly	4	Mar-2027
Term Loan 17	Bank	31.38	62.84	5.95%	Quarterly	4	Mar-2027
Term Loan 18	Bank	38.46	69.23	5.85%	Quarterly	5	Jun-2027
Term Loan 19	Bank	154.27	278.05	5.47%	Quarterly	5	Jun-2027
Term Loan 20	Bank	-	219.44	-	-	-	Mar-2026
Term Loan 21	Bank	43.35	72.33	5.85%	Quarterly	6	Sep-2027
Term Loan 22	Bank	138.90	232.19	5.79%	Quarterly	6	Sep-2027
Term Loan 23	Bank	68.00	149.42	5.79%	Monthly	10	Jan-2027
Term Loan 24	Bank	162.33	255.44	5.97%	Quarterly	7	Dec-2027
Term Loan 25	Bank	92.74	178.58	5.97%	Monthly	13	Apr-2027
Term Loan 26	Bank	243.46	351.96	5.60%	Quarterly	9	May-2028
Term Loan 27	Bank	87.53	146.00	5.60%	Monthly	18	Sep-2027
Term Loan 28	Bank	46.15	76.92	6.45%	Monthly	18	Sep-2027
Term Loan 29	Bank	92.31	153.85	6.45%	Monthly	18	Sep-2027
Term Loan 30	Bank	45.82	76.92	6.45%	Monthly	18	Sep-2027
Term Loan 31	Bank	215.38	337.91	6.45%	Monthly	21	Dec-2027
Term Loan 32	Bank	50.18	150.66	6.61%	Quarterly	2	Jul-2026
Term Loan 33	Bank	112.50	262.50	6.55%	Quarterly	3	Dec-2026
Term Loan 34	Bank	75.28	175.56	6.48%	Quarterly	3	Oct-2026
Term Loan 35	Bank	92.33	164.71	6.68%	Quarterly	5	May-2027
Term Loan 36	Bank	181.80	411.92	7.00%	Quarterly	5	Apr-2027
Term Loan 37	Bank	-	249.99	-	-	-	Sep-2025
Term Loan 38	Bank	249.99	249.95	7.00%	Bullet	1	Jun-2026
Term Loan 39	Bank	299.95	299.92	7.10%	Bullet	1	Sep-2027
Term Loan 40	Bank	335.46	671.26	6.73%	Quarterly	4	Mar-2027
Term Loan 41	Bank	2,212.86	3,011.31	7.95%	Quarterly	11	Nov-2028
Term Loan 42	Bank	25.00	75.00	6.64%	Half Yearly	1	Aug-2026
Term Loan 43	Bank	131.26	206.27	7.80%	Quarterly	7	Dec-2027
Term Loan 44	Bank	174.99	291.73	7.80%	Quarterly	6	Sep-2027
Term Loan 45	Bank	75.02	124.95	7.80%	Quarterly	6	Sep-2027
Term Loan 46	Bank	16.65	33.30	7.80%	Quarterly	4	Mar-2027
Term Loan 47	Bank	50.00	100.00	7.80%	Quarterly	4	Mar-2027
Term Loan 48	Bank	319.75	532.92	6.83%	Quarterly	6	Oct-2027
Term Loan 49	Bank	72.88	99.39	6.95%	Quarterly	11	Dec-2028
Term Loan 50	Bank	400.18	400.36	8.10%	Bullet	1	May-2026
Term Loan 51	Bank	80.00	400.00	7.95%	Quarterly	1	Jun-2026
Term Loan 52	Bank	40.01	120.03	7.95%	Quarterly	2	Jul-2026
Term Loan 53	Bank	125.00	291.67	7.95%	Quarterly	3	Nov-2026
Term Loan 54	Bank	250.00	416.68	7.95%	Quarterly	6	Sep-2027
Term Loan 55	Bank	145.87	229.22	7.95%	Quarterly	7	Nov-2027
Term Loan 56	Bank	145.87	229.22	7.95%	Quarterly	7	Dec-2027
Term Loan 57	Bank	-	31.46	-	-	-	Apr-2025

Notes to the Consolidated Financial Statements (Contd.)

₹ in crores

Nature	Lenders	As at 31-03-2026	As at 31-03-2025	Status as at 31-03-2026			
				Interest Rate	Frequency	No. of Instalments Due	Maturity
Term Loan 58	Bank	-	167.72	-	-	-	Feb-2026
Term Loan 59	Bank	-	120.89	-	-	-	Sep-2025
Term Loan 60	Bank	-	80.83	-	-	-	Oct-2025
Term Loan 61	Bank	100.77	181.37	8.00%	Quarterly	5	Jun-2027
Term Loan 62	Bank	352.60	503.43	7.90%	Quarterly	7	Dec-2027
Term Loan 63	Bank	-	150.01	-	-	-	Dec-2025
Term Loan 64	Bank	136.35	245.44	7.75%	Quarterly	5	Jun-2027
Term Loan 65	Bank	163.67	272.79	7.75%	Quarterly	6	Jul-2027
Term Loan 66	Bank	218.23	363.72	7.75%	Quarterly	6	Aug-2027
Term Loan 67	Bank	318.18	500.02	7.05%	Quarterly	7	Dec-2027
Term Loan 68	Bank	363.71	500.11	7.05%	Quarterly	8	Mar-2028
Term Loan 69	Others	147.27	231.41	7.19%	Monthly	21	Dec-2027
Term Loan 70	Others	167.40	334.87	7.24%	Quarterly	4	Mar-2027
Term Loan 71	Others	209.25	376.78	6.90%	Quarterly	5	May-2027
Term Loan 72	Bank	146.67	-	6.95%	Quarterly	11	Dec-2028
Term Loan 73	Bank	146.67	-	6.95%	Quarterly	11	Dec-2028
Term Loan 74	Bank	230.51	-	5.30%	Quarterly	12	Feb-2029
Term Loan 75	Bank	230.66	-	5.30%	Quarterly	12	Mar-2029
Term Loan 76	Bank	249.80	-	5.30%	Quarterly	13	Jun-2029
Term Loan 77	Bank	75.86	-	7.00%	Monthly	15	Jun-2027
Term Loan 78	Bank	303.60	-	7.00%	Monthly	15	Jun-2027
Term Loan 79	Bank	750.10	-	7.25%	Monthly	36	Mar-2029
Term Loan 80	Bank	166.67	-	7.18%	Half Yearly	5	Sep-2028
Term Loan 81	Bank	70.60	-	5.47%	Monthly	7	Oct-2026
Term Loan 82	Bank	85.01	-	5.55%	Quarterly	11	Oct-2028
Term Loan 83	Bank	145.54	-	5.55%	Monthly	21	Dec-2027
Term Loan 84	Bank	127.52	-	5.55%	Quarterly	11	Oct-2028
Term Loan 85	Bank	38.11	-	5.55%	Monthly	22	Dec-2027
Term Loan 86	Bank	85.05	-	5.55%	Quarterly	11	Dec-2028
Term Loan 87	Bank	119.55	-	5.55%	Monthly	23	Feb-2028
Term Loan 88	Bank	216.56	-	5.55%	Monthly	25	Apr-2028
Term Loan 89	Bank	100.46	-	5.40%	Quarterly	13	May-2029
Term Loan 90	Bank	145.51	-	5.40%	Monthly	28	Jul-2028
Term Loan 91	Bank	349.71	-	7.00%	Quarterly	10	Oct-2028
Term Loan 92	Bank	225.80	-	7.08%	Quarterly	9	Apr-2028
Term Loan 93	Bank	126.85	-	5.60%	Quarterly	11	Oct-2028
Term Loan 94	Bank	350.14	-	7.12%	Bullet	1	May-2027
Term Loan 95	Bank	350.14	-	7.13%	Bullet	1	Jul-2027
Term Loan 96	Bank	300.12	-	7.09%	Bullet	1	Aug-2027
Term Loan 97	Bank	999.73	-	6.76%	Monthly	7	Dec-2026

Notes to the Consolidated Financial Statements (Contd.)

₹ in crores

Nature	Lenders	As at 31-03-2026	As at 31-03-2025	Status as at 31-03-2026			
				Interest Rate	Frequency	No. of Instalments Due	Maturity
Term Loan 98	Bank	428.61	-	7.00%	Monthly	18	Sep-2027
Soft Loan	State owned corporation -II	10.58	10.11	0.10%	Specific period	2	Apr-2030
Debentures	7.50% Secured Non Convertible Debenture	578.28	-	7.50%	Bullet	3	Jun-2028
Debentures	7.55% Secured Non Convertible Debenture	543.31	-	7.55%	Bullet	3	Sep-2028
Debentures	8.25% Secured Non Convertible Debenture	534.77	534.77	8.25%	Bullet	2	Dec-2027
Debentures	8.35% Secured Non Convertible Debenture	516.08	516.10	8.35%	Bullet	2	Oct-2027
Debentures	8.25% Secured Non Convertible Debenture	502.95	502.95	8.25%	Bullet	3	Mar-2028
Debentures	8.15% Secured Non Convertible Debenture	236.21	237.84	7.15%	Bullet	1	Jun-2026
Debentures	8.30% Secured Non Convertible Debenture	-	833.80	-	-	-	Sep-2025
Unsecured Borrowings:							
Term Loan 1	Bank	139.99	289.98	6.3%	Quarterly	4	Mar-2027
Term Loan 2	Bank	-	14.83	-	-	-	Mar-2026
Term Loan 3	Bank	-	15.16	-	-	-	Mar-2026
Term Loan 4	Others	-	11.62	-	-	-	Mar-2026
Term Loan 5	Bank	-	46.46	-	-	-	Mar-2026
Term Loan 6	Bank	20.92	104.17	Repo Rate plus Margin	Quarterly	2	Jul-2026
Term Loan 7	Bank	62.32	312.18	Repo Rate plus Margin	Quarterly	1	May-2026
Term Loan 8	Bank	200.00	300.00	Repo Rate plus Margin	Quarterly	8	Mar-2028
Term Loan 9	Bank	100.00	150.00	Repo Rate plus Margin	Quarterly	8	Mar-2028
Term Loan 10	Bank	119.98	150.00	Repo Rate plus Margin	Quarterly	16	Mar-2030
Term Loan 11	Bank	150.00	200.00	Repo Rate plus Margin	Quarterly	9	Apr-2028
Term Loan 12	Bank	400.00	-	Repo Rate plus Margin	Quarterly	12	Mar 2029
Term Loan 13	Bank	1.08	-	5.35%	Monthly	18	Sep-2027
Sales Tax Deferral	Others	31.46	47.18	Nil	Yearly	2	Jun-2027
Sub Debt	Others	512.18	512.29	9.30%	Bullet	1	Jun-2029

Notes to the Consolidated Financial Statements (Contd.)

₹ in crores

Nature	Lenders	As at 31-03-2026	As at 31-03-2025	Status as at 31-03-2026			
				Interest Rate	Frequency	No. of Instalments Due	Maturity
Sub Debt	Others	359.29	359.38	8.85%	Bullet	1	Jun-2027
Sub Debt	Others	324.77	324.00	9.50%	Bullet	1	Jan-2028
Sub Debt	Others	201.84	201.18	9.35%	Bullet	1	Aug-2028
Sub Debt	Others	157.56	157.63	9.38%	Bullet	1	Apr-2030
Sub Debt	Others	154.11	154.27	9.40%	Bullet	1	Jun-2026
Sub Debt	Others	151.14	151.33	9.40%	Bullet	1	Aug-2026
Sub Debt	Others	102.22	102.22	10.00%	Bullet	1	Jul-2026
Sub Debt	Others	101.82	101.90	8.85%	Bullet	1	Jun-2027
Sub Debt	Others	101.45	101.45	9.50%	Bullet	1	Jan-2028
Perpetual Debt	Others	103.58	103.57	11.50%	Bullet	1	Nov-2027
Debentures	Non Convertible Debentures - I	-	124.93	-	-	-	Mar-2026
Total non current borrowings		23,923.83	24,809.93				
Less: Current Maturities of non current borrowings		11,437.57	10,877.25				
Total non-current financial liabilities (Borrowings)		**12,486.26**	**13,932.68**				

Details of securities created:

- Term Loan 1 received from bank of ₹ 153.75 Crores is to be secured by a charge over the subsidiary's plant and machinery. At 31st March 2026, 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 ₹ 17,352 Crores inclusive of Current and Non-Current Dues (As at 31st March 2025: ₹ 18,000.10 Crores) is fully secured by exclusive floating charge against hypothecation of receivables under the financing activity of the Company.
- 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.
- Non Convertible Debentures of ₹ 2,912 Crores inclusive of Current and Non-Current Dues (As at 31st March 2025: ₹ 2,625.46 Crores) is fully secured by exclusive floating charge against hypothecation of receivables under the financing activity of the Company.

19 Provisions

₹ in crores

Particulars	As at 31-03-2026		As at 31-03-2025	
	Current	Non-current	Current	Non-current
Provision for employee benefits:				
(a) Pension	67.31	154.35	59.38	160.49
(b) Leave salary	32.44	138.21	28.47	121.86
(c) Gratuity	-	15.83	1.11	2.49
Others:				
(a) Warranty	141.79	46.47	129.31	37.73
	241.54	**354.86**	**218.27**	**322.57**

Notes to the Consolidated Financial Statements (Contd.)

20 Deferred Tax Liabilities (Net)

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
The balance comprises temporary differences attributable to:		
- Depreciation	522.16	410.58
- Others	17.78	18.60
Total deferred tax liability (A)	**539.94**	**429.18**
Deferred tax asset consists of :		
- tax on employee benefit expenses	72.87	38.74
- tax on warranty provision	-	37.99
- tax on others	112.07	66.43
Total deferred tax assets (B)	**184.94**	**143.16**
Net deferred tax liability (A)-(B)	**355.00**	**286.02**

Movement in deferred tax :

₹ in crores

Particulars	Depreciation	Others	Total
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 subsidiary acquisition	-	26.59	26.59
- relating to earlier year	-	21.23	21.23
As at 31-03-2025			**286.02**
Charged / (Credited):			
- to profit or loss	114.60	(50.85)	63.75
- to other comprehensive income	-	7.14	7.14
- Reversal of DTL relating to earlier years on account of sale of equity instruments measured at FVTOCI	-	(1.91)	(1.91)
As at 31-03-2026			**355.00**

21 Financial Liabilities - Borrowings - Current

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
6% Cumulative Non-Convertible Redeemable Preference shares (NCRPS)	1,898.94	-
Borrowings repayable on demand from banks		
Secured*	4,735.84	1,909.73
Unsecured	-	33.03
Short term loans:		
From banks :		
Secured	27.97	-
Unsecured	639.10	863.07
From others (unsecured)	398.25	-
Current Maturities of long term borrowings	11,437.57	10,877.25
	19,137.67	**13,683.08**

** Secured short term borrowings from banks are related to subsidiaries and details of securities created are as follows:*

a). Working capital demand loan and cash credit of ₹ 4,736 Crores (As at 31st March 2025 ₹ 1,792 Crores) is fully secured by exclusive floating charge against hypothecation of receivables under the financing activity of the Company.

b). Working capital demand loan and cash credit of Nil (As at 31st March 2025 ₹ 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

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Dues to Micro and Small Enterprises**	131.12	45.51
Dues to enterprises other than Micro and Small Enterprises#	9,703.16	7,515.75
	9,834.28	**7,561.26**

*** 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(d)(ii)].

Ageing for trade payable as on 31.03.2026

₹ 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)	131.12	-	-	-	-	131.12
(ii) Others	4,574.46	2,053.36	89.02	1.96	43.31	6,762.11
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
Total (i) to (iv)	**4,705.58**	**2,053.36**	**89.02**	**1.96**	**43.31**	**6,893.23**
Accrued Expenses						2,941.05
Total						**9,834.28**

Ageing for trade payable as on 31.03.2025

₹ 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	1,910.14	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**

Supplier finance arrangement

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Carrying amount of trade payables that are part of a supplier finance arrangement	946.15	1,236.11
Of which suppliers have received payment	651.70	829.02

The Group has a supplier financing program with external financial institutions in respect of approved trade payables. Under these arrangements, participating suppliers may, at their discretion, elect to receive early payment on approved invoices from the finance providers, subject to the suppliers' separate agreements with such financial institutions. The Group's payment obligation to settle the full invoice amount with the finance providers arises on the contractual maturity date of the invoice. The supplier finance arrangements do not modify the contractual payment terms between the Group and its suppliers or result in an extension of payment terms, hence there is no effect on the Group's obligation to pay amounts due under the supplier contracts. The Group does not provide any collateral, guarantees, or other forms of security in connection with these arrangements.

Notes to the Consolidated Financial Statements (Contd.)

23 Other Financial Liabilities

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Interest accrued but not due on loans	67.07	9.71
Interest accrued and due on loans*	-	0.88
Trade deposits received	43.61	47.83
Unpaid dividends	573.23	215.14
(Not due for transfer to Investor Education and Protection Fund)		
Payables against capital goods	99.97	61.10
Hedge liability (Net)	71.82	14.57
Others	66.61	51.16
	922.31	**400.39**

**Subsidiary has made funds available with the banks and the same has been appropriated subsequently*

24 Other Current Liabilities

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Statutory dues	187.45	237.54
Employee related	485.83	370.36
Advance received from customers	433.12	394.01
Deferred income	12.21	27.71
	1,118.61	**1,029.62**

25 Revenue from Operations

₹ in crores

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
Revenue from Contract with Customers:		
i. Sale of products	47,570.87	36,794.88
ii. Sale of services	80.76	92.56
Interest income of financial enterprise	6,214.42	5,798.41
Other operating revenue#	2,203.47	1,403.16
	56,069.52	**44,089.01**

#Includes Government Grants of ₹ 973.62 crores (Last year ₹ 488.48 crores)

26 Other Income

₹ in crores

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
Interest income	41.86	27.16
Profit on sale of investment (Net)	2.09	1.02
Profit on sale of property,plant and equipment (Net)	14.97	9.15
(Loss)/Gain on valuation of investments Fair Valued through profit and loss (Net)	(87.83)	(78.27)
Gain on disposal of associate	2.54	95.14
Other non-operating income	48.38	15.36
	22.01	**69.56**

Notes to the Consolidated Financial Statements (Contd.)

27 Material Cost

₹ in crores

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
Cost of materials consumed		
Opening stock of raw materials and components	971.25	967.19
Add: Purchases	33,426.45	25,972.50
	34,397.70	**26,939.69**
Less: Closing stock of raw materials and components	1,127.65	971.25
	33,270.05	**25,968.44**
Purchases of stock-in-trade	**1,230.66**	**834.62**
Changes in inventories of finished goods, work-in-progress and stock-in-trade:		
Opening stock:		
Work-in-progress	50.80	54.64
Stock-in-trade	483.18	532.60
Finished goods	680.28	547.80
(A)	**1,214.26**	**1,135.04**
Closing stock:		
Work-in-progress	75.24	50.80
Stock-in-trade	505.03	483.18
Finished goods	254.94	680.28
(B)	**835.21**	**1,214.26**
(A)-(B)	**379.05**	**(79.22)**

28 Employee Benefits Expense

₹ in crores

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
Salaries, wages and bonus	3,781.15	3,071.09
Employee share-based payment expense	19.66	33.08
Contribution to provident and other funds	306.86	248.05
Staff welfare expenses	283.94	228.66
	4,391.61	**3,580.88**

29 Finance Costs

₹ in crores

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
Interest on borrowings	2,145.01	2,042.71
Other borrowing cost	6.68	7.79
Interest on lease liabilities	75.08	40.45
Exchange differences	3.05	2.30
	2,229.82	**2,093.25**

Notes to the Consolidated Financial Statements (Contd.)

30 Depreciation and Amortisation Expense

₹ in crores

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
Depreciation on property plant and equipment	669.39	551.49
Amortisation on right of use asset	243.92	196.92
Amortisation on intangible assets	359.33	297.15
	1,272.64	**1,045.56**

31 Other Expenses

₹ in crores

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
(a) Consumption of stores, spares and tools	63.77	55.94
(b) Power and fuel	141.84	118.63
(c) Repairs - buildings	60.27	46.33
(d) Repairs - plant and equipment	223.53	232.10
(e) Insurance	78.58	63.08
(f) Rates and taxes (excluding taxes on income)	36.88	42.27
(g) Audit fees	4.82	4.35
(h) Cost audit fees	0.08	0.08
(i) Packing and freight charges	668.75	592.12
(j) Advertisement and publicity	964.91	819.45
(k) Other marketing expenses	1,101.92	794.12
(l) Foreign exchange loss (Net)	13.41	12.65
(m) Loss allowance for expected credit losses relating to loans	1,156.59	1,295.33
(n) Corporate social responsibility expenditure	72.37	50.00
(o) Contributions to Electoral Trust / Bonds	-	13.00
(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)	3,817.10	2,996.12
	8,404.82	**7,135.57**

32 Tax Expense and Reconciliation

(a) Tax Expense

₹ in crores

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
Current tax:		
Current tax on profits for the year	1,620.38	1,192.80
(A)	**1,620.38**	**1,192.80**
Deferred tax:		
Decrease / (increase) in deferred tax assets	(95.83)	(80.83)
(Decrease) / increase in deferred tax liabilities	110.76	36.06
(B)	**14.93**	**(44.77)**
(A + B)	**1,635.31**	**1,148.03**

Notes to the Consolidated Financial Statements (Contd.)

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

₹ in crores

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
Profit before income tax expense	**4,821.74**	**3,527.84**
Tax expense at 25.168%	1,213.54	887.89
Add/(Less): Taxes impact on		
- Tax on income chargeable at lower rates	5.10	(32.97)
- Expenses not admissible for deduction	62.57	37.93
- Timing and Tax rate difference on subsidiaries losses	376.77	279.72
- Others	(22.67)	(24.54)
Tax expense	**1,635.31**	**1,148.03**

33 Fair Value Measurement

₹ in crores

Particulars	As at 31-03-2026			As at 31-03-2025		
	FVTPL[$]	FVTOCI*	Amortised cost	FVTPL[$]	FVTOCI*	Amortised cost
Financial assets						
Investments						
- Equity instruments	231.02	96.26	-	233.19	194.15	-
- Preference shares	-	208.98	-	-	225.18	-
- Other non current investments	-	81.10	-	-	37.43	-
- Debt Instruments	99.21	-	322.84	78.54	-	311.76
Trade receivables	-	-	2,654.13	-	-	1,716.75
Loans (receivable from financing activity)	-	-	30,287.17	-	-	26,300.47
Fixed deposit with banks	-	-	2.39	-	-	8.67
Cash and cash equivalents	-	-	3,926.45	-	-	4,115.00
Earmarked balances with banks	-	-	573.79	-	-	264.66
Derivative financial asset	-	103.43	-	-	15.73	-
Other financial assets	-	-	525.67	-	-	468.38
	330.23	**489.77**	**38,292.44**	**311.73**	**472.49**	**33,185.69**
Financial liabilities						
Borrowings	-	-	31,623.93	-	-	27,615.76
Trade payables	-	-	9,834.28	-	-	7,561.26
Derivative financial liability	-	71.82	-	-	14.57	-
Lease liability	-	-	1,167.08	-	-	992.95
Other financial liability	-	-	850.49	-	-	385.82
	-	**71.82**	**43,475.78**	**-**	**14.57**	**36,555.79**

**FVTPL - Fair Valued Through Profit and Loss FVTOCI - Fair Valued Through Other Comprehensive Income*

Notes to the Consolidated Financial Statements (Contd.)

(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

₹ in crores

As at 31-03-2026	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Investments at FVTPL	4	231.02	-	99.21	330.23
Financial Investments at FVTOCI	4	1.39	81.10	303.85	386.34
Derivatives	6,14	-	103.43	-	103.43
		232.41	**184.53**	**403.06**	**820.00**
Financial liabilities					
Derivatives	23	-	71.82	-	71.82
		-	**71.82**	**-**	**71.82**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

₹ in crores

As at 31-03-2026	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Investments:					
Debt instruments	4	-	-	322.84	322.84
		-	**-**	**322.84**	**322.84**
Financial liabilities					
Borrowings	18,21	1,898.94	-	29,724.99	31,623.93
		1,898.94	**-**	**29,724.99**	**31,623.93**

Financial assets and liabilities measured at fair value - recurring fair value measurements

₹ 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

Notes to the Consolidated Financial Statements (Contd.)

₹ in crores

As at 31-03-2025	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Investments:					
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**

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.

(iii) Fair value measurements using significant unobservable inputs (level 3)

₹ in crores

Particulars	Unlisted Equity Shares	Unlisted Preference Shares	Debt Instruments	Total
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**
Additions / (deletions)	(252.89)	(16.20)	20.67	(248.42)
Gains/(losses) recognised in other comprehensive income	154.81	-	-	154.81
As at 31-03-2026	**94.87**	**208.98**	**99.21**	**403.06**

Notes to the Consolidated Financial Statements (Contd.)

(iv) Valuation inputs and relationships to fair value

₹ in crores

Particulars	Fair value as at		Significant unobservable input	Probability weighted range for the year ended		Sensitivity
	31-03-2026	31-03-2025		31-03-2026	31-03-2025	
Preference Share	208.98	225.18	a) Earnings growth rate	1-3%	1-3%	Not significant
			b) Risk adjusted discount rate	8%	8%	
Debt Instrument	99.21	78.54	a) Earnings growth rate	1-3%	1-3%	Not significant
			b) Risk adjusted discount rate	8%	8%	
Unquoted Equity shares*	94.87	192.95	a) Earnings growth rate	1-3%	1-3%	Not significant
			b) Risk adjusted discount rate	8%	8%	

**Sensitivity is not significant*

(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 types 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

₹ in crores

Particulars	31-03-2026		31-03-2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Investments:				
Debt instruments	322.84	322.84	311.76	311.76
	322.84	**322.84**	**311.76**	**311.76**
Financial liabilities				
Borrowings	31,623.93	31,623.93	27,615.76	27,615.76
	31,623.93	**31,623.93**	**27,615.76**	**27,615.76**

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 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 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.

Notes to the Consolidated Financial Statements (Contd.)

Risk	Exposure arising from	Risk Parameters and Mitigation
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.

(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		

Notes to the Consolidated Financial Statements (Contd.)

As at 31-03-2026

a) Expected credit loss for investments, loans and other financial assets

₹ 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	322.84	0%	-	322.84
	1	Other financial assets	525.67	0%	-	525.67

b) Expected credit loss for trade receivables under simplified approach

₹ in crores

Particulars	0 to 180 days past due	More than 180 days past due	Total
Gross carrying amount	2,219.45	475.24	2,694.69
Expected loss rate	0%	7%	2%
Expected credit losses	7.01	33.55	40.56
Carrying amount of trade receivables	2,212.44	441.69	2,654.13

As at 31-03-2025

a) Expected credit loss for investments, loans and other financial assets

₹ 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

₹ 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

Reconciliation of loss allowance provision - Trade receivables

Particulars	₹ in crores
Loss allowance 01-04-2024	48.34
Changes in loss allowance	(4.64)
Loss allowance 31-03-2025	43.70
Changes in loss allowance	(3.14)
Loss allowance 31-03-2026	40.56

Notes to the Consolidated Financial Statements (Contd.)

(B) Liquidity risk

(i) Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Floating rate		
- Expiring within one year (bank overdraft and other facilities)	4,031.50	7,227.63
- 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 except for the foreign subsidiaries 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 31-03-2026

₹ 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	4,959.21	5,116.25	10,348.68	13,237.47	-	33,661.61
Lease Liabilities	168.98	167.78	330.86	518.75	103.35	1,289.72
Trade payables	9,834.28	-	-	-	-	9,834.28
Other financial liabilities	850.49	-	-	-	-	850.49
Derivatives	71.82	-	-	-	-	71.82

As at 31-03-2025

₹ 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

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:

₹ in crores

Particulars	31-03-2026		31-03-2025	
Exposure in foreign currency	**USD**	**EUR**	**USD**	**EUR**
Financial assets				
Trade receivables	1,917.81	210.34	1,278.36	56.39
Investments	314.12	60.26	248.32	49.70
Derivative assets:				
Foreign exchange forward contracts				
Sell foreign currency	(1,276.61)	(202.23)	(711.31)	(40.45)
Financial liabilities				
Foreign currency loan	1,445.56	-	629.36	-
Trade payables	664.91	42.06	372.22	17.67
Derivative liabilities:				
Foreign exchange forward contracts				
Buy foreign currency	-	-	-	-
Principal swap				
Buy foreign currency	1,008.57	-	300.13	-

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.

₹ in crores

Particulars	Impact on profit after tax*		Impact on other components of equity*	
	As at 31-03-2026	As at 31-03-2025	As at 31-03-2026	As at 31-03-2025
USD sensitivity				
INR/USD increases by 10%	86.43	37.03	(82.08)	(45.46)
INR/USD decreases by 10%	(86.43)	(37.03)	82.08	45.46
SGD/USD increases by 10%	13.04	2.72	3.93	11.91
SGD/USD decreases by 10%	(13.04)	(2.72)	(3.93)	(11.91)
IDR/USD increases by 10%	(22.21)	1.89	-	-
IDR/USD decreases by 10%	22.21	(1.89)	-	-
EURO sensitivity				
INR/EURO increases by 10%	1.11	2.61	(13.36)	(2.73)
INR/EURO decreases by 10%	(1.11)	(2.61)	13.36	2.73
SGD/EURO increases by 10%	0.37	3.28	0.02	0.07
SGD/EURO decreases by 10%	(0.37)	(3.28)	(0.02)	(0.07)

*Holding all other variables constant.

Notes to the Consolidated Financial Statements (Contd.)

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).

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Variable rate borrowings	24,448.43	19,548.53
Fixed rate borrowings	7,178.66	8,074.13

₹ in crores

Sensitivity	Impact on profit after tax*	
	As at 31-03-2026	As at 31-03-2025
Increase in interest rates by 100 bps	(161.57)	(131.87)
Decrease in interest rates by 100 bps	161.57	131.87

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 31-03-2026

₹ 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	1,478.84	-	-	71.82	Apr'26 to June'26	(71.82)	71.82
Foreign currency loan							-
Principal swap	-	1,008.57	-	-	Apr'26 to June'26	-	-
Interest rate swap	-	1,008.57	-	-		-	-

b) Disclosure of effects of hedge accounting on financial position as at 31-03-2025

₹ in crores

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, PCFC	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	-	-		-	-

Notes to the Consolidated Financial Statements (Contd.)

ii) Disclosure of effects of hedge accounting on financial performance :

a) Disclosure of effects of hedge accounting on financial performance for the year ended 31-03-2026

₹ 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	(6.64)	-	(5.41)	Revenue and Borrowing cost

b) Disclosure of effects of hedge accounting on financial performance for the year ended 31-03-2025

₹ 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	(5.41)	-	(3.29)	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 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.

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Gross Carrying value of Loans		
Stage-1 (Less than 30 Days)	29,567.77	25,068.40
Stage-2 (30-90 Days)#	892.13	1,329.68
Stage-3 (More than 90 Days)*	757.82	782.97
Total Gross Carrying value on Reporting Date	**31,217.72**	**27,181.05**

**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".

Notes to the Consolidated Financial Statements (Contd.)

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 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 financial services business 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.

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 Company considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due.

As at March 31, 2026, the outstanding exposure in respect of accounts restructured under the COVID-19 One-Time Resolution framework vide RBI circular dated August 6, 2020 and RBI/2021-22/31/DOR.STR.REC.11/21.04.048/2021-22 dated May 5, 2021 is Nil.

Notes to the Consolidated Financial Statements (Contd.)

The financial services business 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.

Definition of default

The financial services business 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:

₹ in crores

Particulars	Stage 1	Stage 2	Stage 3	Grand Total
Gross Balance as at March 31, 2026	29,567.77	892.13	757.82	31,217.72
Expected Credit Loss	336.05	184.38	410.12	930.55
Expected Credit Loss Rate	1.14%	20.67%	54.12%	2.98%
Net of Impairment Provision	29,231.72	707.75	347.70	30,287.17

₹ in crores

Particulars	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

Reconciliation of Expected Credit Loss

₹ in crores

Particulars	Stage 1	Stage 2	Stage 3	Grand Total
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**
Transfer from Stage 1	(13.77)	5.64	8.13	-
Transfer from Stage 2	10.74	(106.71)	95.97	-
Transfer from Stage 3	4.13	3.16	(7.29)	-
Loan that have derecognised during the period	(50.10)	(77.01)	(119.89)	(247.00)
New Loans originated during the year	194.07	33.74	32.05	259.86
Net Remeasurement of Loss Allowance	(19.72)	80.85	(24.02)	37.11
Balance as at March 31, 2026	**336.05**	**184.38**	**410.12**	**930.55**

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:

₹ in crores

Particulars	March 31, 2026	March 31,2025
Carrying value		
Concentration by geographical region in India		
South	12,160.24	11,175.32
West	7,559.69	6,927.68
East	6,262.85	4,736.87
North	5,234.94	4,341.18
Total Loans as at reporting period	**31,217.72**	**27,181.05**

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:

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Net debt	27,697.48	23,500.76
Total equity	9,564.25	8,503.38
Net debt to equity ratio	**2.90**	**2.76**

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:

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
EBIT (before exceptional item)	3,843.21	2,668.31
Interest	216.54	185.87
Interest coverage ratio (times)	**17.75**	**14.36**

(b) Dividends

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
(i) Equity shares		
Interim dividends for the year ended 31-03-2026 of ₹ 12 (31-03-2025 of ₹ 10) per fully paid share	570.10	475.09
(iii) Dividends not recognised at the end of the reporting period	-	-

(c) Issuance of 6% Cumulative Non-Convertible redeemable preference shares of ₹ 10/- each (NCRPS)

During the year, the Group issued 6% NCRPS aggregating to 1900.35 crores, redeemable at par after 12 months from the date of allotment. The issuance is part of the Groups capital management framework to optimise capital structure and maintain financial flexibility.

Notes to the Consolidated Financial Statements (Contd.)

37 Business Combination

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.

On 1st April 2022, 70 (70%) equity shares of TVS Ebike Company Limited, UK (formerly known as 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 TVS E-Bike Company AG (formerly known as Swiss E-Mobility Group (Holding) AG (SEMG)).

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.

On 30th June 2025 The GO AG, Passion Vélo merged with SEMG and subsequently SEMG Holding has been renamed as TVS EBike Company AG.

Details of the purchase consideration and goodwill are follows:

₹ in crores

Particulars	TVS Motor Services	TVS E-Bike Company AG^	TVS Ebike Company Limited*	Drive-X	Total
Consideration transferred	1.62	644.02	11.64	97.69	754.97
Non-controlling interest in the acquired entity	136.05	54.40	(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	(48.06)	304.40	(4.40)	82.04	333.98
Goodwill on consolidation	**186.11**	**394.02**	**14.72**	**136.58**	**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.

**Formerly known as EBCO Limited UK*

^W.e.f 30th June 2025 The GO AG merged with SEMG and Further, SEMG Holding has been renamed as TVS EBike Company AG.

Notes to the Consolidated Financial Statements (Contd.)

38 Disclosure Pursuant to Ind As 103 " Business Combination" – Amalgamation of Sundaram Auto Components Limited with TVS Motor Company Limited

The National Company Law Tribunal, Chennai Bench, has approved the Scheme of Amalgamation of Sundaram Auto Components Limited ('SACL' or the 'Transferor Company') with TVS Motor Company Limited ('TVSM' or the 'Transferee Company') vide order dated 6th May 2026. The appointed date under the Scheme is 1st April 2025.

During the financial year 2024–25, SACL entered into a Business Transfer Agreement under which its Injection Moulding and Seating Business was transferred by way of a slump sale, following which SACL discontinued its operations. Consequently, with the objective of simplifying the group structure and consolidating assets and liabilities, it was decided to merge SACL with TVSM.

The Merger is accounted for under the Pooling of Interests method in accordance with Appendix C of Ind AS 103 Business Combinations of Entities under Common Control involving the following:

(i) All assets and liabilities have been recorded at their carrying values as appearing in the consolidated financial statements of the Company.

(ii) The reserves of the SACL have been preserved and recorded by the Company in the same form and at the same carrying amounts as appearing in the consolidated financial statements prior to the amalgamation. Any surplus or deficit arising after giving effect to the above adjustments has been transferred to Capital Reserve, which is disclosed separately with its nature and purpose.

(iii) Inter-company balances between the Company have been cancelled pursuant to the amalgamation.

(iv) Comparative financial information has been restated as if the amalgamation had occurred from the beginning of the comparative period

39 Employee Benefit Obligations

Defined benefit plans as per actuarial valuation

₹ in crores

Particulars	Funded Plan			Unfunded Plan
	Gratuity			Pension
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation
As at 01-04-2024	**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 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**
Current service cost	64.08	-	64.08	(4.80)
Past service cost	34.41	-	34.41	-
Interest expense/(income)	22.39	(21.12)	1.27	12.50
Liability recognised on acquisition of subsidiary	0.61	(0.85)	(0.23)	-
Total amount recognised in profit or loss	**121.49**	**(21.96)**	**99.53**	**7.70**

Notes to the Consolidated Financial Statements (Contd.)

₹ in crores

Particulars	Funded Plan			Unfunded Plan
	Gratuity			Pension
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation
Remeasurements				
Return on plan assets, excluding amounts included in interest expense/(income)	-	(0.98)	(0.98)	-
(Gain)/loss from change in financial assumptions	(24.67)	-	(24.67)	3.27
Experience (gains)/losses	(5.40)	-	(5.40)	0.72
Total amount recognised in other comprehensive income	**(30.07)**	**(0.98)**	**(31.05)**	**3.99**
Employer contributions	-	(68.92)	(68.92)	-
Benefit payments	(14.60)	14.60	-	(7.39)
As at 31-03-2026	**382.67**	**(385.41)**	**(2.73)**	**204.32**

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:

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Discount rate (Gratuity)	6.23% to 7.42%	6.34% to 6.67%
Discount rate (Pension)	5.75% to 6.23%	6.34% to 6.44%
Salary growth rate	5.5% to 8%	5.5% to 6%
Pre-retirement Mortality rate	IALM (2006-08) Ultimate	
Post retirement 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:

₹ in crores

	Impact on defined benefit obligation - Gratuity					
	Year ended					
	Change in assumption		Increase in assumption		Decrease in assumption	
	31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025
Discount rate	0.50%	0.50%	472.50	294.47	510.60	318.02
Salary growth rate	0.50%	0.50%	512.08	318.07	470.66	294.32
Mortality	5% & 10%	5.00%	490.77	305.85	490.67	305.78

₹ in crores

	Impact on defined benefit obligation - Pension					
	Year ended					
	Change in assumption		Increase in assumption		Decrease in assumption	
	31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025
Discount rate	1.00%	1.00%	185.67	181.54	226.33	221.88
Salary growth rate	1.00%	1.00%	224.64	222.98	184.55	180.41
Mortality	5.00%	5.00%	203.95	198.19	206.43	201.97

Notes to the Consolidated Financial Statements (Contd.)

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 ₹ 121.04 crores (previous year ₹ 101.76 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. The Nomination and Remuneration Committee of the Company granted a further 1,27,027 stock options during the year under the TVS Motor Company Stock Option Plan (ESOP Plan 2024) comprising 28,337 options under Category I and 98,690 options under Category II.

As at 31st March 2026

Plan	No. of options granted	Grant Date	Vesting of options	No. of options outstanding	Expected life of options (years)	Weighted average fair value of the options at the grant date (₹)
ESOP 2024-Category 1	28,337	28th April 2025	100%	28,337	1.12	1,458.38
ESOP 2024-Category 2	98,690	28th April 2025	25%	98,690	1.12	1,573.71
			25%		2.12	
			25%		3.12	
			25%		4.12	

Notes to the Consolidated Financial Statements (Contd.)

As at 31st March 2025

Plan	No. of options granted	Grant Date	Vesting of options	No. of options outstanding	Expected life of options (years)	Weighted average fair value of the options at the grant date (₹)
ESOP 2024	3,51,000	4th July 2024	100%	3,51,000	1.12	1,263.66

Method used for accounting for share based payment plan

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:

Category 1

Grant Date	Weighted average fair value of the options at the grant date	Weighted average share price	Exercise Price	Expected Volatility	Expected life of options (years)	Dividend yield (%)	Risk-free interest rate (%)
28th April 2025	1,458.38	2,470.04	1,369.00	23.50%	1.12	0.44%	6.01%

Category 2

Grant Date	Weighted average fair value of the options at the grant date	Weighted average share price	Exercise Price	Expected Volatility	Expected life of options (years)	Dividend yield (%)	Risk-free interest rate (%)
28th April 2025	1,573.71	2,470.04	1,369.00	23.50%	1.12	0.44%	6.01%
				20.83%	2.12		6.13%
				21.52%	3.12		6.20%
				21.52%	4.12		6.20%

For the year ended 31st March 2026, the Company has accounted expense of ₹ 18.97 crores (31st March 2025: ₹ 32.81 crores) as employee benefits expense (Note No. 28) on the aforementioned employee stock option plan.

Movement in ESOP

Particulars	As at 31st March 2026		As at 31st March 2025	
	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	3,51,000	1,263.66	-	-
Granted during the year	-	-	3,51,000	-
Granted during the year- Category 1	28,337	1,458.38	-	1,263.66
Granted during the year- Category 2	98,690	1,573.71	-	-
Forfeited/ cancelled during the year	-	-	-	-
Exercised during the year	3,51,000	1,263.66	-	-
Outstanding at the end of the year	-	-	3,51,000	-
Outstanding at the end of the year- Category 1	28,337	1,458.38	-	1,263.66
Outstanding at the end of the year- Category 2	98,690	1,573.71	-	-
Exercisable at the end of the year	-	-	-	-

Notes to the Consolidated Financial Statements (Contd.)

(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:

As at 31st March 2026

Plan	No. of options granted	Grant Date	Vesting of options	No. of options outstanding	Expected life of options (years)	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

As at 31st March 2025

Plan	No. of options granted	Grant Date	Vesting of options	No. of options outstanding	Expected life of options (years)	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 2026, the company has accounted expense of ₹ 0.69 (31st March 2025: ₹ 0.27 crores) as employee benefits expense (Note no. 28) on the aforementioned employee stock option plan.

Movement in ESOP

Particulars	As at 31st March 2026		As at 31st March 2025	
	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	1,55,400	178.45	-	-
Granted during the year	-	-	1,55,400.00	178.45
Forfeited/ cancelled during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	1,55,400	178.45	1,55,400.00	178.45
Exercisable at the end of the year	-	-	-	-

Notes to the Consolidated Financial Statements (Contd.)

41 Related Party Disclosure

(a) (i) Related parties and their relationship where control exists

Holding company

TVS Holdings Limited, Chennai

Subsidiaries

TVS Credit Services Limited, Bengaluru
The Norton Motorcycle Co Limited, UK
PT TVS Motor Company Indonesia, Jakarta
DriveX Mobility Private Limited, Coimbatore
TVS Motor Singapore Pte. Limited, Singapore
TVS Motor Services Limited, Chennai
TVS Electric Mobility Limited, Chennai
TVS Motor Company DMCC, Dubai
TVS Motor Company Europe B.V., Amsterdam
Harita ARC Services Private Limited, Chennai
Harita Two Wheeler Mall Private Limited, Chennai
TVS Housing Finance Private Limited, Chennai
Norton Motorcycle Private Limited, Chennai (w.e.f 19.08.2025)
Norton USA LLC, Delaware (w.e.f 06.11.2025)
TVS EBike Company AG, Switzerland (Formerly known as Swiss E-Mobility Group (Holding) AG, Switzerland (SEMG)) (name change w.e.f 30.06.2025)
TVS Digital Pte Limited, Singapore
TVS EBike Company Limited, UK (Formerly known as EBCO Limited) (name change w.e.f 12.08.2025)
TVS Motor GmbH, Germany (Formerly Known as Celerity Motor GmbH, Germany) (name change w.e.f 11.12.2025)
Engines Engineering S.p.A, Castenaso, Italy (w.e.f 03.10.2025)
EGO Movement Deutschland GmbH, Germany
TVS Ebike Company GmbH, Germany, Nuremberg (Formerly Known as Colag E-Mobility GmbH, Germany, Nuremberg w.e.f 15.10.2025)
Swiss E-mobility group (österreich) Gmbh, Austria
The GO Corporation, Switzerland (GO AG) (Merged with TVS Ebike Company AG, Switzerland on 30.06.2025)
Swiss E-Mobility Group (Schweiz) AG Switzerland, Zurich (Merged with TVS Ebike Company AG, Switzerland on 30.06.2025)
Alexand'Ro Edouard'O Passion Vélo Sàrl, Switzerland (Merged with TVS Ebike Company AG, Switzerland on 30.06.2025)

Associate company

Ultraviolette Automotive Private Limited, Bengaluru

(ii) Other related parties and their relationship where transaction exists

Fellow Subsidiaries

TVS Digital Limited, Chennai
Home Credit India Finance Private Limited, Bengaluru

Associate / Branches / Joint Venture of Holding / Subsidiary / Fellow Subsidiary Company

TVS Training & Services Limited, Chennai

Notes to the Consolidated Financial Statements (Contd.)

(iii) Enterprises under Common Control

Sundaram - Clayton Limited, Chennai
Sundaram - Clayton USA LLC, USA (Subsidiary of Sundaram - Clayton Limited)
TVS Emerald Limited, Chennai (Enterprises in which one of the promoter group holding control)
Emerald Haven Development Limited, Chennai - (Subsidiary of TVS Emerald Limited)

(iv) Enterprises in which Directors are Interested

Trichur Sundaram Santhanam & Family Private Limited, Chennai
T.V Sundram Iyengar & Sons Private Limited, Madurai
TVS Organics Private Limited, Chennai
TVS Automobile Solutions Private Limited, Madurai
TVS Cheema Scholarship Foundation, Chennai
Veeyes Charities Foundation, Chennai
Adwaith Lakshmi Industries Private Limited, Coimbatore
Lakshmi Energy and Environment Designs Private Limited, Coimbatore
Southern Roadways Private Limited, Madurai
Gleco International Private Limited, Mumbai
Eeshapriya LLP, Coimbatore (formerly known as Eeshapriya Private Limited)
Rapidue Technologies Private Limited, Hyderabad (upto 18.11.2025)

(v) Limited Liability Partnership controlled by Promoter / Promoter Group

Harita Receivables and Collection Services LLP, Chennai
Harita Insurance Broking LLP, Chennai
Future Accessories LLP, Chennai
Khadak Restaurant LLC, Dubai
Bagalur Development LLP, Chennai

Key Management Personnel

Executive Directors

Mr. Sudarshan Venu, Chairman and Managing Director
Mr. Venu Srinivasan, Chairman Emeritus & Managing Director
Mr. K N Radhakrishnan, Director & Chief Executive Officer

Non-executive Directors

Independent Directors

Mr. Shailesh Haribhakti
Mr. Vijay Sankar
Mr. B Sriram
Ms. Kalpana Unadkat (w.e.f 15.12.2025)
Dr. Deepali Pant Joshi (upto 06.11.2025)

Chief Financial Officer

Mr. K Gopala Desikan

Notes to the Consolidated Financial Statements (Contd.)

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

(b) Transactions with related parties: (Transactions from the date of becoming / upto the date of ceasing to be related party)

₹ in crores

Particulars		As at 31-03-2026	As at 31-03-2025
(i)	**Purchase of Goods**		
	- Associate / Joint Venture		
	Ultraviolette Automotive Private Limited, Bengaluru	-	0.85
	- Enterprises under Common Control		
	Sundaram-Clayton Limited, Chennai	20.51	426.83
	- Enterprises in which Directors are Interested		
	Adwaith Lakshmi Industries Private Limited, Coimbatore	0.01	-
	TVS Organics Private Limited, Chennai	1.07	0.09
	- Limited Liability Partnership controlled by Promoter / Promoter Group		
	Future Accessories LLP, Chennai	39.56	-
(ii)	**Sale of Goods**		
	- Holding Company		
	TVS Holdings Limited, Chennai	-	113.76
	- Enterprises under Common Control		
	Sundaram-Clayton Limited, Chennai	17.09	20.49
(iii)	**Purchase of Assets**		
	- Holding Company		
	TVS Holdings Limited, Chennai	-	7.42
	- Enterprises under Common Control		
	Sundaram-Clayton Limited, Chennai	-	108.00
	- Enterprises in which Directors are Interested		
	Trichur Sundaram Santhanam & Family Private Limited, Chennai	0.19	1.87
	Eeshapriya LLP, Coimbatore (formerly known as Eeshapriya Private Limited)	9.50	-
	- Key Management Personnel	-	18.71
(iv)	**Sale of Assets**		
	- 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	0.23	-
	- Fellow Subsidiary Companies		
	TVS Digital Limited, Chennai	0.01	-

Notes to the Consolidated Financial Statements (Contd.)

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
- **Enterprises under Common Control**		
Sundaram-Clayton Limited, Chennai	2.42	9.96
Emerald Haven Development Limited, Chennai (Subsidiary of TVS Emerald Limited)	0.06	-
TVS Emerald Limited, Chennai	1.23	-
- **Limited Liability Partnership controlled by Promoter / Promoter Group**		
Future Accessories LLP, Chennai	0.84	-
Harita Insurance Broking LLP, Chennai	0.96	-
(vi) Availing of Services		
- **Holding Company**		
TVS Holdings Limited, Chennai	210.86	170.90
- **Fellow Subsidiary Companies**		
TVS Digital Limited, Chennai	42.86	12.53
Home Credit India Finance Private Limited, Bengaluru	0.43	-
- **Associate / Branches /Joint Venture of Holding / Subsidiary / Fellow Subsidiary Company**		
TVS Training & Services Limited, Chennai	8.36	0.03
- **Enterprises under Common Control**		
Sundaram-Clayton Limited, Chennai	5.41	5.66
- **Enterprises in which Directors are Interested**		
Trichur Sundaram Santhanam & Family Private Limited, Chennai	0.13	0.16
TVS Automobile Solutions Private Limited, Madurai	3.41	0.17
Southern Roadways Private Limited, Madurai	1.15	-
Lakshmi Energy and Environment Designs Private Limited, Coimbatore	0.41	-
Gleco International Private Limited, Mumabi	0.07	-
Rapidue Technologies Private Limited,Hyderabad (upto 18.11.2025)	0.31	-
- **Limited Liability Partnership controlled by Promoter / Promoter Group**		
Khadak Restaurant LLC, Dubai	0.05	-
(vii) Investments made during the year		
- Fellow Subsidiary Companies		
TVS Digital Limited, Chennai	-	(3.05)
(viii) Share application money pending allotment		
- Fellow Subsidiary Companies		
TVS Digital Pte Limited, Singapore	47.38	-
(ix) Remuneration to Key Management and Managerial Personnel		
Short-term employee benefits	107.33	77.50
Post-employment benefits	0.86	0.71
Share based payments	60.86	-
(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 for the options which have not been exercised)		
(x) Contributions to Post Employment Benefit Plans		
TVS Motor Company Employees' Gratuity Fund	52.25	30.37
TVS Motor Company Employees' Provident Fund	170.01	142.75
(Including Employee and Employer Contributions)		

Notes to the Consolidated Financial Statements (Contd.)

₹ in crores

Particulars		As at 31-03-2026	As at 31-03-2025
(xi)	**Dividend paid to**		
	- Holding Company (TVS Holdings Limited, Chennai)	286.53	238.78
	- KMP and their relatives	0.37	0.05
(xi)	**Donations made**		
	- Enterprises in which Directors are Interested		
	TVS Cheema Scholarship Foundation	60.00	39.98
	Veeyes Charities Foundation	18.05	7.00
(xii)	**Others**		
	Srinivasan Services Trust - CSR contribution	72.37	50.00
	TVSM Employees Stock Option Trust - Purchase of Shares	35.44	95.27
	TVSM Employees Stock Option Trust - Amount received on Exercise of Options	41.52	-

(c) Reimbursements made / received

₹ in crores

Particulars		As at 31-03-2026	As at 31-03-2025
(i)	**Reimbursements made**		
	- **Holding Company (TVS Holdings Limited, Chennai)**	8.60	2.10
	- **Fellow Subsidiary Companies**		
	TVS Digital Limited, Chennai	9.60	7.80
	- **Enterprises under Common Control**		
	Sundaram-Clayton Limited, Chennai	3.00	0.40
	- **Limited Liability Partnership controlled by Promoter / Promoter Group**		
	Future Accessories LLP, Chennai	0.27	-
(ii)	**Reimbursements received**		
	- **Fellow Subsidiary Companies**		
	TVS Digital Limited, Chennai	0.87	-
	Home Credit India Finance Private Limited, Bengaluru	1.03	-
	- **Enterprises under Common Control**		
	TVS Emerald Limited, Chennai	3.48	6.28
	- **Limited Liability Partnership controlled by Promoter / Promoter Group**		
	Future Accessories LLP, Chennai	0.88	-

(d) Balances with Related Parties

₹ in crores

Particulars		As at 31-03-2026	As at 31-03-2025
(i)	**Trade Receivables / Other Current Assets**		
	- **Holding Company**		
	TVS Holdings Limited, Chennai	1.21	2.39
	- **Associates**		
	Ultraviolette Automotive Private Limited, Bengaluru	0.02	0.02
	- **Associate / Branches /Joint Venture of Holding / Subsidiary / Fellow Subsidiary Company**		
	TVS Training & Services Limited, Chennai	-	0.12

Notes to the Consolidated Financial Statements (Contd.)

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
- **Fellow Subsidiary Companies**		
TVS Digital Limited, Chennai	-	1.36
Home Credit India Finance Private Limited, Bengaluru	0.05	-
- **Enterprises under Common Control**		
Sundaram-Clayton Limited, Chennai	12.73	4.15
TVS Emerald Limited, Chennai	9.77	14.09
Emerald Haven Development Limited, Chennai (Subsidiary of TVS Emerald Limited)	0.21	0.16
Sundaram - Clayton USA LLC, USA (Subsidiary of Sundaram - Clayton Limited)	0.24	-
- **Enterprises in which Directors are Interested**		
Trichur Sundaram Santhanam & Family Private Limited, Chennai	-	0.21
TVS Cheema Scholarship Foundation	-	0.48
- **Limited Liability Partnership controlled by Promoter / Promoter Group**		
Harita Insurance Broking LLP, Chennai	2.67	-
Bagalur Development LLP, Chennai	1.74	-
Harita Receivables and Collection Services LLP, Chennai	1.00	-
Future Accessories LLP, Chennai	0.95	-
(ii) **Trade Payables**		
- **Holding Company**		
TVS Holdings Limited, Chennai	2.49	4.47
- **Associate / Branches /Joint Venture of Holding / Subsidiary / Fellow Subsidiary Company**		
TVS Training & Services Limited, Chennai	0.59	-
- **Fellow Subsidiary Companies**		
TVS Digital Limited, Chennai	1.75	1.17
- **Enterprises under Common Control**		
Sundaram-Clayton Limited, Chennai	10.15	2.97
TVS Emerald Limited, Chennai	0.01	-
- **Enterprises in which Directors are Interested**		-
Trichur Sundaram Santhanam & Family Private Limited, Chennai	0.16	-
Lakshmi Energy and Environment Designs Private Limited, Coimbatore	0.02	-
T.V Sundram Iyengar & Sons Private Limited, Madurai	0.03	0.03
TVS Automobile Solutions Private Limited, Madurai	0.36	-
TVS Organics Private Limited, Chennai	0.01	-
- **Limited Liability Partnership controlled by Promoter / Promoter Group**		
Future Accessories LLP, Chennai	8.01	-

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.

Notes to the Consolidated Financial Statements (Contd.)

42 Earnings Per Share

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Profit after tax from Continuing Operations	3,018.33	2,205.65
Profit after tax from Discontinued Operations	-	29.91
Number of equity shares	47,50,87,114	47,50,87,114
Face value of the share (in ₹)	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 ₹)	63.53	46.42
Basic and diluted earnings per share for discontinued operations (in ₹)	-	0.63
Basic and diluted earnings per share for continuing and discontinued operations (in ₹)	63.53	47.05

43 Warranty Provision

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Opening balance	167.04	89.13
Add: Provision for the year (Net)	188.26	167.04
	355.30	**256.17**
Less: Payments / debits (Net)	167.04	89.13
Closing balance	**188.26**	**167.04**

44 Contingent Liabilities and Commitments not Provided for

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
(a) Claims against the company not acknowledged as debts:		
(i) Excise	27.72	27.72
(ii) Service tax	7.71	7.71
(iii) Customs	159.63	-
(iv) Income tax	36.06	48.07
(v) GST	88.05	68.36
(vi) Legal cases filed by borrowers against the Company	15.54	13.15
(vii) Stamp Duty Authorities	1.26	-
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	459.50	330.98
(c) Commitments:		
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for	499.13	343.18
(ii) Undrawn loans sanctioned to customers by financial enterprises	195.23	41.29
	1,501.00	**862.77**

Notes to the Consolidated Financial Statements (Contd.)

45 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.

(i) Classification of current and non current lease liabilities

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Current Liabilities	667.62	241.12
Non Current Liabilities	499.46	751.83
Total Lease Liabilities	**1,167.08**	**992.95**

(ii) Movement in the carrying value of the Lease liabilities

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Opening Balance	987.35	683.30
Interest expenses	75.08	40.45
Lease repayments	(291.45)	(204.92)
Additions during the year	449.54	662.92
Adjustments/Deletions	(53.44)	(188.80)
Closing balance	**1,167.08**	**992.95**

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 ₹ 145.64 Cr (Previous year: ₹125.48 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 ₹ 1.98 Cr (Previous year: ₹ 0.39 Cr)

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.

Notes to the Consolidated Financial Statements (Contd.)

(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 2026.

(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.

47 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 31-03-2026

₹ in crores

Particulars	Business Segment		
	Automotive vehicles & parts	Financial Services	Total
Revenue			
External sales - domestic	36,631.66	7,175.50	43,807.16
- exports	12,262.36	-	12,262.36
Other income	10.66	11.35	22.01
Inter segment sales	2.16	15.10	17.26
Total revenue	**48,906.84**	**7,201.95**	**56,108.79**
Less: Inter segment sales	2.16	15.10	17.26
Net revenue	**48,904.68**	**7,186.85**	**56,091.53**
Segment-wise results before interest and tax	3,916.55	1,241.78	5,158.33
Less: Interest	295.53	-	295.53
Profit before tax	3,621.02	1,241.78	4,862.80
Less: Tax expenses	1,309.89	325.42	1,635.31
Profit after tax	2,311.13	916.36	3,227.49
Share of profit of Associates	(41.06)	-	(41.06)
Profit / Loss for the period from continuing operations	2,270.06	916.36	3,186.43
Profit before tax from discontinued operations	-	-	-
Less: Tax expenses	-	-	-
Profit for the year from discontinued operations	-	-	-
Profit / Loss for the period	**2,270.06**	**916.36**	**3,186.43**
Segment assets	21,049.39	35,451.23	56,500.62
Segment liabilities	16,777.04	29,010.72	45,787.76
Segment depreciation / amortisation	1,216.52	56.12	1,272.64

Notes to the Consolidated Financial Statements (Contd.)

For the Year ended 31-03-2025

₹ in crores

Particulars	Business Segment		
	Automotive vehicles & parts	Financial Services	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	2,619.92	959.55	3,579.47
Less: Tax expenses	896.99	258.46	1,155.45
Profit after tax	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	(7.42)	-	(7.42)
Profit for the year 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

48 Revenue From Contract With Customers

₹ in crores

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
(a) Geographical market		
(i) Domestic	42,065.74	33,710.80
(ii) Exports	11,800.31	8,975.05
	53,866.05	**42,685.85**
(b) Revenue recognized that was included in the contract liabilities at the beginning of the period	424.71	265.58
(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).		
(c) Reconciliation of revenue with contract price:		
(i) Contract price	55,779.07	44,117.96
(ii) Adjustments :		
Incentive schemes	1,138.89	829.73
Transport cost	774.13	602.38
Revenue from sale of products / services	**53,866.05**	**42,685.85**

Notes to the Consolidated Financial Statements (Contd.)

49 Additional Information on Net Assets and Share of Profits and Other Comprehensive Income for the year ended 31-03-2026

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	11.62%	1,464.89	113.65%	3,621.40	32.62%	165.36	102.53%	3,786.76
Subsidiaries - Indian								
TVS Credit Services Limited, Bengaluru	39.06%	4,925.76	23.28%	741.87	0.94%	4.75	20.22%	746.62
TVS Motor Service Limited, Chennai	2.67%	336.54	-0.09%	(2.74)	0.00%	-	-0.07%	(2.74)
TVS Electric Mobility ltd, Chennai	0.01%	1.00	0.00%	-	0.00%	-	0.00%	-
Drivex Mobility private limited, Coimbatore	2.15%	271.60	-2.00%	(63.63)	0.01%	0.06	-1.72%	(63.57)
Subsidiaries - Foreign								
TVS Motor Singapore Pte Limited, Singapore	10.93%	1,377.85	-3.71%	(118.19)	29.46%	149.34	0.84%	31.15
TVS Motor Company Europe B.V. Amsterdam	0.00%	(0.23)	-0.05%	(1.48)	-0.09%	(0.44)	-0.05%	(1.92)
PT. TVS Motor Company Indonesia, Jakarta	4.24%	534.36	1.00%	31.89	5.69%	28.84	1.64%	60.73
The Norton Motorcycle Co. Limited, UK	6.75%	851.40	-22.69%	(722.94)	13.84%	70.14	-17.68%	(652.80)
TVS Digital Pte Limited, Singapore	0.84%	106.12	0.15%	4.68	0.67%	3.39	0.22%	8.07
TVS EBike Company AG, Switzerland	6.72%	847.98	-13.07%	(416.59)	4.12%	20.89	-10.71%	(395.70)
TVS Motor GmbH, Germany	0.35%	44.20	0.05%	1.68	1.21%	6.11	0.21%	7.79
TVS EBike Company Limited, UK	0.20%	25.20	-0.47%	(14.83)	-0.16%	(0.81)	-0.42%	(15.64)
TVS Motor company DMCC, Dubai	3.90%	492.05	-0.04%	(1.21)	10.83%	54.88	1.45%	53.67
Engines Engineering S.p.A, Castenaso, Italy	0.63%	79.79	-0.02%	(0.52)	0.66%	3.37	0.08%	2.85
Non-controlling Interest in all subsidiaries	9.11%	1,148.61	5.28%	168.10	0.22%	1.10	4.58%	169.20
Associates - Indian								
(Investment as per the equity method)								
Ultraviolette Automotive Private Limited, Bengaluru	0.18%	22.21	-1.29%	(41.20)	-0.02%	(0.08)	-1.12%	(41.28)
Associates - Foreign								
Predictronics Corp, USA	0.14%	17.25	0.00%	(0.12)	0.00%	-	0.00%	(0.12)
Altizon Inc, USA (up to 23.01.2026)	-0.02%	(2.54)	0.01%	0.21	0.00%	-	0.01%	0.21
Killwatt GmbH, Germany	0.54%	67.77	0.00%	0.05	0.00%	-	0.00%	0.05
Total	**100.00%**	**12,611.80**	**100.00%**	**3,186.43**	**100.00%**	**506.90**	**100.00%**	**3,693.33**

** The NCRPS issuance of ₹ 1898.94 crores classified under financial liabilities in the Balance Sheet as per IND AS is excluded from the above net assets calculation for better presentation. If it is included, then the total net assets is ₹ 10,712.86 crores.*

Previous year's figures have been regrouped wherever necessary to conform to the current year's classification

Notes to the Consolidated Financial Statements (Contd.)

50 The Government of India notified on November 21, 2025, the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating existing labour laws. The group has assessed the incremental impact of these changes on the basis consistent with the Labour Codes, draft rules, FAQs and legal opinion. Considering the regulatory driven non-recurring nature, the past period employee benefit liability has been disclosed under Exceptional Items in the Statement of Profit and Loss for the year ended March 31, 2026.

The Government of India is in the process of notifying related rules to the New Labour Codes and the impact of these will be evaluated and appropriately accounted as and when notified.

51 Previous Year's Figures have been regrouped wherever necessary to conform to the Current Year's classification.

SUDARSHAN VENU
Chairman & 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

Chennai
13th May 2026

K GOPALA DESIKAN
Chief Financial Officer

K S SRINIVASAN
Company Secretary

S USHA
Partner
Membership No.: 211785

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

₹ in crores

S. No.	Particulars	Indian Subsidiaries						
		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	DriveX Mobility Private limited
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Date on which subsidiary was acquired	07-09-2017	07-09-2017	07-09-2017	07-09-2017	08-09-2017	13-12-2021	23-12-2024
2	Reporting period	01-04-2025 to 31-03-2026						
3	Reporting currency	Indian Rupees						
	Closing Exchange rate	Not applicable						
4	Share capital	149.63	258.05	^	^	12.00	1.00	0.03
5	Reserves & Surplus	26.96	5,809.58	(0.02)	(0.02)	5.04	-	73.76
6	Total assets	227.44	35,068.09	-	-	17.24	1.00	127.36
7	Total Liabilities	50.85	29,000.46	0.02	0.02	0.27	-	53.57
8	Investments	30.96	313.37	-	-	-	-	-
9	Turnover	1.25	7,196.00	-	-	1.07	-	74.21
10	Profit before taxation	(2.74)	1,238.32	-	-	0.96	-	(67.00)
11	Provision for taxation	-	325.15	-	-	0.27	-	(17.08)
12	Profit after taxation	(2.74)	913.17	-	-	0.69	-	(49.92)
13	Proposed Dividend	-	-	-	-	-	-	-
14	% of shareholding	100	81.18	81.18	81.18	81.18	100	92.21

^ Share capital of ₹ 25,000.

Notes to the Consolidated Financial Statements (Contd.)

₹ 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	TVS EBike Company AG (Formerly known as Swiss E-Mobility Group)*	TVS Motor GmbH (formerly known as Celerity Motor Gmbh)*	TVS EBike Company Limited (formerly known as EBCO Limited)*	TVS Motor Company DMCC*	Engines Engineering S.p.A*
		(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
1	Date on which subsidiary was acquired	21-07-2005	05-09-2005	21-10-2005	03-04-2020	24-05-2021	27-01-2022	06-12-2022	01-04-2022	27-06-2024	03-10-2025
2	Reporting period	01-04-2025 to 31-03-2026									
3	Reporting currency	USD	IDR	USD	GBP	SGD	CHF	EUR	GBP	AED	EUR
	Closing Exchange rate	INR 94.835/ USD	INR 0.5575/ IDR 100	INR 94.835/ USD	INR 125.51/ GBP	INR 73.525/ SGD	INR 118.565/ CHF	INR 108.995/EUR	INR 125.51/GBP	INR 25.8225/ AED	INR 108.995/EUR
4	Share capital	126.52	994.29	7,285.43	2,634.20	138.78	3.26	53.25	0.04	510.68	10.43
5	Reserves & Surplus	(131.63)	(554.32)	(530.92)	(1,878.72)	(197.28)	122.47	(12.49)	10.44	51.70	57.80
6	Total assets	0.01	1,430.75	7,536.57	1,171.51	139.22	746.21	42.92	11.88	563.36	146.59
7	Total Liabilities	5.12	990.78	782.06	416.03	15.13	620.48	2.16	1.40	0.98	66.80
8	Investments	-	-	5,226.30	-	-	-	-	-	-	-
9	Turnover	-	1,388.38	681.85	42.10	43.20	629.50	43.69	14.24	2.98	59.04
10	Profit before taxation	(1.48)	44.49	(133.49)	(722.94)	4.68	(338.69)	2.11	(14.83)	(1.21)	0.11
11	Provision for taxation	-	8.24	(3.93)	-	-	46.42	0.43	-	-	0.63
12	Profit after taxation	(1.48)	36.25	(129.56)	(722.94)	4.68	(385.11)	1.68	(14.83)	(1.21)	(0.52)
13	Proposed Dividend	-	-	-	-	-	-	-	-	-	-
14	% of shareholding	100	100	100	100	100	100	100	100	100	100

** Unaudited financial statement.*

1. *TVS EBike Company AG includes the consolidation of its subsidiaries viz, EGO Movement Deutschland GmbH, Germany, TVS EBike Company GmBH, Nuremberg, Germany and Swiss E-mobility group (österreich) Gmbh, Austria.*

2. *The Norton Motorcycle Co. Limited includes the consolidation of Norton Motorcycle Private Limited, Chennai and Norton USA LLC, Delaware.*

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, (4) Norton Motorcycle Private Limited, (5) Norton USA LLC.*

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

₹ in crores

S. No.	Name of Associate	Ultraviolette Automotive Private Limited*	Predictronics Corp*	Killwatt Gmbh*
1	Latest audited Balance Sheet Date	31-03-2025	31-12-2024	**
2	Date on which the Associate was acquired	09-08-2018	17-08-2019	04-04-2023
3	Shares of Associate held by the company on the year end			
	(i) No. of shares	27,16,600	24,827	24,500
	(ii) Amount of investment in Associates/Joint Venture	121.00	22.36	71.50
	(iii) Extent of holding %	24.92	23.49	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	127.10	0.27	38.43
7	Profit / (Loss) for the year:			
	(i) Considered in consolidation	(41.20)	(0.12)	0.05
	(ii) Not considered in consolidation		Not Applicable	

** Unaudited financial statements up to 31-03-2026 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 –Nil*
2. *Altizon was ceased to be an associate effective from 23rd January 2026.*

SUDARSHAN VENU
Chairman & 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

Chennai
13th May 2026

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 34th Annual General Meeting of the Company **('AGM')** will be held on Wednesday, the 22nd July 2026 at 11.00 AM [Indian Standard Time **('IST')**] through Video Conference **('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 2026, 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 Sudarshan Venu (holding DIN 03601690), 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 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 2027 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

Singapore
13th May 2026

K S Srinivasan
Company Secretary

Registered office:
"Chaitanya"
No. 12, Khader Nawaz Khan Road,
Nungambakkam, Chennai - 600006

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 03/2025 dated 22nd September 2025 read with MCA Circular Nos. 09/2024, 9/2023, 10/2022, 02/2022 and 20/2020 dated: 19th September 2024, 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 Circular No. 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 conference (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 5th May, 2020, the Company is providing facility of remote e-Voting to its Members in respect of the business as 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 2026.

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 Further, Letter of Confirmation ('LOC') will not be issued effective April 2, 2026 and shares will be credited directly to the shareholder's demat account by the Company/STA, subject to due diligence. Shareholders are requested to provide a Client Master List not older than two months, duly attested by their DPs. Any LOC issued before April 2, 2026, may be submitted by the shareholders to DP for dematerialisation within 120 days from the date of issuance of LOC.

13. Pursuant to SEBI circular No. HO/38/13/11(2)2026-MIRSD-POD/ I/3750/2026 dated January 30, 2026 the Company has opened a special window for a period of one year from February 05, 2026 till February 04, 2027 for transfer and dematerialisation of physical securities which were sold/purchased prior to April 01, 2019. The special window shall also be available for such transfer requests which were submitted earlier and were rejected/returned/not attended to due to deficiency in the documents/process/or otherwise. You may contact Share Transfer Agent (STA) for attending to these requests by sending an email to einward@integratedindia.in or the Secretarial Department at corpsec@tvsmotor.com. This requisite details are also available on the Company's website www.tvsmotor.com.

    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.

14. 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

15. 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.

16. 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.

17. 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 to their last known address.

Members holding shares in physical form

18. Members can submit their PAN details to the Company/ STA.

19. 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 on request.

20. 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

21. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, 2013 the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, 2013 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 corpsec@tvsmotor.com.

Voting

22. 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').

23. 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.

24. 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 Thursday, 16th July 2026 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 July 2026 at 9:00 A.M. (IST) and ends on 21st July 2026 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

Type of shareholders	Login Method
	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 held 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 App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for CDSL 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 https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers
Individual Shareholders (holding securities in demat mode) login through their depository participants	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.com or call 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.com 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 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.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on **"Upload Board Resolution / Authority Letter"** displayed under **"e-Voting"** tab in their login.
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 toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to NSDL official at evoting@nsdl.com.

Process for those shareholders whose email ids are not registered with the depositories for procuring user ID and password and registration of e mail IDs for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), 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 digit beneficiary ID), 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 shareholders/members may send a request to evoting@nsdl.com for procuring user ID and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE 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 General meeting" menu against the Company name. You are requested to click on VC/OAVM link placed under Join General 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 corpsec@tvsmotor.com from 16th July 2026 (9.00 A.M. (IST)) to 20th July 2026 (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.

viii In case of any queries, Members 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 and send a request to NSDL official, Ms. Pallavi Mhatre, Manager at evoting@nsdl.com.

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, Notice of the AGM and the Annual Report for the year 2025-26, 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 2025-26 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'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. The Company is required to deduct TDS from dividend paid to the Members at rates prescribed in the Income Tax Act, 2025 ('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 along with 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 corpsec@tvsmotor.com or the email ID of STA einward@integratedindia.in.

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 number;

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. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 6, 2026, 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 Sudarshan Venu, 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 Sudarshan Venu, 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 13th May 2026 and shall be taken as forming part of the Notice.

Item No. 3

As recommended by the Audit Committee, the Board at its meeting held on 13th May 2026, 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 2026-27, 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 4th May 2026 and 13th May 2026, 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.3 of this Notice.

The Directors, therefore, recommend the ordinary resolution, as set out in Item No.3 of this Notice for ratification of remuneration payable to the Cost Auditor of the Company

By order of the Board of Directors

Singapore
13th May 2026

K S Srinivasan
Company Secretary

Registered office:
"Chaitanya"
No. 12, Khader Nawaz Khan Road,
Nungambakkam, Chennai - 600006

DETAILS OF DIRECTOR SEEKING 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 Sudarshan Venu
DIN	03601690
Age	37 years
Date of first appointment on the Board	1st February 2013
Qualifications	➢ Graduate Degree with Honors in the Jerome Fisher Program in Management and Technology ➢ M.Sc in International Technology Management ➢ B.S. in Mechanical Engineering ➢ B.S. in Economics
Experience	More than a decade in Automotive sector
Expertise in specific functional areas	➢ Corporate Governance & Board Leadership ➢ Strategic Management ➢ Financial Acumen ➢ Legal & Regulatory Knowledge ➢ Risk Management & Internal Controls ➢ Leadership & Human Capital Management
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 a Director retiring by rotation. Shareholder vide Ordinary resolution dated 14th June 2022 approved the re-appointment of Mr Sudarshan Venu for a term of five years.
Details of remuneration last drawn (FY 2025-26)	INR 64.22 Crore
Details of remuneration sought to be paid	NA
Directorships / Memberships in other entities	**Indian entities:** 1. TVS Holdings Limited 2. TVS Credit Services Limited 3. TVS Housing Finance Private Limited 4. TVS Electric Mobility Limited 5. Coromandel International Limited 6. Galaxy Health Insurance Company Limited 7. S. Venu Trustee Private Limited 8. VS Trustee Private Limited 9. Cheema Educational Foundation 10. Veeyes Charities Foundation 11. Jupiter Cultural and Heritage Foundation 12. TVS Cheema Scholarship Foundation 13. Tirumala Tirupati Devasthanams **Foreign entities:** 1. The Norton Motorcycle Co. Limited, UK 2. TVS Motor (Singapore) Pte Limited, Singapore 3. TVS Holdings (Singapore) Pte. Limited, Singapore 4. TVS Digital Pte Limited, Singapore 5. TVS Venu International Holdings Pte. Ltd
Membership/ Committees in other Companies	**TVS Motor Company Limited :** (a) Risk Management Committee; (b) Nomination and Remuneration Committee; (c) Stakeholders' Relationship Committee; and (d) Corporate Social Responsibility Committee **TVS Holdings Limited :** (a) Corporate Social Responsibility Committee;

Particulars	Details
	TVS Credit Services Limited : (a) Asset Liability Management Committee; (b) Credit Sanction Committee; and (c) Corporate Social Responsibility Committee* **Coromandel International Limited:** (a) Stakeholders' Relationship Committee*; and (b) Nomination and Remuneration Committee
Listed entities from which the Director has resigned from Directorship in last 3 (three) years	Nil
No. of Board Meetings attended during FY 2025-26	8
Inter-se relationship with other Directors and Key Managerial Personnel of the Company	He is the son of Mr Venu Srinivsasan, Chairman Emeritus and Managing Director
Brief resume	As set out in the Profile of Mr Sudarshan Venu below
Shareholding details:	
(a) Own	NIL
(b) For other persons on a beneficial basis and	
(c) As a Beneficial Owner	

** includes Committees in which he holds the position as Chairman*

Profile of Mr Sudarshan Venu

Mr. Sudarshan Venu, Chairman and Managing Director, holds a Graduate Degree with Honors in the Jerome Fisher Program in Management and Technology from the University of Pennsylvania, USA. He also holds M.Sc. in International Technology Management from the Warwick Manufacturing Group attached to University of Warwick in U.K. He was awarded a B.S. in Mechanical Engineering from the School of Engineering and Applied Sciences and B.S. in Economics from the Wharton School.

He is also the Managing Director of TVS Holdings Limited, the Holding Company, and Chairman of TVS Credit Services Limited, the Non-Banking Finance arm of the Group.

Since taking the helm as Managing Director, Sudarshan has accelerated TVS Motor's growth and transformation. Over the last decade, TVS Motor's revenue has tripled and there has been significant growth in the Company's market share both in India and internationally. The Company has also taken first place in Customer Satisfaction for four years in a row, in the prestigious J. D. Power Awards. Sudarshan has been at the forefront of TVS Motor's global expansion, playing a pivotal role in the Company's growth in Africa, Asia, and Latam. TVS Motor now has a leading position in many of these markets, especially Africa.

Sudarshan also spearheaded key acquisitions such as the iconic British brand, Norton Motorcycles. Guided by his vision to continuously shape and evolve mobility to meet future needs, he has also championed electric vehicles and sustainable practices, making TVS a front -runner in India 's electric two-wheeler market. With the goal of improving the life of every customer, Sudarshan is also steering the change at TVS Credit Services. Under his leadership the firm became one of India's fastest growing Non-Banking Financial Company and has served over 20 million happy customers. He was instrumental in the Group entering real estate business with the founding of TVS Emerald, which has become a successful real estate company based in India with nearly 19 million sq. ft. of development in Chennai and Bengaluru.

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Registered office:

TVS Motor Company Limited
Chaitanya No. 12, Khader Nawaz Khan Road
Nungambakkam, Chennai – 600 006

www.tvsmotor.com

Concept, content and design at stirrup | whatsup@stirrup.works

HOME CREDIT INDIA FINANCE PRIVATE LIMITED

BOARD OF DIRECTORS

Mr. Chittranjan Dua

Mr. K Gopala Desikan

Mr. Kunnawalkam Elayavalli Ranganathan

Dr. Meena Hemchandra

AUDIT COMMITTEE

Mr. Kunnawalkam Elayavalli Ranganathan

Mr. K Gopala Desikan

Dr. Meena Hemchandra

NOMINATION AND REMUNERATION COMMITTEE

Mr. Chittranjan Dua

Mr. K Gopala Desikan

Mr. Kunnawalkam Elayavalli Ranganathan

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. K Gopala Desikan

Mr. Kunnawalkam Elayavalli Ranganathan

Dr. Meena Hemchandra

IT STRATEGY COMMITTEE

Dr. Meena Hemchandra

Mr. K Gopala Desikan

Mr. Kunnawalkam Elayavalli Ranganathan

INTEGRATED RISK MANAGEMENT COMMITTEE

Mr. K Gopala Desikan

Dr. Meena Hemchandra

Mr. Kunnawalkam Elayavalli Ranganathan

ASSET LIABILITY MANAGEMENT COMMITTEE

Dr. Meena Hemchandra

Mr. Kunnawalkam Elayavalli Ranganathan

Mr. K Gopala Desikan

CUSTOMER SERVICE COMMITTEE

Mr. Vivek Singh

Mr. Ashish Tiwari

Mr. Anirban Majumder

Ms. Esha Pruthi

Mr. Sameer Katdare

Mr. Bhrigu Sehgal

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

TVR Pride, No. 383, 16th Main Road, 3rd Block, Koramangala, Bengaluru – 560 034, Karnataka

DIRECTOR'S REPORT TO THE SHAREHOLDERS

The Directors have the pleasure of presenting the 29th Annual Report and the audited accounts of the Company for the year ended March 31, 2026.

1. Business and Financial Performance

The highlights of the financial performance of the Company are given below:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
	(INR in Crores)	*(INR in Crores)*
Revenue from operations	2112.7	2096.5
Other Income	3.7	4.7
Total Income (A)	**2116.5**	**2101.2**
Finance costs	336.6	435.8
Employee benefits expenses and other expenses	811.3	725.6
Impairment on financial instruments	667.9	751.1
Depreciation and amortization	130.3	88.2
Total Expenses (B)	**1946.1**	**2000.7**
Profit before Tax (including other comprehensive income) (A-B)	**170.4**	**100.5**
Less: Exceptional Item	-	62.6
Profit before Tax	**170.4**	**37.9**
Less: Tax Expense		
- Current tax	80.3	51.5
- Deferred tax expense	(39.3)	512.4
Profit/ (Loss) after Tax	**129.4**	**(526.0)**
Balance brought forward from previous year	(2610.4)	(2084.5)
Transfer to statutory reserve	26.5	-
Surplus/(Deficit) carried to Balance Sheet	**(2507.5)**	**(2610.4)**

Company Performance Overview

For the year ended on March 31, 2026, the Company recorded a 22% growth in disbursements, increasing from INR 6,830 Crores as on March 31, 2025, to INR 8,334 Crores as on March 31, 2026. The gross loan portfolio registered a marginal increase of 16%, closing at INR 6,483 Crores as on March 31, 2026, as compared to INR 5,566 Crores as on March 31, 2025. The gross loans portfolio comprised of four key segments as of March 31, 2025: Personal Loans (65.6%), Consumer Durable Loans (32.6%), Two Wheelers Loans (1.7%) and Loan against property Loans (0.1%).

Consumer Durable Loans: The Company's Consumer Durable Loans portfolio witnessed significant growth, rising by 35% to INR 2,116 Crores as on March 31, 2026, from INR 1,567 Crores as on March 31, 2025.

Personal Loans: The Company experienced a 6% growth in its Personal Loans segment, with gross loans increasing from INR 3,999 Crores as on March 31, 2025, to INR 4,252 Crores as on March 31, 2026.

Two-Wheeler Loans: The Company has re-launched Two-Wheeler loans in the current financial year and built a loan portfolio of INR 107 Crores as on March 31, 2026.

Loan against Property Loans: The Company has launched Loan against Property loans in the current financial year and built a loan portfolio of INR 8 Crores as on March 31, 2026

The Company's total income for the year ended March 31, 2026, grew by 1%, reaching INR 2,116 Crores, against INR 2,101 Crores for the year ended March 31, 2025. The profit before tax (including Other Comprehensive Income) stood at INR 170 Crores for the year ended March 31, 2026, compared to INR 38 Crores for the year ended March 31, 2025.

2. Management Discussion and Analysis Report

India's economy to grow at 7.6% in fiscal 2026, outpacing global peers

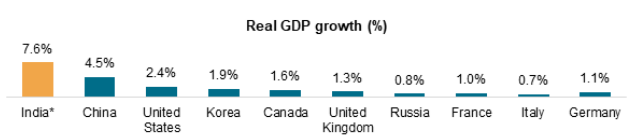
Global economic growth is estimated at 3.2% in calendar year 2026 and projected to be 3.1% in calendar year 2027, according to the International Monetary Fund (IMF). The ongoing global trade uncertainty and shifting policy dynamics are expected to be offset by increased investment in technology, especially artificial intelligence, along with supportive fiscal and monetary policies, broadly accommodative financial conditions and enhanced adaptability of the private sector in major economies.

India is expected to remain one of the fastest-growing major economies, with the Reserve Bank of India (RBI) estimating gross domestic product (GDP) growth at 7.6% for fiscal 2026. Currently the world's fourth-largest economy, the country is progressing steadily towards becoming the third largest by 2030.

Strong domestic demand, and increased labour force participation are driving India's growth, alongside ongoing reforms, strong policies and increased integration with global markets. Revival in domestic investment and positive investor sentiment highlight the stability and depth of the current economic expansion. Accelerated structural reforms and steady consumption contribute to a positive economic outlook, supporting growth across sectors.

In fiscal 2026, a significant factor behind this growth was the decline in the headline Consumer Price Index (CPI)-based inflation to an estimated 2.1% (as per RBI), owing to above normal monsoon, robust agricultural output and generally stable oil prices, except in the final months of the year. Additionally, revised income tax and goods and services tax rates supported private consumption in the latter part of the year.

India's growth to outpace other major economies in calendar 2026



*Note: *For India, estimated real GDP is presented on a fiscal year basis (April 2025-March 2026).*
Source: RBI, IMF, World Economic Outlook (WEO) January 2026, Crisil Intelligence

India's growth outlook remains robust amid global uncertainties, with real GDP expected to expand at 6.9%

The RBI has projected real GDP growth for fiscal 2027 at 6.9%, following an estimated 7.6% expansion in fiscal 2026, based on the second advance estimates, with the revised base year of 2022-2023, and 7.1% in fiscal 2025 from the first revised estimates.

This is primarily supported by strong quarterly momentum in fiscal 2026, with growth rates of 8.4% in the second quarter and 7.8% in the third quarter. In fiscal 2027, India's growth rate is expected to remain resilient, sustaining its medium-term trajectory. Steady expansion in services, elevated capacity utilisation and healthy corporate and bank balance sheets are expected to drive growth.

Discretionary consumption is expected to remain robust, supported by the expected implementation of the 8th Pay Commission, income tax reduction and GST rate rationalisation. Government capital expenditure is budgeted at 3.1% of GDP, rising to Rs 12.2 lakh crore, marking a 9% increase over fiscal 2026.

Export prospects are expected to improve because of the reduction in tariffs by the United States (US) to 10%, following a US Supreme Court ruling, along with implementation of recently signed free trade agreements with the United Kingdom (UK), European Union (EU), New Zealand and Oman. However, prolonged uncertainty in the Middle East and higher oil prices may impact this growth momentum.

Real GDP to grow by 6.9% in fiscal 2027, amid global headwinds



At its April meeting, the Monetary Policy Committee (MPC) maintained a "neutral" stance and voted unanimously to keep the repo rate at 5.25%, the standing deposit facility rate at 5.00% and the marginal standing facility rate at 5.50%. In response to the heightened uncertainty caused by the West Asia conflict, the MPC adopted a wait-and-watch approach to evolving growth and inflation risks, noting that these risks remain significant.

To support consumption and investment demand, the MPC reduced the repo rate by a cumulative 125 basis points (bps) between February and December 2025, bringing it to 5.25%. Further, the RBI implemented a phased 100-bps reduction in the Cash Reserve Ratio (CRR) between September and November 2025. These measures are expected to support the transmission of monetary easing to broader interest rates, improve systemic liquidity and aid credit growth during fiscal 2026, with the positive impact expected to continue into fiscal 2027.

Moreover, central welfare schemes announced in the annual budget 2026-27 continue to strengthen consumption among lower-income households and prioritise employment generation.

Rural employment programmes, including the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) and Viksit Bharat-Guarantee for Rozgar and Ajeevika Mission (Gramin) VB-GRAM G, have seen increased allocations of Rs 1.3 lakh crore, accounting for 2.4% of total expenditure.

Funding for key infrastructure and employment initiatives such as Pradhan Mantri Awas Yojana (PMAY), Pradhan Mantri Gram Sadak Yojana (PMGSY) and the Jal Jeevan Mission have also risen this fiscal, resulting in a higher share of the overall expenditure. The allocation for PM Kisan, which supports farmer households, was unchanged at Rs 63,500 crores. Overall, these budgetary measures are expected to boost consumption and enhance employment opportunities.

Improvements in digital ecosystem enhance formalisation, access to credit

India's expanding digital public infrastructure is improving productivity, lowering transaction costs and widening access to financial services. Core platforms such as Aadhaar, India Stack and the digital payments ecosystem are supporting increased formalisation, participation and scalable credit delivery. According to the Ministry of Electronics and Information Technology (MEITY), the digital economy's contribution to GDP is expected to reach ~20% by fiscal 2030 from 11.74% in fiscal 2023, underscoring its rising importance in economic growth and employment creation.

The adoption of digital identity infrastructure has expanded during the first half of the decade. According to MEITY, over 134 crore Aadhaar holders were registered as of March 2026, while the Unique Identification Authority of India (UIDAI) reported 2,356 crore e-KYC transactions completed as of March 2025.

This increase has significantly reduced customer onboarding friction and enabled seamless, paperless access across a range of financial services. Digital infrastructure is also helping address credit constraints, particularly for micro, small and medium enterprises (MSMEs), with the sector comprising over 7.6 crore enterprises as of February 1, 2026.

Platforms such as the Trade Receivables Discounting System (TReDS) are facilitating working capital funding, with 64.05 lakh invoices uploaded in fiscal 2025 and ~95% successfully financed, while emerging frameworks such as the Open Credit Enablement Network (OCEN) are enabling consent-based, cash flow-linked lending.

Digital payments are expanding rapidly in India. The National Payments Corporation of India (NPCI) reported that the Unified Payments Interface (UPI) processed 2,170 crore transactions in January 2026, reflecting ~28% on-year growth and indicating deeper integration of households and businesses into the formal financial system. Additionally, the increased adoption of co-branded credit cards and digital-first lending models are expanding credit penetration, strengthening customer engagement and supporting overall consumption growth.

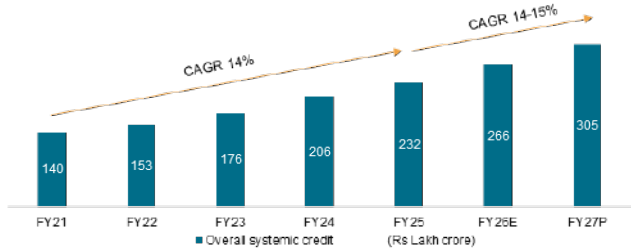
Overall systemic credit in India to grow at a strong pace in fiscal 2027

In fiscal 2026, India's systemic credit, comprising banks and non-banks financial companies (NBFCs), is expected to expand ~15%. Retail credit continued to lead the systemic credit growth in fiscal 2026, supported by the focused approach of banks and NBFCs in expanding the retail portfolio. With increased focus of lenders to boost presence in Tier 2 cities and beyond continue to support growth, with retail credit the primary driver.

Systemic credit is projected to clock a compound annual growth rate (CAGR) of 14-15% between fiscals 2026 and 2027, with the MSME sector and secured retail products such as gold and vehicle loans driving this expansion.

In the retail lending space, the unsecured segment has begun to stabilise gradually as lenders have implemented more prudent underwriting standards following a period of heightened stress. Asset quality in unsecured retail loans, including personal loans and microfinance, has shown early improvement due to increased write-offs and better borrower discipline. However, these segments remain more vulnerable to external shocks and domestic economic slowdowns.

Systemic credit expected to log CAGR of 14-15%



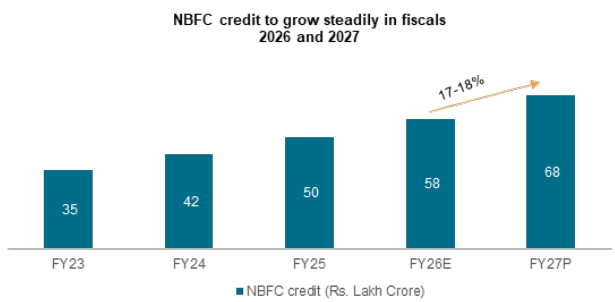
Note: Systemic credit includes credit outstanding of banks and NBFCs. E—estimated, P—projected
Source: RBI, Crisil Intelligence

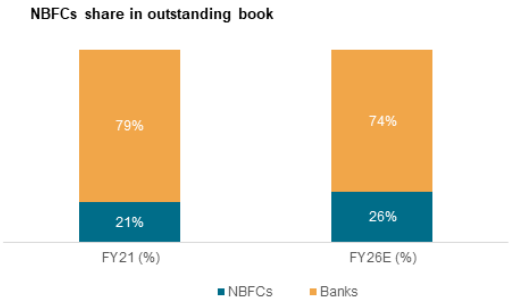
NBFCs credit overview

Financing needs in India have risen in conjunction with the economic growth over the past decade. NBFCs are a crucial part of India's financial ecosystem, as they bridge the credit gap in underserved areas. Their significance is underscored by their share in total outstanding loan book (comprising banks and NBFCs), increasing by over 400 bps since fiscal 2021 to reach an estimated 26% share as of fiscal 2026.

In fiscal 2026, NBFCs are expected to increase their outstanding credit by 17-18%, with a similar growth trajectory anticipated for fiscal 2027. Secured segments such as vehicle and gold loans posted double-digit growth in fiscal 2026 along, while personal loans drove the momentum in the unsecured credit segment.

The surge in gold loans during fiscal 2026 is as the prices of the precious metal increased 45-46%, thereby contributing to the overall growth of NBFCs' loan portfolios. While growth in vehicle and home loans is likely moderate, the two segments will play a pivotal role in shaping the NBFC loan book.



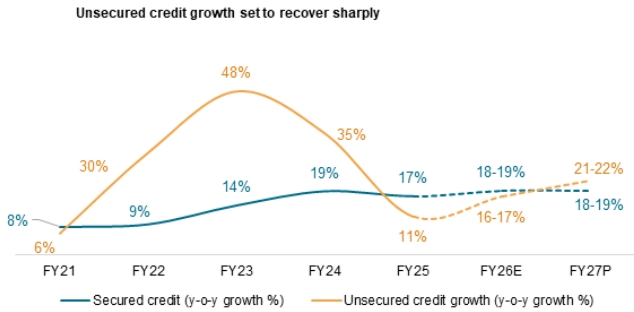


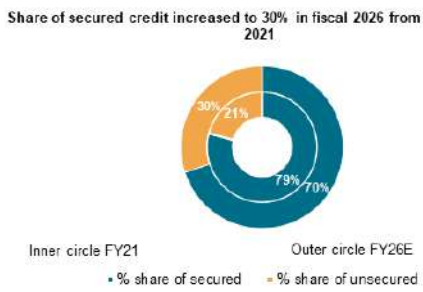
Note: Historical credit growth numbers are adjusted for the merger of HDFC Ltd with HDFC Bank for like-for-like comparison
Source: RBI, National Housing Bank (NHB), Ministry of Finance, company reports and Crisil Intelligence.
Note: Above numbers are adjusted for bank' lending to NBFCs.

Retail unsecured credit to surpass secured segments in fiscal 2027, supported by a revival in microfinance credit

NBFCs' outstanding credit is estimated to have grown 17-18% on-year on account of robust performance in secured segments, particularly gold and auto finance, which rose 18-19% in fiscal 2026. Over the past five years, the unsecured category has seen substantial expansion. In response to the rapid growth and rising risk, the RBI mandated higher capital requirement for lenders, leading to a moderation in credit growth in the latter half of fiscal 2024, a trend that persisted into fiscal 2025.

Following this slowdown, the unsecured segment growth is expected to rebound to 16-17% in fiscal 2026, with personal loans likely to see strong gains, while the microfinance segment may moderate due to asset quality concerns.





Note: For the calculation of unsecured retail loans offered by NBFCs, segments such as personal, microfinance, consumer durable loans and the unsecured proportion of education loans have been considered
Source: RBI, NHB, Microfinance Institutions Network (MFIN) and Crisil Intelligence

Between fiscals 2021 and 2026, the secured segment clocked a CAGR of 16%, while the unsecured segment logged a CAGR of 27%, as NBFCs extended their reach to new to customers and Tier 2 and beyond cities. The rise of financial technology companies contributed to the growth of unsecured lending. This rapid expansion has increased the share of unsecured loans in the retail segment to 30% in fiscal 2026 from 21% in fiscal 2021.

Personal loan growth to remain healthy in fiscal 2026

Within retail credit, growth in the personal loan segment is estimated to remain healthy at 22% in fiscal 2026 from 20% in fiscal 2025, because of an increase in the average ticket size of NBFCs personal loan book and a gradual shift of NBFCs assets under management (AUM) to the salaried class. The growth is further supported by the income tax relief under the new tax regime, increase in disposable income because of cuts to the policy interest rate and GST rates. Easing inflation and increased discretionary spending also contributed to this increase in growth.

Consumer durables portfolio of NBFCs to grow sharply

Demand for consumer durables in India is rising steadily because of higher disposable incomes, rapid technological innovation and evolving lifestyles. This growth has intensified competition among domestic and international brands, positioning India as a key market for multinational corporations and making it the fastest-growing major market for consumer durables globally.

The sector includes brown and white goods such as smartphones, air conditioners, refrigerators, washing machines and televisions. Smartphones command the largest share of 69-71% of the market as of fiscal 2026, followed by televisions and refrigerators at 7-8% each, with other goods making up the remainder.

Household appliance demand is expected to remain robust because of stable product prices, easy financing options, increased government spending on rural infrastructure and moderate inflation. Better affordability, shorter replacement cycles and low penetration levels across several appliance categories are expected to drive volume growth. Over the long-term, the sector is projected to achieve volume growth of 6-8%, with household appliances industry revenue likely to clock a CAGR of 9-11% between fiscals 2026 and 2031.

The consumer durable financing portfolio of NBFCs is estimated to have grown 23-24% in fiscal 2026 and is likely to grow 24-26% in fiscal 2027, with NBFCs gaining market share from banks in this segment through flexible lending solutions, tailored products and wider customer reach.

Despite moderation in the pent-up demand, growth continued was supported by rising disposable incomes and sustained demand for consumer durables. Over the past few fiscals, NBFCs have gained market share in consumer durables, outpacing banks. Flexible lending solutions, tailored services and better customer reach have helped NBFCs capture market share from banks. Non-bank lenders have gained ground, with their market share in consumer durables loans expected to increase to 57% in fiscal 2026 and to 60% in fiscal 2027.

Growth in vehicle finance portfolio of NBFCs to ease

Two-wheeler sales are projected to grow at a healthy 7-9% in fiscals 2026 and 2027, building on an 8% increase seen in fiscal 2025. This is largely because of a revival in rural demand, supported by strong crop prices, GST rate rationalisation and enhanced rural road connectivity. Scooter sales are set to benefit from rising urban incomes, improved infrastructure and increasing demand from rural areas.

The ongoing premiumisation is expected to drive growth across both scooters and motorcycles. For fiscal 2026, industry sales are estimated at 214-215 lakh units, buoyed by robust rural demand, favourable monsoon, steady replacement demand and lower vehicle prices because of revision of GST rates. Over the longer term, growth will be sustained by rising rural incomes and better connectivity, while urban markets will see a boost from increasing multiple-vehicle ownership and growing demand in Tier 2 cities.

The growth of NBFCs' vehicle finance portfolio is estimated to have moderated 16-17% in fiscal 2026 from a high base of 20% in fiscal 2025. Vehicle finance demand grew steadily because of income tax relief, lower policy rates, GST rationalisation and premiumisation. Two-wheeler financing remained a major growth driver for NBFCs, especially in rural and semi-urban areas. Increased tractor sales, thanks to a favourable monsoon, improving rural sentiment and stable crop prices also added to the growth momentum. While early delinquency buckets have improved, 90+ (Days Past Due) DPD has increased and is expected to stay elevated in fiscal 2026, continuing to be a key monitorable.

NBFCs' LAP portfolio shares to increase to 50% in fiscal 2027

The Loan-Against-Property (LAP) segment is expected to grow in fiscal 2026, with NBFCs achieving growth rates of 20-22% and outpacing banks, despite a slight moderation. This segment is projected to maintain a similar pace in fiscal 2027. Growth in LAP is expected to be driven by increasing preference for secured lending to MSMEs, prompted by asset quality pressures and the impact of US tariffs on sectors such as textiles, jewellery, footwear and handicrafts.

Consequently, the share of NBFCs in LAP, relative to banks, is set to rise marginally as the former focus more on secured loans to mitigate asset quality risks. However, lenders are expected to remain cautious about small-ticket LAPs. Additionally, housing finance

companies (HFCs) are expanding their LAP portfolios in the current low-interest rate environment, attracted by higher yields vs home loans.

Housing credit outstanding at HFCs/NBFCs is estimated to grow at 10-11% in fiscal 2026, lower than the 14.6% in fiscal 2025. The slower growth is mainly attributed to three key reasons-heightened pricing competition from public sector banks, especially for prime housing focused HFCs, as both cater to salaried customers, rise in loan balance transfers, and geography specific concerns such as software issues and staffing shortage in the Karnataka property registration system due to which lenders were unable to log cases.

The housing loan book of HFCs/NBFCs is expected to grow at 13-14% in fiscal 2027 supported by cooling of rate competition from public sector banks, pick-up in demand because of the transmission of the repo rate cuts and traction in PMAY 2.0 scheme.

Disbursement grew at 22% in the fiscal 2026

For the year ended March 31, 2026, the Company achieved broad-based growth across key performance indicators. A total of 33 Lakhs loan applications were sanctioned, reflecting a 19 % increase over the previous year. In line with its customer acquisition strategy, the Company onboarded approximately 19 Lakh new customers during the year. Strategic collaborations and an expanded distribution network enabled disbursements totalling INR 8,334 Crores, marking a 22% year-on-year growth.

The Company recorded disbursements of INR 5,033 crores in the Consumer Durables segment for the year ended March 31, 2026, compared to INR 4,065 crores in the previous financial year, reflecting a strong year-on-year growth of 24%. This growth was primarily driven by improved productivity, which increased to 54 in FY'26 from 48 in FY'25. The performance was further supported by an expansion in the average Field Officer Strength (FOS), which rose to 4,232 in FY'26 from 3,612 in FY'25. Additionally, the Company witnessed robust state-level contributions, with Haryana leading growth at 40%, followed by Rajasthan at 36%, Maharashtra (excluding Mumbai) at 34%, Madhya Pradesh at 30%, and Gujarat at 29%. These factors collectively contributed to the overall strong performance in the Consumer Durables segment during the year.

The Personal Loan disbursement registered growth of 15%, increasing from INR 2,765 Crores as at March 31, 2025 to INR 3,184 crores as at March 31, 2026. This growth was primarily driven by the Company's transition to a new marketing segmentation framework, enabling identification of an eligible customer base with higher approval rates. Additional contributors included sharper customer targeting through focused communication strategies and improved agent productivity, which enhanced lead quality and conversion efficiency.

During the year ended March 31, 2026, the Company also diversified its lending offerings with the launch of new products:

a) The Two-Wheeler Loan segment, introduced in September 2025,

b) Additionally, the Loan Against Property (LAP) segment, launched in December 2025.

The gross loan portfolio stood at ₹ 6,483 Crores as of March 31, 2026, comprising two key segments:

- Personal Loans: 65.6% of the portfolio.
- Consumer Durable Loans: 32.6% of the portfolio.
- Remaining 1.8% comprises of two new products i.e., Two-wheeler loan and Loan against property launched by company recorded disbursements of INR 109 crores and INR 8 crores, respectively, reflecting a measured and phased approach to scaling these new portfolios.

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.

Rating upgrade to AA (Stable); Reflecting Scale, Strength, and Stability

The upgrade of the Company's credit rating to AA (Stable) by both CARE Ratings and India Ratings from BBB+, a 5-notch upgrade, is a strong external validation of the firm's strengthened financial profile and governance framework. It demonstrates high creditworthiness placing it firmly in the upper tier of non-banking financial institutions, while also underscoring the added strength, stability and strategic support derived from being part of a well- established, reputable and financially strong group. This rating action is underpinned by three core improvements:

Asset Quality: A sustained reduction in non-performing assets and tighter underwriting standards signal improved risk management discipline and a more resilient loan portfolio.

Financial Performance: Stronger profitability metrics, stable net interest margins, and improved cost efficiency reflect a structurally healthier earnings model.

Capital Adequacy: Enhanced capital reserve supports future growth without compromising balance sheet strength.

From a strategic standpoint, this upgrade materially strengthens the Company's access to capital markets. It enables borrowing at lower cost of funds, broadens the pool of potential lenders and investors, and improves negotiating power for future fundraising. Over time, this can translate into margin expansion, competitive pricing for customers, and accelerated growth opportunities.

Overall, the rating upgrade is not just a reflection of past improvements, but a forward-looking signal of sustainable stability and scalability in the Company's operating model.

Fuelling Growth Through Distribution Expansion and Strengthened Collection Networks

During year ended March 31, 2026, the Company continued to scale its Consumer Durables business by strengthening distribution across existing and new geographies, expanding its on-ground presence, and implementing strategic capability enhancements to accelerate growth.

Distribution Network Expansion

The Company increased its feet-on-street through targeted hiring of field sales officers and deploying them across dealer outlets to deepen market penetration and improve customer acquisition

As a result of these initiatives, the Company surpassed ₹5,000 crore in consumer durable loan disbursements, recording a robust 24% year-on-year growth. Its distribution footprint was further strengthened with the addition of over 14,000 dealer partners across key markets.

With a strategic emphasis on expanding the white goods segment, the Company strengthened its ecosystem partnerships through additional tie-ups with original equipment manufacturers and the onboarding of leading premium brands. These partnerships expanded the range of consumer credit offerings and supported higher-value financing opportunities.

Simultaneously, the Company accelerated its digital transformation agenda to strengthen its lending architecture. The seamless integration of the Account Aggregator framework into the loan origination process improved credit assessment precision, facilitating higher credit limits for eligible borrowers while reinforcing underwriting discipline and risk controls.

Enhanced Collection Strategy

The Company continues to strengthen its collections performance through a comprehensive, risk-based strategy that segments customers by origination profiles and payment behavior enabling customized interventions across risk tiers.

Key measures include

- proactive pre-due customer engagement,
- early-stage field interventions,
- internalization of collections in select geographies, and
- a strong in-house tele-calling team as the first line of defence.

The strategy is further reinforced through product-aligned collection teams supported by a robust Actionable Collection Review (ACR) framework, an affinity program for vendors, optimized allocation strategies, and selective legal initiatives.

Over the past year, the Company has also accelerated adoption of Digital and AI-led initiatives, including onboarding digital collection vendors, deploying personalized AI-driven communication and bots for pre-due outreach, leveraging alternate data sources for improved contact ability, strengthening field capacity, and streamlining operations through cycle consolidation.

Cross sell to Acquired Customer Base (Personal Loans)

During the year ended March 31, 2026, the Company significantly accelerated the cross-sell of personal loans to its existing customer base. Loan volumes grew by 57%, with disbursed value increasing by 15 % year-on-year. Growth was driven by improved customer targeting across Tele Sales and Digital channels, supported by higher

Tele Sales productivity (from 33 to 44 loans per agent per month), AI-led customer engagement pilots, and end-to-end digital journey optimization that reduced drop-offs by 50%.

Portfolio growth was balanced with prudent risk management, including selective geographic expansion and enhanced credit assessment through the Account Aggregator framework. Going forward, the Company will continue to scale personal loan cross-sell through AI-led lead generation and proven channel levers.

Structured expansion of Value-Added Services (VAS)

During the year ended March 31, 2026, the Company expanded Value-Added Services across all businesses to strengthen responsible, customer-centric lending. The enhanced suite includes life, property and accident cover, digital fraud protection, emergency EMI deferment, zero foreclosure charges, and health & wellness benefits—driving differentiated customer engagement, improved financial resilience, and sustainable profitability.

Strengthening Risk Management Through a Robust Framework

The Company has implemented a comprehensive, Board-approved risk governance framework encompassing risk management, stress testing, liquidity, operational risk, outsourcing risk, and ICAAP. Together, these frameworks provide end-to-end coverage of the risk lifecycle, enabling effective risk identification, monitoring, and timely policy calibration, strengthening portfolio control, regulatory compliance, and a strong risk-aware culture across the organization.

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 – Independently oversees risk frameworks, portfolio monitoring, and compliance, led by the Chief Risk Officer and thus ensures effective identification, assessment, mitigation and reporting of all the material risks persistent to the Company;
3) Third Line of Defence – Internal Audit ensuring independent review and validation.

The Integrated Risk Management Committee (IRMC) assists the Board in overseeing the effectiveness of the Company's risk management framework through periodic reviews. The Company also operates a structured Operational Risk Framework supported by Risk Control Self-Assessments (RCSA) to enable continuous identification and evaluation of emerging risks and 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

Critical and high-risk areas are escalated to appropriate forums to ensure timely oversight and resolution. This structured and disciplined risk management approach enables the Company to safeguard operations, ensure regulatory compliance, and support long-term resilience and sustainable growth.

The Company continues to place strong emphasis on prudent credit risk management through a comprehensive credit assessment and monitoring framework. This framework leverages a combination of demographic data, credit bureau information, and internal customer behaviour insights to track key risk indicators, including bounce rates, delinquency trends, and repayment behaviour.

Strengthening Digital Infrastructure for Sustainable Growth

During the year, the Company advanced its strategic focus on technology independence and scalability by reducing reliance on its existing IT vendor through localization of critical satellite systems and services. Key enterprise platforms, including SAS, SAP, Loxon, and Genesys, were successfully localized,

Subsequently, the Company initiated the transition of its core LOS and LMS platforms to a leading India-based partner to enhance localization and responsiveness, while retaining select proprietary modules to ensure continuity of critical functionalities. The Company also expanded its product portfolio with the launch of new secured lending products, including Two-Wheeler Loans and Loan Against Property.

Regulatory compliance remained a key focus area, with continued alignment to evolving guidelines issued by RBI, TRAI, and other regulatory authorities. The Company undertook several important initiatives, including the redesign of the customer risk categorization engine, enhancement of transparency through the introduction of SafePay as a standalone subscription, and the rollout of multilingual Key Fact Statement (KFS) documents to improve customer understanding and accessibility. Additionally, the Company ensured compliance with TRAI's regulations for service and transactional communications and redesigned the KYC process for field sales officers to enhance efficiency, accuracy, and compliance.

Operational resilience was maintained through high system uptime, supported by rigorous testing and quality assurance, positioning the Company for scalable and sustainable growth.

Looking ahead, the Company will continue to focus on enhancing system robustness, strengthening internal technological capabilities, and maintaining strict adherence to regulatory frameworks. These initiatives will further support operational excellence, improve scalability, and position the Company for sustained long-term growth.

Excelling in our Customer Experience Journey

The Company strengthened its customer experience framework under a "customer-first" approach, anchored on real-time feedback, proactive digital engagement, customer-led product enhancements, and expanded self-service capabilities. Advanced analytics and customer insights enabled targeted engagement, faster resolution, and improved service personalization.

Structured surveys across key touchpoints drove data-led process improvements, resulting in measurable gains in service quality.

Customer advocacy strengthened, while Merchant NPS increased from 43 to 55, reflecting deeper partner engagement. These outcomes underscore the effectiveness of the Company's feedback-driven approach and its continued focus on enhancing customer trust, loyalty, and long-term value creation.

Awards & Excellence

Our marketing initiatives earned significant industry recognition in FY26, with three prestigious awards underscoring the strength of our digital strategy and campaign-led storytelling. We were honored with 'Best Integrated Digital Campaign (NBFC)' at the Finixx – Digital & New Age Marketing Awards by Adgully, 'Most Effective Holiday, Seasonal and Festival Marketing' at The Pitch Finovate – BFSI Marketing Awards for our #ShandaarDiwali campaign, and 'Best Use of Social Media Marketing' at the ET BrandEquity Martech Awards 2025.

These accolades reaffirm our ability to develop insight-driven, culturally resonant campaigns that seamlessly blend creativity, technology, and relevance—driving meaningful engagement and strengthening our brand presence in a highly competitive landscape.

Elevating Brand Visibility and Engagement with Innovative Digital Strategies

The Company strengthened its digital and brand engagement ecosystem through an always-on, data-driven approach focused on relatable storytelling, financial empowerment, and two-way customer engagement. Interactive formats, festive campaigns, gamified initiatives, and fraud-awareness content helped deepen brand affinity, expand reach, and reinforce trust across digital platforms.

Dealer branding and network engagement remained a key growth lever, with enhanced visibility across 45,000+ dealer and partner locations nationwide. Sustainable branding assets, festive dealership activations, and permanent in-store visibility were complemented by structured dealer communication, recognition programs, and testimonial initiatives, strengthening partner engagement and productivity. New business expansions in Two-Wheeler Loans and LAP were supported through cohesive onboarding and branded partner enablement.

Media presence and thought leadership scaled significantly, with over 1,800 positive editorial stories generating ~₹20 crore AVE and reaching 95+ crore readers. Flagship research reports continued to drive national relevance, contributing to a Share of Voice exceeding 13% and strengthening the Company's positioning as a credible financial services thought leader.

Collectively, these initiatives reflect a year of consistent growth, creativity, and customer connection, reinforcing the Company's evolution as a digitally agile, customer-first, and responsible financial partner.

People Initiatives for Inclusivity and Accountability

During the year, the Company continued to strengthen an inclusive and engaging workplace, with employee engagement improving from 88% to 89%, supported by

structured initiatives aimed at fostering collaboration, participation, and a sense of belonging across locations. Employee benefits were enhanced through optimized tax structures and curated offerings, while process improvements, including refinement of the Approval Matrix, helped reduce cycle times without diluting governance standards. Further digitization across the employee lifecycle improved transparency, accessibility, and overall employee experience.

Collectively, these initiatives enhanced internal talent depth, improved performance alignment, and reinforced a culture of inclusion and accountability. Looking ahead, the Company remains focused on building a resilient, skills-first, and technology-enabled people ecosystem to support sustainable growth.

Key priorities for the coming year include:

- Advancing data-driven workforce planning and proactive people operations
- Strengthening leadership capability and succession pipelines
- Expanding learning interventions aligned with evolving business needs
- Enhancing technology-enabled processes for consistent employee experiences
- Sustaining engagement to support long-term retention and career growth

The Company remains committed to aligning its people practices with strategic priorities to support long-term organizational stability and growth.

Strengthening Our Workforce: Commitment to Employee Development and Well-being

The Company's people strategy remains aligned with its long-term growth objectives, with a continued focus on building a capable workforce, strengthening leadership depth, and fostering a culture anchored in performance, fairness, and accountability. During the year, Human Resources played a key role in supporting business expansion while reinforcing core processes to enable disciplined and sustainable scaling.

Enabling Business Growth and Talent Strength

Workforce planning and talent acquisition efforts were closely aligned with business requirements to ensure team readiness in line with launch timelines. Hiring processes were further strengthened to balance speed with quality, supporting expansion while maintaining role clarity and performance expectations.

The Company continued to prioritize internal talent development, with internal mobility recording encouraging progress during the year. Approximately 26% movement was recorded in frontline roles and 19% in management roles, reflecting the growing maturity of career pathways and reinforcing the Company's commitment to merit-based progression and leadership continuity.

Capability Building and Performance Alignment

Investment in learning and development remained a key focus area for company. Structured programs for first-time and aspiring managers were implemented to strengthen frontline supervision and managerial effectiveness. Performance management processes were further streamlined through digital enhancements and improved goal-alignment mechanisms. The introduction of quarterly performance-linked incentives strengthened accountability and reinforced the linkage between individual contributions and organizational objectives.

Leadership capability was further enhanced through the rollout of a flagship leadership development program, alongside the formal introduction of Group Values to establish a shared framework for conduct, collaboration, and decision-making across the organization.

Robust Asset Liability Management and Strategic Funding Performance

The Company operates a Board-approved Asset Liability Committee (ALCO) in line with RBI guidelines to oversee liquidity, funding, interest rate risk, and regulatory compliance. As of March 31, 2026, outstanding borrowings stood at INR 3,894 crore, with INR 950 crore raised during the year through long term instruments, reflecting strong lender confidence.

A diversified and long-standing lender base enabled customized funding solutions aligned with the Company's asset profile, supporting cost optimization and agility amid a challenging macro environment. The Company maintained a prudent ALM framework with positive cumulative mismatches across all maturity buckets and Liquidity Coverage Ratios consistently above regulatory requirements. All obligations were met on time, and collateral coverage remained adequate.

Capital strength was further enhanced through Tier I capital infusion, resulting in a Capital Adequacy Ratio of 30.7%, well above regulatory thresholds. Together, disciplined liquidity management, robust capitalization, and diversified funding position the Company for sustainable growth and resilience.

In a strong endorsement of its financial resilience and governance standards, the Company's credit rating was upgraded by Care Ratings and India Ratings 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 lending environment remains supportive, driven by policy stability, continued financial inclusion initiatives, and the critical role of NBFCs in serving underserved segments. Strong macro fundamentals—~7% GDP growth, moderating inflation, and a stable interest-rate environment—continue to support consumption, urbanization, and EMI affordability. Rapid digital adoption, UPI-led payments, and increasing use of AI/ML are further accelerating digital lending efficiency across underwriting and collections.

The Company continues to invest in employee capability-building and people-centric initiatives, fostering an agile and motivated workforce aligned with future growth ambitions. Looking ahead, the Company remains focused on ethical practices, quality-driven growth, strong asset quality and liquidity, improved 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.

3. SHARE CAPITAL

Capital Structure

The Authorised Share Capital of the Company as on March 31, 2026, 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 a total of 48,41,73,532/- equity shares having a face value of INR 10 per share at premium on Private Placement/ Preferential basis:

Date of Allotment	No. of shares Allotted	Premium per share
27/06/2025	11,67,31,518	2.85
26/09/2025	7,16,61,239	5.35
28/03/2026	29,57,80,775	12.99
Total	**48,41,73,532**	-

Consequent to the aforesaid allotments, the issued and paid-up Equity Share Capital as on March 31, 2026, stands at INR 16,15,97,93,210/- (One Thousand Six Hundred Fifteen Crores Ninety Seven Lakhs Ninety Three Thousand Two Hundred and Ten Only).

Further, as of March 31, 2026, 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.

4. DIVIDEND

During the current year, the Directors has not recommended any dividend for the year under review as the resources are required for the future growth of the Company.

5. 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. The Company has transferred an amount of INR 26.5 Crores to the above statutory reserve for the financial year ended March 31, 2026.

6. 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.

7. 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 80.39% 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.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors' Appointment / Re-appointment / Cessation

During the year under review, Mr. Chittranjan Dua was appointed as an Independent Director of the Company w.e.f 24th June 2025, pursuant to the approval of the Board of Directors and the shareholders at their respective meetings held on June 24, 2025.

Dr. Meena Hemchandra was appointed as an additional Independent Director of the Company by the Board in its meeting dated 15th December 2025, whose office is valid up to the date of upcoming Annual General Meeting ('AGM') of the Company. Therefore, the board of directors recommend the regularization of her appointment as 'Independent director' for the shareholders' approval in the upcoming AGM.

Mr. K Gopala Desikan continues to be a Non-executive Director of the Company.

Further, Mr. Balasubramanyam Sriram and Dr. Deepali Pant Joshi, Independent Directors resigned from the Board w.e.f 10th September 2025 and 06th November 2025 respectively and thereby ceased as a member of all the Committees of the Board in which they were nominated as a member.

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 considered 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, Dr. Meena Hemchandra 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 Chapter IV of the Reserve Bank of India (Non-Banking Financial Companies – Governance) Directions, 2025, 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 (IDs)

During the year under review, a separate meeting of IDs was held on 18th March 2026. All IDs were present, and they were enlightened about the objectives and process involved in evaluating the performance of the Board, Non-IDs, 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-ID, namely, Mr. K. Gopala Desikan (DIN: 00067107). IDs evaluated the performance of non-ID individually through a set of questionnaires. They reviewed the non-ID interaction during the Board/Committee meetings and thoughtful inputs given by him to improve risk management, internal controls, and contribution to the Company's growth. IDs were satisfied fully with the performance of non-ID.

b) 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 focused on the effectiveness of the Board's functioning and dynamics. The Board comprises Directors with a diverse range of skills, experience, and professional backgrounds, ensuring an appropriate balance of knowledge, perspectives, and independence. The composition of the Board reflects strong diversity, including representation from varied fields, particularly banking and finance. Based on the evaluation, the Board concluded that it is appropriately structured and well-balanced, with members possessing expertise across key functional areas such as Automotive, Leadership and Strategy, Finance, Legal and Regulatory, and Corporate Governance, thereby enabling effective oversight and decision-making.

IDs recorded that they were always kept involved through open and free discussions and provided additional input 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.

c) 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 input. The emerging technology was duly incorporated in the overall review of the Board.

d) 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 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. 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.

During the year, Mr. Vivek Singh was appointed as Chief Executive Officer of the Company w.e.f April 07, 2025, and there was no other change in the Key Managerial Personnel of the Company.

9. 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.

10. SECRETARIAL AUDITOR

The Board of Directors appointed M/s Anjali Yadav & Associates, Practicing Company Secretaries, as Secretarial Auditor of the Company for FY 2025-26 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.

11. 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, 2026, 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.

12. 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, 2026, shall be made available on the website of the Company and can be accessed at https://www.homecredit.co.in/en/corporate-governance.

13. 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 Integrated Risk Management Committee members with Chief Risk Officer without presence of Senior Management on a quarterly basis.
- Independent Discussions by the Audit Committee 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, 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.

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 Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025, forms part of the Corporate Governance Report.

Board Meetings

During the year under review, the Board met 9 (Nine) times on April 07, 2025, April 26, 2025, June 24, 2025, July 26, 2025, September 25, 2025, October 24 2025, December 15, 2025, January 22, 2026, and March 18, 2026. The gaps 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 Statutory 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 Key Managerial Personnel and 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.

14. RELATED PARTY TRANSACTIONS

The Company has framed policy on related party transactions in compliance with RBI directions.

During the FY 2025-26 all contracts/arrangements/transactions entered by your Company were on arms' length basis and in the ordinary course of business. During the FY 2025-26, 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.

15. 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.

16. 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 has 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 implemented to mitigate them.

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 framework is put in place to ensure adequate controls in business processes. Further, Risk and Control matrices 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 25-26.

17. INTERNAL AUDIT

The Audit Committee has approved a Risk Based Internal Audit ("RBIA") framework basis which Audit Plan is laid down every year. This 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 remedial actions in their respective areas and work towards closure of the audit observations. The key 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 remedial action 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 plan for the year, which is implemented after approval from the Audit Committee. The reports are reviewed by the Audit Committee of the Board. 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.

18. 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), the CSR arm of TVS Motor Company has been implementing various socio-economic development programs in thousands of villages across five states of India viz. Tamil Nadu, Karnataka, Andhra Pradesh, Maharashtra and Himachal Pradesh in the last 30 years.

SST follows an integrated, holistic and participatory approach to village development, working in close association with the communities and the Government. SST nudges communities to embrace practices towards a better quality of life by ensuring a participatory approach right from the stage of planning to execution of activities.

SST aim is to bring about sustainable development in villages through Total Community Involvement (TCI). SST focusses on society building through the development of women and children, conserving water, repairing and renovating government health and education infrastructure and preserving the environment in its 2500 working villages across the country.

SST has so far facilitated in the formation of over 5000 Self-Help Groups (SHGs) consisting of more than 60,000 women, who have been empowered both socially and economically. More than ₹150 crore of annual income is being generated by the women in Self-Help Groups by engaging in livelihood activities. During the year 2025-26, three SHGs facilitated by SST have been honoured with the prestigious Manimegalai Award by the Government of Tamil Nadu for empowering women and fostering economic growth.

For the financial year 2025-26, based on the recommendation of the CSR Committee, the Company contributed INR 2,25,00,000 /- (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.

19. VIGIL MECHANISM

The Company has implemented a comprehensive Vigil Mechanism Policy as part of its corporate governance framework to address instances of fraud, unethical conduct, or mismanagement, if any. The policy enables directors, employees, and other stakeholders to report genuine concerns in a secure and confidential manner, promotes transparency and adherence to the highest standards of professionalism, and provides adequate safeguards against victimization of whistleblowers. It further stipulates that any employee, officer, or director found in violation of the policy shall be subject to appropriate disciplinary action in accordance with the Company's internal policies and applicable laws.

20. 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.

The following is the summary of Sexual Harassment complaints received and disposed of during the year.

Particulars	No. of Complaints
Number of Complaints received during the financial year	4
Number of Complaints Resolved during the financial year	4
Number of Complaints pending at the end of the financial year	NIL

21. GENERAL DISCLOSURES

Significant/Material orders passed by the Regulator or Court or Tribunals:

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.

During the financial year 2025–26, the Company altered the Registered Office Clause of its Memorandum of Association for shifting its registered office from the National Capital Territory of Delhi to the State of Karnataka, in compliance with the provisions of Sections 12 and 13 of the Companies Act, 2013, read with the applicable rules. In this regard, the Company received the necessary approvals from the Reserve Bank of India (RBI) and the Regional Director, Ministry of Corporate Affairs. Consequent to the approval of the Regional Director, the Registrar of Companies issued the Certificate of Registration for Change of State, reflecting the new Corporate Identification Number (CIN), on March 26, 2026. Accordingly, the registered office of the Company was shifted to TVR Pride, No. 383, 16th Main, 3rd Block, Koramangala, Bengaluru – 560034, Karnataka.

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 2025-26, 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.

22. 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, 2026 (INR In Crores)	Year ended March 31, 2025 (INR In Crores)
1.	Expenditure in foreign currency*	181.53	266.68
2.	Earning in foreign currency	Nil	Nil

*Including Capex.

23. 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.

Details of the number of the employees as on the closure of Financial Year.

Number of Employees as on the 31st March, 2026 are as follows:

Particulars	No. of Employees
Female	1742
Male	9033
Transgender	0

24. 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.

25. CREDIT RATINGS

As on March 31, 2026, the Non-Convertible Debentures and other borrowings raised by the Company retained the below ratings:

Facility	Rating as at March 31, 2025		Rating as at March 31, 2026	
	CARE	India Ratings	CARE	India Ratings
Non-Convertible Debentures	-	IND BBB+/ Rating watch with Developing Implications	-	Withdrawn
Other Borrowings				
Long term bank facilities	CARE AA-; Stable	-	CARE AA/ Stable	-
Short term Debt/ Commercial Paper	-	IND A2+/ Rating watch with Developing Implications	-	IND A1+
Bank Loans	-	IND BBB+/ Rating watch with Developing Implications	-	IND AA/Stable

The Company has duly made the intimation regarding change in credit rating to RBI within the stipulated time.

26. 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.

27. 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.

28. COMPLIANCE WITH REGULATIONS/ DIRECTIONS OF RESERVE BANK OF INDIA APPLICABLE TO NON-BANKING FINANCIAL COMPANIES

The Company has complied with and shall continue to ensure compliance with the applicable regulations, directions and other instructions issued by RBI. It continues to adhere to all the applicable norms and standards prescribed under the Master Directions, Circulars and other Guidelines, as amended from time to time, issued by the Department of Non-Banking Supervision and the Department of Regulation of RBI under the SBR Framework.

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 RBI concerning income recognition, provisioning for non-performing assets, and capital adequacy. As of the reporting period, the capital adequacy ratio stands at 30.66%, exceeding the RBI's minimum requirement of 15%, demonstrating the Company's strong financial position.

29. COMPLIANCE WITH MATERNITY BENEFIT ACT, 1961.

During the year under review FY26, the Company has duly complied the applicable provisions of the Maternity Benefit Act, 1961.

30. 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. Mr K E Ranganathan
Director
DIN: 00058990

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 Statutory 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, 2026, 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, 2026, 09 (Nine) meetings of the Board of Directors were held (i.e., on 07.04.2025, 26.04.2025, 24.06.2025, 26.07.2025, 25.09.2025, 24.10.2025, 15.12.2025, 22.01.2026 and 18.03.2026). 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, 2026, 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 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 (in INR Lakhs)	Commission	
1.	K Gopala Desikan	03/02/2025	Non- Executive Director	00067107	09	08	22	-	-	-	Nil
2.	Balasubramanyam Sriram*	03/02/2025	Independent Director	02993708	09	04	06	-	2.2	-	Nil
3.	Dr. Deepali Pant Joshi**	03/02/2025	Independent Director	07139051	09	06	08	-	3.6	-	Nil
4.	Kunnawalkam Elayavalli Ranganathan	03/02/2025	Independent Director	00058990	09	09	05	-	5.6	-	Nil
5.	Chittranjan Dua	24/06/2025	Independent Director	00036080	09	05	11	-	1.6	-	Nil
6.	Dr. Meena Hemchandra	15/12/2025	Additional Independent Director	05337181	09	02	03	-	2.0	-	Nil

** Resigned with effect from September 10, 2025*
*** Resigned with effect from November 06, 2025*

Changes in the Board of Directors during the FY 2025-26:

During the FY 2025-26, 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. Chittranjan Dua	Additional Independent Director	Appointment subject to approval of shareholders	June 24, 2025
2.	Mr. Chittranjan Dua	Independent Director	Appointment regularization by shareholders	June 24, 2025
3.	Mr. Balasubramanyam Sriram	Independent Director	Resignation	September 10, 2025
4.	Dr. Deepali Pant Joshi	Independent Director	Resignation	November 06, 2025
5.	Dr. Meena Hemchandra	Additional Independent Director	Appointment subject to approval of shareholders	December 15, 2025

Detailed reasons for the resignation of an Independent Director who resigns before the expiry of his tenure:

Due to pre-occupations and other personal reasons, Mr. Balasubramanyam Sriram, and to pursue other interests, Dr. Deepali Pant Joshi, Independent Directors of the Company, tendered their resignations from the directorship with effect from September 10, 2025, and November 06, 2025, respectively.

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 following Statutory 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 Terms of Reference ("TOR") of Audit Committee inter-alia provides for the following key responsibilities of Committee:

- 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.
- To review and audit the working of the management of the company in terms of the profitability, cost control and performance of credit exposures.
- To review and approve the Annual Plans before it is placed before the Board.
- To review with the management the quarterly and annual financial statements before submission to the Board, focusing, primarily on the following as may be applicable.
- Accounting policies and practices followed and any deviations or changes with reference to the earlier policies and practices.
- Major accounting entries based on exercise of judgment by management.
- Qualifications in draft audit report.
- Significant adjustments arising out of audit.
- The going concern assumption.
- compliance with accounting standards.
- Compliance with the legal requirements concerning financial statements.
- Any related party transaction i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the company at large.
- To recommend to the Board of Directors the appointment, including the fillings of a casual vacancy, remuneration and terms of appointment of external and internal auditors of the Company.
- To review with the management, reports of external and internal auditors and evaluate the adequacy of internal financial control and the risk management systems.
- Discussion with external auditors before the audit commences nature and scope of audit as well as have post audit discussion to ascertain any area of concern.
- To review the company's financial and risk management policies.
- 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),
- To provide any clarification on matters relating to audit in the Annual General Meeting.
- 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.
- 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.
- To scrutinize the inter-corporate loans and investments of the Company.
- To review quarterly audit notes and compliances with respect to the KYC Policy of the Company.
- To approve adjustments if any, to the model output (i.e., a management overlay) of the Expected Credit Loss (ECL) Model
- To take note of the ageing analysis of the entries pending reconciliation with outsourced vendors of cash management.
- 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.
- 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.
- 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.
- To approve the Risk Based Internal Audit (RBIA) plan and review the performance of Risk Based Internal Audit (RBIA).
- 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.
- All other roles/responsibilities of audit committee as specified in Section 177 and other applicable provisions of Companies Act, 2013, Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, Master Direction - Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016 and Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices.

Composition of the Audit Committee and details of meeting held:

During the FY 2025-26, the Committee met 6 (Six) times on April 26, 2025, June 24, 2025, July 26, 2025, October 24, 2025, January 22, 2026 and March 18, 2026. The composition of the Committee and attendances of the Members at the meetings of the Committee held during the year are as follows:

Sl. 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. Balasubramanyam Sriram*	February 03, 2025	Independent Director	6	3	Nil
2.	Mr. K Gopala Desikan	February 03, 2025	Non- Executive Director	6	6	Nil
3.	Mr. Kunnawalkam Elayavalli Ranganathan	February 03, 2025	Independent Director	6	6	Nil
4.	Dr. Deepali Pant Joshi**	October 11, 2025	Independent Director	6	1	Nil
5.	Dr. Meena Hemchandra	January 09, 2026	Additional Independent Director	6	2	Nil

* Ceased to be the member of the Committee with effect from September 10, 2025.

**Ceased to be the member of the Committee with effect from November 06, 2025.

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 Terms of Reference ("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 2025-26, the Committee met 4 (Four) times on April 07, 2025, April 26, 2025, June 24, 2025, and December 15, 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.	Dr. Deepali Pant Joshi*	February 03, 2025	Independent Director	4	3	Nil
2.	Mr. Balasubramanyam Sriram**	February 03, 2025	Independent Director	4	3	Nil
3.	Mr. K Gopala Desikan	February 03, 2025	Non- Executive Director	4	3	Nil
4.	Mr. Kunnawalkam Elayavalli Ranganathan	December 04, 2025	Independent Director	4	1	Nil
5.	Mr. Chittranjan Dua	December 04, 2025	Independent Director	4	1	Nil

* Ceased to be the member of the Committee with effect from November 06, 2025.

** Ceased to be the member of the Committee with effect from September 10, 2025.

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:

a) Formulate and recommend to the Board, the Corporate Social Responsibility Policy and the activities to be undertaken by the Company.

b) Recommend the amount of expenditure to be incurred on CSR activities.

c) Monitor the Corporate Social Responsibility Policy from time to time.

d) Monitor the annual action plan and progress of the activities undertaken; including utilisation of amounts disbursed, on periodic basis.

e) Review the Impact Assessment Reports undertaken through independent agencies, if applicable and present the same before the Board.

f) Review and recommend to the Board, the Annual Report on CSR activities including responsibility statement which is required to be included in the Boards' Report of the Company

g) Discharge such duties and functions as indicated in the section 135 of the Companies Act, 2013 and Rules made thereunder from time to time and such other functions as may be delegated to the Committee by the Board from time to time.

Composition of the CSR Committee and details of meeting held:

During the FY 2025-26, the Committee met 1 (One) time on April 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:

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.	Dr. Deepali Pant Joshi*	February 03, 2025	Independent Director	1	1	Nil
2.	Mr. Kunnawalkam Elayavalli Ranganathan	February 03, 2025	Independent Director	1	1	Nil
3.	Mr. K Gopala Desikan	February 03, 2025	Non- Executive Director	1	1	Nil
4.	Dr. Meena Hemchandra	January 09, 2026	Additional Independent Director	1	0	Nil

** Ceased to be the member of the Committee with effect from November 06, 2025.*

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:

- 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 upto the limits delegated by the Board.
- Approve and review ALCO policy and its amendments.
- 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
- Review repayment, refinancing of maturing debt liabilities
- All other roles/responsibilities of ALCO as specified in Master Direction – Reserve Bank of India (Non-Banking Financial Company– Scale Based Regulation) Directions, 2023.

Composition of the Asset Liability Committee (ALCO) and details of meeting held:

During the FY 2025-26, the Committee met 4 (Four) times on June 24, 2025, September 25, 2025, December 15, 2026, and March 18, 2026. 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.	Dr. Deepali Pant Joshi*	February 03, 2025	Independent Director	4	2	Nil
2.	Mr. Balasubramanyam Sriram**	February 03, 2025	Independent Director	4	1	Nil
3.	Mr. K Gopala Desikan	February 03, 2025	Non- Executive Director	4	4	Nil
4.	Mr. K E Ranganathan	September 25, 2025	Independent Director	4	3	Nil
5.	Dr. Meena Hemchandra	December 15, 2025	Additional Independent Director	4	2	Nil

** Ceased to be the member of the Committee with effect from November 06, 2025.*

*** Ceased to be the member of the Committee with effect from September 10, 2025.*

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, 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 and approve risk management policy.
- To approve and review Risk Management framework inter alia approving Risk rating criteria and review of key risks along with mitigants and Risk register.
- To review and govern the functions of the sub-committee on matters related to operational risk, outsourcing, 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.
- To focus on identification, measurement, monitoring, and management of risks, development of risk policies and procedures, use of risk management models, etc.
- 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.
- To perform such other functions as may be assigned from time to time under the Company risk policies, guidelines and procedures within the overall risk management framework of the Company.
- All other roles/responsibilities of Risk Management Committee as specified SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015, Master Direction – Reserve Bank of India (Non-Banking Financial Company– Scale Based Regulation) Directions, 2023 and other Circulars/Directions of Reserve Bank of India as applicable to NBFCs.

Composition of the Integrated Risk Management Committee (IRMC) and details of meeting held:

During the FY 2025-26, the Committee met 4 (Four) times on April 25, 2025, July 26, 2025, October 24, 2025, and January 22, 2026. 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	
	Mr. K Gopala Desikan	February 03, 2025	Non- Executive Director	4	3	Nil
	Dr. Deepali Pant Joshi*	February 03, 2025	Independent Director	4	3	Nil
	Mr. Kunnawalkam Elayavalli Ranganathan	February 03, 2025	Independent Director	4	3	Nil
	Dr. Meena Hemchandra	January 09, 2026	Additional Independent Director	4	1	Nil

** Ceased to be the member of the Committee with effect from November 06, 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 and ensure that the IT delivers value to the business.
- Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources.
- 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.
- 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.

Composition of the IT Strategy Committee and details of meeting held:

During the FY 2025-26, the Committee met 4 (Four) times on June 24, 2025, September 25, 2025, December 15, 2025, and March 18, 2026. 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	Dr. Deepali Pant Joshi*	February 03, 2025	Independent Director	4	2	Nil
2.	Mr. K Gopala Desikan	February 03, 2025	Non- Executive Director	4	4	Nil
3.	Mr. Kunnawalkam Elayavalli Ranganathan	February 03, 2025	Independent Director	4	4	Nil
4.	Dr. Meena Hemchandra	December 15, 2025	Additional Independent Director	4	2	Nil

** Ceased to be the member of the Committee with effect from November 06, 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.
- Review of 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.
- Review of the cases in which the decision of the Internal Ombudsman has been rejected by the Company
- Review of 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 2025-26, the Committee met 4 (Four) times on May 23, 2025, August 06, 2025, November 19, 2025 and February 17, 2026. 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. Vivek Singh	April 26, 2025	Chief Executive Officer	4	4	Nil
2.	Ms. Harshita Uppal*	April 23, 2024	Chief People Officer	4	1	Nil
3.	Mr. Ashish Tiwari#	April 23, 2024	Chief Marketing Officer and Chief People Officer#	4	4	Nil
4.	Mr. Anirban Majumder	April 23, 2024	Chief Financial Officer	4	2	Nil
5.	Ms. Esha Pruthi	April 23, 2024	Chief Legal Officer	4	4	Nil
6.	Mr. Sameer Katdare	April 23, 2024	Chief Risk Officer	4	2	Nil
7.	Mr. Bhrigu Sehgal	September 25, 2025	Chief Sales Officer	4	1	Nil

** Ceased to be the member of the Committee with effect from September 25, 2025.*
 # Post resignation of Ms. Harshita Uppal, Mr. Ashish Tiwari has additionally undertaken the role & responsibilities of Chief People Officer of the Company.

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. 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 2025-26, the Committee met 4 (Four) times on April 17, 2025, July 11, 2025, October 09, 2025 and January 09, 2026. 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. Vivek Singh	April 26, 2025	Chief Executive Officer	4	3	Nil
2..	Mr. Sameer Katdare	November 20, 2024	Chief Risk Officer	4	4	Nil
3.	Mr. Anirban Majumder	November 20, 2024	Chief Financial Officer	4	4	Nil
4.	Mr. Vikas Aggarwal	November 20, 2024	Head- Finance Controller and Tax	4	0	Nil
5.	Ms. Niti Bansal	November 20, 2024	Senior Vice President- Anti Fraud	4	4	Nil
6.	Mr. Sangram Sanjay Salunke	November 20, 2024	Chief Information Security Officer	4	3	Nil
7.	Mr. Rajan Kumar Singh	November 20, 2024	Senior Manager- Vigilance	4	4	Nil

9. Independent Directors Meeting

In compliance with Schedule IV of the Act, the Independent Directors held their separate meeting on March 18, 2026, 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.

All the Independent Directors were present at the meeting. The Independent Directors present at the meeting elected Mr. Chittranjan Dua as the Lead Independent Director for the meeting, deliberated on the above and expressed their satisfaction on all matters.

III. General Body Meetings

During the FY 2025-26, five shareholder's meeting were held on June 24, 2025, July 26, 2025, September 25, 2025, November 12, 2025 and March 25, 2026. 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.	Extraordinary General Meeting	June 24, 2025 Audio Visual Mode	➢ To issue Equity Shares on Private Placement / Preferential Basis. ➢ To appoint Mr. Chittranjan Dua (DIN: 00036080) as an Independent Director of the Company.
2.	Annual General Meeting	July 26, 2025 Audio Visual Mode	No Special Resolution passed.
3.	Extraordinary General Meeting	September 25, 2025 Audio Visual Mode	To issue Equity Shares on Private Placement / Preferential Basis
4.	Extraordinary General Meeting	November 12, 2025 Registered Office (Delhi, India)	Shifting of the Registered Office of the Company from "National Capital Territory of Delhi" to the State of Karnataka."
5.	Extraordinary General Meeting	March 25, 2026 Registered Office (Bangalore, India)	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 2025-26, 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 2025-26 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.	Dr. Deepali Pant Joshi*	Independent Director	1	1
2.	Mr. Kunnawalkam Elayavalli Ranganathan	Independent Director	1	1
3.	Mr. K Gopala Desikan	Non- Executive Director	1	1
4.	Dr. Meena Hemchandra	Additional Independent Director	1	0

** Ceased to be the member of the Committee with effect from November 06, 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
4.	(a) Average net profit of the company as per sub-section (5) of section 135.	INR 1,12,17,76,936
	(b) Two percent of average net profit of the company as per sub-section (5) of section 135 of the Companies Act, 2013	INR 2,24,35,539
	(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.	INR 19,626
	(e) Total CSR obligation for the financial year [5(b)+5(c)-5(d)].	INR 2,24,15,913
6.	(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).	INR 2,25,00,000
	(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 2,25,00,000
	(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 2,25,00,000	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.)
	Two percent of average net profit of the company as per sub-section (5) of Section 135 of Companies Act, 2013	2,24,35,539
i	Total amount spent for the Financial Year	2,25,00,000
ii	Excess amount spent for the Financial Year (A) [(ii)-(i)]	64,461
iii	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
iv	Amount available for set off in succeeding Financial Years [(iii)-(iv)+ 19,626]*	84,087

**Including excess amount of INR 19,626 carried forward for set off from preceding F.Y 24-25.*

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 27, 2026

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2026

[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,
TVR Pride, No. 383, 16th Main, 3rd Block,
Koramangala, Bangalore South,
Karnataka-560034

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: U65910KA1997PTC218378) (hereinafter called **"the Company"**). Secretarial Audit was conducted in a manner that provided us with 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, 2026 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 March 31, 2026, 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 Byelaws 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) - **Not applicable to the Company during the audit period**

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

   a) The Securities and Exchange Board of India (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) – **To the extent 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 & Committee 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:

The Company increased its paid-up share capital through preferential allotment of equity shares, pursuant to approval obtained from the shareholders. The details of preferential allotments made during the year is as detailed below:

S.No	Number of securities allotted	Amount of per Securities Allotted	Paid-Up Share Capital of the Company after Allotment	Date of Shareholders Approval	Date of Allotment by the Securities Allotment and Banking Relationship Committee of the Board	Type of Security	Type of Allotment
1.	116731518	Issue price of ₹12.85/- per equity shares (₹10/- Face Value and ₹2.85/-Premium Amount)	₹12,48,53,73,070/-	June 24, 2025	June 27, 2025	Equity Shares	Preferential Allotment
2.	71661239	Issue price of ₹15.35/- per equity shares (₹10/- Face Value and ₹5.35/-Premium Amount)	₹13,20,19,85,460/-	September 25, 2025	September 26, 2025	Equity Shares	Preferential Allotment
3.	295780775	Issue price of ₹22.99/- per equity shares (₹10/- Face Value and ₹12.99/-Premium Amount)	₹16,15,97,93,210/-	March 25, 2026	March 28, 2026	Equity Shares	Preferential Allotment

Following changes took place in respect to the Composition of Board of Directors and Key Managerial Personnel ("KMP") of the Company:

S. No.	Name of Director/KMP	Designation	Nature of change (Appointment/ Resignation/ Regularization)	Effective date
1	Mr. Vivek Singh	Chief Executive Officer (KMP)	Appointment	April 07, 2025
2	Mr. Chittranjan Dua	Additional Independent Director (Non-Executive)	Appointment	June 24, 2025
3	Mr. Chittranjan Dua	Independent Director (Non-Executive)	Regularization	June 24, 2025
4	Mr. Balasubramanyam Sriram	Independent Director (Non-Executive)	Resignation	September 10, 2025
5	Dr. Deepali Pant Joshi	Independent Director (Non-Executive)	Resignation	November 06, 2025
6	Dr. Meena Hemchandra	Additional Independent Director (Non-Executive)	Appointment	December 15, 2025

3. The Company has altered the Registered Office Clause of its Memorandum of Association for shifting its Registered Office from the "National Capital Territory of Delhi" to the "State of Karnataka", in compliance with Sections 12 and 13 of the Companies Act, 2013 read with the applicable rules. Pursuant to the approval of the Regional Director, the Registrar of Companies issued the Certificate of Registration for change of State, containing the new Corporate Identification Number (CIN), on March 26, 2026.

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.

Anjali Yadav & Associates
Company Secretaries

Anjali Yadav
Proprietor
FCS No.: 6628
C P No.:7257
UDIN: F006628H000151401
PR Unique Code: S2006DE715800
PR Certificate No.: 6284/2025

Place: New Delhi
Date: April 20, 2026

Annexure A

To,
The Members,
TVR Pride, No. 383, 16th Main, 3rd Block,
Koramangala, Bangalore South,
Karnataka-560034

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.

Anjali Yadav & Associates
Company Secretaries

Anjali Yadav
Proprietor
FCS No.: 6628
C P No.:7257
UDIN: F006628H000151401
PR Unique Code: S2006DE715800
PR Certificate No.: 6284/2025

Place: New Delhi
Date: April 20, 2026

Independent Auditor's Report

To The Members of Home Credit India Finance Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Home Credit India Finance Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including 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 ("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"), the circulars, guidelines and directions issued by Reserve Bank of India ("RBI") from time to time ("RBI Guidelines") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, the **profit** and total comprehensive income, changes in equity and its cash flows 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 (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (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 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 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 preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon. The Board's Report 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 during the course of our audit or otherwise appears to be materially misstated.

When we read the Board's Report, if we conclude that, there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibility of Management & 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 Ind AS and other accounting principles generally accepted in India and RBI guidelines. 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.

Those 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 judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls 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 **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

2A. As required by Section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except that till December 14, 2025, daily backup of the books of accounts and other records and papers maintained in electronic mode has not been maintained on servers physically located in India as per the requirement of Section 128 of the Companies Act 2013.

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 relevant books of account.

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 March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act.

g) 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".**

2B. 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:

a) The Company has disclosed the impact of pending litigations on its financial position in its financial statements [Refer Note No. 33.1 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 [Refer Note No. 45(xv) to the financial statements].

c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d) i. The Management has represented that to the best of its knowledge & belief, the Company has not advanced, loaned or invested any funds (either from borrowed funds or share premium or any other sources or kind of funds) in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

ii. The Management has represented that to the best of its knowledge & belief, the Company has not received any funds from any persons or entities 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.

iii. Based on such audit procedures 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) & (ii) of Rule 11(e), as provided under (i) & (ii) above, contain any material misstatement.

e) The Company has not declared or paid 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 respective 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 statutory requirements for record retention.

In our opinion and according to the information and explanation given to us, since the company has not paid any remuneration to its directors during the year, reporting under section 197(16) is not applicable.

For S.R Dinodia & Co. LLP
Chartered Accountants,
Firm Registration Number: 001478N/N500005

(Sandeep Dinodia)
Partner
Membership Number: 083689
UDIN: 26083689FVLYOX6778

Place of Signature: Gurugram
Date : April 27, 2026

Annexure 'A' to the Independent Auditors' Report of even date on the financial statements of Home Credit India Finance Private Limited

The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2026, we report that:

i) In respect of Property, Plant and Equipment:

a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant and Equipment.

(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 Property, Plant and Equipment are verified once in three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, Property, Plant and Equipment were verified during the financial year ended March 31, 2026 and according to the information and explanation given to us, no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds of all the immovable properties as disclosed in the financial statements are held in the name of the Company. In respect of leasehold immovable properties, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

d) According to the information and explanations given to us and the records examined by us, the Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year. Accordingly, the provisions of clause 3(i)(d) of the Order are not applicable.

e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder. Accordingly, the provisions of clause 3(i)(e) of the Order are not applicable.

a) According to the information and explanations given to us, the Company does not have any inventory. Accordingly, the provisions of clause 3(ii)(a) of the Order are not applicable.

b) According to the information and explanations given to us and the records examined by us, during the year, the Company has been sanctioned working capital limits in excess of ₹ five crore, in aggregate, from banks and financial institutions on the basis of security of current assets. According to the information and explanations given to us, the quarterly statements filed by the Company with such banks and financial institutions are materially in agreement with the books of account of the Company as disclosed in Note No 45(i) to the financial statements.

iii) In respect of investments in, guarantee or securities provided, granting of loans or advances in the nature of loans, secured or unsecured, to companies, firms and limited liability partnerships (LLP's) or any other parties;

a) The Company is a Non-Banking Financial Company (NBFC-ICC). Its principal business is to grant loans. Accordingly, the provision of clause 3(iii)(a) of the Order is not applicable.

b) As the Company has neither made any investment nor provided any guarantee or securities to companies, firms and limited liability partnerships (LLP's) or any other parties. Accordingly, the provision of clause 3(iii)(b) of the Order is not applicable.

c) In respect of loans granted, according to the information and explanations given to us and based on the audit procedures performed by us, the schedule of repayment of principal and payment of interest has been stipulated and repayments/receipts of the principal amount and the interest are regular, except for following wherein the repayment(s)/receipt(s) of the principal amount and the interest are not regular;

(Amount in ₹ crores)

Loan Category	Extent of delay	No. of cases	Principal Overdue	Interest Overdue*	Total Overdue**
Consumer durable loans	1-90 days	114098	38.37	2.93	41.30
	Beyond 90 days	62708	43.82	3.22	47.04
Personal loans	1-90 days	37130	14.69	7.40	22.09
	Beyond 90 days	28413	28.14	14.74	42.88
Two-Wheeler	1-90 days	23	0.00	0.00	0.00

* The above amounts are inclusive of fees income.
**The above amounts are before adjustment of loan acquisition costs and related income to arrive at EIR method. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an item-wise list of loan assets where delinquencies in the repayment of principal and interest have been identified.

d) According to the information and explanations given to us and based on the audit procedures performed by us, the total amount which is overdue for more than 90 days in respect of loans and advances in the nature of loans granted is as follows-

(Amount in ₹ crores)

Loan Category	Extent of delay	No. of cases	Principal Overdue	Interest Overdue*	Total Overdue**
Consumer durable loans	Beyond 90 days	62708	43.82	3.22	47.04
Personal loans	Beyond 90 days	28413	28.14	14.74	42.88

* The above amounts are inclusive of fees income.
**The above amounts are before adjustment of loan acquisition costs and related income to arrive at EIR method. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an item-wise list of loan assets where delinquencies in the repayment of principal and interest have been identified.

Reasonable steps are being taken by the Company for recovery of principal and interest.

e) The Company is a NBFC - ICC & its principal business is to grant loans. Accordingly, the provision of clause 3(iii)(e) of the Order is not applicable.

f) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the Company has not granted any loans or advances in the nature of loans, which are either repayable on demand or without specifying any terms or period of repayment.

iii) In our opinion and according to the information and explanations given to us, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.

iv) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year and had no unclaimed deposits at the beginning of the year within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

v) On the basis of available information and explanation provided to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Amendment Rules, 2014 dated December 31, 2014 (as amended from time to time) to the current operations carried out by the Company. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

vi) In respect to statutory dues:

a) On the basis of available information and explanation provided to us, the Company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, cess and any other material statutory dues applicable to it with the appropriate authorities. Further, there were no undisputed outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date, they became payable.

b) According to the records of the Company examined by us and the information and explanations given to us, there were no dues in respect of statutory dues referred to in sub-clause (vii) (a) above that have not been deposited with the appropriate authorities on account of any dispute except the following:

Name of the statute	Nature of dues	Amount (₹ in Crores)	Amount paid under Protest (₹ in Crores)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	6.45*	-	A.Y. 2016-17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	TDS	6.31	-	A.Y. 2019-20	Commissioner of Income Tax (Appeals)
Haryana Goods & Service Tax	GST	14.22	-	Various assessment years	High Court, Punjab and Haryana.
Delhi Goods & Service Tax	GST	2.24	0.11	FY-2018-19	Appeal filed JCIT (A), Central GST & Central Excise-Delhi
Maharashtra Goods & Service Tax	GST	1.36	0.10	FY-2018-19	Appeal to be filed at GST Appellate Tribunal
Delhi Goods & Service Tax	GST	1.42	0.08	FY-2020-21	JC(A), Central GST & Central Excise, Division – VII, Central GST & Central Excise-Delhi
Maharashtra Goods & Service Tax	GST	0.19	0.02	FY-2019-20	Appeal to be filed at GST Appellate Tribunal
Karnataka Goods & Service Tax	GST	0.13	0.01	FY-2021-22	JC(A), Central GST & Central Excise, Bangalore
Delhi Goods & Service Tax	GST	0.94	0.05	FY-2021-22	JC (A), Central GST & Central Excise-Delhi
Maharashtra Goods & Service Tax	GST	0.19	0.01	FY-2021-22	JC(A), Central GST & Central Excise, Navi Mumbai.

* As per the order, Nil demand was raised by the Income Tax Department, since the company had tax losses in the A.Y. 2016-17. However, since carried forward losses have been utilized by the company in the subsequent years against the taxable income, potential tax amount on the disputed amount is disclosed in the table above.

Note: The above-said table does not include the following amounts, where appeal effect order is yet to be received from the income tax authority but due to available carried forward losses of relevant assessment years, the Company do not foresee the cash outflow:

Name of the statute	Nature of dues	Amount (₹ in Crores)	Period to which the amount relates	Remarks
Income Tax Act, 1961	Income Tax	1.39	AY. 2018-19	ITAT order received. (Order giving effect to be passed by tax officer)
Income Tax Act, 1961	Income Tax	0.64	A.Y. 2022-23	Pending before Income Tax Appellate Tribunal.
Income Tax Act, 1961	Income Tax	47.98	A.Y. 2023-24	Draft Order u/s 144C(1) of the Income-tax Act 1961. Appeal filed to DRP.

vii) According to the information and explanations given to us and the records examined by us, there were no unrecorded transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

viii) In respect of loans or other borrowings taken during the year by the Company, according to the information and explanations given to us and audit procedures performed by us:

a) No default made by the Company in repayment of loans or other borrowings or in the payment of interest thereon during the year.

b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

c) Term loan taken has been applied for the purpose for which the loans were obtained.

d) No funds raised on short-term basis have been used for long-term purposes by the Company.

e) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, the provisions of clause 3(ix)(e) of the Order are not applicable.

f) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, the provisions of clause 3(ix)(f) of the Order are not applicable.

ix) In respect of moneys raised by the Company through issue of shares & debt instruments:

a) During the year, the Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable.

b) According to the information and explanations given to us, during the year, the Company has made private placement/preferential allotment of shares. In respect of the same, in our opinion, the Company has complied with the requirement of relevant provisions of the Act and the Rules framed there under. Further, in our opinion, the funds so raised have been used for the purposes for which the funds were raised. During the year, the Company did not make preferential allotment/ private placement of convertible debentures (fully, partially or optionally convertible).

c) As per the information and explanations given to us on our enquiries on this behalf, no fraud of material significance on or by the Company has been noticed or reported during the year.

d) In our opinion and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed during the year and up to the date of this report in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

e) Considering the principles of materiality outlined in the Standards on Auditing, we have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

x) The Company is not a Nidhi company. Accordingly, provisions of clause 3(xii)(a) to (c) of the Order are not applicable.

xi) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

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) We have considered the internal audit reports of the Company issued till date, for the period under audit.

xii) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act. Accordingly, provisions of clause 3(xv) of the Order are not applicable.

xiii) In respect of registration with Reserve Bank of India, according to the information and explanations given to us and audit procedures performed by us

a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) and such registration has been obtained by the Company.

b) The Company is holding a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, provisions of clause 3(xvi)(c) of the order are not applicable.

d) According to the information and explanations given to us, the Group doesn't have more than one CIC as part of the Group. Accordingly, provisions of clause 3(xvi)(d) of the order are not applicable.

xiv) According to the information and explanations given to us, the Company has neither incurred any cash losses in the current financial year nor in the immediately preceding financial year.

xv) There has been no resignation of the statutory auditors during the year. Accordingly, provisions of clause 3 (xviii) of the order are not applicable.

xvi) According to the information and explanations given to us and 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, 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.

xvii) In respect of Corporate Social Responsibility, according to the information and explanations given to us and audit procedures performed by us:

a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring to be transferred to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of section 135 of the said Act. Accordingly, provisions of clause 3 (xx) (a) of the Order are not applicable.

b) There are no ongoing CSR projects under sub-section (6) of section 135 of the said Act. Accordingly, provisions of clause 3 (xx) (b) of the Order are not applicable.

xviii) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For S.R Dinodia & Co. LLP
Chartered Accountants,
Firm Registration Number: 001478N/N500005

(Sandeep Dinodia)
Partner
Membership Number: 083689
UDIN: 26083689FVLYOX6778

Place of Signature: Gurugram
Date: 27.04.2026

Annexure 'B' to the Independent Auditors' Report of even date on the Financial Statements of Home Credit India Finance Private Limited

The Annexure referred to in paragraph 2A(g) under 'Report on Other Legal and Regulatory Requirements' section of Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2026.

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 financial statements of Home Credit India Finance Private Limited **("the Company")** as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls 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

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the internal financial 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.

For S.R Dinodia & Co. LLP
Chartered Accountants,
Firm Registration Number: 001478N/N500005

(Sandeep Dinodia)
Partner
Membership Number: 083689
UDIN: 26083689FVLYOX6778

Place of Signature: Gurugram
Date: 27.04.2026

INDEPENDENT AUDITOR'S ADDITIONAL REPORT TO THE BOARD OF DIRECTORS UNDER MASTER DIRECTION DNBS. PPD.03/66.15.001/2016-17 DATED SEPTEMBER, 2016 [NON- BANKING FINANCIAL COMPANIES AUDITOR'S REPORT (RESERVE BANK) DIRECTIONS, 2016]

To,

The Board of Directors

Home Credit India Finance Private Limited

3rd Floor, Tower-C, DLF Infinity Towers,

DLF Cyber City, Phase-II,

Gurugram, Haryana-122002

1. This report is issued in accordance with the requirements of Chapter II of Master Direction - Non-Banking Financial Companies Auditors Report (Reserve Bank)

   Directions, 2016.

2. We have audited the accompanying financial statements of **Home Credit India Finance Private Limited** (hereinafter referred to as the "Company") comprising Balance Sheet as at March 31, 2026 and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, on which we have issued our report dated April 27, 2026.

Management Responsibilities for the Financial Statements

3. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these financial statements to 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 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. 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.

4. The Management is also responsible for compliance with the Reserve Bank of India Act, 1934 and other relevant Reserve Bank of India (hereinafter RBI or Bank) circulars and guidelines applicable to Non-Banking Financial Companies, as amended from time to time, and for providing all the required information to RBI.

Auditor's Responsibility

5. Pursuant to the requirements of Para 3 of chapter II of Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016, it is our responsibility to examine the audited financial statement of the Company for the year ended March 31, 2026 and report on the matters specified in the Directions to the extent applicable to the Company.

6. The financial statements referred to in paragraph 5 above, have been audited by us on which we issued an unmodified audit opinion vide our report dated April 27, 2026. Our audit of these financial statements were conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

7. We conducted our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

9. Based on our examination of the audited financial statements of the Company for the year ended March 31, 2026 as produced for our examination and the information and explanations given to us, we report that:

Para A of the Directions

i. The Company is engaged in the business of non-banking financial activity (not accepting or holding public deposits) and meeting the Principal Business Criteria (Financial asset/income pattern) as prescribed by RBI. Further, pursuant to Section 45-IA of the RBI Act, the Company has obtained certificate of registration No. B-14.03292 from Reserve Bank of India ('RBI') dated October 25, 2013.

ii. The Company is entitled to continue to hold such 'CoR' as on March 31, 2026 in terms of its Principal Business Criteria (Financial asset/income pattern).

iii. The Company has met with the required Net Owned Funds requirement as laid down in Master Direction – Non- Banking Financial Company – Systemically Important Non Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

Para B of the Directions

Matters enumerated in Para (B) are not applicable to the Company as it is not accepting/holding public deposits.

Para C of the Directions

i. The Board of Directors of the Company has passed a resolution in its meeting held on April 26, 2025 for non-acceptance of public deposits.

ii. The Company has not accepted any public deposits during the year ended March 31, 2026.

iii. The Company has complied with the Indian Accounting Standards issued by the ICAI specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS). In our opinion & to the best of our information & according to the explanations given to us, the Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in the preparation of the financial statements for the year ended March 31, 2026.

iv. In our opinion and to the best of our information and according to the explanation given to us, the Company being a Systemically Important Non- Deposit taking NBFC as defined in paragraph 3 (xxxi) of the relevant Master Direction, for the year ended March 31, 2026,

   a) Has correctly arrived at the capital adequacy ratio as disclosed in the Note 46(i) of the financial statements for the year ended March 31, 2026. Further, the Capital-to-Risk Weighted Assets Ratio (CRAR) of the Company as on March 31, 2026 is 30.66% against required CRAR of 15% which is in compliance with the minimum required CRAR as prescribed by the RBI in para 81 of the Scale Based Regulation.

   b) Has furnished to RBI, the provisional annual statement of capital

funds, risk assets/exposure and risk asset ratio (NBS-07, now DNBS-03) for the year ended March 31, 2026 on April 20, 2026 and the company is in process to file final NBS-07 (now DNBS-03).

v. Para (C) (v) of the Directions are not applicable to the Company as it is not a NBFC Micro Finance Institution (MFI) as defined in the Non - Banking Financial Company – Non-Systemically Important Non - Deposit taking Company (Reserve Bank) Directions, 2016 and Non- Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

Para D of the Directions

Since the Company is holding CoR, matters enumerated in Para (D) will not be applicable.

Restriction on Use

10. Our obligations in respect of this report are entirely separate from, and our responsibility and liability, in no way changed by any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing said in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of any financial statements of the Company.

11. This report is issued pursuant to our obligations under the said Directions to submit a report on additional matters, to the Board of Directors of the Company and should not be used by any other person or for any other purpose. We neither accepts nor assumes any duty or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

For S.R Dinodia & Co. LLP
Chartered Accountants,
Firm Registration Number: 001478N/N500005

(Sandeep Dinodia)
Partner
Membership Number: 083689
UDIN: 26083689FVLYOX6778

26083689FVLYOX6778 Place of Signature: Gurugram
Date: 27.04.2026

Balance Sheet as at March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

	Particulars	Notes	Asat March 31, 2026	Asat March 31, 2025
	Assets			
1	**Financial assets**			
	(a) Cash and cash equivalents	4	685.81	369.85
	(b) Bank balance other than cash and cash equivalents	5	28.32	60.65
	(c) Trade receivables	6	28.73	28.06
	(d) Loans	7	5,850.87	5,012.36
	(e) Other financial assets	8	62.78	63.66
			6,656.51	**5,534.58**
2	**Non-financial assets**			
	(a) Current tax assets (net)	9	11.87	17.26
	(b) Deferred tax assets (net)	10 (a)	252.64	213.23
	(c) Property, plant and equipment	11	34.90	27.93
	(d) Right-of-use assets	12	40.02	32.05
	(e) Intangible assets under development	13 (a)	-	13.02
	(f) Other intangible assets	13 (b)	46.95	96.65
	(g) Other non-financial assets	14	64.49	35.82
			450.87	**435.96**
	Total assets		**7,107.38**	**5,970.54**
	Liabilities and equity			
	Liabilities			
1	**Financial liabilities**			
	(a) Payables	15		
	(I) Trade payables			
	- Total outstanding dues of micro enterprises and small enterprises		19.00	-
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		123.30	115.53
	(II) Other payables			
	- Total outstanding dues of micro enterprises and small enterprises		0.98	-
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		-	0.18
	(b) Borrowings (other than debt securities)	16	3,893.74	3,928.46
	(c) Lease liabilities	17	40.75	32.29
	(d) Other financial liabilities	18	129.66	149.59
			4,207.43	**4,226.05**
2	**Non-financial liabilities**			
	(a) Provisions	19	213.74	133.80
	(b) Other non-financial liabilities	20	31.86	25.41
			245.60	**159.21**
	Total liabilities		**4,453.03**	**4,385.26**
3	**Equity**			
	(a) Equity share capital	21 (a)	1,615.98	1,131.81
	(b) Other equity	21 (b)	1,038.37	453.47
	Total equity		**2,654.35**	**1,585.28**
	Total liabilities and equity		**7,107.38**	**5,970.54**
	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

For S.R. Dinodia & Co. LLP
Chartered Accountants
Firm Registration Number: 001478N/N500005

Sandeep Dinodia
Partner
Membership No:083689

Place: Gurugram
Date: April 27, 2026

For and on behalf of the Board of Directors of
Home Credit India Finance Private Limited

K Gopala Desikan
Director
DIN: 00067107

Kunnawalkam Elayavalli Ranganathan
Director
DIN: 00058990

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, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

	Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
I	**Revenue from operations**			
	(i) Interest income	22	1,733.74	1,780.84
	(ii) Fees and commission income	23	372.44	315.70
	(iii) Net gain on fair value changes	24	6.56	-
	Total revenue from operations		**2,112.74**	**2,096.54**
II	Other income	25	3.72	4.70
III	**Total income (I+II)**		**2,116.46**	**2,101.24**
IV	**Expenses**			
	(i) Finance costs	26	336.57	435.81
	(ii) Impairment on financial instruments	27	667.92	751.06
	(iii) Employee benefits expenses	28	359.38	304.57
	(iv) Depreciation and amortization expenses	29	130.31	88.25
	(v) Other expenses	30	448.17	426.42
	Total expenses		**1,942.35**	**2,006.11**
V	**Profit/ (loss) before exceptional items and tax (III-IV)**		**174.11**	**95.13**
VI	Exceptional items	31	**-**	**(62.64)**
VII	**Profit before tax (V+VI)**		**174.11**	**32.49**
VIII	**Tax expense:**	10 (b)		
	(i) Current tax		82.28	51.48
	(ii) Tax related to earlier years		(1.94)	-
	(iii) Deferred tax charge/ benefit (net)		(38.47)	511.05
	Total tax expense		**41.87**	**562.53**
IX	**Profit for the year (VII-VIII)**		**132.24**	**(530.04)**
X	**Other Comprehensive Income**			
	A. Items that will not be reclassified to profit or loss			
	- Remeasurement (losses)/ gains on defined benefit plans		(3.74)	5.42
	- Income tax impact on above	10 (c)	0.94	(1.36)
	B. Items that will be reclassified to profit or loss and taxes thereon		-	-
	Other Comprehensive Income/(loss) for the year, net of tax		**(2.80)**	**4.06**
XI	**Total Comprehensive Income for the year, net of tax (IX+X)**		**129.44**	**(525.98)**
XII	**Earnings per equity share (Face value of ₹ 10 per share) (Not annualised)**	32		
	Basic (₹)		1.05	(4.86)
	Diluted (₹)		1.05	(4.86)
	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

For S.R. Dinodia & Co. LLP
Chartered Accountants
Firm Registration Number: 001478N/N500005

For and on behalf of the Board of Directors of
Home Credit India Finance Private Limited

Sandeep Dinodia
Partner
Membership No:083689

Place: Gurugram
Date: April 27, 2026

K Gopala Desikan
Director
DIN: 00067107

Kunnawalkam Elayavalli Ranganathan
Director
DIN: 00058990

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, 2026

(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, 2025	**1,131,805,789**	**1,131.81**
Issued during the year	484,173,532	484.17
As at March 31, 2026	**1,615,979,321**	**1,615.98**

Particulars	Number of shares	Amount
Equity share of ₹ 10 each, issued, subscribed and fully paid		
As at April 1, 2024	**1,091,089,176**	**1,091.09**
Issued during the year	40,716,613	40.72
As at March 31, 2025	**1,131,805,789**	**1,131.81**

B. Other equity

As at March 31, 2026	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, 2025	**114.62**	**2,949.29**	**(2,612.68)**	**2.24**	**453.47**
Profit for the year	-	-	132.24	-	132.24
Other Comprehensive Income/(loss) for the year, net of tax (OCI)	-	-	-	(2.80)	(2.80)
Securities premium received	-	455.83	-	-	455.83
Share issue expenses	-	(0.37)	-	-	(0.37)
Transfer from retained earnings to statutory reserve	26.45	-	(26.45)	-	-
As at March 31, 2026	**141.07**	**3,404.75**	**(2,506.89)**	**(0.56)**	**1,038.37**

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**
Profit 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**

Notes to the financial statements 1 to 68

The notes referred to above form an integral part of the financial statements

For S.R. Dinodia & Co. LLP
Chartered Accountants
Firm Registration Number: 001478N/N500005

For and on behalf of the Board of Directors of
Home Credit India Finance Private Limited

Sandeep Dinodia
Partner
Membership No:083689

Place: Gurugram
Date: April 27, 2026

K Gopala Desikan
Director
DIN: 00067107

Kunnawalkam Elayavalli Ranganathan
Director
DIN: 00058990

Vivek Singh
Chief Executive Officer

Anirban Majumder
Chief Financial Officer

Neha Gupta
Company Secretary
M.No. A28625

Statement of Cash Flows for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
A.	**Cash flow from operating activities**		
	Profit before taxes	174.11	32.49
	Add/(less) adjustments:		
	Depreciation and amortisation expense	130.31	88.25
	Impairment of intangible assets	-	62.64
	Impairment on financial instruments (including write-offs)	872.60	954.09
	Interest expense on leases	4.45	3.76
	Interest expense on income tax	0.51	1.72
	Amortisation of deferred finance cost	0.57	3.59
	Liabilities written back	(0.52)	(2.21)
	Interest on income tax refund	(0.44)	-
	Loss/(Profit) on sale of property, plant and equipment (net)	(0.87)	0.06
	Gain on lease modification	(0.05)	(0.01)
	Interest Income on security deposits	(1.44)	(1.61)
	Operating profit before working capital changes	**1,179.23**	**1,142.77**
	Working Capital Adjustments:		
	(Increase) in loans	(1,715.31)	(966.11)
	(Increase)/ Decrease in trade receivables	3.53	(11.21)
	Increase in trade payables	26.51	12.37
	(Increase)/ Decrease in other financial assets	0.84	(2.06)
	Increase in other financial liabilities	4.42	4.75
	Increase in provisions	76.20	7.38
	Increase/(Decrease) in other non-financial liabilities	6.45	(10.83)
	Increase in other non-financial assets	(28.64)	(8.98)
	Decrease in bank balance other than cash and cash equivalents	32.33	17.09
	Cash (used in)/ generated from operations before taxes	**(414.44)**	**185.17**
	Income taxes paid (net of refunds)	(75.02)	(54.48)
	Net cash (used in)/generated from operating activities (A)	**(489.46)**	**130.69**
B.	**Cash flow from investing activities**		
	Purchase of property, plant and equipment, Capital work-in-progress, other intangible assets and intangible assets under development	(54.85)	(128.53)
	Proceeds from sale of property, plant and equipment	0.89	0.32
	Net cash (used in)/ generated from investing activities (B)	**(53.96)**	**(128.21)**

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, 2026	For the year ended March 31, 2025
C.	**Cash flow from financing activities**		
	Borrowings other than debt securities taken	1,039.24	5,717.47
	Borrowings other than debt securities repaid	(1,098.35)	(5,588.11)
	Proceeds from issue of share capital (including securities premium)	940.00	50.00
	Payment of share issue expenses	(0.11)	-
	Repayment of lease liabilities	(21.40)	(21.69)
	Net cash generated from/ (used in) financing activities (C)	**859.38**	**157.67**
D.	**Net increase/ (decrease) in cash and cash equivalents (A+B+C)**	**315.96**	**160.15**
	Cash and cash equivalents at the beginning of the year in the statement of cash flows	369.85	209.70
	Cash and cash equivalents at the end of the year in the statement of cash flows	**685.81**	**369.85**

Particulars	As at March 31, 2026	As at March 31, 2025
Components of cash and cash equivalents in the statement of cash flows		
Cash and cash equivalents (refer note 4)		
Cash in hand	-	0.00
Balances with banks		
- In current accounts	185.81	369.85
- Deposits with banks (original maturity of three months or less)	500.00	-
	685.81	369.85

The above statement of cash flows has been prepared under the indirect method set out in Ind AS 7-Statement of Cash Flows.

For S.R. Dinodia & Co. LLP
Chartered Accountants
Firm Registration Number: 001478N/N500005

Sandeep Dinodia
Partner
Membership No:083689

Place: Gurugram
Date: April 27, 2026

For and on behalf of the Board of Directors of
Home Credit India Finance Private Limited

K Gopala Desikan
Director
DIN: 00067107

Kunnawalkam Elayavalli Ranganathan
Director
DIN: 00058990

Vivek Singh
Chief Executive Officer

Anirban Majumder
Chief Financial Officer

Neha Gupta
Company Secretary
M.No. A28625

Notes to Financial Statements

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, 2026 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 27, 2026.

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 41 & 42.

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 41 & 42.

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 42.

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.

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 35.

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 41.

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

1. ***Two-Wheelers Loans:***

   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.

2. ***Loan against property:***

   When a customer defaults, the Company follows its internal legal and credit guidelines to start the recovery process. This usually involves acting under the SARFAESI Act, the Arbitration and Conciliation Act, or other relevant property laws. Once the Company receives the required legal orders or mandates, it takes symbolic or physical possession of the property used as security. These properties are typically sold through public auctions or private deals to recover the unpaid debt. If the sale price is higher than the total amount owed (including interest and legal fees), the extra money is paid back to the customer.

The company generally does not use the assets repossessed for 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 de-recognise 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 (720 days in case of Loan Against Property). 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
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 and 4 years, respectively, 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:

In respect of Fixed Term Contract (FTC) employees, gratuity has been contractually provided as part of the total Cost to Company (CTC). Accordingly, gratuity is accrued and payable for the actual period of service completed under the contract, including contracts of one year or more, subject to the terms of employment and applicable law.

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.

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, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

		Asat March 31, 2026	Asat March 31, 2025
4	**Cash and cash equivalents**		
	Cash in hand	-	0.00
	Balances with banks		
	- in current accounts	185.81	369.85
	- Deposits with banks (original maturity of three months or less)	500.00	-
		685.81	**369.85**
5	**Bank balance other than cash and cash equivalents**		
	Fixed deposit with banks	13.85	-
	Other bank deposits (refer notes below)	14.74	60.92
		28.59	**60.92**
	Less : Impairment loss allowance	0.27	0.27
		28.32	**60.65**

Notes:

(i) ₹ 0.02 crores (March 31, 2025: ₹ 0.03 crores) fixed deposit included on which lien marked with banks for registration with VAT authorities.

(ii) ₹ Nil (March 31, 2025: ₹ 0.25 crores) fixed deposit included on which lien marked with banks for Aadhar verification.

(iii) ₹ 0.16 crores (March 31, 2025: ₹ 0.15 crores) fixed deposit included on which lien marked against overdraft.

(iv) ₹ 14.56 crores (March 31, 2025: ₹ 60.49 crores) fixed deposit include on which lien marked against securitisation transactions.

		Asat March 31, 2026	Asat March 31, 2025
6	**Trade receivables**		
	Trade receivables (unsecured) considered good	20.85	22.91
	Less: Impairment loss allowance	3.13	3.44
	Sub-total - (A)	**17.72**	**19.47**
	Trade receivables (unsecured) which have significant increase in credit risk	-	-
	Less: Impairment loss allowance	-	-
	Sub-total - (B)	**-**	**-**
	Trade receivables (unsecured) - credit impaired	1.29	5.05
	Less: Impairment loss allowance	1.29	5.05
	Sub-total - (C)	**-**	**-**
	Unbilled revenue	13.03	10.74
	Less: Impairment loss allowance	2.02	2.15
	Sub-total - (D)	**11.01**	**8.59**
	Total (A+B+C+D)	**28.73**	**28.06**

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) Trade receivables include ₹ 0.06 crores (March 31, 2025: Nil) receivable from Related party.

3) Unbilled revenue includes ₹ 0.10 crores (March 31, 2025: Nil) receivable from Related party.

4) The amount of ₹ 0.75 crores (March 31, 2025: ₹ 3.04 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, 2026

Particulars	Unbilled	Not due for payment	Outstanding for following years 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	12.95	19.97	0.88	-	-	-	-	33.80
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	-	0.00	-	-	-	-	0.00
(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	**13.03**	**19.97**	**0.88**	**-**	**-**	**-**	**1.29**	**35.17**
Less: Impairment loss allowance								6.44
Net Receivables								**28.73**

As at March 31, 2025

Particulars	Unbilled	Not due for payment	Outstanding for following years 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**

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

		Asat March 31, 2026	Asat March 31, 2025
7	**Loans**		
	(A) Loans at Amortised cost		
	Term loans		
	(i) Personal loans	4,252.23	3,998.64
	(ii) Consumer durable loans	2,116.16	1,567.32
	(iii) Two wheeler loans	106.50	0.00
	(iv) Loan against property	8.10	0.00
	Total (A) - Gross	**6,482.99**	**5,565.97**
	Less: impairment loss allowance	490.62	420.11
	Less: unamortised income & expenses	141.50	133.49
	Total (A) - Net	**5,850.87**	**5,012.36**
	(B) Secured/ Unsecured		
	(i) Secured by tangible assets	114.60	0.00
	(ii) Unsecured	6,368.39	5,565.96
	Total (B) - Gross	**6,482.99**	**5,565.96**
	Less: impairment loss allowance	490.62	420.11
	Less: unamortised income & expenses	141.50	133.49
	Total (B) - Net	**5,850.87**	**5,012.36**
	(C) Loans in India		
	(i) Public sector	-	-
	(ii) Others	6,482.99	5,565.96
	Total (C) - Gross	**6,482.99**	**5,565.96**
	Less: impairment loss allowance	490.62	420.11
	Less: unamortised income & expenses	141.50	133.49
	Total (C) - Net	**5,850.87**	**5,012.36**

*Loss Allowance includes ₹ 17.93 crores (March 31, 2025: ₹ 15.78 crores) pertaining to provision on undrawn uncommitted credit limit and Nil (March 31, 2025: ₹ 0.10 crore) towards undrawn commitments.

		Asat March 31, 2026	Asat March 31, 2025
8	**Other financial assets**		
	Receivable from payment gateway providers	14.18	12.35
	Security deposits	12.10	12.96
	Receivables from channel partners	1.42	1.80
	Recoverable from employees	0.59	0.51
	Interest accrued but not due on fixed deposits	2.43	4.49
	Other receivables*	34.46	34.14
		65.18	**66.25**
	Less: Impairment loss allowance	2.40	2.59
		62.78	**63.66**

* Includes assets amounting to ₹ 34.00 crores (March 31, 2025: ₹ 34.00 crores) provided against securitisation transaction.

9	**Current tax assets / (liabilities)**		
	Current tax assets (net)		
	Advance tax and deduction at source* [net of provision for tax (including interest) of ₹ 135.85 crores (March 31, 2025: ₹ 141.87 crores)]	11.87	17.26
		11.87	**17.26**

* 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, 2024	Recognised in profit or loss during FY 2024-25	Recognised in OCI during FY 2024-25	As at March 31, 2025	Recognised in profit or loss during the year ended March 31, 2026	Recognised in OCI during the year ended March 31, 2026	Asat March 31, 2026
	Deferred tax assets:							
a)	Provisions for employee benefits	20.30	(7.70)	(1.36)	11.24	(0.71)	0.94	11.47
b)	Property, plant and equipment & Other intangible assets	18.72	10.59	-	29.31	4.68	-	33.99
c)	Impairment loss allowance on loans	100.29	4.07	-	104.36	13.88	-	118.24
d)	Effect of effective interest rate on interest income	33.97	(0.44)	-	33.53	1.99	-	35.52
e)	Expense disallowable under section 94B of Income Tax Act, 1961	256.63	(256.63)	-	-	-	-	-
f)	Unabsorbed depreciation under Income Tax Act, 1961	27.21	(27.21)	-	-	-	-	-
g)	Brought forward losses under Income Tax Act, 1961	247.00	(247.00)	-	-	-	-	-
h)	Provision for incentives to customers	4.85	8.49	-	13.34	16.68		30.02
i)	Other temporary differences	33.23	(3.12)	-	30.11	3.36	-	33.47
		742.20	**(518.95)**	**(1.36)**	**221.89**	**39.88**	**0.94**	**262.71**
	Deferred tax liabilities:							
a)	Other temporary differences	(16.56)	7.90	-	(8.66)	(1.41)	-	(10.07)
		(16.56)	**7.90**	**-**	**(8.66)**	**(1.41)**	**-**	**(10.07)**
	Net deferred tax assets/ (liabilities)	**725.64**	**(511.04)**	**(1.36)**	**213.23**	**38.47**	**0.94**	**252.64**

The Company has reassessed the deferred tax recognized as at March 31, 2026 and based on the assessment, the Company believes that sufficient taxable income will be available and considering this it is probable that unused tax credit will be adjusted. During the previous year, the company had 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, 2026

(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, 2026	For the year ended March 31, 2025
(b)	**Amounts recognised in statement of profit and loss**		
	Particulars		
	(i) Current tax		
	Current year	82.28	51.48
	Tax related to earlier years	(1.94)	-
	(ii) Deferred tax		
	Attributable to-		
	Origination and reversal of temporary differences	(38.47)	511.05
	Tax expense recognised in Statement of profit and loss	**41.87**	**562.53**

(c) Income tax recognised in Other Comprehensive Income

Particulars	For the year ended March 31, 2026			For the year ended March 31, 2025		
	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	(3.74)	0.94	(2.80)	5.42	(1.36)	4.06
	(3.74)	**0.94**	**(2.80)**	**5.42**	**(1.36)**	**4.06**

(d) Reconciliation of effective tax expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax	174.11	32.49
Total	**174.11**	**32.49**
Tax using the company's domestic tax rate of 25.17%	43.82	8.18
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	0.58	48.70
Tax related to earlier years (including Deferred tax)	(2.53)	-
Effective tax expense	**41.87**	**562.53**

The applicable Indian corporate statutory tax rate for the year ended March 31, 2026 and year ended March 31, 2025 is 25.17%

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

11 Property, plant and equipment

Particulars	Leasehold improvements	Land and building	Furniture and fixtures #	Computer and data processing units	Office equipments	Vehicles	Total
Gross block							
As at April 01, 2024	62.53	0.22	3.30	136.82	20.77	0.48	**224.12**
Additions	-	-	0.11	24.00	0.00	-	**24.11**
Disposals	-	-	(0.17)	(0.08)	(0.01)	(0.48)	**(0.74)**
As at March 31, 2025	**62.53**	**0.22**	**3.24**	**160.74**	**20.76**	**-**	**247.49**
As at April 01, 2025	62.53	0.22	3.24	160.74	20.76	-	**247.49**
Additions	1.87	-	1.30	15.15	0.91	-	**19.23**
Disposals	-	-	(1.36)	(10.77)	(3.82)	-	**(15.95)**
As at March 31, 2026	**64.40**	**0.22**	**3.18**	**165.12**	**17.85**	**-**	**250.77**
Accumulated depreciation							
As at April 01, 2024	62.53	0.04	2.43	127.34	20.76	0.05	**213.15**
For the year	0.00	0.01	0.51	6.18	0.01	0.06	**6.77**
Disposals	-	-	(0.18)	(0.06)	(0.01)	(0.11)	**(0.36)**
As at March 31, 2025	**62.53**	**0.05**	**2.76**	**133.46**	**20.76**	**-**	**219.56**
As at April 01, 2025	62.53	0.05	2.76	133.46	20.76	-	**219.56**
For the year	0.30	0.01	0.51	11.38	0.04	-	**12.24**
Disposals	-	-	(1.36)	(10.75)	(3.82)	-	**(15.93)**
As at March 31, 2026	**62.83**	**0.06**	**1.91**	**134.09**	**16.98**	**-**	**215.87**
Net block							
As at March 31, 2025	**-**	**0.17**	**0.48**	**27.28**	**0.00**	**-**	**27.93**
As at March 31, 2026	**1.57**	**0.16**	**1.27**	**31.03**	**0.87**	**-**	**34.90**

#During the current year, the Company has revised the expected useful life of Furniture and Fixtures which has resulted in decrease in current year's depreciation expense by INR 0.15 Crores.

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

12 Right-of-use assets

Particulars	Leasehold Buildings	Computers	Vehicles	Total
Gross block				
As at April 01, 2024	63.58	3.21	3.06	69.85
Additions	25.72	-	1.86	27.58
Disposals	(13.15)	(3.21)	(1.31)	(17.67)
As at March 31, 2025	**76.15**	**-**	**3.61**	**79.76**
As at April 01, 2025	76.15	-	3.61	79.76
Additions	27.38	-	0.95	28.33
Disposals	(36.98)	-	(1.99)	(38.97)
As at March 31, 2026	**66.55**	**-**	**2.57**	**69.12**
Accumulated depreciation				
As at April 01, 2024	40.11	3.21	2.14	45.46
For the year	18.86	-	0.98	19.84
Disposals	(13.07)	(3.21)	(1.31)	(17.59)
As at March 31, 2025	**45.90**	**-**	**1.81**	**47.71**
As at April 01, 2025	45.90	-	1.81	47.71
For the year	18.02	-	0.91	18.93
Disposals	(35.81)	-	(1.73)	(37.54)
As at March 31, 2026	**28.11**	**-**	**0.99**	**29.10**
Net block				
As at March 31, 2025	**30.25**	**-**	**1.80**	**32.05**
As at March 31, 2026	**38.44**	**-**	**1.58**	**40.02**

	As at March 31, 2026	Asat March 31, 2025
13 (a) Intangible assets under development	-	13.02

Movement of Intangible assets under development:

Particulars	As at March 31, 2026	Asat March 31, 2025
Opening Balance	13.02	18.84
Additions during the year	36.42	67.66
Capitalised during the year	(49.44)	(73.48)
Closing Balance	**-**	**13.02**

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

(b) Other intangible assets

Particulars	Software	Trademark	Total
Gross block			
As at April 01, 2024	445.16	-	**445.16**
Additions	73.48	36.14	**109.62**
Disposals*	(142.12)	-	**(142.12)**
As at March 31, 2025	**376.52**	**36.14**	**412.66**
As at April 01, 2025	376.52	36.14	**412.66**
Additions	49.44	-	**49.44**
Disposals	-	-	**-**
As at March 31, 2026	**425.96**	**36.14**	**462.10**
Accumulated amortisation			
As at April 01, 2024	333.85	-	**333.85**
For the year	60.18	1.46	**61.64**
Disposals*	(79.48)	-	**(79.48)**
As at March 31, 2025	**314.55**	**1.46**	**316.01**
As at April 01, 2025	314.55	1.46	316.01
For the year#	90.11	9.03	99.14
Disposals	-	-	-
As at March 31, 2026	**404.66**	**10.49**	**415.15**
Net block			
As at March 31, 2025	**61.97**	**34.68**	**96.65**
As at March 31, 2026	**21.30**	**25.65**	**46.95**

*represents softwares impaired during the previous year.

#During the current year, the Company has revised the expected useful life of certain intangible assets which has resulted in increase in current year's amortisation expense by INR 62.18 Crores.

		As at March 31, 2026	As at March 31, 2025
14	**Other non-financial assets**		
	Balance with tax authorities	11.68	10.82
	Advances to employees	0.11	0.01
	Prepaid expenses	49.20	24.02
	Advance paid to suppliers	3.50	0.97
		64.49	**35.82**

		Asat March 31, 2026	Asat March 31, 2025
15	**Payables**		
(I)	**Trade payables**		
	(i) total outstanding dues of micro enterprises and small enterprises*	19.00	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises**	123.30	115.53
		142.30	115.53
(II)	**Other payables**		
	(i) total outstanding dues of micro enterprises and small enterprises*	0.98	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises**	-	0.18
		0.98	0.18
		143.28	**115.71**

Notes:

1) 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.

2) Includes amount of ₹ 0.27 crores (March 31, 2025: Nil) for payable to related parties. (refer note 36)

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

Trade payables ageing schedule

As at March 31, 2026

Particulars	Unbilled	Not Due	Outstanding for following years from due date of transaction			
			<1 year	1-2 years	2-3 years	Total
i. MSME	18.92	-	0.08	-	-	19.00
ii. Others	112.65	7.43	0.54	0.64	-	121.91
iii. Disputed dues- MSME	-	-	-	-	-	-
iv. Disputed dues - Others	0.93	-	-	-	-	1.38
Total	**132.50**	**7.43**	**0.62**	**0.64**	**-**	**142.30**

As at March 31, 2025

Particulars	Unbilled*	Not Due	Outstanding for following years from due date of transaction			
			<1 year	1-2 years	2-3 years	Total
i. MSME	-	-	-	-	-	-
ii. Others	100.57	2.02	10.65	0.28	0.61	114.15
iii. Disputed dues- MSME	-	-	-	-	-	-
iv. Disputed dues - Others	0.93	-	-	-	-	1.38
Total	**101.50**	**2.02**	**10.65**	**0.28**	**0.61**	**115.53**

* Unbilled payables have been disclosed under Others

		As at March 31, 2026	As at March 31, 2025
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	19.98	-
	(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	**19.98**	**-**

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.

		Asat March 31, 2026	Asat March 31, 2025
16	**Borrowings (other than debt securities)***		
	At Amortised cost		
	Secured		
	Term loans		
	- From banks	3,858.84	3,153.27
	- From other parties	-	151.02
	Loans repayable on demand		
	- Working capital demand loans from banks	-	150.00
	Associated liabilities in respect of securitization transaction#	34.90	304.17
	Unsecured		
	Loans repayable on demand		
	- Working capital demand loans from banks	-	170.00
	Total	**3,893.74**	**3,928.46**
	Borrowings (other than debt securities) in India	3,893.74	3,928.46
	Borrowings (other than debt securities) outside India	-	-
	Total	**3,893.74**	**3,928.46**

*For terms of borrowings, refer note 44.

#Refer note 40 for details on securitization transaction.

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

		Asat March 31, 2026	Asat March 31, 2025
17	**Lease Liabilities**		
	Lease liabilities (refer note 63)	40.75	32.29
		40.75	**32.29**
18	**Other financial liabilities**		
	Interest accrued but not due on borrowings#	1.26	3.38
	Employee benefits payable	2.62	0.94
	Payable towards securitisation / assignment transactions	24.85	50.12
	Loans pending disbursement	4.75	2.97
	Other payables*	96.18	92.18
		129.66	**149.59**

* Includes ₹ 71.79 crores (March 31, 2025: ₹ 80.00 crores) related to overpayments and prepayments received from customers.

		Asat March 31, 2026	Asat March 31, 2025
19	**Provisions**		
	Provision for employee benefits		
	Provision for gratuity (refer note 35)	22.73	16.74
	Provision for compensated absences (refer note 35)	11.56	7.99
	Provision for bonus	33.77	19.13
	Provision for incentives to customers	119.28	53.03
	Provision for contingent liabilities (taxes)	25.10	35.57
	Others	1.30	1.34
		213.74	**133.80**

The movement in the provision for bonus is as follows:

Balance at the beginning of the year	19.13	53.07
Provision recognized during the year (net)	29.83	26.53
Provision (utilized) during the year	(15.19)	(60.47)
Balance at the end of the year	**33.77**	**19.13**

The movement in the provision for incentives to customers is as follows:

Particulars	Asat March 31, 2026	Asat March 31, 2025
Balance at the beginning of the year	53.03	19.26
Provision recognized during the year (net)	220.86	110.87
Provision (utilized) during the year	(154.61)	(77.10)
Balance at the end of the year	**119.28**	**53.03**

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.

The movement in the provision for contingent liabilities (taxes) is as follows:

Balance at the beginning of the year	35.57	31.14
Provision recognized/(reversed) during the year (net)	(10.19)	4.43
Provision (utilized) during the year	(0.28)	-
Balance at the end of the year	**25.10**	**35.57**

		Asat March 31, 2026	Asat March 31, 2025
20	**Other non-financial liabilities**		
	Statutory dues payable	31.54	24.61
	Other liabilities	0.32	0.80
		31.86	**25.41**

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

21(a) Equity share capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Authorised:				
Equity shares of ₹ 10 each	2,100,000,000	2,100.00	2,100,000,000	2,100.00
Issued, subscribed and fully paid up				
Equity shares of ₹ 10 each	1,615,979,321	1,615.98	1,131,805,789	1,131.81

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, 2026		For the year ended March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Equity shares of ₹ 10 each				
Opening balance	1,131,805,789	1,131.81	1,091,089,176	1,091.09
Issued during the year (fully paid up)	484,173,532	484.17	40,716,613	40.72
Outstanding at the end of the year	**1,615,979,321**	**1,615.98**	**1,131,805,789**	**1,131.81**

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.

c) **Shares held by the holding company**

Particulars	Asat March 31, 2026	As at March 31, 2025
Equity shares of ₹ 10 each		
1,29,90,90,066 (March 31, 2025: 91,72,68,691) shares held by TVS Holdings Limited	1,299.09	917.27
Percentage of holding (%)	80.39%	81.04%

d) **Details of shareholders holding more than 5% shares in the company:**

Name of shareholder	Number of shares	% of shareholding
As at March 31, 2026		
TVS Holdings Limited, the holding company	1,299,090,066	80.39%
PI Opportunities Fund-II	172,956,166	10.70%
STPL Trading and Services Private Limited	130,883,937	8.10%
Total	**1,602,930,169**	**99.19%**
As at March 31, 2025		
TVS Holdings Limited, the holding company	917,268,691	81.04%
PI Opportunities Fund-II	122,121,845	10.79%
STPL Trading and Services Private Limited	92,415,253	8.17%
Total	**1,131,805,789**	**100.00%**

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

e) **Details of shares held by the promoters**

As at March 31, 2026

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	917,268,691	81.04%	1,299,090,066	80.39%	-0.65%
STPL Trading and Services Private Limited	92,415,253	8.17%	130,883,937	8.10%	-0.07%
Total	**1,009,683,944**	**89.21%**	**1,429,974,003**	**88.49%**	**-0.72%**

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	-	-	917,268,691	81.04%	81.04%
STPL Trading and Services Private Limited	-	-	92,415,253	8.17%	8.17%
Home Credit India B.V.	1,091,089,166	99.99%	-	-	-99.99%
Home Credit International a.s.	10	0.01%	-	-	-0.01%
Total	**1,091,089,176**	**100%**	**1,009,683,944**	**89.21%**	**-10.79%**

f) No shares have been reserved for issue under options and contracts/ commitments for the sale of shares/disinvestment.

g) During the year 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 previous 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.

21 (b) Other equity

	Asat March 31, 2026	As at March 31, 2025
Statutory reserve (as per Section 45-IC of the RBI Act, 1934)	141.07	114.62
Securities premium	3,404.75	2,949.29
Retained earnings	(2,506.89)	(2,612.68)
Other comprehensive income	(0.56)	2.24
	1,038.37	**453.47**

a) Statutory reserve (as per Section 45-IC of the RBI Act, 1934)

Opening balance	114.62	114.62
Add: Amount transferred during the year	26.45	-
Closing balance	**141.07**	**114.62**

b) Securities premium

Opening balance	2,949.29	2,940.01
Add: Securities Premium received during the year	455.83	9.28
Less: Share issue expenses	(0.37)	-
Closing balance	**3,404.75**	**2,949.29**

c) Retained earnings

	Asat March 31, 2026	As at March 31, 2025
Opening balance	(2,612.68)	(2,082.64)
Add: Profit/ (loss) for the year	132.24	(530.04)
Less: Transfer to statutory reserve	(26.45)	-
Closing balance	**(2,506.89)**	**(2,612.68)**

d) Other Comprehensive Income

Opening balance	2.24	(1.82)
Add: Income/(Loss) for the year	(2.80)	4.06
Closing balance	**(0.56)**	**2.24**

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, 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 years.

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

		For the year ended March 31, 2026	For the year ended March 31, 2025
22	**Interest income**		
	At Amortised cost		
	Interest on loans*	1,728.95	1,770.26
	Interest on bank deposits#	4.79	10.58
		1,733.74	**1,780.84**

* Includes subvention income of ₹ 236.02 crores (March 31, 2025: ₹ 190.79 crores). Also, refer note no. 34 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	287.69	267.39
	Sales commission	84.75	48.31
		372.44	**315.70**

*Refer note no. 34 and 39

24	**Net gain on fair value changes**		
	Net gain/ (loss) on financial instruments at fair value through profit or loss		
	- Mutual Funds	6.56	-
		6.56	**-**

25	**Other income**		
	Profit on sale of property, plant and equipment (net)	0.87	-
	Gain on lease modification	0.05	0.01
	Miscellaneous income	2.80	4.69
		3.72	**4.70**

26	**Finance costs**		
	Interest expenses on financial liabilities measured at amortised cost		
	Interest on borrowings (other than debt securities)*	329.93	419.37
	Interest expense on leases	4.45	3.76
	Interest expense on income tax	0.51	1.72
	Corporate guarantee & SBLC charges#	-	6.36
	Other borrowing costs	1.68	4.60
		336.57	**435.81**

* Includes Nil (March 31, 2025: ₹ 213.36 crores) for related parties (refer note 36)

Includes Nil (March 31, 2025: ₹ 5.84 crores) for related parties (refer note 36)

		For the year ended March 31, 2026	For the year ended March 31, 2025
27	**Impairment on financial instruments**		
	On financial instruments measured at amortized cost		
	Impairment loss allowance on loans (refer note 1 below)	71.80	16.16
	Loss on settlement and loan closure	61.34	43.06
	Bad debts written off (refer note 2 below) {(refer note 43.2(h)}	743.66	890.04
	Impairment loss allowance on other financial assets	(4.39)	3.84
	Other financial assets written off	0.19	0.99
	Sub total	**872.60**	**954.09**
	Bad debts (recovered)	(204.68)	(203.03)
		667.92	**751.06**

Notes:

1) Impairment loss allowance on stage 3 income amounting to ₹ (1.30) crores (March 31, 2025: ₹ 0.21 crores) netted off with interest income.

2) The contractual amount outstanding of financial assets written off over the years including ₹ 743.66 crores for the year ended March 31, 2026 (March 31, 2025: ₹ 890.04 crores) are subject to enforcement activity.

28	**Employee benefits expenses**		
	Salaries and wages	315.43	272.96
	Contribution to provident and other funds (refer note 35)	17.92	14.32
	Gratuity (refer note 35)	4.78	5.52
	Compensated absences (refer note 35)	6.04	2.66
	Staff welfare	15.21	9.11
		359.38	**304.57**

29	**Depreciation and amortization expenses**		
	Depreciation on property, plant and equipment	12.24	6.77
	Depreciation on right-of-use assets	18.93	19.84
	Amortization of other intangible assets	99.14	61.64
		130.31	**88.25**

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

		For the year ended March 31, 2026	For the year ended March 31, 2025
30	**Other expenses**		
	Information technology maintenance fees	190.65	136.71
	Rent	1.86	1.58
	Travelling and accommodation	3.34	2.90
	Incentive	5.35	7.24
	Repairs and maintenance	22.40	25.55
	Communication	30.06	31.40
	Management service fees (Include Trademark Fees)	(1.76)	27.82
	Legal and professional (refer note 2 below)	160.29	156.03
	Electricity and water	5.75	5.85
	Rates and taxes	0.75	6.19
	Corporate social responsibility (CSR) expenditure (refer note 62)	2.25	1.52
	Business promotion	9.47	3.82
	Recruitment expenses	1.29	0.43
	Payment processing and account maintenance	12.90	14.49
	Printing and stationery	0.15	0.15
	Insurance	0.46	0.10
	Loss on sale of property, plant, equipment (net)	-	0.06
	Loss on foreign currency transactions (net)	1.18	1.34
	Miscellaneous	1.78	3.24
		448.17	**426.42**
	Notes:		
	1) Refer note 36 for Related party transactions.		
	As auditor		
	- for statutory audit	0.22	0.20
	- for tax audit	0.02	0.02
	- for limited review	0.03	0.02
	- for other audit services	0.01	0.09
	- for reimbursement of expenses	0.01	0.00
	- Payments made to previous auditor	-	0.05
		0.29	**0.38**

		For the year ended March 31, 2026	For the year ended March 31, 2025
31	**Exceptional items**		
	Impairment of intangible assets [refer note 13(b)]	-	(62.64)
		-	**(62.64)**

32 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, 2026	For the year ended March 31, 2025
Profit/(Loss) after tax (A)	₹ Crores	132.24	(530.04)
Weighted average number of equity shares used in computing basic and diluted earnings per share (B)	Number of shares	1,260,669,177	1,091,535,385
Basic and diluted earnings per equity share (C= A/B)	₹ per share	1.05	(4.86)

Reconciliation of weighted average number of equity shares for the year ended March 31, 2026 and March 31, 2025 for basic and diluted earnings per share:

Particulars	No. of shares	Weighted average no. of shares as at March 31, 2026
Equity shares of face value of ₹ 10 per share from:		
- April 1, 2025 to March 31, 2026	1,131,805,789	1,131,805,789
- June 27, 2025 to March 31, 2026	116,731,518	88,907,841
- September 26, 2025 to March 31, 2026	71,661,239	36,714,114
- March 28, 2026 to March 31, 2026	295,780,775	3,241,433
Total	**1,615,979,321**	**1,260,669,177**

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

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	1,091,089,176	1,091,089,176
- March 28, 2025 to March 31, 2025	40,716,613	446,209
Total	**1,131,805,789**	**1,091,535,385**

33 Contingent liabilities and commitments

33.1 Contingent liabilities

(a) The pending tax litigations comprises claims against the company pertaining to proceedings pending with tax authorities amounting to ₹ 10.20 crores (March 31, 2025: ₹ 7.84 crores).

(b) The suits filed & legal notices against company in the ordinary course of business as on March 31, 2026 amounting ₹ 2.79 crores (March 31, 2025: ₹ 1.10 crores.)

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.

33.2 Capital and undrawn limits

Estimated amount of contracts remaining to be executed on capital account and not provided for amounted to ₹ 0.77 crores (March 31, 2025: ₹ 0.49 crores) (net of advances). Undrawn commitments as at March 31, 2026 is ₹ 28.09 crores (March 31, 2025: ₹ 9.74 crores).

There is an uncommitted limit assigned to the EMI card customers at the time of issuance of card. The balance of unutilised limit, basis past average utilisation, as on March 31, 2026 is ₹ 1,848.18 crores (March 31, 2025: ₹ 1,491.33 crores)

34 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.

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, 2026	For the year ended March 31, 2025
Interest income from various portfolios is as follows:		
-Personal loans	1,267.46	1,339.40
-Consumer durable loans	458.66	430.86
-Two wheeler loans	2.76	0.00
-Loan against property	0.07	-
	1,728.95	**1,770.26**
Safe pay fees income* from various portfolios is as follows:		
-Personal loans	65.29	66.61
-Consumer durable loans	56.48	60.05
-Two wheeler loans	0.02	-
	121.79	**126.66**

* 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.

35 Retirement benefit plans

35.1 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, 2026	Year ended March 31, 2025
Employer's contribution to provident fund	14.27	12.02
Employer's contribution to LWF	0.23	0.18
Employer's contribution to ESIC	3.42	2.12
	17.92	**14.32**

35.2 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 applicable law, 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:

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	16.73	18.69
Included in profit or loss		
Current service cost	3.77	4.09
Interest cost	1.01	1.23
Past service cost (non vested benefits)	-	-
	4.78	**5.32**
Remeasurement losses/ (gains) in other comprehensive (income)/ loss (OCI)		
Actuarial losses/ (gains) arising from:		
- demographic assumptions	-	8.66
- financial assumptions	2.34	(14.20)
- experience adjustment	1.40	0.12
	3.74	**(5.42)**
Other		
Benefit paid by the company	(2.52)	(1.86)
	(2.52)	**(1.86)**
Balance at the end of the year	**22.73**	**16.73**
Current liability	2.97	2.37
Non-current liability	19.76	14.36
	22.73	**16.73**

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, 2026	Year ended March 31, 2025
Current service cost	3.77	4.09
Interest cost	1.01	1.23
Past service cost (non vested benefits)	-	-
	4.78	**5.32**

iii) Expense recognised in Other Comprehensive (Income)/ loss

Actuarial losses/ (gains) arising from:		
- demographic assumptions	-	8.66
- financial assumptions	2.34	(14.20)
- experience adjustment	1.40	0.12
	3.74	**(5.42)**

iv) Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Year ended March 31, 2026	Year ended March 31, 2025
(a) Discount rate	6.40%	6.50%
(b) Future salary growth#		
-Mass	10.00%	8.00%
-Non Mass	10.00%	8.00%
(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, 2026

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, 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%

#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.

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, 2026		Year ended March 31, 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(1.42)	1.60	(0.97)	1.09
Future salary growth (1% movement)	1.54	(1.39)	1.06	(0.96)

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 year: Since the scheme is managed on unfunded basis, the next year contribution is taken as Nil (previous year Nil).

Notes forming part of the financial statements for the year ended March 31, 2026

vii) Expected maturity analysis of the defined benefit plans in future years

Duration (years)	Year ended March 31, 2026	Year ended March 31, 2025
Within the next 1 year	3.06	2.45
Between 2 to 5 years	14.70	12.01
Above 5 years	27.03	19.27
	44.79	**33.73**

As at March 31, 2026, the weighted-average duration of the defined benefit obligation was 5 years (March 31, 2025: 5 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.

35.3 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 ₹ 4.50 crores (March 31, 2025: ₹ 2.52 crores) is current liability and ₹ 7.06 crores (March 31, 2025: ₹ 5.47 crores) is non-current liability as per the actuarial report and management details, however, for maturity analysis (refer note 43), 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, 2026, the company has recognised the expense of ₹ 6.04 crores (March 31, 2025: ₹ 2.66 crores)

36 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)
- Kunnawalkam Elayavalli Ranganathan, Independent director (w.e.f. February 03, 2025)
- Chittranjan Dua, Independent Director (w.e.f. June 24, 2025)
- Dr. Meena Hemchandra, Additional Independent Director (w.e.f. December 15, 2025)
- Balasubramanyam Sriram, Independent director (w.e.f. February 03, 2025 till September 10, 2025)
- Deepali Pant Joshi, Independent director (w.e.f. February 03, 2025 till November 06, 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)
- Esha Pruthi, Whole time director (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 (till February 03, 2025),
- Neha Gupta, Company secretary

iii) Fellow subsidiaries with whom transactions have taken during the year or previous year

- TVS Credit Services Limited (w.e.f. February 03, 2025)
- TVS Digital Limited (w.e.f. February 03, 2025)
- TVS Motor Company Limited (w.e.f. February 03, 2025)
- 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)
- Home Credit Vietnam Finance Company Limited (till February 03, 2025)
- EmbedIT s.r.o (till February 03, 2025)
- Embedinfo Technologies India Private Limited (till February 03, 2025)

iv) Other related entities including entities under common control

- Galaxy Health Insurance Company Limited (w.e.f. February 03, 2025)
- Srinivasan Services Trust (w.e.f. February 03, 2025)

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

b) Transactions with the related parties are as follows: (refer note 1 below)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Compensation to key management personnel		
Short term employee benefits (refer note 2 below)	7.63	50.03
Sitting fees	0.15	0.23
Professional fees	-	1.22
Issue of share capital (including securities premium)		
TVS Holdings Limited, the holding company	737.51	44.61
External commercial borrowings (repayment) (refer note 4 below)		
AB 4 B.V.	-	1,200.00
PPF CO3 B.V.	-	1,240.00
Interest on external commercial borrowings		
AB 4 B.V.	-	104.64
PPF CO3 B.V.	-	108.72

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Fees and commission income		
TVS Credit Services Limited	0.48	-
Management service fees		
TVS Holdings Limited	1.50	-
Home Credit N.V., the Netherlands	-	15.02
Legal and Professional expenses		
TVS Digital Limited	0.65	-
TVS Holdings Limited	0.20	-
Reimbursement of expenses (Insurance expense)		
TVS Holdings Limited	0.31	-
Incentive expenses (Safe pay expenses)		
Galaxy Health Insurance Company Limited	0.05	-
Rent expenses		
TVS Credit Services Limited	0.10	-
TVS Motor Company Limited (refer note 4 below)	0.00	
Business support services (part of effective interest rate)		
TVS Credit Services Limited (refer note 5 below)	0.00	-
Corporate guarantee & SBLC charges		
Home Credit N.V., the Netherlands	-	5.84
Travelling and accommodation		
Home Credit N.V., the Netherlands	-	0.66
Information technology maintenance fees		
Home Credit International a.s	-	0.35
EmbedIT s.r.o	-	80.21
Purchase of intangible assets		
EmbedIT s.r.o	-	59.75
Trademark fee (refer note 3 below)		
Home Credit International a.s	-	40.93
Contribution towards corporate social responsibility		
Srinivasan Services Trust	2.25	1.52

Notes:

1)The amounts are exclusive of applicable GST.

2) Excludes provision for gratuity, compensated absences and bonus, as it is considered for disclosure on payment basis. Includes ₹ 0.98 crore for amount reimbursed to TVS Credit Services Limited for salaray paid to KMP.

3) Trademark fee includes one time lumpsum payment made during previous year for 4 years which had been capitalised under 'Other intangible assets' amounting to ₹ 33.15 crores.

4) In addition to the repayment, ECB were renewed during the previous year.

c) Outstanding balances with related parties are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Payables		
TVS Digital Limited	0.10	-
TVS Credit Services Limited	0.12	-
TVS Motor Company Limited	0.00	-
Galaxy Health Insurance Company Limited	0.05	
Trade Receivables		
TVS Credit Services Limited	0.16	-
Advance paid to suppliers		
Galaxy Health Insurance Company Limited	0.05	-

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

d) Related party disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 disclosure requirements vide notification no. RBI/DOR/2025-26/359

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	-	-	-	-	-	-	-	-	-	-	-	-	0.05	-	0.05	-
Maximum outstanding during the year*	-	-	-	-	-	-	-	-	-	-	-	-	0.05	-	0.05	-
Investments:																
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum outstanding during the year*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

*Maximum outstanding during the year has been disclosed for parties where relationship exist as on the Balance Sheet date.

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

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*		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
Contribution towards issuance of equity shares	737.51	44.61	-	-	-	-	-	-	-	-	-	-	-	-	737.51	44.61
External commercial borrowings (repayment)	-	-	-	-	-	-	-	-	-	-	-	-	-	2,440.00	-	2,440.00
Interest on external commercial borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	213.36	-	213.36
Fees and commission income	-	-	-	-	-	-	-	-	-	-	-	-	0.48	-	0.48	-
Management service fees	1.50	15.02	-	-	-	-	-	-	-	-	-	-	-	-	1.50	15.02
Legal and Professional expenses	0.20	-	-	-	-	-	-	-	-	-	-	-	0.65	-	0.85	-
Reimbursement of expenses	0.31	-	-	-	-	-	-	-	-	-	-	-	0.98	-	1.29	-
Incentive expenses (Safe pay expenses)	-	-	-	-	-	-	-	-	-	-	-	-	0.05	-	0.05	-
Rent expenses	-	-	-	-	-	-	-	-	-	-	-	-	0.10	-	0.10	-
Business support services	-	-	-	-	-	-	-	-	-	-	-	-	0.00	-	0.00	-
Corporate guarantee & SBLC charges	-	5.84	-	-	-	-	-	-	-	-	-	-	-	-	-	5.84
Travelling and accommodation	-	0.66	-	-	-	-	-	-	-	-	-	-	-	-	-	0.66
Information technology maintenance fees	-	-	-	-	-	-	-	-	-	-	-	-	-	80.56	-	80.56
Purchase of intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	59.75	-	59.75
Trademark fee	-	-	-	-	-	-	-	-	-	-	-	-	-	40.93	-	40.93
Contribution towards corporate social responsibility	-	-	-	-	-	-	2.25	1.52	-	-	-	-	-	-	2.25	1.52

* There is no transaction with directors and relatives of directors.

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

37 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 46(i).

38 Events after balance sheet date

There have been no events after the reporting date that requires disclosure in these financial statements.

39 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:

	For the year ended March 31, 2026	For the year ended March 31, 2025
Type of Service		
Service fees (including penalty and safe pay fee)	287.69	267.39
Sales commission (including on appliances protection plans)	84.75	48.31
Total	**372.44**	**315.70**
Geographical markets		
India	372.44	315.70
Outside India	-	-
Total	**372.44**	**315.70**
Timing of recognition of revenue		
Performance obligation satisfied at a point in time	372.44	315.70
Performance obligation satisfied over period of time	-	-
Total	**372.44**	**315.70**

Particulars	As at March 31, 2026	As at March 31, 2025
Contract balances:		
Trade receivables	9.13	9.41
	9.13	**9.41**

40 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, 2026	As at March 31, 2025
Carrying amount of assets at amortised cost	241.23	584.76
Carrying amount of associated liabilities#	34.90	304.17
For those liabilities that have recourse only to the transferred financial assets	-	-
Fair value of transferred assets	222.84	527.67
Fair value of associated liabilities	35.03	307.78
Net position	187.81	219.89

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, 2026 is ₹ 24.85 crores (March 31, 2025: ₹ 50.12 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.

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

41 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.

As at March 31, 2026	Carrying Amount			Fair value		
	FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3
Financial assets						
Cash and cash equivalents*	-	-	685.81	-	-	-
Bank balance other than cash and cash equivalents*	-	-	28.32	-	-	-
Trade receivables*	-	-	28.73	-	-	-
Loans	-	-	5,850.87	-	-	5,845.21
Other financial assets						
Security deposits	-	-	9.77	-	-	8.93
Other than security deposits*	-	-	53.01	-	-	-
	-	**-**	**6,656.51**	**-**	**-**	**5,854.14**
Financial liabilities						
Payables						
(I) Trade payables*						
(i) Total outstanding dues of micro enterprises and small enterprises; and	-	-	19.00	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	123.30	-	-	-
(II) Other payables*						
(i) Total outstanding dues of micro enterprises and small enterprises; and	-	-	0.98	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Borrowings (other than debt Securities)	-	-	3,893.74	-	-	3,893.87
Lease liabilities*			40.75	-	-	-
Other financial liabilities*	-	-	129.66	-	-	-
	-	**-**	**4,207.43**	**-**	**-**	**3,893.87**

Notes forming part of the financial statements for the year ended March 31, 2026

(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**

*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.

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).

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

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.

42 Risk management framework

42.1 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.

42.2 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, 2026

(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, 2026					
Current (not past due)*	Stage 1	5,958.26	2.91%	173.49	No
1-30 days past due	Stage 1	156.06	27.59%	43.06	No
31-60 days past due	Stage 2	89.51	45.31%	40.56	No
61-90 days past due	Stage 2	63.67	65.58%	41.76	No
More than 90 days past due	Stage 3	215.49	88.98%	191.75	Yes
		6,482.99	**7.57%**	**490.62**	
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**	

*Loss Allowance includes ₹ 17.93 crores (March 31, 2025: ₹ 15.78 crores) pertaining to provision on undrawn uncommitted credit limit, basis the expected utilisation and Nil (March 31, 2025: ₹ 0.10 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.

42.2.1 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 ₹ 0.52 crores and ₹ 0.05 crores as at March 31, 2026 and March 31, 2025, respectively.

42.2.2 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, 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**	**-**	**-**

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

New financial assets originated	106.50	106.50	-	-
New financial assets originated transferred to stage 2 and stage 3	-	(0.07)	0.07	-
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)	-	-
Others	-	-	-	-
Gross carrying amount as at March 31, 2026	**106.50**	**106.43**	**0.07**	**-**

*Before adjustment of loan acquisition costs and related (income) to arrive at EIR method for March 31, 2026: ₹ 3.26 Crore; March 31, 2025: ₹ Nil;

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, 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**	**-**	**-**
New financial assets originated	0.62	0.60	0.02	-
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)	-	-
Amount written off	-	-	-	-
Impairment loss allowance as at March 31, 2026	**0.62**	**0.60**	**0.02**	**-**

Consumer durable loans*	**Total**	**Stage 1**	**Stage 2**	**Stage 3**
Gross carrying amount as at April 1, 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**

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

New financial assets originated	2,110.61	2,110.61	-	-
New financial assets originated transferred to stage 2 and stage 3	-	(100.11)	49.65	50.46
Transfer from stage 1 to stage 2 and stage 3	-	(4.34)	0.72	3.62
Transfer from stage 2 to stage 1 and stage 3	-	-	(0.01)	0.01
Transfer from stage 3 to stage 1 and stage 2	-	-	-	-
Financial assets repaid including write offs	(1,561.53)	(1,450.79)	(50.99)	(59.75)
Others	(0.24)	-	-	(0.24)
Gross carrying amount as at March 31, 2026	**2,116.16**	**2,011.69**	**50.37**	**54.10**

*Before adjustment of loan acquisition costs and related (income) to arrive at EIR method for March 31, 2026: ₹ (60.92) crores; March 31, 2025: ₹ (42.49) 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, 2024	**79.19**	**30.37**	**15.95**	**32.87**
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**
New financial assets originated	113.12	30.45	32.21	50.46
Change in estimates/assumptions	4.08	0.03	0.49	3.56
Transfer from stage 1 to stage 2 and stage 3	-	(0.07)	0.01	0.06
Transfer from stage 2 to stage 1 and stage 3	-	-	(0.00)	0.00
Transfer from stage 3 to stage 1 and stage 2	-	-	-	-
Financial assets repaid including write offs	(89.33)	(24.93)	(22.25)	(42.15)
Impairment loss allowance as at March 31, 2026	**132.63**	**45.84**	**32.70**	**54.09**

Cash loans*	**Total**	**Stage 1**	**Stage 2**	**Stage 3**
Gross carrying amount as at April 01, 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**

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

New financial assets originated	2,627.17	2,627.17	-	-
New financial assets originated transferred to stage 2 and stage 3	-	(77.13)	36.13	41.00
Transfer from stage 1 to stage 2 and stage 3	-	(175.50)	64.72	110.78
Transfer from stage 2 to stage 1 and stage 3	-	2.26	(7.82)	5.56
Transfer from stage 3 to stage 1 and stage 2	-	0.95	0.12	(1.07)
Financial assets repaid including write offs	(2,367.15)	(2,022.91)	(139.27)	(204.97)
Others	(6.43)	-	-	(6.43)
Gross carrying amount as at March 31, 2026	**4,252.23**	**3,988.10**	**102.74**	**161.39**

*Before adjustment of loan acquisition costs and related (income) to arrive at EIR method for March 31, 2026: ₹ (84.06) crores; March 31, 2025: ₹ (91.00) 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, 2024	**324.55**	**94.31**	**57.06**	**173.18**
New financial assets 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**
New financial assets acquired/originated	150.70	97.76	17.44	35.50
Change in estimates/assumptions	165.57	41.28	30.02	94.27
Transfer from stage 1 to stage 2 and stage 3	-	(3.52)	1.30	2.22
Transfer from stage 2 to stage 1 and stage 3	-	0.93	(3.23)	2.30
Transfer from stage 3 to stage 1 and stage 2	-	0.79	0.10	(0.89)
Financial assets repaid including write offs	(274.28)	(40.55)	(57.53)	(176.20)
Impairment loss allowance as at March 31, 2026	**357.34**	**170.08**	**49.60**	**137.66**

Loan against property*	**Total**	**Stage 1**	**Stage 2**	**Stage 3**
Gross carrying amount as at April 01, 2024	-	-	-	-
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	-	-	-	-
Others	-	-	-	-
Gross carrying amount as at March 31, 2025	-	-	-	-

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

New financial assets originated	8.10	8.10	-	-
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	-	-	-	-
Others	-	-	-	-
Gross carrying amount as at March 31, 2026	**8.10**	**8.10**	**-**	**-**

*Before adjustment of loan acquisition costs and related (income) to arrive at EIR method for March 31, 2026: ₹ 0.22 crores; March 31, 2025: Nil;

Reconciliation of impairment loss allowance in relation to Loan against property is as follows:

Loan against property	**Total**	**Stage 1**	**Stage 2**	**Stage 3**
Impairment loss allowance as at April 01, 2024	**-**	**-**	**-**	**-**
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	-	-	-	-
Impairment loss allowance as at March 31, 2025	**-**	**-**	**-**	**-**
New financial assets acquired/originated	0.03	0.03	-	-
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	-	-	-	-
Impairment loss allowance as at March 31, 2026	**0.03**	**0.03**	**-**	**-**

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, 2026 and that were still subject to enforcement activity was ₹ 743.66 crores (March 31, 2025: ₹ 890.04 crores)

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

42.2.3 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, 2026	As at March 31, 2025
Loans and advances to customers	**Amount**	**Amount**
per Geographical grouping		
India	5,850.87	5,012.36
Outside India	-	-
Total	**5,850.87**	**5,012.36**
per Region		
North India	4,250.37	3,624.03
South India	550.60	596.09
East India	0.02	0.35
West India	1,049.87	791.89
Total	**5,850.87**	**5,012.36**

42 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.

42.3.1 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, 2026 and March 31, 2025. 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, 2026					
Financial assets					
Cash and cash equivalents	185.81	500.00	-	-	685.81
Bank balance other than cash and cash equivalents	-	0.16	28.43	-	28.59
Trade receivables	-	35.17	-	-	35.17
Loans	-	4,277.57	2,197.97	7.45	6,482.99
Other financial assets	-	51.74	16.08	0.80	68.62
Total undiscounted financial assets	**185.81**	**4,864.64**	**2,242.48**	**8.25**	**7,301.18**
Financial liabilities					
Payables					
(I) Trade payables					
(i) Total outstanding dues of micro enterprises and small enterprises; and	-	19.00	-	-	19.00
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	123.30	-	-	123.30
(II) Other Payables					
(i) Total outstanding dues of micro enterprises and small enterprises; and	-	0.98	-	-	0.98
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Borrowings (other than debt securities)	-	1,678.47	2,215.61	-	3,894.08
Lease liabilities	-	21.08	24.67	0.59	46.34
Other financial liabilities	-	129.66	-	-	129.66
Total undiscounted financial liabilities	**-**	**1,972.49**	**2,240.28**	**0.59**	**4,213.36**
Net undiscounted financial assets/(liabilities)	**185.81**	**2,892.15**	**2.20**	**7.66**	**3,087.82**

Notes forming part of the financial statements for the year ended March 31, 2026

(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, 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**

	As at March 31, 2026	As at March 31, 2025
Total Undrawn commitments	28.09	9.74

42 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.

42.4.1 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, 2026	-	6,482.99
March 31, 2025	-	5,565.96
Financial liabilities (borrowings)*		
March 31, 2026	3,859.18	34.90
March 31, 2025	3,303.33	625.33

* 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, 2026	For the year ended March 31, 2025
Increase (1.00%)	(38.59)	(31.85)
Decrease (1.00%)	38.59	31.85

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

42.4.2 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 %	Effect on profit before tax	Change in currency rate in %	Effect on profit before tax
	Year ended March 31, 2026	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2025
EUR	+5%	(0.27)	+5%	(0.25)

43 In terms of the requirement as per RBI notification Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 disclosure requirements vide notification no. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025, 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, 2026 and accordingly, no amount is required to be transferred to impairment reserve.

43 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, 2026			As at March 31, 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	685.81	-	685.81	369.85	-	369.85
Bank balance other than cash and cash equivalents	0.16	28.16	28.32	0.16	60.49	60.65
Trade receivables	28.73	-	28.73	28.06	-	28.06
Loans	3,977.40	1,873.47	5,850.87	3,210.46	1,801.90	5,012.36
Other financial assets	51.60	11.18	62.78	20.18	43.48	63.66
Total financial assets	**4,743.70**	**1,912.81**	**6,656.51**	**3,628.71**	**1,905.87**	**5,534.58**
Non-financial assets						
Current tax assets (net)	-	11.87	11.87	-	17.26	17.26
Deferred tax assets (net)	-	252.64	252.64	-	213.23	213.23
Property, plant and equipment	-	34.90	34.90	-	27.93	27.93
Right-of-use assets	-	40.02	40.02	-	32.05	32.05
Intangible assets under development	-	-	-	-	13.02	13.02
Other intangible assets	-	46.95	46.95	-	96.65	96.65
Other non-financial assets	64.33	0.16	64.49	35.66	0.16	35.82
Total non-financial assets	**64.33**	**386.54**	**450.87**	**35.66**	**400.30**	**435.96**
Total assets	**4,808.03**	**2,299.35**	**7,107.38**	**3,664.37**	**2,306.17**	**5,970.54**

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

Particulas	As at March 31, 2026			As at March 31, 2025		
	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	19.00	-	19.00	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	123.30	-	123.30	115.53	-	115.53
(II) Other Payables						
(i) Total outstanding dues of micro enterprises and small enterprises; and	0.98	-	0.98	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	0.18	-	0.18
Borrowings (other than debt securities)	1,678.13	2,215.61	3,893.74	1,760.79	2,167.67	3,928.46
Lease liabilities	17.68	23.06	40.75	12.42	19.87	32.29
Other financial liabilities	129.66	-	129.66	149.59	-	149.59
Total financial liabilities	**1,968.75**	**2,238.67**	**4,207.43**	**2,038.51**	**2,187.54**	**4,226.05**
Non-financial liabilities						
Provisions	163.68	50.06	213.74	81.72	52.08	133.80
Other non-financial liabilities	31.86	-	31.86	25.41	-	25.41
Total non-financial liabilities	**195.54**	**50.06**	**245.60**	**107.13**	**52.08**	**159.21**
Total liabilities	**2,164.29**	**2,288.73**	**4,453.03**	**2,145.64**	**2,239.62**	**4,385.26**
Net	**2,643.74**	**10.61**	**2,654.35**	**1,518.73**	**66.56**	**1,585.28**

Changes in liabilities arising from financing activities

Particulars	As at April 1, 2025	Cash flows	Interest expense	Others*	As at March 31, 2026
Borrowings (other than debt securities)**	3,976.81	(59.12)	-	0.57	3,918.26
Lease liabilities	32.29	(21.40)	4.45	25.41	40.75
Total liabilities from financing activities	**4,009.10**	**(80.52)**	**4.45**	**25.98**	**3,959.01**

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**

*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, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

44. Terms of borrowings

Following are the details of certain significant terms and conditions of the borrowings for the year ended March 31, 2026 and year ended March 31, 2025:

Note no. (i) Secured term loans^

Particulars	Amount outstanding	Amount outstanding	Repayment terms				
	As at March 31, 2026	As at March 31, 2025	Instalments March 31, 2026	Instalments March 31, 2025	Periodicity	Borrowing Start date	Borrowings Maturity date
Bank	0.79	-	15	-	Monthly	5-Jun-25	30-Jun-27
Bank	78.95	-	15	-	Monthly	14-Aug-25	30-Jun-27
Bank	38.68	-	15	-	Monthly	31-Oct-25	30-Jun-27
Bank	78.95	-	15	-	Monthly	18-Dec-25	30-Jun-27
Bank	200.00	-	5	-	Quarterly	26-May-25	26-May-27
Bank	85.68	150.00	12	21	Monthly	29-Mar-25	29-Mar-27
Bank	61.88	-	13	-	Monthly	30-Apr-25	30-Apr-27
Bank	214.26	-	18	-	Monthly	25-Sep-25	25-Sep-27
Bank	150.00	-	33	-	Monthly	28-Jan-26	31-Jan-29
Bank*	2,950.00	3,000.00	21	3	Monthly	2-Feb-26	31-Jan-28
Others	-	3.75	-	1	Quarterly	29-Mar-24	10-Apr-25
Bank	-	3.33	-	2	Monthly	11-Jun-24	31-May-25
Others	-	25.00	-	2	Quarterly	30-Aug-24	15-Aug-25
Others	-	25.00	-	2	Quarterly	9-Sep-24	5-Sep-25
Others	-	40.83	-	7	Monthly	30-Sep-24	29-Sep-25
Others	-	19.04	-	9	Monthly	4-Dec-24	5-Dec-25
Others	-	37.50	-	3	Quarterly	23-Dec-24	15-Dec-25
Total (As per contractual terms) (A)	**3,859.18**	**3,304.46**					
Less: Unamortised finance cost **(B)**	0.34	0.17					
Total (A)-(B)	**3,858.84**	**3,304.29**					

^Secured term loans are secured by first pari-passu charge on all receivables of the Company. As at March 31, 2026: Rate of interest varies from 7.50% to 7.79% per annum (March 31, 2025: Rate of interest varied from 8.75% to 13.30% per annum.)

*During the year, the Bank and the Company have mutually agreed to amend the existing terms.

Note no. (ii) Secured working capital demand loans and overdraft from banks#

Particulars	Amount outstanding	Amount outstanding	Repayment terms				
	As at March 31, 2026	As at March 31, 2025	Instalments March 31, 2026	Instalments March 31, 2025	Periodicity	Start date	Maturity date
Bank	-	48.00	-	1	On Maturity	26-Dec-24	24-Jun-25
Bank	-	52.00	-	1	On Maturity	7-Feb-25	5-Aug-25
Bank	-	50.00	-	1	On Maturity	5-Feb-25	5-May-25
Total (As per contractual terms) (A)	**-**	**150.00**					
Less: Unamortised finance cost **(B)**	-	-					
Total (A)-(B)	**-**	**150.00**					

working capital demand loans from banks are secured by first pari-passu charge on all receivables of the company. Rate of interest as on March 31, 2025 varied from 8.75% to 10.45% per annum.

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

Note no. (iii) Associated liabilities in respect of securitization transactions

Particulars*	Amount outstanding	Amount outstanding	Repayment terms				
	As at March 31, 2026	As at March 31, 2025	Instalments March 31, 2026	Instalments March 31, 2025	Periodicity	Start date	Maturity date#
Other	-	3.37	-	1	Monthly	25-Oct-23	15-May-25
Other	-	24.66	-	8	Monthly	27-Feb-24	15-Dec-25
Other	5.79	68.90	2	19	Monthly	28-May-24	15-Jun-26
Other	-	3.09	-	3	Monthly	27-Sep-23	15-Jul-25
Other	-	1.02	-	1	On Maturity	29-Sep-23	17-Apr-25
Other	12.74	124.98	2	15	Monthly	25-Jan-24	15-Jun-26
Other	16.36	78.17	4	17	Monthly	26-Mar-24	15-Aug-26
Total (As per contractual terms) (A)	**34.90**	**304.20**					
Less: Unamortised finance cost **(B)**	-	0.03					
Total (A)-(B)	**34.90**	**304.17**					

*All securitisation transactions including from banks have been covered under others.

As on March 31, 2026, rate of interest on securitization transactions varies from 11.25% to 11.45% per annum. (March 31, 2025: 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. (iv) Unsecured working capital demand loans from banks $

Particulars	Amount outstanding	Amount outstanding	Repayment terms				
	As at March 31, 2026	As at March 31, 2025	Instalments March 31, 2026	Instalments March 31, 2025	Periodicity	Start date	Maturity date
Bank	-	75.00	-	1	On Maturity	21-Feb-25	22-May-25
Bank	-	95.00	-	1	On Maturity	27-Feb-25	28-May-25
Total	**-**	**170.00**					

$ Interest rate on these loans as on March 31, 2025 varied from 9.00% to 9.25% per annum.

45 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.

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

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, 2026	Balance outstanding as at March 31, 2025
Epic Ventures Private Limited	Payables	NA	-	-
Infinity Enterprises Private Limited	Payables	NA	-	0.10

ix) All charges or satisfaction are registered with the ROC within the statutory period for the year ended March 31, 2026 and March 31, 2025. 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, 2026 and March 31, 2025 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, 2026	As at March 31, 2025	% Variance	Reason for variance (if above 25% variance)
Capital to risk-weighted assets Ratio (CRAR)	2,287.58	7,461.80	30.66%	19.23%	59.46%	Majorly due to issue of share capital amounting INR 940 crores during the year.
Tier I CRAR	2,229.27	7,461.80	29.88%	19.12%	56.28%	
Tier II CRAR	58.31	7,461.80	0.78%	0.11%	610.38%	Majorly due to reduction in First Credit Loss enhancement on securitisation transactions during the year.
Liquidity Coverage Ratio	183.64	67.08	273.77%	232.41%	17.80%	N.A.

xii) The company has not revalued any of its property, plant and equipment during the year ended March 31, 2026 and year ended March 31, 2025. 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, 2026 and year ended March 31, 2025.

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.

46 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, 2026. 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 Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 disclosure requirements vide notification no. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26.

i) Capital funds, risk assets/ exposure and risk asset ratio (CRAR)*

Items	As at March 31, 2026	As at March 31, 2025
CRAR (%)#	30.66%	19.23%
CRAR - Tier I capital (%)	29.88%	19.12%
CRAR - Tier II capital (%)	0.78%	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.

Note: For amounts related to Tier I capital, Tier II capital and risk-weighted assets, refer note 45(xi)

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

ii) Investments

Particulars	As at March 31, 2026	As at March 31, 2025
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, 2026 and March 31, 2025.

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 ₹ 6,368.39 crores (March 31, 2025: ₹ 5,565.96 crores). There are no loans and advances secured against intangible assets / securities.

vii) Net profit or loss for the year, 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, 2026	As at March 31, 2025
Impairment allowance towards Stage 3 assets	(29.57)	16.37
Impairment allowance towards Stage 1 and Stage 2 assets	101.37	(0.21)
Impairment allowance towards other financial assets	(4.39)	3.84
Provision made towards income tax	80.34	51.48
Provision made towards employee benefits*	40.65	34.71
Provision for incentives to customers		
Provision for contingent liabilities (taxes)		
Others		
Total	**399.03**	**254.77**

*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, 2026 and March 31, 2025.

Notes forming part of the financial statements for the year ended March 31, 2026

(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, 2026 and March 31, 2025:

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, 2026)	-	-	-	-	-	-	-	-	-	-	-
Deposits (March 31, 2025)	-	-	-	-	-	-	-	-	-	-	-
Advances* (March 31, 2026)	543.72	69.78	105.08	579.07	508.63	1,209.19	1,262.10	1,820.21	377.76	7.45	6,482.99
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
Investments (March 31, 2026)	-	-	-	-	-	-	-	-	-	-	-
Investments (March 31, 2025)	-	-	-	-	-	-	-	-	-	-	-
Borrowings** (March 31, 2026)	-	-	36.97	186.89	143.93	441.64	869.04	2,215.61	-	-	3,894.08
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
Foreign currency assets (March 31, 2026)	-	-	-	-	-	-	-	-	-	-	-
Foreign currency assets (March 31, 2025)	-	-	-	-	-	-	-	-	-	-	-
Foreign currency liabilities (March 31, 2026)	-	-	1.24	4.34	-	-	-	-	-	-	5.58
Foreign currency liabilities (March 31, 2025)	-	-	0.26	4.84	-	-	-	-	-	-	5.10

*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, 2026	As at March 31, 2025
Total advances to twenty largest borrowers	4.46	1.02
Percentage of advances to twenty largest borrowers to total advances of the company	0.07%	0.02%

b. Concentration of Exposures

Particulars	As at March 31, 2026	As at March 31, 2025
Total exposure to twenty largest borrowers/ customers	4.46	1.02
Percentage of exposures to twenty largest borrowers / customers to total exposure of the company on borrowers / customers	0.07%	0.02%

c. Concentration of Stage 3 assets

Particulars	As at March 31, 2026	As at March 31, 2025
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.

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

xii) Ratings assigned by credit rating agencies during the year ended March 31, 2026

Sl. No.	Ratings	Rating Agency	Nature of securities
1	AA/ Stable	CARE	Lines from Financial Institutions
2	AA/ Stable	INDIA RATINGS	Lines from Financial Institutions
3	A1+	INDIA RATINGS	Commercial Paper

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

xiii) There are no circumstances in which revenue recognition postponed pending the resolution of significant uncertainties.

xiv) Summary of total borrowings, receivables and provision

Total assets provisions

Sl. No.	Particulars	As at March 31, 2026	As at March 31, 2025
1	Impairment allowance towards NPA	191.75	222.62
2	Impairment allowance towards standard assets	298.87	197.49
3	Impairment allowance for trade receivables and other financial assets	8.84	13.23

For total loans and total borrowings, refer note 7 and note 16, respectively.

xv) Loans to Directors, Senior Officers and relatives of Directors

No loans has been provided to Directors and their relatives, Senior Officers and their relatives, and entities associated with directors and their relatives

47 Sector-wise Stage 3 assets*

Sl. No.	Sector	Percentage of Stage 3 assets to Total Advances in that sector	
		As at March 31, 2026	As at March 31, 2025
1	Agriculture and allied activities	-	-
2	MSME	-	-
3	Corporate borrowers	-	-
4	Services	-	-
5	Unsecured personal loans #	3.38%	4.97%
6	Auto loans**	-	-
7	Other personal loans***	-	-

* Before adjustment of unamortised income/ cost on loans.

includes cash loans and consumer durable loans

**includes two wheeler loans

***includes loan against property

48 Movement of Stage 3 assets*

Particulars		Year ended March 31, 2026	Year ended March 31, 2025
(i)	Net Stage 3 assets to Net Advances (%)	0.40%	1.05%
(ii)	Movement of Stage 3 assets (Gross)		
	(a) Opening balance	276.52	256.66
	(b) Additions during the year	773.42	986.68
	(c) Reductions during the year #	834.45	966.82
	(d) Closing balance	215.49	276.52
(iii)	Movement of net Stage 3 assets		
	(a) Opening balance	53.90	50.61
	(b) Additions during the year	157.05	276.20
	(c) Reductions during the year #	187.21	272.91
	(d) Closing balance	23.74	53.90
(iv)	Movement of provisions for Stage 3 assets		
	(a) Opening balance	222.62	206.05
	(b) Provision made during the year	616.37	710.48
	(c) Write off/write-back of excess provisions	647.24	693.91
	(d) Closing balance	191.75	222.62

* Before adjustment of unamortised loan acquisition costs and related income.

Reduction includes write-offs and recoveries.

49 Registration obtained from other financial sector regulators

The company is not registered with any other financial sector regulators.

50 Related party transactions

Refer note no 36 for related party transactions.

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

51 Remuneration of directors

During the year ended March 31, 2026, the company has paid sitting fees of ₹ 0.15 crores (previous year: ₹ 0.23 crores) and professional fee of Nil (previous year: ₹1.22 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.

52 Revenue recognition

For revenue recognition, refer accounting policies in note no 3.

53 During the year, certain instances of fraud have been identified as below:

Fraud amounting to ₹ 0.59 crores (March 31, 2025: ₹ 0.30 crores) was reported during the year, with ₹ 0.24 crores (March 31, 2025: ₹ 0.27 crores) related to retail loans obtained by customers using forged documents, ₹ 0.35 crores (March 31, 2025: Nil) related to cyber fraud perpetrated on the Company's customers by unidentified fraudsters through impersonation and Nil (March 31, 2025: ₹ 0.03 crores) related to unauthorized settlement practices by an employee.

54 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, 2026 by derivative instruments or otherwise are Euro 0.49 million (₹ 5.35 crores) [previous year Euro 0.53 million (₹ 4.92 crores)] and Nil [previous year Euro 0.02 million (₹ 0.18 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, 2026 (previous year: Nil).

55 Disclosure of customer complaints

Sl. No.	Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(a)	Number of complaints pending at the beginning of the year	37	52
(b)	Number of complaints received during the year	1,221	1,666
(c)	Number of complaints redressed during the year	1,216	1,681
(d)	Number of complaints pending at the end of the year	42	37

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.

56 Schedule to the Balance sheet of a Non- Banking Finance Company as required under Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 disclosure requirements vide notification no. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26:

	Particulars	As at March 31, 2026		As at March 31, 2025	
	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	3,858.84	-	3,304.29	-
	(d) External commercial borrowings	-	-	-	-
	(e) Inter corporate loans and borrowings	-	-	-	-
	(f) Commercial paper	-	-	-	-
	(g) Public Deposits	-	-	-	-
	(h) Other loans				
	- Working capital loans and bank overdraft	-	-	320.00	-
	- Associated liabilities in respect of securitization transactions	34.90	-	304.17	-
	Total	**3,893.74**	**-**	**3,928.46**	**-**
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 ₹ 1.26 crores (March 31, 2025: ₹ 3.38 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 ₹ 0.34 crores (previous year ₹ 0.20 crores).

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

	Particulars	As at March 31, 2026	As at March 31, 2025
3	**Assets side:**		
	Break-up of loans and advances including bills receivables {other than those included in (4) below}:		
	(a) Secured	114.60	0.00
	(b) Unsecured	6,368.39	5,565.96
	Total	**6,482.99**	**5,565.96**
4	Break-up of leased assets and stock on hire and other assets counting towards asset finance activities	**As at March 31, 2026**	**As at March 31, 2025**
(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	-	-
(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**	**As at March 31, 2026**	**As at March 31, 2025**
	Current 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	-	-
	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, 2026**			**Gross Amount As at March 31, 2025**		
		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	114.60	6,368.39	6,482.99	0.00	5,565.96	5,565.96
	Total	**114.60**	**6,368.39**	**6,482.99**	**0.00**	**5,565.96**	**5,565.96**

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, 2026**		**As at March 31, 2025**	
		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	-	-	-	-

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

8	Other Information	As at March 31, 2026	As at March 31, 2025
	(i) Gross Stage 3 assets*		
	(a) Related parties	-	-
	(b) Other than related parties	215.49	276.52
	(ii) Net Stage 3 assets		
	(a) Related parties	-	-
	(b) Other than related parties	23.74	53.90
	(iii) Assets acquired in satisfaction of debts (net of provisions)	-	-

* Before adjustment of unamortised loan acquisition costs and related income.

57(A) Disclosures relating to securitisation

57.1 Details of securitization transaction entered

Sr. No.	Particulars	Number/ Amount as at March 31, 2026	Number/ Amount as at March 31, 2025
1	No of SPVs sponsored by the applicable NBFC for securitisation transactions*	3.00	7.00
2	Total amount of securitised assets as per books of the SPVs sponsored	241.23	584.76
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)	69.93	136.22
	a) Off-balance sheet exposures		
	First loss		
	Others		
	b) On-balance sheet exposures		
	First loss	48.56	94.49
	Others (Minimum retention requirement)	21.37	41.73
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	89.94	327.83
	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.**	0.99	1.95
	** 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
	(b) Repayment received	66.29	32.93
	(c) Outstanding amount	69.93	136.22
8	Average default rate of portfolio observed in the past		
	a) Unsecured personal loans#	3.80%	5.40%
	#% 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.

57.2 Details of financial assets sold to securitisation / reconstruction company for asset reconstruction

Sr. No.	Particulars	As at March 31, 2026	As at March 31, 2025
(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	-	-

57.3 Details of assignment transaction undertaken

Sr. No.	Particulars	As at March 31, 2026	As at March 31, 2025
(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	-	-

57.4 Details of Stage 3 assets purchased

The company has not purchased or sold any Stage 3 financial assets during the year ended March 31, 2026 (previous year: Nil)

57(B) Disclosure relating to Co-lending

The company has co-lending arrangement for its personal loans business.

Sr. No.	Particulars	As at March 31, 2026	As at March 31, 2025
(i)	Loans outstanding*	36.85	89.95
(ii)	Fees charged from co-lenders	6.02	15.05
(iii)	Average default rate of portfolio# #% of NPA to total advances to that assets class	7.24%	5.54%

*excluding loan portion funded by the co-lenders.

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

58 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 2026

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at 31 March 2025 (A)	Of (A), aggregate debt that slipped into NPA during the year ended 31 March 2026	Of (A) amount written off during the year ended 31 March 2026	Of (A) amount paid by the borrowers during the year ended 31 March 2026	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at 31 March 2026
Personal loans	0.16	0.00	-	0.13	0.03
Corporate Loans*	-	-	-	-	-
of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	0.16	0.00	-	0.13	0.03

* 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, 2026 is ₹ 0.04 crores (March 31, 2025: ₹ 0.19 crores) and provision there on March 31, 2026 is ₹ 0.01 crores (March 31, 2025: ₹ 0.03 crores)

59 (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 2026 where resolution plan has been implemented under above notification is ₹ 0.03 crores (March 31, 2025: ₹ 0.22 crores) & provision is ₹ 0.03 crores (March 31, 2025: ₹ 0.22 crores)

(b) Disclosures pursuant to RBI Circular – Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 disclosure requirements vide notification no. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025:

S.No	During the year ended March 31, 2026
1	Nil
2	Nil

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

60 Schedule as per direction received from Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 disclosure requirements vide notification no. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26.

As at March 31, 2026							
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	6,114.32	198.62	5,915.70	24.46	174.16
		Stage 2	153.18	82.32	70.86	0.61	81.71
	Sub-total		**6,267.50**	**280.94**	**5,986.56**	**25.07**	**255.87**
2	Non-Performing Assets (NPA)						
	Substandard	Stage 3	215.49	191.75	23.74	21.55	170.20
	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		**215.49**	**191.75**	**23.74**	**21.55**	**170.20**
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	28.09	17.93	10.17	-	17.93
		Stage 2	-	-	-	-	-
		Stage 3	-	-	-	-	-
	Sub-total		**28.09**	**17.93**	**10.17**	**-**	**17.93**
	Total	**Stage 1****	6,142.41	216.55	5,925.86	24.46	192.09
		Stage 2	153.18	82.32	70.86	0.61	81.71
		Stage 3	215.49	191.75	23.74	21.55	170.20
		Total	**6,511.08**	**490.62**	**6,020.46**	**46.62**	**444.00**

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, 2026 on the loans.

*Before adjustment of loan acquisition costs and related income to arrive at EIR method for March 31, 2026: ₹ 141.50 crores.

**Including undrawn commitment of ₹ 28.09 crores in gross carrying amount and ₹17.93 crores as provision against uncommitted credit limit, in loss allowance, basis the expected utilisation.

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

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, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

61 Disclosure on liquidity coverage ratio pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 disclosure requirements vide notification no. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26:

A) Public disclosure on liquidity risk

i) Funding Concentration based on significant counterparty (both deposits and borrowings)

As at March 31, 2026

Sr. No.	Type of Instruments	Number of significant counterparties	Amount*	% of Total Deposit	% of total Liabilities
1	Deposits	-	-	-	-
2	Borrowings	5	3,859.18		86.66%

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%

ii) Top 20 large deposits

No depositors as the company is a non-deposit taking NBFC.

iii) Top 10 borrowings

As at March 31, 2026

Description	Amount*	% of total borrowings
Total of Top 10 borrowings	3,894.08	100.00%

As at March 31, 2025

Description	Amount*	% of total borrowings
Total of Top 10 borrowings	3,899.44	99.26%

iv) Funding Concentration based on significant Instrument/Product:

Sr. No.	Name of the Instrument/Product	As at March 31, 2026		As at March 31, 2025	
		Amount	% of total Liabilities	Amount	% of total Liabilities
1	Bank Borrowings**	3,859.18	86.66%	3,473.27	79.20%
2	Securitization	-	-	304.17	6.94%
3	Term Loans	-	-	151.02	3.44%
	Total	**3,859.18**	**86.66%**	**3,928.46**	**89.58%**

v) Stock Ratios

As at March 31, 2026

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	2,164.29	-	48.60%	30.45%

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	2,145.64	-	48.93%	35.94%

* All these amounts are gross amounts without the impact of EIR

** Bank borrowings consists of WCDL and Term Loans

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

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.

Disclosure on liquidity coverage ratio pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 disclosure requirements vide notification no. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26:

A) Public disclosure on liquidity risk *(Continued):*

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
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).

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 pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 disclosure requirements vide notification no. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26.

B) As per the Reserve Bank of India (Non-Banking Financial Companies – Asset Liability Management) Directions, 2025, the LCR requirement shall be applicable on all NBFCs other than non-deposit taking NBFCs with asset size below ₹5000 crore. As per these directions, an NBFC need to maintain LCR of minimum 100 percent on an ongoing basis.

(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. There are no HQLA assets which require any haircut.
* 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. 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.

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

(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.

(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 232% for the quarter ended March 31, 2025 to 274% for the quarter ended March 31, 2026.

(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. 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.

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

Liquidity Coverage Ratio

Sr. No	Particulars		As at June 30, 2025		As at September 30, 2025		As at December 31, 2025		As at March 31, 2026	
		Factor Multiplier (%)	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%	238.31	238.31	154.48	154.48	131.54	131.54	183.64	183.64
	CASH OUTFLOWS									
2	Deposits (for deposit taking companies)	115%	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	115%	56.04	64.45	-	-	-	-	-	-
4	Secured wholesale funding	115%	80.05	92.06	55.05	63.31	34.65	39.85	55.33	63.62
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%	55.27	63.56	12.30	14.14	12.57	14.46	12.73	14.64
6	Other contractual funding obligations	115%	166.68	191.69	163.71	188.26	169.17	194.54	165.26	190.05
7	Other contingent funding obligations	115%	-	-	-	-	-	-	-	-
8	**TOTAL CASH OUTFLOWS (A)**		**358.04**	**411.76**	**231.06**	**265.71**	**216.39**	**248.85**	**233.32**	**268.32**
	CASH INFLOWS									
9	Secured lending	75%	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	75%	522.29	391.72	541.92	406.44	583.27	437.45	601.99	451.50
11	Other cash inflows	75%	119.50	89.62	129.65	97.24	212.98	159.73	137.03	102.77
12	**TOTAL CASH INFLOWS (B)**		**641.79**	**481.34**	**671.57**	**503.68**	**796.25**	**597.18**	**739.02**	**554.27**
13	**TOTAL HQLA (C)**			238.31		154.48		131.54		183.64
14	**TOTAL NET CASH OUTFLOWS (D) (refer note 3 below)**			102.94		66.43		62.21		67.08
15	**LIQUIDITY COVERAGE RATIO (%) (C/D)**			232%		233%		211%		274%

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, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

62 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.

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Gross amount required to be spent by the company during the year	2.24	1.52
(b) Amount approved by the Board to be spent during the year	2.25	1.52
(c) Amount spent during the year on		
- Construction/acquisition of any asset	-	-
- On purposes other than (i) above		
- In cash	2.25	1.52
- Yet to be paid in cash	-	-
Total	**2.25**	**1.52**
(d) Excess/ (Shortfall) during the year	0.01	0.00
(e) Total of previous years excess/ (shortfall)	0.00	-
(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 ₹ 2.25 Crores towards CSR expenditure during the financial year ended March 31, 2026 (March 31, 2025: ₹ 1.52 crores)

63 Leases

The company has entered into leasing arrangements for premises & vehicles. Majority of the leases are cancellable by the company.

Lease disclosures under Ind-AS 116 for the year ended March 31, 2026

i) Amounts recognised in Balance Sheet

S. No.	Particulars	As at March 31, 2026	As at March 31, 2025
a)	**Right-of-use assets (net)**		
	(i) Leasehold Buildings	38.44	30.25
	(ii) Vehicles	1.58	1.80
	Total Right-of-use assets (net)	**40.02**	**32.05**
b)	**Lease Liabilities**		
	(i) Current	17.69	12.42
	(ii) Non Current	23.06	19.87
	Total lease liabilities	**40.75**	**32.29**

		For the year ended March 31, 2026	For the year ended March 31, 2025
c)	**Additions to right-of-use assets**		
	(i) Leasehold Buildings	27.38	25.72
	(ii) Vehicles	0.95	1.86
	Total	**28.33**	**27.58**

ii) Amounts recognised in Statement of profit and loss

S. No.	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a)	Depreciation charge for right-of-use assets		
	(i) Leasehold Buildings	18.02	18.86
	(ii) Vehicles	0.91	0.98
	Total Depreciation charge for right-of-use assets	**18.93**	**19.84**
b)	Interest expense (included in finance cost)	4.45	3.76
c)	Expense related to short term leases	1.86	1.58

iii) Cash Flows

S. No.	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a)	Total cash outflow of leases	21.40	21.69

iv) Maturity analysis of undiscounted lease liability

S. No.	Particulars	As at March 31, 2026	As at March 31, 2025
a)	Not later than 1 year	21.08	14.47
b)	Later than 1 year and not later than five years	24.67	21.84
c)	Later than 5 years	0.59	-

(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, 2025	No. of borrowers	-	-	-	-	-	-	-	-	-	-	117	19	-	-	136
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	0.17	0.04	-	-	0.21
		Provision thereon	-	-	-	-	-	-	-	-	-	-	0.13	0.04	-	-	0.17
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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Write-offs of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	(4)	(7)	-	-	(11)
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	(0.01)	(0.01)	-	-	(0.02)
		Provision thereon	-	-	-	-	-	-	-	-	-	-	(0.01)	(0.01)	-	-	(0.02)
7	Adjustment for Payments	No. of borrowers	-	-	-	-	-	-	-	-	-	-	(110)	(12)	-	-	(122)
		Amount outstanding											(0.16)	(0.03)			(0.19)
		Provision thereon	-	-	-	-	-	-	-	-	-	-	(0.12)	(0.03)	-	-	(0.15)
8	Restructured Accounts as on March 31, 2026	No. of borrowers	-	-	-	-	-	-	-	-	-	-	3	-	-	-	3
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	0.00	-	-	-	0.00
		Provision thereon	-	-	-	-	-	-	-	-	-	-	0.00	-	-	-	0.00

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, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

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)			
		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

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

64 (B) Disclosure of details as required by Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 disclosure requirements vide notification no. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26

Section I

A) Exposure

1. Exposure to Real Estate Sector – Direct and Indirect

Description	March 31, 2026	March 31, 2025
(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	7.97	-
(b) Commercial real estate		
Lending secured by mortgages on commercial real estate (office buildings, 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.)	0.13	-
(c) Investments in 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	**8.10**	**-**

2. The company does not have any exposure to capital market as at March 31, 2026 and March 31, 2025.

3. Sectoral Exposure

Sectors	March 31, 2026			March 31, 2025		
	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…Personal loans**	4,263.26	161.39	3.79%	4,008.38	216.52	5.40%
ii…Consumer durable loans	2,116.16	54.10	2.56%	1,567.32	60.00	3.83%
iii…Two wheeler loans	106.50	-	-	0.00	-	-
*iv…Loan against property***	25.16	-	-	-	-	-
Total of Personal Loans (i+ii+iii+iv)	**6,511.08**	**215.49**	3.31%	**5,575.70**	**276.52**	**4.96%**
5. Others	-	-	-	-	-	-

* Includes off balance sheet exposure of ₹ 11.03 crores (March 31, 2025: ₹ 9.74 crores) where the contracts have been signed with the customers but the amount has not been disbursed as on balance sheet date.

** Includes off balance sheet exposure of ₹ 17.06 crores (March 31, 2025: Nil) 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, 2026 and March 31, 2025.

5. For unhedged foreign currency exposure refer note 54

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

B) For related party disclosure refer note 36

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, 2026	March 31, 2025
	Complaints received by the company from its customers		
1	Number of complaints pending at beginning of the year	37	52
2	Number of complaints received during the year	1221	1666
3	Number of complaints disposed during the year	1216	1681
3.1	Out of s.no 3 , number of complaints rejected by the NBFC	141	701
4	Number of complaints pending at the end of the year	42	37
	Maintainable complaints received by the company from Office of Ombudsman		
5	Number of maintainable complaints received by the company from Office of Ombudsman	844	711
5.1	Of 5, number of complaints resolved in favour of the company by Office of Ombudsman	830	693
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	14	18
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)	-	-

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, 2026					
Difficulty in operation of accounts	12	398	-55.78%	8	-
Non-observance of fair practices code	7	250	78.57%	7	-
Recovery Agents	9	224	26.55%	12	2
Levy of charges without prior notice/ excessive charges/ foreclosure charges	-	68	-44.72%	1	-
Staff behaviour	-	13	225.00%	-	-
Miss-selling	2	141	-22.10%	7	-
Others	7	127	-9.93%	7	-
Total	**37**	**1221**	**-26.71%**	**42**	**2**
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**

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

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	K Gopala Desikan	February 3, 2025	Non-Executive Director	00067107	9	8	22	-	-	N.A	Nil
2	Balasubramanyam Sriram*	February 3, 2025	Independent Director	02993708	9	4	6	-	0.02	N.A	Nil
3	Dr. Deepali Pant Joshi**	February 3, 2025	Independent Director	07139051	9	6	8	-	0.04	N.A	Nil
4	Kunnawalkam Elayavalli Ranganathan	February 3, 2025	Independent Director	00058990	9	9	5	-	0.06	N.A	Nil
5	Chittranjan Dua	June 24, 2025	Independent Director	00036080	9	5	11	-	0.02	N.A	Nil
6	Dr. Meena Hemchandra	December 15, 2025	Additional Independent Director	08430748	9	2	3	-	0.02	N.A	Nil

* Resigned with effect from September 10, 2025

** Resigned with effect from November 06, 2025

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, 2026				
1	Mr. Chittranjan Dua	Additional Independent Director	Appointment subject to approval of shareholders	June 24, 2025
2	Mr. Chittranjan Dua	Independent Director	Appointment regularization by shareholders	June 24, 2025
3	Mr. Balasubramanyam Sriram	Independent Director	Resignation	September 10, 2025
4	Dr. Deepali Pant Joshi	Independent Director	Resignation	November 06, 2025
5	Dr. Meena Hemchandra	Additional Independent Director	Appointment subject to approval of shareholders	December 15, 2025

Notes forming part of the financial statements for the year ended March 31, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

Detailed reasons for the resignation of an Independent Director who resigns before the expiry of his tenure:
Due to pre occupations and other personal reasons, Mr. Balasubramanyam Sriram, and to pursue other interests, Dr. Deepali Pant Joshi, Independent Directors of the Company, tendered their resignations from the directorship with effect from September 10, 2025, and November 06, 2025, respectively.

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.

c. General Body Meetings

S. No.	Type of Meeting (Annual/ Extraordinary)	Date and Place	Special resolutions passed
1	Extraordinary General Meeting	June 24, 2025 Audio Visual Mode	1. To issue Equity Shares on Private Placement / Preferential Basis. 2. To appoint Mr. Chittranjan Dua (DIN: 00036080) as an Independent Director of the Company.
2	Annual General Meeting	July 26, 2025 Audio Visual Mode	No Special Resolution passed.
3	Extraordinary General Meeting	September 25, 2025 Audio Visual Mode	To issue Equity Shares on Private Placement / Preferential Basis.
4	Extraordinary General Meeting	November 12, 2025 Registered Office (Delhi, India)	Shifting of the Registered Office of the Company from “National Capital Territory of Delhi” to the "State of Karnataka.”
5	Extraordinary General Meeting	March 25, 2026 Registered Office (Bangalore, India)	To issue Equity Shares on Private Placement / Preferential Basis

2 For exceptional items, refer note 31.

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, 2026 and March 31, 2025.

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, 2024, 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, 2026

(All amounts are in ₹ crores, except share data and unless otherwise stated)

65 Disclosure on gold loans pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 disclosure requirements vide notification no. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26.

No gold loans have been given during the year ended March 31, 2026 and March 31, 2025.

66 Disclosure of penalties imposed by RBI and other regulators

No penalty has been imposed by any regulator during the year ended March 31, 2026 (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 S.R. Dinodia & Co. LLP
Chartered Accountants
Firm Registration Number: 001478N/N500005

Sandeep Dinodia
Partner
Membership No:083689

Place: Gurugram
Date: April 27, 2026

For and on behalf of the Board of Directors of
Home Credit India Finance Private Limited

K Gopala Desikan
Director
DIN: 00067107

Kunnawalkam Elayavalli Ranganathan
Director
DIN: 00058990

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 16th Annual Report and the Audited Financial Statements for the year ended 31st March 2026.

Financial Highlights

(Rs. In Lakhs)

Details	Year ended 31.03.2026	Year ended 31.03.2025
Sales and other income	5,552.04	2,784.71
Less: Expenses	5,342.17	2,717.56
Profit before tax	209.87	67.15
Total Tax expenses (including deferred tax)	56.70	16.90
Profit after tax	153.17	50.25

TRANSFER TO RESERVES

During the year, the Company has not transferred any amounts to General Reserve or any other specific reserve.

SUBSIDIARY STRUCTURE

TVS Digital Limited continue to be a wholly-owned subsidiary of TVS Holdings Limited.

DIVIDEND

The Directors had not declared any dividend for the year under review.

SHARE CAPITAL

TThe Company's Paid-up equity share Capital as on 31st March 2026 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 2026, 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;

(d) the directors had prepared the accounts for the financial year ended 31st March 2026 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

During the year, there was no change in the composition of Board of Directors.

As on 31st March 2026, 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 5 times on 26th April 2025, 25th July 2025, 9th September 2025, 17th October 2025 and 27th January 2026. Further, the gap between two meetings did not exceed one hundred and twenty days.

GENERAL MEETING

During the last three years, namely 2023-24 to 2025-26, 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 the financial year 2026-27.

The Auditors' Report for the financial year 2025-26 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 2026 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 2025-26 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 2025-26:

Particulars	Rs. In Lakhs
Earnings in foreign currency	1,342.50
Expenditure in foreign currency	143.89

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 2025-2026, 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 2025-26 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:

(a) issue of equity shares with differential rights as to dividend, voting or otherwise;

(b) 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 : 12th May 2026

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)

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:

Sl. No.	Particulars	Details (1)	Details (2)
a)	Details	TVS Motor Company Limited & Fellow Subsidiary	TVS Digital Pte Limited & Fellow Subsidiary
b)	Nature of contracts/arrangements/transaction	Rendering of Technical Consultancy Services	Rendering of Technical Consultancy Services
c)	Duration of the contracts/ arrangements/ transaction	2025-26	2025-26
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. 3,554.72 Lacs.	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. 1,132.82 Lacs.
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	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	Nil

For and on behalf of the Board

Place:Chennai
Date :12th May 2026

S G MURALI
Director
DIN : 00348902

SRIRAM S IYER
Director
DIN: 06967858

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31ST MARCH 2026

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, formerly known as TVS Housing Limited ("the Company"), which comprise the Balance sheet as at 31st March 2026, 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 the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the 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 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 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 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2026 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. 28 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. 34(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. 34(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 and paid any Dividend during the year and till the date of this report.

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.

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, during the current year, the Company has not paid any remuneration to its directors. 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	26224922KPYBOA5619

V BALAJI
Partner
Membership No. 224922

Place : Chennai
Date : 12th May, 2026

Annexure A to Independent Auditor's Report - 31 March 2026

(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 31st March 2026. 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 has 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 ended March 31, 2026.

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 explanation given to us and the records of the Company examined by us, during the year the Company:

i. Has not 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.

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.

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 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 2026 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 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 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.

xii. 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. 28 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	26224922KPYBOA5619

V BALAJI
Partner
Membership No. 224922

Place : Chennai
Date : 12th May, 2026

Annexure "B" to Independent Auditors' Report 31st March 2026

(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 Formerly known as TVS Housing Limited ("the Company") as of March 31, 2026 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, 2026, 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	26224922KPYBOA5619

V BALAJI
Partner
Membership No. 224922

Place : Chennai
Date : 12th May, 2026

Balance Sheet as at 31st March 2026

(Rs. in Lakhs)

	Note No.	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Property, plant and equipment	2	262.98	2.31
Deferred tax Asset	3	55.37	-
Financial assets			
i. Other financial assets	4	24.66	-
Total non-current assets		**343.01**	**2.31**
Current assets			
Financial assets			
i. Trade Receivables	5	608.21	636.89
ii. Cash and cash equivalents	6	266.26	9.56
iii. Other Financial assets	7	9.59	8.52
Current tax assets (Net)	8	184.51	164.53
Other current assets	9	85.49	78.74
Total current assets		**1,154.06**	**898.24**
Total Assets		**1,497.07**	**900.55**
Equity and Liabilities			
Equity			
Equity share capital	10	305.00	305.00
Other equity	11	312.59	159.42
Total equity		**617.59**	**464.42**
Liabilities			
Non current liabilities			
Financial liabilities			
i. Lease liability		81.54	-
Provisions	12	184.20	-
Total non-current liabilities		**265.74**	**-**
Current liabilities			
Financial liabilities			
i. Lease liability		52.53	-
ii. Trade payables	13		
a. Total outstanding dues of micro and small enterprises (MSME)		11.08	0.74
b. Total outstanding dues of creditors other than micro and small enterprises (MSME)		365.84	373.09
iii. Other financial liabilities	14	6.55	6.55
Provisions	12	29.34	-
Other current liabilities	15	148.41	55.75
Total current liabilities		**613.75**	**436.13**
Total liabilities		**879.48**	**436.13**
Total equity and liabilities		**1,497.07**	**900.55**
Material Accounting Policies See the accompanying notes to financial statements	1		

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

Chennai
Dated: 12th May, 2026

Statement of Profit and Loss for the year ended 31st March 2026

(Rs. in Lakhs)

	Note No.	Year Ended March 31, 2026	Year Ended March 31, 2025
Income			
Revenue from operations	16	5,528.28	2,781.78
Other Income	17	23.76	2.93
Total income		**5,552.04**	**2,784.71**
Expenses			
Operating Expenses	18	1,409.31	950.76
Employee benefits expense	19	3,554.78	1,555.30
Finance costs	20	8.10	-
Depreciation and amortisation expense		69.74	0.94
Other expenses	21	300.24	210.56
Total expenses		**5,342.17**	**2,717.56**
Profit before tax		**209.87**	**67.15**
Income tax expense / (credit)	22		
Current tax		112.07	16.90
Deferred tax		(55.37)	-
Total tax expense		**56.70**	**16.90**
Profit for the year		**153.17**	**50.25**
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		-	-
Change in fair value of FVOCI equity instruments		-	-
Income tax relating to these items		-	-
Items that will be reclassified to profit or loss			
Change in fair value of FVOCI debt instruments		-	-
Income tax relating to these items		-	-
Other comprehensive income for the year, net of tax		**-**	**-**
Total comprehensive income for the year		**153.17**	**50.25**
Earnings per equity share			
Basic & Diluted earnings per share	23	5.02	1.65
Material Accounting Policies See the accompanying notes to financial statements	1		

As per our report annexed
For V.Sankar Aiyar & Co
Chartered Accountants
Firm Regn No.: 109208W

V.BALAJI
Partner
Membership No.: 224922

Chennai
Dated: 12th May, 2026

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 2026

(Rs. in Lakhs)

	Year ended March 31, 2026	Year ended March 31, 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax for the year	209.87	67.15
Adjustments for:		
Depreciation and amortisation expenses	69.74	0.94
Finance costs	8.10	-
Interest income	(1.49)	-
Provisions	213.54	
Unrealised foreign exchange gain or loss	(2.55)	-
Operating profit/(loss) before working capital changes	497.21	68.09
Changes in working capital:		
Trade receivables	31.23	(508.75)
Other financial assets	(1.07)	-
Other current assets	(132.48)	(166.27)
Trade payables	3.09	255.89
Other financial liabilities	-	0.10
Other current liabilities	92.66	69.22
Cash generated from operations	**490.64**	**(281.72)**
Net income tax (paid) / refunded	-	(6.53)
Net cash outflow from operating activities (A)	**490.64**	**(288.25)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on property plant and equipment, including capital advances	(164.85)	(3.25)
Interest received	0.21	-
Payment of security deposit for lease	(29.70)	-
Net cash flow used in investing activities (B)	**(194.34)**	**(3.25)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liability	(39.60)	-
Net cash flow from financing activities (C)	**(39.60)**	**-**
Total (A+B+C)	**256.70**	**(291.50)**
Cash and cash equivalents at the beginning of the year	9.56	301.06
Cash and cash equivalents at the end of the year	266.26	9.56
Net increase/(decrease) in cash and cash equivalents	**256.70**	**(291.50)**

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

Chennai
Dated: 12th May, 2026

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, 2024	305.00	305.00
Changes in Equity Share capital due to prior period errors	-	-
Restated balance as at 01-04-2024	-	-
Changes in Equity Share Capital during the year	-	-
Balance as at March 31, 2025	305.00	305.00
Changes in Equity Share capital due to prior period errors	-	-
Restated balance as at 01-04-2025	-	-
Changes in Equity Share Capital during the year	-	-
Balance as at March 31, 2026	**305.00**	**305.00**

II) Other equity

Particulars	**Reserves & Surplus**
	Retained earnings
Balance as at March 31, 2024	**109.17**
Profit/(Loss) for the period	50.25
Balance as at March 31, 2025	**159.42**
Profit/(Loss) for the period	153.17
Balance as at March 31, 2026	**312.59**

As per our report annexed
For V.Sankar Aiyar & Co
Chartered Accountants
Firm Regn No.: 109208W

V.BALAJI
Partner
Membership No.: 224922

Chennai
Dated: 12 May, 2026

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 Limited (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, Tamil Nadu, India, 600006".

These financials statements for the year ended 31st March 2026 have been approved and authorized for issue by the Board of Directors at its meeting held on 12thMay 2026.

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) 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.

h) 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 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 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.

i) 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.

j) 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.

k) Trade receivables

Trade receivables are amounts due from customers for the 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.

l) 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.

m) 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.

n) 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

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 IT services is mostly 1-2 months. For fixed bid projects the payments will be based on the agreed milestone. Accordingly, assets & liabilities have been classified into current & non-current.

o) 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.23)

(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.

p) 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, 2026, 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	Property, Plant & Equipment									
	Freehold land	Lease hold land	Buildings	Plant & equipment	Furniture & fixtures	Office equipment	Electrical equipment	Vehicles	Right of Use Asset	Total
	1	2	3	4	5	6	7	8	9	10
Gross block							-			
As at 01-04-2025	-	-	-	-	-	3.25	-	-	-	3.25
Additions	-	-		-	161.54	0.59	2.72	-	165.57	330.41
Sub-total	-	-	-	-	161.54	3.84	2.72	-	165.57	333.66
Sales / Deletion	-	-	-	-	-	-	-	-	-	-
Due to Business Combination										
Total	**-**	**-**	**-**	**-**	**161.54**	**3.84**	**2.72**	**-**	**165.57**	**333.66**
Depreciation										
Upto 31-03-2025	-	-	-	-	-	0.94	-	-	-	0.94
For the Period										
Amortisation	-	-		-	31.08	1.37	0.50	-	36.79	69.74
Sub-total	-	-	-	-	31.08	2.31	0.50	-	36.79	70.68
Withdrawn on assets sold / deleted	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	31.08	2.31	0.50	-	36.79	70.68
Net Carrying amount										
As at 31-03-2026	**-**	**-**	**-**	**-**	**130.46**	**1.53**	**2.22**	**-**	**128.78**	**262.98**
As at 31-03-2025	**-**	**-**	**-**	**-**	**-**	**2.31**	**-**	**-**	**-**	**2.31**

	As at March 31, 2026	As at March 31, 2025
3 Deferred Tax Asset		
Deferred tax asset consists of tax impact on		
- Depreciation	0.3	-
- Others	55.07	-
Total Deferred Tax Asset	**55.37**	**-**

Movement in deferred tax :

Particulars	Depreciation	Others	Total
As at 31-03-2025	**-**	**–**	**–**
Charged (credited):			
- to profit & loss	0.3	55.07	55.37
- other comprehensive income	-	-	-
As at 31-03-2026	**0.30**	**55.07**	**55.37**

	As at March 31, 2026	As at March 31, 2025
4 Other Financial assets - Non Current		
Security Deposit - Coimbatore Office	24.66	-
Total Other Financial assets - Non Current	**24.66**	**-**
5 Trade Receivables		
Trade Receivables considered good - Unsecured	608.21	636.89
Total Trade Receivables	**608.21**	**636.89**

Notes to Balance Sheet (Contd.)

Rs. in Lakhs

Ageing for trade receivables as on 31st March 2026

Particulars	Outstanding for following period from due date of payment					Total
	< 6 months	6 months - 1 year	1-2 years	2-3 years	>3years	
(i) Undisputed trade receivables - considered good	608.21	-	-	-	-	608.21
(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	**608.21**	**-**	**-**	**-**	**-**	**608.21**

Ageing for trade receivables as on 31st March 2025

Particulars	Outstanding for following period from due date of payment					Total
	< 6 months	6 months - 1 year	1-2 years	2-3 years	>3years	
(i) Undisputed trade receivables - considered good	638.39	-	-	-	-	638.39
(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	**638.39**	**-**	**-**	**-**	**-**	**638.39**

	As at March 31, 2026	As at March 31, 2025
6 Cash and cash equivalents		
Balances with banks - Current account	266.26	9.56
Total cash and cash equivalents	**266.26**	**9.56**
7 Other Financial Assets - Current		
Security Deposit	8.67	8.52
Deposit with Insurance company	0.92	-
Other Financial Assets - Current	**9.59**	**8.52**
8 Current assets (Net)		
Advance Tax and TDS receivable net of Provision for Tax	184.51	164.53
Total Current tax assets (Net)	**184.51**	**164.53**

9 Other current assets		
GST Receivable	22.85	46.37
Advance to vendor	6.79	0.10
Rental advance	1.13	1.13
Security Deposit with Government Authorities	31.14	31.14
Prepaid expenses	21.85	-
Advances to employees	1.24	-
PMVBRY - Incentive Income Receivable	0.49	-
Total other current assets	**85.49**	**78.74**

10 Equity share capital

Rs. in Lakhs

(a) **Authorised, issued, subscribed and fully paid up**

Particulars	As at March 31, 2026		As at March 31, 2025	
	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

Notes to Balance Sheet (Contd.)

Rs. in Lakhs

(b) **Reconciliation of equity shares outstanding at the beginning and at the end of the year**

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number	Rs. in Lakhs	Number	Rs. in Lakhs
Shares outstanding at the beginning of the year	30,50,000	305.00	30,50,000	305.00
Shares issued during the year	-	-	-	-
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, 2026		As at March 31, 2025	
		No. of shares held	% of holding	No. of shares held	% of holding
TVS Holdings Limited	Equity	30,50,000	100%	30,50,000	100%

(e) **Details of Shares held by promoters in the company**

Name of Promoter	Class of share	As at March 31, 2026		As at March 31, 2025		% 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	Equity	-	-	30,50,000	100%	100%	Nil
TVS Holdings Limited	Equity	30,50,000	100%	30,50,000	0%	100%	Nil

	As at March 31, 2026	As at March 31, 2025
11 Other Equity		
a) Retained earnings		
Opening balance	159.42	109.17
Net profit / (Loss) for the year	153.17	50.25
Total reserves and surplus	**312.59**	**159.42**

Retained earnings: Company's cumulative earnings since its formation. These are available for distribution.

12 Provisions

Particulars	As at March 31, 2026		As at March 31, 2025	
	Current	Non current	Current	Non current
Provision for employee benefits:				
(a) Gratuity	1.18	72.69	-	-
(b) Leave salary	28.16	111.51	-	-
Total Provisions	**29.34**	**184.20**	**-**	**-**

	As at March 31, 2026	As at March 31, 2025
13 Trade payables		
Dues to Micro and Small Enterprises	11.08	0.74
Dues to enterprises other than Micro and Small Enterprises	365.84	373.09
Total trade payables	**376.92**	**373.83**

DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006	As at March 31, 2026	As at March 31, 2025
Trade Payables pertaining to dues to Micro and Small Enterprises (all are within agreed credit period and not due for payment)	11.08	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

Notes to Balance Sheet (Contd.)

Rs. in Lakhs

Particulars	Outstanding for following period from due date of payment					
	Not due	<1 year	1-2 years	2-3 years	> 3 years	
March 31, 2026						
(i) Dues to Micro and Small Enterprises	11.05	0.03	-	-	-	11.08
(ii) Dues to enterprises other than Micro and Small Enterprises	79.54	11.02	0.02	-	-	90.59
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
Total (i) to (iv)	**90.59**	**11.05**	**0.02**	**-**	**-**	**101.67**
Accured expenses						275.25
Total						**376.92**
March 31, 2025						
(i) Dues to Micro and Small Enterprises	0.74	-	-	-	-	0.74
(ii) Dues to enterprises other than Micro and Small Enterprises	116.76	-	-	-	-	116.76
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
Total (i) to (iv)	**117.50**	**-**	**-**	**-**	**-**	**117.50**
Accured expenses						256.33
Total						**373.83**

		As at March 31, 2026	As at March 31, 2025
14	**Other financial liabilities**		
	Payable to related parties (Net of Security Deposit)	6.55	6.45
	Total Other financial liabilities	**6.55**	**6.45**
15	**Other current liabilities**		
	Statutory Dues	71.81	54.54
	Employee related	6.04	1.21
	Advance from customers	70.56	-
	Total other current liabilities	**148.41**	**55.75**

Notes to Statement of Profit or Loss

Rs. in Lakhs

		Year Ended March 31, 2026	Year Ended March 31, 2025
16	**Revenue from operations**		
	Sale of Services	5,528.28	2,781.78
	Total revenue	**5,528.28**	**2,781.78**
17	**Other Income**		
	Interest on Income Tax Refund	8.90	-
	Exchange fluctuation gain	11.99	2.53
	Interest income	1.49	0.40
	PMVBRY - Incentive Income	1.38	-
	Total Other Income	**23.76**	**2.93**
18	**Operating Expenses**		
	Software Consultancy Charges	1,380.17	947.97
	Software subscriptions & Cloud cost	29.14	2.79
	Operating Expenses	**1,409.31**	**950.76**
19	**Employee benefit expense**		
	Salaries, wages and bonus	3,309.35	1,464.35
	Contribution to provident and other funds	171.57	85.82
	Staff welfare expenses	73.86	5.13
	Total employee benefit expense	**3,554.78**	**1,555.30**
20	**Finance costs**		
	Interest on lease liabilities	8.10	-
	Total Finance costs	**8.10**	**-**
21	**Other expenses**		
	Rent	8.31	3.54
	Audit Fees*	6.54	3.00
	Consultancy and Professional Charges	163.05	118.09
	Rates & Taxes	0.22	0.60
	Travel & Conveyance expenses	48.85	75.43
	Office expenses	23.62	-
	Internet Charges	18.80	-
	Miscellaneous Expenses	30.85	9.90
	Total other expenses	**300.24**	**210.56**

** Refer Note No. 27*

		Year Ended March 31, 2026	Year Ended March 31, 2025
22	**Income tax expense**		
	(a) Income tax expense		
	Current tax		
	Current tax on profits for the year	112.07	16.90
	Total current tax expense	**112.07**	**16.90**
	(b) Deferred tax		
	Decrease / (increase) in deferred tax assets	(87.78)	-
	(Decrease) / increase in deferred tax liabilities	32.41	-
	Total deferred tax expense/(benefit)	**(55.37)**	**-**
	Income tax expense	**56.70**	**16.90**
	(c) Reconciliation of tax expense and the accounting profit multiplied by Income tax rate:		
	Profit before income tax expense	209.87	67.15
	Tax at the Income tax rate of 25.17% (PY : 26.00%)	52.82	16.90
	Income tax expense	**52.82**	**16.90**
23	**Earnings per share**		
	(a) Basic and diluted earnings per share		
	Basic/Diluted earnings per share attributable to the equity holders of the Company	5.02	1.65
	(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.)	153.17	50.25
	(c) Weighted average number of equity shares used as the denominator in calculating basic/diluted earnings per share	30,50,000	30,50,000

Financial instruments and risk management

Rs. in Lakhs

24 Fair value measurements

Financial instruments by category

	As at March 31, 2026	As at March 31, 2025
	Amortised cost	Amortised cost
Financial assets		
Cash and cash equivalents	266.26	9.56
Trade Receivables	608.21	636.89
Other financial assets	9.59	8.52
Total Financial Assets	**884.06**	**654.97**
Financial liabilities		
Trade payables	376.92	373.83
Lease liability	134.07	-
Other Financial liabilities	6.55	6.55
Total Financial Liabilities	**517.54**	**380.38**

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

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.

The fair values of non currrent financial assets are based on discountd cashflows using a effective interest rate

25 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, 2026	March 31, 2025
Trade payables	< than 12 months	376.92	373.83
Other financial liabilities	< than 12 months	6.55	6.55
Lease liabilities	< than 12 months	52.53	-
Lease liabilities	< than 12 months	81.54	-

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 gearing ratio a optimal gearing ratio. The gearing ratios were as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Net debt	-	-
Total equity	617.59	464.42
Net debt to equity ratio*	**-**	**-**

*At 31 March 2025 and 31 March 2026, the company's Net Debt is Nil, Hence the ratio is not given.

IND AS 115 disclosures

Rs. in Lakhs

27 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, 2026	Year Ended March 31, 2025
1	Sale of Services	5,528.28	2,781.78
		5,528.28	**2,781.78**

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 contracts with customers

The following schedule gives the movement of contract liabilities for the reporting period.

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Contract Liabilities at the beginning of the period	-	-
Add / (Less) :	-	-
Consideration received during the year as advance	70.56	-
Revenue recognized from contract liability	-	-
Contract Liabilities at the end of the period	70.56	-

Payments are received after performance obligation is met & invoice is raised w.r.t contracts with customers. In case of advance received from customers, revenue recognition is done when performance obligation as per contract is met

5 Reconciliation of revenue with contract price

S.No	Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
1	Revenue from opeartions as per statement of Profit & loss	5,528.28	2,781.78
2	Adjustements :	-	-
3	Contract price	5,528.28	2,781.78

28 Ratio Analysis

S No	Ratio	Numerator CY / PY	Denominator CY / PY	Current year 31.03.2026	Previous Year 31.03.2025	% Variance	Reasons
a	Current Ratio= Current assets / Current Liabilities	1,154.06	613.75	1.88	2.06	-9%	Better working capital management
		898.24	436.13				
b	Debt equity ratio= total debt / total shareholder's equity	-	-	NA	NA	NA	Nil
		-	-				
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	153.17	541.00	0.28	0.11	147%	This is due to business improvement
		50.25	439.30				
e	Inventory turnover ratio= Net sales / average Inventory	-	-	NA	NA	NA	Nil
		-	-				
f	Trade receivables turnover ratio= Net sales / average trade receivables	5,528.28	622.55	8.88	7.27	22%	This is due to business improvement
		2,781.78	382.51				
g	Trade Payables turnover ratio= Net Purchases / average trade Payables	1,409.31	375.38	3.75	3.87	-3%	Nil
		950.76	245.90				
h	Net capital turnover ratio= Net sales / working capital	5,528.28	540.31	10.23	6.02	70%	This is due to business improvement
		2,781.78	462.11				
i	Net profit turnover ratio= Net profit after tax / Net sales	153.17	5,528.28	0.03	0.02	53%	This is due increase in sales as a part of business improvement
		50.25	2,781.78				
j	Return on Capital employed = Earnings before interest and taxes(EBIT) / Capital Employed	209.87	617.59	0.34	0.14	135%	This is due to business improvement
		67.15	464.42				
k	Return on investment=Net profit after tax /Avg Shareholders Equity	153.17	541.00	0.28	0.11	147%	This is due to business improvement
		50.25	439.30				

Other disclosures

Rs. in Lakhs

29 Contingent liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Goods & Service Tax Due (dispute is pending with Appellate Tribunal for FY 2017-18)	103.79	103.79

Company has gone into an Appeal and paid a pre-deposit of Rs.31.14 lacs to the authority.

30 Commitments

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Capital commitments		
Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities	-	140.99
(b) Other commitments		
Expenditure related contractual commitments apart from Capital Commitments	Nil	Nil

31 Related Party Disclosure

Particulars	As at Year Ended March 31, 2026	As at Year Ended March 31, 2025
(a) Related parties and their relationship for the Financial Year 2025-26		
Holding company		
TVS Holdings Limited		
Fellow Subsidiary of Holding Co.		
TVS Motor Company Limited		
TVS Credit Services Limited		
TVS Digital PTE Ltd		
TVS EBike Company		
Home Credit India Finance		
DriveX Mobility Private Limited		
Directors		
Mr. Sriram Subramanian Iyer		
Mr. V R Karunakarareddy		
Entities under Common control		
Sundaram Clayton Limited		
Other related parties		
TVS Emerald Limited (formerly known as Emerald Haven Realty Limited)		
(b) Transactions with related parties: (Receipt) / Payment		
(i) Technical Consultancy Income		
- Fellow subsidiary of Holding Company		
TVS Motor Company Limited	(3,554.72)	-
TVS Motor Company Limited w.e.f 15th September 2024	-	(1,390.79)
TVS Credit Services Limited	(436.30)	(35.99)
TVS Digital PTE Ltd	(1,132.82)	(779.93)
TVS EBike Company	(73.75)	-
Home Credit India Finance	(65.47)	-
DriveX Mobility Private Limited	(3.58)	-
Entities under Common control		
Sundaram Clayton Limited	(31.37)	(13.58)
Harita Insurance Broking	(17.01)	-
(ii) Availing of HR support services		
- other related parties		
TVS Emerald Limited (formerly known as Emerald Haven Realty Limited)	29.77	23.65
(iii) Availing of medical & payroll services		
- Fellow subsidiary of Holding Company		
TVS Motor Company Limited	88.43	-
(iv) Remuneration to KMP		
Mr. S G Murali	-	0.30
Mr. Sriram Subramanian Iyer	-	0.10
Mr. V R Karunakarareddy	-	0.30
(c) Balances with related parties: (Payable) / Receivable		
(i) Trade payables		
- other related parties		
TVS Emerald Limited (formerly known as Emerald Haven Realty Limited)	0.40	(32.09)
(i) Trade receivables		
- Fellow subsidiary of Holding Company		
TVS Motor Company Limited	339.07	229.33
TVS Credit Services Limited	129.92	19.36
TVS Digital PTE Ltd, Singapore	62.00	344.48
TVS Ebike Company, Switzerland	8.00	-
Home Credit India Finance	11.14	-
DriveX Mobility Private Limited	2.99	-
Entities under Common control		
Sundaram Clayton Limited	3.05	5.02

32 Auditors' remuneration (Included under Other Expenses) (Exclusive of GST)

Particulars	As at March 31, 2026	As at March 31, 2025
Payments to Auditors as		
a. Statutory Auditor	5.04	2.50
b. Tax audit fees	1.50	0.50
Total	6.54	3.00

Other disclosures

33 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.

34 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 been sanctioned short term loan by a financial institution, which is considered as working capital limit.

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 2026.

xi All applicable cases where registration of charges or satisfaction is required to filed with Registrar of Companies have been filed. No registration or satisfaction is pending at end of financial year ended 31 March 2026.

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.

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."

35 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.

36 The Company does not meet the thresholds prescribed under Section 135 of the Companies Act. Therefore, spending under Corporate Social Responsibility is not applicable.

37 The Company has not operated in any crypto currency Transactions.

38 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

Chennai
Dated: 12th May, 2026

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

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026

	Note	2026 S$	2025 S$
I. ASSETS			
Non-current assets			
Property, plant and equipment		-	-
Total Non Current Assets		**-**	**-**
Current assets			
Other receivables		-	-
Prepayments		-	-
Bank Balances	**1**	**1**	**1**
Total Current Assets		**1**	**1**
Total Assets		**1**	**1**
II. EQUITY AND LIABILITIES			
Equity			
Share capital	2	1	1
Accumulated Profit/(Loss)		-	-
Total Equity		1	1
Non-Current liability			
Lease Liabilities		-	-
Current liability			
Lease liabilities - current portion		-	-
Trade and other payables		-	-
Income tax payable		-	-
Other current liabilities		-	-
Total Current liabilities		-	-
Total Equity and Liabilities		**1**	**1**

Management Accounts prepared in accordance with the provisions of the Companies Act 1967 (the Act) and Financial Reporting Standards in Singapore (FRSs).

Signed On behalf of the Board

Sudarshan Venu **Kuppuswamy Gopala Desikan**

Date: 12th May 2026

TVS HOLDINGS (SINGAPORE) PTE. LIMITED

Statement of Comprehensive Income for the year ended 31 March 2026

	Note	As at 31st March 2026	11 January 2024 (Date of Incorporation) to 31 March 2025 S$
Revenue		-	-
Other income		-	-
Administrative expenses		-	-
Finance Cost		-	-
Other Expenses	3	-	-
Profit/ (Loss) before Income tax for the period		-	-
Income Tax		-	-
Profit/ (Loss) for the period		-	-
Other comprehensive income		-	-
Total Comprehensive profit for the period		-	-

Management Accounts prepared in accordance with the provisions of the Companies Act 1967 (the Act) and Financial Reporting Standards in Singapore (FRSs).

Signed On behalf of the Board

Sudarshan Venu **Kuppuswamy Gopala Desikan**

Date: 12th May 2026

TVS HOLDINGS (SINGAPORE) PTE. LIMITED

Statement of Cash Flows for the year ended 31 March 2026

	As at 31st March 2026	11 January 2024 (Date of Incorporation) to 31 March 2025 S$
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	-	-
Add:		
Depreciation & Amortisation expenses	-	-
Operating profit before working capital changes	-	-
Adjustments for:		
Other receivables	-	-
Trade and other payables	-	-
Other current liabilities	-	-
Cash generated from operations	-	-
Tax Paid	-	-
Net Cash generated from/ (used in) operating activities	-	-
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	-	-
Net Cash generated from/ (used in) investing activities	**-**	**-**
CASH FLOW FROM FINANCING ACTIVITIES		
Shares Issued	-	1.00
Repayment of lease liabilities	-	-
Net Cash generated from/ (used in) financing activities	**-**	**1.00**
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	-	1.00
Cash and cash equivalents at the beginning of the period	1.00	-
Cash and cash equivalents at the end of the period	**1.00**	**1.00**

Management Accounts prepared in accordance with the provisions of the Companies Act 1967 (the Act) and Financial Reporting Standards in Singapore (FRSs).

STATEMENT OF CHANGES IN EQUITY

	Note	Share Capital	Accumulated Profit/ (Loss)	Total
Balance as at 11 January 2024		**-**	**-**	**-**
Changes in Equity share capital during the year	2	1	-	1
Total Comprehensive Profit for the period		-	-	-
Balance as at March 31, 2025		**1**	**-**	**1**
Changes in Equity share capital during the year		-	-	-
Total Comprehensive Profit for the period		-	-	-
Balance as at March 31, 2026		**1**	**-**	**1**

NOTES TO THE FINANCIAL STATEMENT

	As at 31 March 2026 S$	As at 31 March 2025 S$
1 Bank Balances		
Cash at Bank	1	1
	1	**1**

2 Share Capital	Number of Ordinary Shares	As at 31 March 2026 S$	As at 31 March 2025 S$
Issued and Paid up			
At the beginning of the period		**1**	**-**
Issued during the year	**1**	**-**	**1**
At the end of the period	**1**	**1**	**1**

The company issued 1 ordinary equity shares in the capital of the company for a consideration of S$1. 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.

3 Comparative amounts

Being the first year of presentation of the financial statement, no comparative figures are disclosed.

Signed On behalf of the Board

Venu Srinivasan
Director
DIN No: 00051523

K Gopala Desikan
Director
DIN: 00067107

Date: 12th May 2026

Directors' Report to the Shareholders of the Company

The Directors have pleasure in presenting the Seventeenth Annual Report on the progress of the Company together with the audited statement of accounts for the year ended 31st March 2026.

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 31-03-2025
Revenue from Operations	-	-
Other Income	125.10	8.84
Total	**125.10**	**8.84**
Purchases of Stock-in trade	-	-
Finance Cost	391.09	361.43
Administrative & other expenses	7.78	8.55
Profit / (Loss) before tax	398.87	(361.14)
Less:		
- Provision for tax	-	-
Add:	-	-
- Deferred Tax Asset		
Profit / (Loss) after tax	(273.77)	(361.14)

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 2026.

3. Amount Transferred to Reserves

The Company has not transferred any amount to the reserves during the Financial Year ended 31st March 2026.

4. 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.

The Optionally Convertible Redeemable Preference Shares issued by the Company, which was due for maturity during the year, was extended by a further period of three years.

5. Debentures

During the year under review, the Company has not issued any debentures.

6. 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.

7. Website Link

The Company does not have functional website where they can provide Annual return of the Company as required under Section 92 (3) of Companies Act, 2013.

8. 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.

9. 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.

10. 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.

11. Related Party Transactions

All contracts / arrangements entered by the Company during the period ended 31st March 2026 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(3)(h) of the Companies Act 2013 (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 (vi) of Additional Notes forming part of the financial statements.

12. Corporate Social Responsibility

The provisions of Section 135 of the Companies Act, 2013 read with the relevant rules are not applicable to the Company and therefore, the Company is not required to adopt the CSR Policy or constitute CSR Committee during the year under review.

13. Directors' responsibility statement

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 2026, 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 2026 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.

14. Directors

Directors' appointment / re-appointment / cessation

During the year under review the following changes took place:

S.No	Name of Director	DIN	Date of Change	Nature
1.	Aravind Balaji	00557711	31-12-2025	Cessation
2.	G Parthasarathy	01769831		Appointment

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, Ms Sasikala Varadachari, Director retire from the office at the ensuing Annual General Meeting and being eligible, offer herself for re-appointment.

The details of Directors to be reappointed at the AGM are set out in the Annexure to the AGM Notice.

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 26th April 2025, 30th July 2025, 22nd September 2025, 31st December 2025, 16th February 2026 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 2026.

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.

15. 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 2026.

16. Number of general meetings held

During the year under review an Extra-Ordinary general meeting was held on 12th March 2026 to obtain the shareholders' approval for extending the tenure of Optionally Convertible Redeemable Preference Shares.

17. Details of Subsidiaries, Joint Ventures and Associates

The Company does not have any Subsidiary, Joint Venture or an Associate Company.

18. Compliance of secretarial standards issued by The Institute of Companies Secretaries of India:

The Company complies with Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

19. 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 3rd 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 2025-26, 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 2026-27.

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.

20. 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 2025-26.

Please refer note no. 4 to Notes on accounts for the financial year 2025-26, 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.

Onetime 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.

Compliance with Maternity Benefit Act, 1961

During the year under review, there were no employees in the Company and accordingly, compliance with provisions of Maternity Benefit Act, 1961 was not applicable to the Company.

21. 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	G Parthasarathy
Date: 12th May, 2026	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 2026

[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, 2026, 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, 2026 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

S Sandeep
Managing Partner
FCS 5853; COP 5987
UDIN: F005853G000209243

Place: Chennai
Date: 12th May, 2026

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31ST MARCH 2026

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 2026, 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 2026, and its loss, 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 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, 2026 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 Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements;
   (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 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 31,2026 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 : 26027716CMTEJG7023

V. SATHYANARAYANAN
Partner
Membership No. 027716

Place : Bengaluru
Date : 12th May, 2026

Annexure "A" to Independent Auditors' Report 31st March 2026
(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 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 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 standalone 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, 2026 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 Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable;

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)(a) 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 section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause3 (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 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 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 Orderis not applicable.

For RAGHAVAN, CHAUDHURI & NARAYANAN
Chartered Accountants
FRN: 007761S

UDIN : 26027716CMTEJG7023

V. SATHYANARAYANAN
Partner
Membership No. 027716

Place : Bengaluru
Date : 12th May, 2026

Annexure 'B' to the Independent Auditors' Report for the year ended 31st March 2026

(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, 2026 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Responsibilities of Management and Those charged with governance for Internal Financial Controls

The Company's Management and Those charged with governanceare 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, 2026 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 : 26027716CMTEJG7023

V. SATHYANARAYANAN
Partner
Membership No. 027716

Place : Bengaluru
Date : 12th May, 2026

BALANCE SHEET AS AT 31ST MARCH 2026

(All amounts in Lakhs, unless otherwise stated)

	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Capital work in progress	3	202.01	202.01
Investment property	2	9,823.71	9,803.91
Financial assets			
i. Investments	4	6,758.06	4,805.21
ii Loans	5	169.71	162.99
Income Tax Assets (Net)	6	75.20	75.20
Other non current assets	7	3.59	6.32
Deferred Tax assets	12	93.66	585.20
Total non-current assets		**17,125.94**	**15,640.84**
Current assets			
Inventories			
Financial assets			
i. Trade Receivables	8	743.45	743.45
ii. Cash and cash equivalents	9	272.07	358.60
iii. Bank balance other than Cash and Cash equivalents	9a	-	-
iv. Other receivables	10	6,298.05	6,298.05
Other current assets	11	709.13	704.42
Total current assets		**8,022.70**	**8,104.52**
Total Assets		**25,148.64**	**23,745.36**
Equity and liabilities			
Equity			
Equity share capital	13	14,963.38	14,963.38
Other Equity			
Reserves and surplus	14	5,098.36	2,826.63
Total equity		**20,061.74**	**17,790.01**
Liabilties			
Non-current liabilities			
Financial liabilities			
Borrowings			
i. Borrowings	15	3,919.45	4,613.05
Total non-current liabilities		**3,919.45**	**4,613.05**
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		8.40	120.22
iii. Other financial liabilities	17	133.83	134.79
Current Tax Liabilities (Net)			
Other current liabilities	18	1,025.21	1,087.29
Total current liabilities		**1,167.44**	**1,342.30**
Total liabilities		**5,086.89**	**5,955.34**
Total equity and liabilities		**25,148.64**	**23,745.36**
Material Accounting Polices	1		

As per our report of event date
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No. FRN 007761S

K N Radhakrishnan
Director
02599393

S Sridhar
Chief Financial Officer

For and on behalf of the Board

VR Karuanakara Reddy
Chief Executive Officer

Place: Chennai
Date:12-05-2026
UDIN: 26027716CMTEJG7023

V. Sathyanarayanan
Partner
Membership No. 027716

G. Parthasarathy
Director
07169831

KS Srinivasan
Company Secretary

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2026

(All amounts in Lakhs, unless otherwise stated)

	Notes	Year Ended March 31, 2026	Year Ended March 31, 2025
Income			
Revenue from operations		-	-
Other income	19	125.10	8.83
Total income		**125.10**	**8.83**
Expenses			
Finance costs	20	391.09	361.43
Other expenses	21	7.78	8.57
Total expenses		**398.87**	**370.00**
Profit/(loss) before tax		**(273.77)**	**(361.17)**
Tax Expense	22		
Current tax		-	-
Deferred tax		-	-
Profit/(loss) for the year		**(273.77)**	**(361.17)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Changes in fair value of FVOCI equity instruments		1,952.85	1,308.15
Income taxes on the above	22	**(491.53)**	**(329.26)**
Other comprehensive income for the year, net of tax		**1,461.32**	**978.89**
Total comprehensive Profit/ (loss) for the year		**1,187.55**	**617.72**
Material accounting policies	**1**		
Earnings per equity share (Basic/ diluted earnings per share) (in Rs)	**23**	**(0.18)**	**(0.24)**

As per our report of event date
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No. FRN 007761S

Place: Chennai
Date:12-05-2026
UDIN: 26027716CMTEJG7023

V. Sathyanarayanan
Partner
Membership No. 027716

K N Radhakrishnan
Director
02599393

G. Parthasarathy
Director
07169831

S Sridhar
Chief Financial Officer

KS Srinivasan
Company Secretary

For and on behalf of the Board

VR Karuanakara Reddy
Chief Executive Officer

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2026

(All amounts in Lakhs, unless otherwise stated)

	Year ended March 31, 2026	Year ended March 31, 2025
Cash flows from Operating activities		
Profit before tax	(273.77)	(361.17)
Adjustments for		
Interest income accrued reversed	(6.71)	(6.74)
Unwinding of discount on security deposits	-	-
Interest expense	391.09	361.43
Operating Profit Before Working Capital Changes	**110.62**	**(6.48)**
Change in operating assets and liabilities		
(Increase)/decrease in Trade receivables	**-**	**-**
(Increase)/decrease in other current assets	**(1.98)**	**(0.45)**
Increase/(decrease) in other financial assets	**(6.71)**	**338.55**
(Increase)/decrease in Trade payables	**(111.82)**	**(56.06)**
Increase/(decrease) in other current liabilities	**(62.08)**	**53.69**
Increase/(decrease) in other financial liabilities	**(0.96)**	**0.45**
Cash generated from operations	**(72.94)**	**329.70**
Income taxes paid	-	-
Net Cash used in operating activities	**(72.94)**	**329.70**
Cash flows from Investing activities		
Fixed Deposit -- Redeemed/(Invested)	-	350.35
(Increase) /decrease in other Financial assets	(19.80)	(406.56)
Interest Income	6.71	6.74
Net Cash generated from/(used in) Investing activities	**(13.09)**	**(49.47)**
Cash flows from Financing activities		-
Proceeds from issue of Share capital	**-**	**-**
Proceeds from issue of Preference share		-
Proceeds(Repayment) of Borrowings	**-**	**-**
Interest Paid on Borrowings	**(0.51)**	**(0.50)**
Net cash used in Financing activities	**(0.51)**	**(0.50)**
Net increase (decrease) in cash and cash equivalents	**(86.53)**	**279.73**
Cash and cash equivalents at the beginning of the financial year	358.60	78.87
Cash and cash equivalents at the end of the Financial year	**272.07**	**358.60**

As per our report of event date
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No. FRN 007761S

Place: Chennai
Date:12-05-2026
UDIN: 26027716CMTEJG7023

K N Radhakrishnan
Director
02599393

V. Sathyanarayanan
Partner
Membership No. 027716

S Sridhar
Chief Financial Officer

G. Parthasarathy
Director
07169831

For and on behalf of the Board

VR Karuanakara Reddy
Chief Executive Officer

KS Srinivasan
Company Secretary

Statement of Changes in Equity for the year ended 31st March, 2026

(All amounts in Lakhs, unless otherwise stated)

I) Equity Share Capital

Particulars	Notes	Amounts
Balance as at 1st Apr, 2024		**14,963.38**
Changes in equity share capital during the year	13	-
Balance as at 1st Apr, 2025		**14,963.38**
Changes in equity share capital during the year	13	
Balance as at 31st March, 2026		**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**	**1,084.15**	**1,412.67**
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**	**1,084.15**	**2,208.88**
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**	**1,084.15**	**2,826.60**
Loss for the period	14 (a)	(273.77)	-	-	-	**(273.77)**
Other Compreshensive income (net of tax)	14 (b)	-	-	1,461.32	-	**1,461.32**
Fair valuation of Preference shares (Refer Note b)	14 (d)	-	-	-	1,084.18	**1,084.18**
Modification of terms of issue of OCRPS (Refer Note a)	14 (d)	1,084.18	-	-	(1,084.18)	**-**
Unwinding of Liability(Refer note C)	14 (d)	3.64	-	-	(3.64)	**-**
Balance as at March 31, 2026		**110.39**	**(24.09)**	**3,931.51**	**1,080.51**	**5,098.33**

* Reserve created for the equity component arising in fair valuation of Optionally Convertible Redeemable Preference shares.

As per our report of event date
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No. FRN 007761S

K N Radhakrishnan
Director
02599393

S Sridhar
Chief Financial Officer

For and on behalf of the Board

VR Karuanakara Reddy
Chief Executive Officer

Place: Chennai
Date:12-05-2026
UDIN: 26027716CMTEJG7023

V. Sathyanarayanan
Partner
Membership No. 027716

G. Parthasarathy
Director
07169831

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 diluted potential shares. In computing diluted earnings per share, only potential equity shares that are diluted and that reducing 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 2025	Additions during the year due to business combination	Additions during the year	Deletions during the year	As at 31st Mar 2026
Land*	9,803.91	-	19.80	-	9,823.71
Total	**9,803.91**	**-**	**19.80**	**-**	**9,823.71**

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 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 31/03/2019 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	March 31, 2026	March 31, 2025
	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 2026

Particulars	Amount in CWIP for following periods as on 31st March 2026				
	<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 2025

Particulars	Amount in CWIP for following periods as on 31-Mar-2025				
	<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

	March 31, 2026	March 31, 2025
Unquoted		
Investment in equity shares carried at FVOCI		
TVS Credit Services Limited		
10,90,125 equity shares of Rs.10 each fully paid up	6,422.36	4,469.51
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	**6,758.06**	**4,805.21**
During the year TVSCS shares are fair valued @ Rs. 635/ share		
Aggregate amount of quoted investments and market value thereof		
Aggregate amount of unquoted investments	6,758.06	4,805.21
Total	**6,758.06**	**4,805.21**

5 Loans

	March 31, 2026	March 31, 2025
Loans	169.71	162.99
Total	**169.71**	**162.99**
Unsecured Loan of Rs.135 lakhs given @5%p.a		

6 Income Tax Assets (Net)

	March 31, 2026	March 31, 2025
Income Tax Assets (Net)	75.20	75.20
Total Other- Income Tax Assets	**75.20**	**75.20**

7 Other Non-Current Assets

	March 31, 2026	March 31, 2025
Security Deposit	1.32	1.32
Advances	2.27	5.00
Total Other non-current assets	**3.59**	**6.32**

Notes to Balance Sheet and Statement of Profit and Loss

(All amounts in Lakhs, unless otherwise stated)

8 Trade Receivables	March 31, 2026	March 31, 2025
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 2026

Particulars	Outstanding for following periods from due date of payment as on 31st March 2026					
	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 2025

Particulars	Outstanding for following periods from due date of payment as on 31-Mar-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

9 Cash and cash equivalents	March 31, 2026	March 31, 2025
Balances with banks	217.65	303.10
Cash on Hand	54.42	55.50
Total cash and cash equivalents	**272.07**	**358.60**

9a Bank balance other than Cash and Cash equivalents	March 31, 2026	March 31, 2025
Fixed Deposit	-	-
Total bank balance other than cash and cash equivalents	**-**	**-**

10 Other Receivables	March 31, 2026	March 31, 2025
Secured		
Receivable towards sale of property and other assets	6,298.05	6,298.05
Interest accrued on FD	-	-
Total Other receivables	**6,298.05**	**6,298.05**

11 Other Current assets	March 31, 2026	March 31, 2025
Balance with GST/ Service Tax Department	709.13	704.42
Total Other Current assets	**709.13**	**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, 2026	March 31, 2025
Depreciation		
Fair valuation of financial liabilties	-	-
Fair valuation of financial asset	(1,378.80)	(887.27)
Investment Property	1,472.47	1,472.47
Net deferred tax Liabilities/(Asset)	**93.66**	**585.20**

Movement in deferred tax assets/(liabilities)	Investment Property	Fair valuation of financial asset	Fair valuation of financial liabilties	Total
At March 31, 2025	**1,472.47**	**(887.27)**	**-**	**585.20**
- to profit or loss			-	-
- to other comprehensive income		**(491.53)**		(491.53)
At March 31, 2026	**1,472.47**	**(1,378.80)**	**-**	**93.66**

Note:-

1) Deferred Tax Assets has been recognized on certain losses.

13 Equity share capital

i) Authorised, issued, subscribed & fully paid equity share capital

a) Equity Share Capital

Particulars	As at 31-03-2026		As at 31-03-2025	
	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 31-03-2026		As at 31-03-2025	
	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 31-03-2026		As at 31-03-2025	
			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 31-03-2026		As at 31-03-2025	
			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 Convertible 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 2026 for both Equity and Preference Share Capital

a) Equity Share Capital

Name of the Shareholder	Relationship	Class of Share	As at 31-03-2026		As at 31-03-2025	
			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 31-03-2026		As at 31-03-2025	
			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 31-03-2026		As at 31-03-2025	
		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 31-03-2026		As at 31-03-2025	
		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 2026

Name of the Shareholder	Class of Share	As at 31-03-2026		As at 31-03-2025		% 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 31-03-2026		As at 31-03-2025		% 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

	March 31, 2026	March 31, 2025
Retained earnings	110.40	(703.65)
Capital reserves	(24.09)	(24.09)
Total reserves and surplus	**86.31**	**(727.74)**
a) Retained earnings		
Opening balance	(703.65)	(342.48)
Modification of terms of issue OCRPS	1,084.18	-
Net Loss for the period	(273.77)	(361.17)
Unwinding of Liability	3.64	-
Closing balance	**110.40**	**(703.65)**
b) Capital reserve		
Opening balance	**(2**4.09)	(24.09)
Closing balance	**(24.09)**	**(24.09)**
c) FVOCI-Equity Instruments		
Opening balance	2,470.19	1,491.30
Other Comprehensive income (net of tax)	1,461.32	978.89
Closing Balance	**3,931.51**	**2,470.19**
d) Fair valuation of preference share issued		
Opening balance	1,084.18	1,084.18
Fair valuation of preference share issued	1,084.18	-
Modification of terms of issue OCRPS	(1,084.18)	-
Unwinding of Liability	(3.64)	-
Closing Balance	**1,080.54**	**1,084.18**
Total	**5,098.36**	**2,826.63**

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 capital reserve.

Reserve created for the equity component arising in fair valuation of Optionally Convertible Redeemable Preference shares.

15 Borrowings

	March 31, 2026	March 31, 2025
Non-cumulative optionally Convertible Redeemable Preference shares	3,919.45	4,613.05
Total borrowings	**3,919.45**	**4,613.05**

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

	March 31, 2026	March 31, 2025
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))	8.40	120.22
Total trade payables	**8.40**	**120.22**

* 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 31st March 2026

Particulars	Outstanding for following periods from due date of payment as on 31-March-2026				
	<1 Yr.	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	8.40	-	-	-	8.40
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

Ageing for Trade Payables as on 31st March 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	-	-	-	-	-

17 Financial liabilities

	March 31, 2026	March 31, 2025
Current		
Payable to Preference Shareholder	1.35	0.90
Stale Cheques	-	-
Payable Others	132.48	133.89
Total other current financial liabilities	**133.83**	**134.79**

18 Other current liabilities

	March 31, 2026	March 31, 2025
Statutory Dues	893.22	955.30
Advance from customers		
- Advance received	131.99	131.98
Total other current liabilities	**1,025.21**	**1,087.29**

19 Other income

	March 31, 2026	March 31, 2025
a) Other income		
Other Non Operating Income	-	2.10
Interest income on loan to SAEL	6.71	6.74
Write-back	118.39	-
Total other income	**125.10**	**8.84**

20 Finance Cost

	March 31, 2026	March 31, 2025
Other Borrowing Cost (Refer Note 29(e))	391.09	361.43
Total finance cost	**391.09**	**361.43**

21 Other expenses

	March 31, 2026	March 31, 2025
Rates and Taxes	0.46	-
Payment to Auditor* (Refer below note)	6.00	6.00
Consultancy Fees	0.23	1.09
Provision created against assets	-	-
Write-off	-	-
Other expenses	1.09	1.48
Total other expenses	**7.78**	**8.57**

	March 31, 2026	March 31, 2025
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

	March 31, 2026	March 31, 2025
(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	(491.53)	(329.26)
(Decrease) increase in deferred tax liabilities		
Total deferred tax expense/(benefit)	**(491.53)**	**(329.26)**
Income tax expense	**(491.53)**	**(329.26)**

Notes to Balance Sheet and Statement of Profit and Loss

(All amounts in Lakhs, unless otherwise stated)

23 Earnings per share

Particulars	31st March 2026	31st March 2025
(a) Basic and diluted earnings per share		
Basic and diluted earnings per share attributable to the equity holders of the company (in rupees)	(0.18)	(0.24)
(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)	(273.77)	(361.17)
(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, 2026			March 31, 2025		
	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	-	6,422.36	-		4,469.51	
Loan	-	-	169.71			162.99
Trade receivable	-	-	743.45			743.45
Cash and cash equivalents	-	-	272.07	-	-	358.60
Other Bank Balances			-			-
Receivable towards sale of property	-	-	6,298.05	-	-	6,298.05
Total financial assets	**35.00**	**6,723.06**	**7,483.27**	**35.00**	**4,770.21**	**7,563.09**
Financial liabilities						
Borrowings	3,919.45	-	-	4,613.05	-	-
Trade payables	-	-	8.40	-	-	120.22
Payable towards purchase of Investments	-	-	-	-	-	-
Other financial liability	-	-	133.83	-	-	134.79
Total financial liabilities	**3,919.45**	**-**	**142.22**	**4,613.05**	**-**	**255.01**

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 2026	At 31 March 2025
Level 3 Measurements			
Financial Assets			
Investments	4	6,758.06	4,805.21
Total financial Assets		**6,758.06**	**4,805.21**
Financial liabilities			
Borrowings	15	3,919.45	4,613.05
Total financial liabilities		**3,919.45**	**4,613.05**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

Particulars	Notes	At 31 March 2026	At 31 March 2025
Level 3 Measurements			
Financial assets			
Loan	5	169.71	162.99
Trade receivable	8	743.45	743.45
Cash and cash equivalents	9	272.07	358.60
Other Bank Balances	9a	-	-
Other Financial Assets	10	6,298.05	6,298.05
Total financial assets		**7,483.28**	**7,563.09**
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)

	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 March 25	**4,613.05**

	Preference shares
As at 1 April 2025	**4,613.05**
Issue/ (redemption)	-
Fair value recognised through reserves	-
Fair value recognised in profit or loss	(693.59)
Fair value recognised in OCI	-
As at 31st Mar 26	**3,919.45**

(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 derived based on the market risk premium adjusted for companies relevered financial data"

(v) Fair value of financial assets and liabilities measured at amortised cost

	31-Mar-26		31-Mar-25	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Loan	169.71	169.71	162.99	162.99
Trade receivable	743.45	743.45	743.45	743.45
Cash and cash equivalents	272.07	272.07	358.60	358.60
Other Bank balances	-	-	-	-
Receivable towards sale of property	6,298.05	6,298.05	6,298.05	6,298.05
Total financial assets	**7,483.28**	**7,483.28**	**7,563.09**	**7,563.09**
Financial Liabilities				
Borrowings	-	-	-	-
Trade payables	8.40	8.40	120.22	120.22
Payable towards purchase of Investments	-	-	-	-
Other financial liabiity	133.83	133.83	134.79	134.79
Total financial liabilities	**142.22**	**142.22**	**255.01**	**255.01**

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

(i) Credit risk management

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 2026	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	-	8.40	-	-	8.40
Other financial liabilities	-	-	133.83	-	133.83
Total non-derivative liabilities	**-**	**8.40**	**133.83**	**5,000.00**	**5,142.22**

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	**-**	**5,135.51**	**1.37**	**118.13**	**5,255.01**

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)

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:

	March 31, 2026	March 31, 2025
Net debt	3,647.38	4,254.45
Total equity	20,061.74	17,790.01
Net debt to equity ratio	**0.18**	**0.24**

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, 2026.

28 Contingent Liabilities not provided for

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.	**March 31, 2026**	**March 31, 2025**
Disputed Income Tax Demand (of this 70.11 lakhs has been paid for stay of demand) for the FY 17-18	397.27	397.27
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 Entity

TVS Motor Company Limited (Effective 7th Sep'17), Chennai

(b) Ultimate Holding Entity

TVS Holdings Limited

(c) Fellow Subsidiaries involving transactions

Name of Entity

TVS Credit Services Limited, Chennai

(d) Key management personnel compensation

(e)Transactions with related parties

The following transactions occurred with related parties:

	March 31, 2026	March 31, 2025
TVS Motor company		
Interest payable towards purchase of Investment	-	-
Preference shares Investment	-	-
TVS Credit Services Ltd		
Payment toward purchase of investments	-	-

(f) Outstanding balances arising from sales/purchases of goods and services

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.

	March 31, 2026	March 31, 2025
Receivables:		
TVS Motor Company Limited	-	-

Notes to financial statements

(All amounts in Lakhs, unless otherwise stated)

30 Additional Note

(A) Trade Receivables

	Outstanding for following periods from due date of payment as on 31-Mar-2026					
Particulars	**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	-	-	-	-	-	-

	Outstanding for following periods from due date of payment as on 31-Mar-2025					
Particulars	**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	-	-	-	-	-	-

(B) Tax Payable

	Outstanding for following periods from due date of payment as on 31-Mar-2026				
Particulars	**6 months -1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) MSME	-	-	-	-	-
(ii) Others	8.40	-	-	-	8.40
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

	Outstanding for following periods from due date of payment as on 31-Mar-2025				
Particulars	**6 months -1 year**	**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	-	-	-	-	-

(C) CAPITAL WIP & INTANGIBLE ASSETS UNDER DEVELOPMENT

A. Particulars to be given in respect of Projects in progress and Projects temporarily suspended

	Amount in CWIP for following periods as on 31-Mar-2026				
Particulars	**<1 Yr.**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress					-
Projects temporarily suspended				202.01	202.01

Notes to financial statements

(All amounts in Lakhs, unless otherwise stated)

	Amount in CWIP for following periods as on 31-Mar-2025				
Particulars	**<1 Yr.**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress					
Projects temporarily suspended				202.01	202.01

B. Particulars to be given in respect of Projects whose completion is overdue or has exceeded its cost compared to its original plan,

	Amount in CWIP for following periods as on 31-Mar-2026				
Particulars	**<1 Yr.**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects 1					
Projects 2	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.				

	Amount in CWIP for following periods as on 31-Mar-2026				
Particulars	**<1 Yr.**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects 1					
Projects 2	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.				

- The ageing for an item of CWIP shall be determined from the date of its initial recognition to the date of balance sheet. Accordingly, it may so happen that for a single asset/project recognized as a CWIP, the ageing for the total amount of CWIP shall fall into different ageing buckets as at a particular balance sheet date.
- When temporary suspension is a necessary part of the process of getting an asset ready for its intended use, the project should not be considered to have been temporarily suspended and the CWIP related to such projects should continue to be presented under 'Projects in progress'
- The classification of assets/projects into 'projects in progress' and 'projects temporarily suspended' needs to be evaluated at each reporting date. Any change in status during the reporting period or any time after end of the reporting period will not change the classification of assets/projects for above disclosure purposes. For e.g., if a project was temporarily suspended for most of the time during the reporting period but development of the asset resumes before the end of the reporting period, then the ageing of its related CWIP amounts will be presented under 'Projects in progress.
- In respect of assets/projects forming part of CWIP and which have become overdue compared to their original plans or where cost is exceeded compared to original plans, disclosure is required to be given for expected completion timelines in defined ageing brackets. Any variation between an asset's/project's actual completion timeline or it's actual cost and the respective estimate is required to be evaluated from the original plan (i.e. original completion timelines and original estimated costs).
- Disclosure is required only in those cases where the actual cost of an asset/project has already exceeded the estimated cost as per original plan or actual timelines for completion of an asset/project have exceeded the estimated timelines as per original plan. Such assessment needs to be done at each reporting date

D. DISCLOSURE OF SHAREHOLDING OF PROMOTERS

Date: 12.05.2026			
PROMOTER NAME	**No. of Shares**	**%of total shares**	**% Change during the year**
TVS Motor Company Limited	14,96,33,814	100%	0%

Shares held by promoters at the end of the year 31st Mar 2025			
PROMOTER NAME	**No. of Shares**	**%of total shares**	**% Change during the year**
TVS Motor Company Limited	14,96,33,814	100%	0%

Therefore there is no change of promoter's holding in current year

Notes to financial statements

(All amounts in Lakhs, unless otherwise stated)

30 Additional Note

E. Disclosure of Ratios

Ratio	Description of numerator	Description of denominator	Ratio 31.03.2026	Ratio 31.03.2025	Variance	Reasons for variance
(a) Current ratio	Current Assets	Current Liabilities	6.87	6.04	13.82%	
(b) Debt-equity ratio	Borrowings net of cash and cash equivalents	Shareholders' fund	0.18	0.24	-23.98%	
(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	-0.01	-0.02	-32.78%	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	0.49%	0.00%	-41839.21%	On account of Non operating Income in the P/L
(k) Return on investment	Profit after tax	Average Investment	-2.18%	-0.52%	-321.81%	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 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.

As per our report of event date
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No. FRN 007761S

Place: Chennai
Date:12-05-2026
UDIN: 26027716CMTEJG7023

V. Sathyanarayanan
Partner
Membership No. 027716

K N Radhakrishnan
Director
02599393

G. Parthasarathy
Director
07169831

S Sridhar
Chief Financial Officer

KS Srinivasan
Company Secretary

For and on behalf of the Board

VR Karuanakara Reddy
Chief Executive Officer

Directors' Report to the Shareholders

The directors are pleased to present the Fifth annual report and the audited financial statements for the year ended 31st March 2026.

Financial Highlights

The Company is yet to commence its operations.

Share Capital

During the year under review, there has been no change in the authorized share capital of the Company.

The authorized and paid-up share capital as on 31st March 2026 is Rs. 1,00,00,000 /-

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 2026 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 2026.

Transfer to Reserves in terms of Section 134 (3) (j) of the Companies Act, 2013

The Company has not transferred any amount to the reserves during the Financial Year ended 31st March, 2026.

Transfer of Unclaimed Dividend to Investor Education and Protection Fund

There was no unclaimed/unpaid dividend, application money, debenture interest and interest on deposits as well as the principal amount of debentures and deposits, remaining unclaimed/ unpaid in relation to the Company hence the Company is not required to transfer any amount to Investor Education and Protection Fund (IEPF).

Change in nature of business

During the period under review, the Company has not changed its line of business in such a way that amounts to commencement of any new business or discontinuance, sale or disposal of any of its existing businesses or hiving off any segment or division.

Details of Subsidiaries, Joint Ventures and Associates

During the year under review, the Company does not have any Subsidiary, Joint Venture or an Associate Company.

Annual Return

The provisions of section 134 (3) (a) of the Companies Act 2013 prescribes the Company to mention the web address, if any, where the Annual Return referred to in sub section (3) of Section 92 of the Act has been placed. Since the Company does not have a website the provisions of section 134 (3) (a) are not applicable to the Company.

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.

Internal Auditor

The Company is not required to appoint Internal Auditor as it does not fall within purview of section 138(1) of Companies Act, 2013 and Rule 13 of Companies (Accounts) Rules, 2014 and it is not applicable to your Company.

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 of Section 134(3)(c) read with 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 2026, 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 2026 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, there were no change in the Board.

As on 31st March 2026, 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 Evaluation

The provision of section 134(3)(p) relating to board evaluation is not applicable to the Company.

Board Meetings

During the period under review, the Board met 4 times on 28th April 2025, 31st July 2025, 28th October 2025 and 28th January 2026. The gap between two meetings did not exceed one hundred and twenty days.

Number of general meetings held

There were no Extra – Ordinary General Meeting of the Company held during the year under the review.

The Annual General Meeting of the Company was held on 26th September 2025 during the FY 2025-26.

Policy on director's appointment and remuneration under section 178 (3):

The Company being a private Company is not required to constitute Nomination and Remuneration Committee under the provisions of the Companies Act, 2013.

The requirement to formulate a policy under Section 178(3) of the Companies Act, 2013 is not applicable to the Company.

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 fifth year in the first term of five consecutive years, from the conclusion of this Annual General Meeting.

The Auditors' Report for the financial year 2025-26 does not contain any qualification, reservation or adverse remark and the same is attached as part of the annual financial statements.

Reporting of fraud

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

Credit Rating of Securities

The Company has not obtained any credit rating of its securities.

Disclosures

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

(a) details relating to holding, subsidiary and associate Company;

(b) details relating to deposits covered under Chapter V of the Act;

(c) issue of equity shares with differential rights as to dividend, voting or otherwise;

(d) issue of shares (including sweat equity shares) to employees of the Company under any scheme;

(e) raising of funds through preferential allotment or qualified institutions placement;

(f) significant or material order passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future;

(g) 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 2025-26, 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

As the Company is yet to commence its operations, it does not require to maintain any cost records pursuant to Section 148(1) of the Companies Act, 2013.

Constitution of Committee:

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.

The details of complaints for the year under review, are given below:

number of complaints of sexual harassment received in the year – NIL

number of complaints disposed off during the year – NIL

number of cases pending for more than ninety days - NIL

Disclosure in terms of the Maternity Benefit Act, 1961:

There are currently no employees in the Company. Accordingly, compliance to the provisions relating to the Maternity Benefit Act, 1961 is not appliable

Acknowledgement

The directors gratefully acknowledge the continued support and co-operation received from the holding Company, namely, TVS Motor Company Limited, auditors and bankers for their continued support and assistance.

For and on behalf of the Board

	K N RADHAKRISHNAN	G PARTHASARATHY
Place : Bengaluru	Director	Director
Date : 10th June 2026	DIN: 02599393	DIN: 01769831

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31ST MARCH 2026

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 2026, 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, 2026, 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 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2026 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 26224922NKTUTC5881

S.VENKATARAMAN
Partner
Membership No. 224922

Place : Chennai
Date : 07th May 2026

Annexure A to Independent Auditor's Report - 31 March 2026

(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 2026. 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)
2025 – 2026	10,000.00
2024 – 2025	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 26224922NKTUTC5881

S.VENKATARAMAN
Partner
Membership No. 224922

Place : Chennai
Date : 07th May 2026

Annexure "B" to Independent Auditors' Report 31st March 2026

(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, 2026, 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, 2026, 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 26224922NKTUTC5881

S.VENKATARAMAN
Partner
Membership No. 224922

Place : Chennai
Date : 07th May 2026

Balance Sheet as at 31st March 2026

(in Rs.)

Particulars	Note No	As at 31st March 2026	As at 31st March 2025
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	(50,000)	(40,000)
TOTAL EQUITY		**99,50,000**	**99,60,000**
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	50,000	40,000
TOTAL LIABILITIES		**50,000**	**40,000**
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

S.VENKATARAMAN
Partner
Membership No.: 023116

Chennai
Dated: 07th May, 2026

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 2026

(In Rs.)

Particulars	Note No	For the period 1st April 2026	For the period 1st April 2025
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

S.VENKATARAMAN
Partner
Membership No.: 023116

Chennai
Dated: 07th May, 2026

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 2026

(In Rs.)

Particulars		As at 31st March 2026	As at 31st March 2025
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

S.VENKATARAMAN
Partner
Membership No.: 023116

Chennai
Dated: 07th May, 2026

For and on behalf of the Board of Directors

VENU SRINIVASAN
Director
DIN:00051523

SUDARSHAN VENU
Director
DIN: 03601690

Statement of Changes in Equity

(in Rs.)

A Equity Share Capital

Particulars	Rs.
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**
Changes in equity share capital due to prior period errors	-
	1,00,00,000
Change in equity share capital during the year	-
As at 31-03-2026	**1,00,00,000**

B Other equity

Particulars	Retained earnings	Other reserves	Total
Balance as at 01-04-2024	**(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 31-03-2024	**(40,000)**	**-**	**(40,000)**
Add : Profit for the year 2025-26	(10,000)	-	(10,000)
Add : Other comprehensive income for the year 2024-25	-	-	-
Balance as at 31-03-2025	**(50,000)**	**-**	**(50,000)**

As per our report even date
For V.Sankar Aiyar & Co
Chartered Accountants
Firm Regn No.: 109208W

S.VENKATARAMAN
Partner
Membership No.: 023116

Chennai
Dated: 07th May, 2026

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 7th May 2026.

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.

Notes to the Financial Statements - *(Continued)*

Notes to Balance Sheet

(In Rs.)

		Amount as at 31-Mar-26	Amount as at 31-Mar-25
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 31-03-2026		As at 31-03-2025	
	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 31-03-2026		As at 31-03-2025	
	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 31-03-2026		As at 31-03-2025	
		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 31-03-2026		As at 31-03-2025	
		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 31-03-2026		As at 31-03-2025	
		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 31-03-2026	As at 31-03-2025
Retained earnings	(50,000)	(40,000)
Other Reserves	-	-
	(50,000)	**(40,000)**

		As at 31-03-2026	As at 31-03-2025
5	Trade Payables		
	Dues to Micro and Small Enterprises **	-	-
	Dues to enterprises other than Micro and Small Enterprises	50,000	40,000
		50,000	**40,000**

** 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 2025 to 31st Mar 2026	For the period 1st Apr 2024 to 31st Mar 2025
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 31-03-2026			As at 31-03-2025		
	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	-	-	50,000	-	-	40,000
	-	**-**	**50,000**	**-**	**-**	**40,000**

* 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 2026.

(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 Property, Plant & Equipment (PPE) and Intangible Assets , hence revaluation of Property, Plant & Equipment (PPE) and Intangible Assets are not applicable.

(xiv) 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.

Directors' Report to the Shareholders

Your directors present the Sixth Annual Report of the Company together with the Audited Financial Statements for the year ended 31st March 2026.

1. STATE OF COMPANY'S AFFAIRS

The Companyis engaged in the procurement, refurbishment, and retail of pre-owned multi-brand two-wheelers, including motorcycles and scooters. The Company operates through a combination of company-owned company-operated (COCO) stores and franchisee-led (FOFO) outlets. As on 31 March 2026, DriveX operates 12 COCO stores and approximately 23 FOFO outlets, with a primary presence across the southern states of Karnataka and Tamil Nadu. The Company also runs two refurbishment centres located in Hosur and Coimbatore.

In addition to its physical retail network, DriveX operates a customer-to-customer (C2C) digital platform, DriveX DIRECT, which serves as an end-to-end online marketplace for buying and selling multi-brand pre-owned two-wheelers. The Company also operates an auction platform, DriveX Auction Platform (DAP), facilitating vehicle sales to open market brokers.

During the financial year under review, the Company continues to be a subsidiary of M/s TVS Motor Company Limited ("TVSM"). As on 31st March 2026, TVSM holds 92.21% of the paid-up share capital of the Company.

2. FINANCIAL SUMMARY AND PERFORMANCE

(Rs. In Lakhs)

Particulars	Financial Year (2025-26)	Financial Year (2024-25)
Revenue from Operations	**7319.48**	5997.30
Less: Total Expenses other than Depreciation, Finance Cost & Tax	**13096.02**	11199.29
EBITDA (A)	**(5776.54)**	(5201.99)
Finance Cost	**397.83**	387.33
Depreciation & Amortization Expenses	**641.34**	672.44
Profit or (Loss) Before Tax (PBT) (B)	**(6700.01)**	(6177.72)
Less: Tax expenses (C)	**(1706.73)**	(1544.73)
Profit or (Loss) After Tax (B-C)	**(4993.27)**	(4632.99)
Other Comprehensive Income (Loss)	**6.17**	3.85
Total Comprehensive Income (Loss)	**(4987.11)**	(4629.14)

The summary of financial performance of the Company for the financial year 2025-26, as compared with the previous year, is given below:

- During the financial year 2025–26, the Company has posted a turnover of Rs. 7,319.48 Lakhs as against the previous year's turnover of Rs. 5,997.30 Lakhs, reflecting continued growth in operational revenue. The increase in the number of outlets along with ramp-up in sales initiatives has contributed to this growth during the year.
- The Company continues to invest in expansion of its operations and, in line with its growth plans, maintained higher inventory levels and strengthened its manpower during the financial year 2025–26. This has resulted in an increase in inventory and employee-related costs. Consequently, the total expenses of the Company increased to Rs. 13,096.02 Lakhs during financial year 2025–26 from Rs. 11,199.29 Lakhs incurred during the financial year 2024–25.
- The Company recorded a negative EBITDA of Rs. 5,776.54 Lakhs for the period ended 31st March 2026 vis-à-vis the negative EBITDA of Rs. 5,201.99 Lakhs recorded during the financial year 2024–25.
- Consequently, the net loss of the Company widened to Rs. 4,993.27 Lakhs for the financial year 2025–26 as against the previous year's net loss of Rs. 4,632.99 Lakhs.
- The Company has posted a Total Comprehensive Loss of Rs. 4,987.11 Lakhs for the financial year 2025–26 compared to a Total Comprehensive Loss of Rs. 4,629.14 Lakhs during the previous financial year.

3. DIVIDEND

The Directors do not recommend any dividend for the financial year under review, due to absence of profits.

4. TRANSFER TO RESERVES

No amount has been proposed for transfer to Reserves for the year under review.

5. 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.

6. 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.

7. 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 digital platform, including its C2C marketplace (DriveX DIRECT), was significantly enhanced with improved user experience, lead funnels, and SEO capabilities, along with the launch of a Progressive Web App (PWA) for seamless mobile access. The platform was integrated with inspection workflows, escrow, and payment systems to enable end-to-end digital transactions.

➢ **BikeScan (Inspection App):**

The Company strengthened its inspection ecosystem through BikeScan and InspectX, enabling over 73,000 inspections across procurement and refurbishment stages. The platform incorporates AI-assisted pricing, standardized workflows, automated report generation, and centralized quality validation.

➢ **ERPX (Org-Wide ERP):**

The Company implemented and scaled its in-house ERP platform (ERPX) covering procurement, refurbishment (DTC), logistics, documentation, sales, and returns management. The platform has been integrated with BikeScan and Dealer Management System (DMS), enabling end-to-end operational tracking.

➢ **Dealer Management System (DMS):**

The Dealer Management System supports operations across COCO and FOFO stores with features such as live inventory tracking, GST-compliant invoicing, and QR-based lead capture

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

8. 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.

9. 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.

10. 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.

11. AUDITORS OF THE COMPANY

The members of the Company at its Fourth AGMheld 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 4thAGM until the conclusion of 9th 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.

12. 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 2025-26.

The provisions relating to submission of Secretarial Audit Report are not applicable to the Company for the financial year 2025-26.

13. COMPOSITION OF THE BOARD

The Board of the Company as at the end of the financial year 2025-26, 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. Sharad Mohan Mishra (DIN: 09772241) and Mr. Hormazd Sorabjee (DIN: 00593311), Directors of the Company, being the longest in office shall 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.

Key Managerial Personnel (KMP)

Mr. Pramod Krishna, Chief Financial Officer and Devesh Taparia, Chief Executive Officer of the Company are the Key Managerial Personnel of the Company on the date of this Report.

During the year under review, following changes occurred in the composition of Key Managerial Personnel:

- Mr K Harisha resigned from the post of Chief Financial Officer effective16th October 2025.
- Mr Pramod Krishna was appointed as Chief Financial Officer and Mr Devesh Taparia was appointed as Chief Executive Officer of the Company effective 17th October 2025.
- Mr Rajan Ranjith resigned from the post of Company Secretary effective 10th April 2026.

14. BOARD MEETINGS DURING THE YEAR UNDER REVIEW:

The Company, during the financial year 2025-26, has conducted **FiveBoard meetings** on the following dates:

i) 22nd April 2025

ii) 28th July 2025

iii) 17th October 2025

iv) 20thJanuary 2026

v) 20th March 2026

15. 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 2025-26 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.

16. 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.

17. 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.

18. DECLARATION OF INDEPENDENT DIRECTORS

The provisions of Section 149 of Companies Act, 2013 for appointment of Independent Directors do not apply to the company.

19. SHARE CAPITAL

During the financial year 2025-26, the Company has issued and allotted 7,129 nos. of equity shares of face value Rs. 10 each at a premium of Rs. 123550.52 per share, during the financial year 2025-26.

There were no changes in the Authorized Share Capital of the Company. The Authorized Share Capital of the Company as on 31st March 2026 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 2026 stood at Rs. 3,04,840.

20. SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards for the financial year 2025-26.

21. 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.

22. 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.

23. 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 2025-26 with the entire Internal Committee members through online mode on 22nd June 2025, 01 September 2025 and 01st December 2025. During the financial year 2025-26, the Company has not received any complaints on sexual harassment and no complaints remain pending as of 31st March 2026.

24. PARTICULARS OF EMPLOYEES

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 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.

25. 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.

26. 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.

27. 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, 2026will be available on the Company's website at www.drivex.in upon filing the said return with the Registrar of Companies.

28. 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 Consultantsfor 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	Sharad Mohan Mishra	G Parthasarathy
Date: 17th April 2026	Director	Director
	(DIN: 09772241)	(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 arm's length transaction under third proviso thereto.

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

2. Details of contracts or arrangements or transactions atan Arm's length basis:

Sl. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	TVS Training and Services Limited - Associate Company
b)	Nature of contracts/arrangements/transaction	Reimbursement of DTC Salary and Reimbursement of DTC Service Fee
c)	Duration of the contracts/arrangements/transaction	2025-26
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. 834.60 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: 17th April 2026

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 2026

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, India – 641015,which comprise the Balance Sheet as at 31stMarch 2026, the Statement of Profit and Loss(including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended on that date, and notes to the financial statements, including a summary of the 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 CompaniesAct, 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 31stMarch 2026, 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 opinionon 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 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) 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 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.
   (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 31stMarch2026from 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements;

(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 tous,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 2026, except as stated in Note 24(i);

(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 2026;

(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, 2026 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	26027716LTRKCY5055

V. Sathyanarayanan
PARTNER
Membership No.027716

Place: Bengaluru
Date: 17th April 2026

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT – 31st March 2026 (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 andthebooks ofaccount and recordsexaminedbyusinthe normalcourseofaudit, westatethat:

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, includingquantitative details and situation of Property, Plant and Equipment and relevantdetailsofright-of-use assets;

(B) The Company has maintained proper records showing full particulars of intangibleassets;

(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 revaluedany of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year;

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 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 investmentsand has not provided any Guaranteeor 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 depositor 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 specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable;

vii. In respect of statutory dues:

(a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, Income Tax, Goods and Service Tax, duty of customs,and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the yearend for a period of more than six months from the date they become payable;

(b) There are no dues in respect ofIncome 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 2020-21	Appellate Authority	10.07	0.56
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) On an overall examination of the financial statements of the Company, the Company hasnot taken any funds from any entity or person on account of or to meet the obligations ofitssubsidiaries 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 placementof 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 orreportedduringthe year;

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed inForm ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014withthe Central Government, duringthe yearand up tothe dateofthis 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 isnot 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 5973.41&Rs 5427.12Lakhscovered by our audit;

xviii. Therehasbeen noresignationofthestatutoryauditorsoftheCompanyduringtheyear;

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 clause3(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	26027716LTRKCY5055

V. Sathyanarayanan
PARTNER
Membership No.027716

Place: Bengaluru
Date: 17th April 2026

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT – 31st March 2026

(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

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 Drivex Mobility Private Limited as of March 31, 2026 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, 2026, 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	26027716LTRKCY5055

V. Sathyanarayanan
PARTNER
Membership No.027716

Place: Bengaluru
Date: 17th April 2026

Balance Sheet as at 31st March 2026

(Amount in Rs Lakhs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
1 **Non-current assets**			
(a) Property, Plant and Equipment	3A	713.39	536.54
(b) Right of Use Assets	30	1,357.84	697.23
(c) Capital work in progress	3C	0.00	5.96
(d) Other Intangible Assets	3B	779.07	521.64
(e) Intangible Assets under development	3D	256.95	165.36
(f) Deferred Tax Assets	4	4,665.73	2,961.07
(i) Other Financial Assets	5.1	192.33	81.89
(h) Other Non-Current Assets	6	106.76	24.17
Total Non - Current Assets		**8,072.07**	**5,138.82**
2 **Current assets**			
Inventories	7	2,546.50	1,822.20
(a) Financial Assets			
(i) Trade Receivables	8.1	216.00	734.05
(ii) Cash and Cash Equivalents	8.2	433.90	202.25
(iii) Other Financial Assets	8.3	20.11	25.59
(b) Other Current Assets	9	1,447.58	958.11
Total Current Assets		**4,664.09**	**3,742.20**
Total Assets (1+2)		**12,736.16**	**8,881.02**
EQUITY AND LIABILITIES			
1 **Equity**			
(a) Equity Share capital	10	3.05	2.35
(b) Other Equity	11	7,376.04	3,696.08
Total equity		**7,379.09**	**3,698.43**
LIABILITIES			
2 **Non-current liabilities**			
(a) Financial Liabilities			
(i) Lease Labilities	30	1,153.29	595.71
(b) Provisions	12	475.21	39.41
Total Non - Current Liabilities		**1,628.50**	**635.12**
3 **Current liabilities**			
(a) Financial Liabilities			
(i) Short term borrowings	13.1	2,705.67	3,301.03
(ii) Lease Liabilities	30	324.64	200.16
(iii) Trade Payables	13.2		
(A) total outstanding dues of micro enterprises and small enterprises		24.34	0.76
(A) total outstanding dues of creditors other than micro enterprises and small enterprises.		300.90	332.58
(iv) Other Financial Liabilities	13.3	1.03	88.76
(b) Provisions	14	148.63	244.16
(c) Contract Liabilities	15	0.13	3.73
(d) Other Current Liabilities	16	223.23	376.29
Total Current Liabilities		**3,728.57**	**4,547.47**
Total liabilities		**5,357.07**	**5,182.59**
Total Equity and Liabilities (1+2+3)		**12,736.16**	**8,881.02**
See accompanying notes to the financial statements	1&2		-

For **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
FRN: 007761S

V. Sathyanarayanan
Partner
Membership No. 027716

Date: 17th April 2026
Place:Bengaluru
UDIN: 26027716LTRKCY5055

For **and on behalf of the Board of Directors**

G Parthasarathy
Director
DIN: 01769831

Sharad Mohan Mishra
Director
DIN: 09772241

Devesh Taparia
Chief Executive Officer

Pramod Krishna
Chief Financial Officer

Date: 17th April 2026
Place:Bengaluru

Date: 17th April 2026
Place:Bengaluru

Statement of Profit and Loss for the year ended 31st March 2026

(Amount in Rs Lakhs, unless otherwise stated)

Particulars		Note No.	Year ended March 31, 2026	Year ended March 31, 2025
I	Revenue from Operations	17	7,319.48	5,997.30
II	Other Income	18	115.70	84.04
III	**Total Income (I + II)**		**7,435.18**	**6,081.34**
IV	**EXPENSES**			
(a)	Cost of materials consumed	19	7,051.66	6,846.81
(b)	Employee Benefit Expense	20	3,015.76	2,710.60
(c)	Finance Costs	21	398.06	387.33
(d)	Depreciation and Amortisation expense	3E	641.33	672.44
(e)	Other Expenses	22	3,028.38	1,641.88
	Total Expenses (IV)		**14,135.19**	**12,259.06**
V	**Profit before tax (III - IV)**		**(6,700.01)**	**(6,177.72)**
VI	**Tax Expense**			
(a)	Current tax		-	-
(b)	Deferred tax charge/(credit)	23	(1,706.73)	(1,544.73)
	Total tax expense		**(1,706.73)**	**(1,544.73)**
VII	**Profit after tax for the year (V - VI)**		**(4,993.28)**	**(4,632.99)**
VIII	**Other comprehensive income/(loss)**		**6.17**	**3.85**
A	(i) Items that will not be reclassified to profit or loss			
	(a) Remeasurements of the defined benefit liabilities / (asset)		8.24	5.20
	(b) Income tax relating to items that will not be reclassified to profit or loss		(2.07)	(1.35)
B	(ii) Items that may be reclassified to profit or loss		-	-
IX	**Total Comprehensive Income/(Loss) for the year (VII + VIII)**		**(4,987.11)**	**(4,629.14)**
X	**Earnings/(Loss) per equity share: (in Rs.)**			
	Basic		(18,278.91)	(22,540.18)
	Diluted		(18,278.91)	(22,540.18)
See accompanying notes to the financial statements		1&2		

For **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
FRN: 007761S

V. Sathyanarayanan
Partner
Membership No. 027716

Date: 17th April 2026
Place:Bengaluru
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For **and on behalf of the Board of Directors**

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Devesh Taparia
Chief Executive Officer

Pramod Krishna
Chief Financial Officer

Date: 17th April 2026
Place:Bengaluru

Date: 17th April 2026
Place:Bengaluru

Statement of Changes in Equity

(Amount in Rs Lakhs, unless otherwise stated)

(a) Equity share capital	Amount
As at 1 Apr 24	2.02
Issue of shares	0.32
31-Mar-24	**2.35**
As at 1-Apr-25	**2.35**
Issue of shares	0.70
As at 31-Mar-26	**3.05**

(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 24	-	8,857.09	(4,529.08)	(0.89)	**4,327.12**
Profit/(loss) for the year	-	-	(4,632.99)	-	(4,632.99)
Share application money received	-	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**
Profit/(loss) for the year	**-**	-	(4,993.28)	-	(4,993.28)
Premum on issue of shares	-	8,667.07	-	-	8,667.07
Allotment of shares	-				-
Remeasurements of the defined benefit liabilities / (asset) net of tax	-	-	-	6.17	6.17
As at 31-Mar-26	**-**	**21,522.26**	**(14,155.35)**	**9.13**	**7,376.04**

For **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
FRN: 007761S

V. Sathyanarayanan
Partner
Membership No. 027716

Date: 17th April 2026
Place:Bengaluru
UDIN: 26027716LTRKCY5055

For **and on behalf of the Board of Directors**

G Parthasarathy
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DIN: 01769831

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Devesh Taparia
Chief Executive Officer

Pramod Krishna
Chief Financial Officer

Date: 17th April 2026
Place:Bengaluru

Date: 17th April 2026
Place:Bengaluru

Statement of Cash Flow for the year ended 31st March 2026

(Amount in Rs Lakhs, unless otherwise stated)

	Year ended 31-03-2026	Year ended 31-03-2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax for the year	(6,700.01)	(6,177.72)
Adjustments for:		
Depreciation and amortisation expenses	641.33	672.44
Finance costs	398.06	387.33
Interest income	(33.12)	(39.13)
Provision/(reversal of doubtful debts and Bad debts written off)	(8.85)	-
Other Comprehensive Income	8.24	5.20
Loss on Fixed asset writeoff - Lease cancelllation	13.64	-
Liabilities no longer required written back Loss on Fixed asset writeoff	(24.86)	6.73
Operating loss before working capital changes	(5,705.57)	(5,145.15)
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Financial Assets		
Trade receivables	534.89	(653.33)
Other financial assets	-17.72	(26.59)
Margin money	-	
Non-financial assets		
Inventory	(724.30)	388.69
Other assets	(537.65)	(382.50)
Adjustments for increase / (decrease) in operating liabilities:		
Financial liabilities		
Trade payables	(8.10)	44.41
Other financial liabilities		
Non-financial liabilities		
Provisions	176.43	19.59
Other liabilities	(80.55)	39.25
Cash generated from operations	**(6,362.57)**	**(5,715.63)**
Net income tax (paid) / refunded	(1.30)	(2.35)
Net cash outflow from operating activities (A)	**(6,363.87)**	**(5,717.98)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on property plant and equipment, including capital advances	(864.97)	(606.60)
Proceeds from sale of Property plant and equipment	-	-
Interest received	33.12	39.13
Net cash flow used in investing activities (B)	**(831.85)**	**(567.47)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of principal portion lease liabilities	(246.97)	(155.56)
Interest paid on lease liabilities	(125.23)	(77.18)
Repayment of long term borrowings	-	-
Net movement in short term borrowings	(595.36)	1,673.65
Proceeds from issue of shares including share application money	8,667.77	3,998.42
Finance costs paid	(272.83)	(310.15)
Net cash flow from financing activities (C)	**7,427.38**	**5,129.18**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	231.65	(1,156.27)
Add: Cash and cash equivalents at the beginning of the year	202.25	1,358.52
Cash and cash equivalents at the end of the year *	433.90	202.25
Reconciliation of Cash and Cash Equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 6.3)	433.90	202.25
Less: Bank balances not considered as cash and cash equivalents, as defined in Ind AS 7 Cash Flow Statements:	-	-
(i) In earmarked accounts		
- Margin money deposits	-	-
- Unpaid dividends account	-	-
Cash and cash equivalents as per Cash Flow Statement	**433.90**	**202.25**
* Comprises:		
(a) Cash on hand	2.48	16.31
Balances with banks:		
(i) In current accounts	416.42	185.94
(ii) In deposit accounts	15.00	-
Total	**433.90**	**202.25**

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-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	0.22	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**
Additions	46.66	11.41	51.59		15.34	241.21	366.20	413.14	779.34
Converted to stock in trade	-	-	-		-	-	-	-	-
Disposals	-	-	-	(6.89)	-	(25.98)	(32.87)		(32.87)
31-Mar-26	**166.30**	**83.01**	**222.87**	**-**	**64.46**	**569.89**	**1,106.52**	**1,372.94**	**2,479.46**
II. Accumulated depreciation and impairment as at									
1-Apr-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		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**
Depreciation / amortisation expense for the year	8.93	7.58	58.74		18.30	76.94	170.49	155.71	326.20
Converted to stock in trade	-	-	-		-	-	-	-	-
Eliminated on disposal of assets	-	-	-	(5.28)	-	(8.73)	(14.01)	-	(14.01)
31-Mar-26	**20.46**	**17.13**	**133.40**	**-**	**40.19**	**181.95**	**393.13**	**593.87**	**986.74**
Carrying amount as at (I-II)									
1-Apr-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
31-Mar-26	145.83	65.87	89.47	-	24.27	387.94	713.39	779.07	1,492.72

(a) All the above assets are owned by the Company.

(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 26	As at 31 March 25
3C	**Capital work in progress**	0.00	5.96
	Movement in capital work in progress		
	Opening balance	5.96	-
	Additions	80.80	59.89
	Capitalised durig the year	86.76	53.93
	Closing balance	**0.00**	**5.96**

	Amount of CWIP for a period of				31 March 26
Capital work-in-progress ageing	**< 1 year**	**1-2 years**	**2-3 years**	**> 3 years**	**Total**
Projects in progress	0.00	-	-	-	0.00
Projects temporarily suspended	-	-	-	-	-
	0.00	**-**	**-**	**-**	**0.00**

	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	0	0	0	5.96
Projects temporarily suspended	0	0	0	0	0
	5.96	**-**	**-**	**-**	**5.96**

		As at 31 March 26	As at 31 March 25
3D	**Intangible assets under development**	256.95	165.36
	Opening balance	165.36	333.54
	Additions	504.73	529.97
	Deletions		133.55
	Capitalised during the year	413.14	564.60
	Closing balance	**256.95**	**165.36**

Notes forming part of Financial Statements - *(continued)*

(Amount in Rs Lakhs, unless otherwise stated)

	Amount of CWIP for a period of				31 March 26
Intangible assets under development aging	**< 1 year**	**1-2 years**	**2-3 years**	**> 3 years**	**Total**
Projects in progress	256.95 -				256.95
Projects temporarily suspended	-	-	-	-	-
	256.95	**-**			**256.95**

	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**

		Note	Year ended 31-Mar-26	Year ended 31-Mar-25
3E	**Depreciation and Amortisation**			
	Depreciation on:			
	Tangible Assets	3A	170.49	131.61
	Right of use assets	30	315.14	191.96
	Amortisation of intangible assets	3B	155.71	348.87
			641.33	**672.44**

Non-current assets

		As at 31 March 26	As at 31 March 25
4	**Deferred Tax Assets**		
	Provision for Gratuity	4.90	-
	Provision for Leave Encashment	12.33	11.32
	Provision for bad debts	-	2.50
	Property, Plant & Equipment	31.14	35.98
	Lease Liabilities and Right of Use Assets	30.23	24.82
	Provisions for Expenses	35.48	60.05
	Provision for Bonus	101.16	51.16
	Income Tax Losses	4,453.87	2,776.54
	Deferred Tax Liability		
	OCI Remeasurement	3.38	**1.31**
		4,665.73	**2,961.07**

The major components of deferred tax liabilities and assets arising on account of timing differences are as follows:

	As at 1 April 25	Recognized/ reversed through profit and loss	Recognized in other comprehensive income	As at 31 March 26
Deferred tax assets				
OCI Remeasurement				
Provision for Leave Encashment	11.32	1.01	-	12.33
Provision for bad debts	2.50	(2.50)	-	-
Property, Plant & Equipment	35.98	(4.84)	-	31.14
Lease Liabilities	200.30	171.67	-	371.97
Provisions for Expenses	60.05	(24.58)	-	35.48
Income Tax Losses	2,776.54	1,677.33	-	4,453.87
Provision for Bonus	51.16	50.00	-	101.16
Provision for gratuity	-	4.90		4.90
Deferred Tax Liability				
Right of Use Assets	175.48	166.26	-	341.74
OCI Remeasurement	1.31		2.07	3.38
Total	**2,961.07**	**1,706.73**	**(2.07)**	**4,665.73**
Net deferred tax liability/ (asset)	**2,961.07**	**1,706.73**	**(2.07)**	**4,665.73**

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 26	As at 31 March 25
Office lease security deposits	192.33	169.13
	192.33	**169.13**

*In FY 2023-24 Deposit against Bank Gurantee issued in favour of supplier credits

6 Other Non-Current Assets	As at 31 March 26	As at 31 March 25
Capital Advance	48.57	27.75
Statutory Deposit	49.16	48.59
Advance Tax and Tax Deducted at Source (Net of Provision for Income Tax) [Refer note (i) below]	3.65	2.35
Other security deposits	5.38	3.20
	106.76	**81.89**

Note (i)

Advance Tax and Tax Deducted at Source	3.65	2.35
Provision for Tax	-	-
	3.65	**2.35**

Current Assets

7 Inventories	As at 31 March 26	As at 31 March 25
Inventory of Vehicles	2,288.60	1,735.27
Inventories of spares and consumables	257.90	86.92
[Lower of cost or net realisable value]		
	2,546.50	**1,822.20**

8 Financial Assets

8.1 Trade Receivables (Unsecured)	As at 31 March 26	As at 31 March 25
(i) Other trade receivables:		
Unsecured, considered good *	216.00	734.05
Unsecured, considered doubtful	-	9.92
	216.00	**743.97**
Less: Allowance for expected credit losses	-	(9.92)
Trade receivables which have significant increase in credit risk	-	-
Trade receivables credit impaired	-	-
	216.00	**734.05**

* 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-26						
Undisputed trade receivables	173.62	42.38			-	216.00
	173.62	**42.38**	**-**	**-**	**-**	**216.00**
31-Mar-25						
Undisputed trade receivables	413.65	321.82	0.02	8.47	-	743.97
Total	**413.65**	**321.82**	**0.02**	**8.47**	**-**	**743.97**

Movement in expected credit loss allowance	As at 31 March 26	As at 31 March 25
Balance at the beginning of the year	9.92	9.92
Expected credit losses for the year	(1.07)	-
Provision for expected credit losses written back	(8.85)	-
Balance at the end of the year	**-**	**9.92**

There are no disputed receivable, nor any receivable from the directors.

8.2 Cash and Cash Equivalents	As at 31 March 26	As at 31 March 25
Cash on hand	2.48	16.31
Balances with banks :	-	
(i) In current accounts	416.42	185.94
(iii) In deposit accounts*	15.00	-
	433.90	**202.25**
Of the above, balances that meet the definition of cash and cash equivalents as per Ind AS 7	433.90	202.25

* Deposits amounting to Rs.15.00 Lakhs are pledged against bank guarantees.

8.3 Other Financial Assets	As at 31 March 26	As at 31 March 25
(Unsecured and considered good, unless stated otherwise)		
Interest accrued on deposits	0.55	9.27
Other advances	-	4.20
Prepaid Rent Current	19.56	12.12
	20.11	**25.59**

9 Other Current Assets (Unsecured) Considered good	As at 31 March 26	As at 31 March 25
Prepaid Expenses	151.07	85.42
Advance to suppliers	175.04	58.57
Gratuity Fund	-	17.83
Claim Receivable	-	11.60
GST receivable	1,121.48	784.69
	1,447.58	**958.11**

Notes forming part of Financial Statements - *(continued)*

(Amount in Rs Lakhs, unless otherwise stated)

10 Equity Share Capital	As at 31 March 26 Number of shares	Amount	As at 31 March 25 Number of shares	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	30,484	3.05	23,469	2.35
Total		**3.05**		**2.35**

(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 26 Number of shares	Amount	As at 31 March 25 Number of shares	Amount
Equity shares of Rs. 10/- each				
At the beginning of the year	23,469	2.35	20,233	2.02
Add: Issued during the year	7,015	0.70	3,236	0.32
Add: Conversion of preference shares to equity shares	-	-	-	-
Outstanding at the end of the period	**30,484**	**3.05**	**23,469**	**2.35**

(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 26 Number of shares held	% of holding	% of Change during the period	As at 31 March 25 Number of shares held	% of holding	% of Change during the period
Equity Shares of Rs.10/- each with voting rights						
TVS Motor Company Limited	28,110	92.21%	2.81%	20,981	89.40%	41.13%
Narain Karthikeyan	2,021	6.63%	-1.98%	2,021	8.61%	-38.02%

There are no shares allotted as fully paid up by way of bonus shares since the incorporation of the Company.There are no shares allotted as fully paid up pursuant to contracts without payment being received in cash since the incorporation of the Company.There are no shares which are reserved for issuance and there are no securities issued/ outstanding which are convertible into equity shares.

During FY 2024-25, TVS Motor Company Limited became the promoter of the company by virtue of acquisition of 11,215 equity shares by way of primary and secondary purchase of shares. Consequently, Mr. Narain Karthikeyan has became non-promoter of the Company with effect from 23rd December 2024.

Other Equity	As at 31 March 26	As at 31 March 25
Securities premium account	21,522.25	12,855.18
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)	(14,146.21)	(9,159.10)
Retained earnings/(deficit) comprise of the Company's current and prior years' undistributed earnings after taxes or accumulated losses.	**7,376.04**	**3,696.08**

	As at 31 March 26	As at 31 March 25
Securities premium account		
Opening balance	12,855.18	8,857.08
Add: Premium on issue of shares during the year	8,667.07	3,998.10
	21,522.25	**12,855.18**
Retained earnings/(deficit)		
Opening balance	(9,162.06)	(4,529.07)
Profit/(loss) for the period/year	(4,993.28)	(4,632.99)
Closing balance	**(14,155.34)**	**(9,162.06)**
Other Comprehensive Income		
Opening balance	2.96	(0.89)
Remeasurements of the defined benefit liabilities / (asset) net of tax	6.17	3.85
	9.13	**2.96**

Notes forming part of Financial Statements - *(continued)*

(Amount in Rs Lakhs, unless otherwise stated)

Non-current Liabilities

Provisions	As at 31 March 26	As at 31 March 25
(a) Provision for employee Benefits	-	
Provision for Leave Encashment	48.28	39.41
Provision for gratuity	24.98	-
Provision for Employee Incentive	**401.96**	**163.84**
* Refer Note26.1.b	**475.21**	**203.25**

Current Liabilities

13 Financial Liabilities

13.1 Short-term borrowings

	As at 31 March 26	As at 31 March 25
Borrowings from Banks*	2,705.67	3,301.03
	2,705.67	**3,301.03**

* Includes the below sancitioned facilities

Name of Lender	Type of Facility	Sancition Limit	Interest Rate	Outstanding Amount	Repayment Terms	Securtiy
IDFC First Bank Ltd.	Short Term Loan	1,500.00	8.25%	1,004.27	On demand	Note 1
IDFC First Bank Ltd.	Working Capital Demand Loan	500.00	8.25%	201.40	upto 90 days	Note 1
Federal Bank Ltd	Working Capital Demand Loan	500.00	7.75%	1,500.00	upto 90 days	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 26	As at 31 March 25
Trade payables		
Total outstanding dues of micro and small enterprises	24.34	0.76
Total outstanding dues of creditors other than micro and small enterprises	300.90	332.58
	325.24	**333.34**

*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. The entire closing balance represents the principal amount payable to these enterprises. There are no undisputed overdues on Principal and no interest due or outstanding.

* 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-26							
Total outstanding dues of micro and small enterprises	24.34		-	-	-	-	24.34
Total outstanding dues of creditors other than micro and small enterprises	208.13	64.88	18.64	9.26	-	-	300.90
Total	**232.47**	**64.88**	**18.64**	**9.26**	**-**	**-**	**325.24**
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**

13.3 Other Financial Liabilities

	As at 31 March 26	As at 31 March 25
Payable towards purchase of property plant and equipment	-	1.26
Other Financial Liabilities	1.03	87.50
	1.03	**88.76**

14.0 Provisions

	As at 31 March 26	As at 31 March 25
Provision for gratuity	1.04	-
Provision- for leave encashment	6.60	5.57
Provision for expenses	140.99	238.59
	148.63	**244.16**

* Refer Note26.1.b

15.0 Contract liabilities

	As at 31 March 26	As at 31 March 25
Unearned revenue	0.13	3.73
	0.13	**3.73**

16.0 Other Current Liabilities

	As at 31 March 26	As at 31 March 25
Statutory remittances	77.60	71.22
Advances from Customers	27.30	-
Payable to Employees	26.76	39.44
Security deposit received	91.57	101.79
	223.23	**212.45**

Notes forming part of Financial Statements - *(continued)*

(Amount in Rs Lakhs, unless otherwise stated)

17. Revenue from Operations

	Year ended 31-Mar-26	Year ended 31-Mar-25
Revennue from contract with customers		
Sale of products		
Sale of vehicles	7,205.14	5,839.45
Sale of Spares & Accessories	38.16	101.97
Sale of services	58.34	
Income from vehicle services	4.85	22.69
Royalty & DMS Charges		27.62
	13.00	
Other operating income		
Sale of scrap	13.00	5.57
	7,319.48	**5,997.30**

(i) Disaggregation of revenue from contracts with customers

Revenue from customers		
Sale of vehicles	7,243.29	5,941.42
Income from Vehicle Services	58.34	22.69
Others	4.85	27.62
Sale of scrap	13.00	5.57
	7,319.48	**5,997.30**
Time of revenue recognition		
-At a point in time	7,256.29	5,946.99
-Over time	63.19	50.31

(ii) Contract balances

The Company earns revenue from sale of refurbished vehicles, Subscription of Refurbished Vehicles, through Royalty for sales done by franchisee dealers and through value added services. The significant performance obligation of the Company is to sell refurbished vehicles. Sale of refurbished vehicles are fulfilled at a point in time 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 26 and 31 Mar 25.

Contract assets		
Trade receivables (Refer note (i) below)	216.00	743.97
	216.00	**743.97**
Contract liabilities		
Advance from customers	27.30	-
Unearned revenue	0.13	3.73

(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-26	Year ended 31-Mar-25
Opening balance	3.73	11.95
Revenue recognised during the year	3.73	11.95
Liabilities recognised during the year	0.13	3.73
	0.13	**3.73**

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.

18 Other income

		Year ended 31-Mar-26	Year ended 31-Mar-25
(a)	Interest income from		
	-bank deposits	1.08	39.13
	-financial assets at amortised cost	32.05	9.45
	-income tax refund	-	0.89
(b)	Gain on modification of Right to use asset	24.86	6.73
(c)	Commission Income	26.76	14.82
(d)	Miscellaneous income	30.95	13.02
		115.70	**84.04**

19. Cost of goods sold

	Year ended 31-Mar-26	Year ended 31-Mar-25
Opening stock	1,822.20	2,210.89
Purchase of vehicles consumables and spares	6,641.19	5,608.03
Refurbishment expenses	1,134.77	850.08
Closing stock	(2,546.50)	(1,822.20)
	7,051.66	**6,846.81**

*Refer Note 28(b) for purchases from related parties

20. Employee Benefit Expenses

	Year ended 31-Mar-26	Year ended 31-Mar-25
Salaries, wages and bonus	2,720.39	1,900.56
Contributions to provident fund	80.18	98.82
Gratuity expenses	52.09	38.57
Staff welfare expenses	163.10	133.07
	3,015.76	**2,171.02**

*Refer Note 28(b) for amount paid to KMP

21. Finance costs

	Year ended 31-Mar-26	Year ended 31-Mar-25
Interest on borrowings	272.59	310.15
Interest on lease liabilities *	125.23	77.18
Interest on delayed payments under MSMED Act, 2006	0.23	-
	398.06	**387.33**

*Refer Note 30

22 Other expenses

	Year ended 31-Mar-26	Year ended 31-Mar-25
Rent expenses	98.04	104.42
Power, fuel and water charges	47.77	33.90
Repairs and Maintenance - Others	140.27	49.34
Rates and Taxes	102.05	8.78
Subcontracting charges	110.31	89.32
Technical & Subscription Charges	316.64	169.35
Intangible assets written off *	-	133.55
Travelling and Conveyance	215.57	197.51
Contract and Manpower charges	771.25	539.58
Marketing Expenses	862.64	706.09
Professional / Consultancy / Technical fees	297.85	125.31
Payments to Auditors	5.00	5.40
Miscellaneous Expenses**	60.99	18.91
Total	**3,028.38**	**2,181.46**

Notes forming part of Financial Statements - *(continued)*

(Amount in Rs Lakhs, unless otherwise stated)

* Intangible assets written off pertains to Project discontinued
** Under head there is no expenditure which is excess of 1% of revenue from operations or 10 Lakhs whichever is higher.

Note - Payments to auditors:	Year ended 31-Mar-26	Year ended 31-Mar-25
Payments to auditors comprises (net of GST input credit, where applicable):	-	
Statutory Audit fees	5.00	5.00
Tax Audit fees	-	0.40
Total	**5.00**	**5.40**

*Refer Note 28(b) for payment to related parties

23 Income tax expenses

A	Particulars	31-Mar-26	31-Mar-25
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	(1,706.73)	(1,544.73)
	Total tax expense recognized in the Statement of Profit and Loss	**(1,706.73)**	**(1,544.73)**
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)	8.24	5.20
	Income tax relating to items that will not be reclassified to profit or loss	(2.07)	(1.35)
	Total Tax expense recognized in other comprehensive income	**6.17**	**3.85**

B. Effective Tax Rate

Reconciliation of tax expense and the accounting profit for the year is under.

Particulars	31-Mar-26	31-Mar-25
Accounting profit before income tax expenses	(6,700.01)	(6,177.72)
Enacted tax rate in India (%)	25.17%	25.17%
Computed expected tax expense	(1,686.26)	(1,554.81)
Tax effect of :		
- Expenses that are not deductible in determining taxable profit	-	-
- Bought forward losses	5.66	5.66
- Warranties	-	-
- Impact of rate change	-	-
- Others	(26.14)	4.41
Tax expenses recognized in statement of profit and loss	**(1,706.73)**	**(1,544.73)**
Effective tax rate (%)	**25.47%**	**25.00%**

Note	Particulars	31-Mar-26	31-Mar-25
24	**Contingent liabilities and commitments (to the extent not provided for)**		
(i)	Contingent liabilities:		
(a)	Bank Guarantees	15.00	15.00
(b)	Disputed Tax Liabilities under:		
	Goods and Services Tax	495.98	490.11
(ii)	Commitments: Capital commitments		1.36

25 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

	31-Mar-26	31-Mar-25
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	24.34	0.76
(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	0.23	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	0.23	-
(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-26	Year ended 31-Mar-25
Provident fund	69.08	65.50
Employee state insurance	0.06	0.06
Labour welfare fund	0.27	0.14

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-26	Year ended 31-Mar-25
Components of employer expense		
Current service cost	52.80	38.00
Past service cost	-	-
Interest cost	4.71	2.01
Net transfer of asset/(liability)	(1.44)	(1.44)
Recognised in statement of profit and loss	56.07	38.57
Re-measurement - actuarial (gain)/loss recognised in OCI	(8.24)	(5.20)
Total expense recognised in the Statement of total comprehensive income	**47.83**	**33.37**
Other Comprehensive Income (OCI)		
Actuarial (gain)/loss due to DBO experience	(7.47)	(7.36)
Actuarial (gain)/loss due to DBO assumption changes	(0.77)	2.17
Actuarial (gain)/loss arising during period	(8.24)	(5.20)
Actuarial (gains)/ losses recognized in OCI	(8.24)	(5.20)

Defined Benefit Cost	31-Mar-26	31-Mar-25
Service cost	52.80	38.00
Net interest on net defined benefit liability / (asset)	4.71	2.01
Actuarial (gains)/ losses recognized in OCI	(8.24)	(5.20)
Defined Benefit Cost	49.27	34.81

Change in defined benefit obligation (DBO) during the year		
Present value of DBO at beginning of the year	61.33	27.59
Current service cost	52.80	38.00
Past service cost	-	-
Interest cost	4.71	2.01
Actuarial (gains) / losses	(8.24)	(5.20)
Benefits paid	(1.44)	(1.07)
Present value of DBO at the end of the year	**109.16**	**61.33**
Actual contribution and benefit payments for year		
Actual benefit payments	1.44	1.07
Actual contributions	-	30.39

Change in fair value of assets during the year		
Plan assets at beginning of the year	79.16	49.03
Expected return on plan assets	5.41	0.81
Actual company contributions	-	30.39
Employer direct benefits payment	-	-
Actuarial gain / (loss)	-	-
Benefits paid	(1.44)	(1.07)
Plan assets at the end of the year	**83.13**	**79.16**
Actual return on plan assets	5.41	0.81

Current and Non Current Liability portion		
Particulars		
Current Liability	(1.04)	(0.41)
Non Current Asset/ (Liability)	(108.12)	(60.93)
Net Asset/(Liability)	(109.16)	(61.34)
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	109.16	61.33
Fair value of plan assets	83.13	79.16
Funded status [Surplus / (Deficit)]	(26.03)	17.83
Net asset / (liability) recognised in the Balance Sheet	**(26.03)**	**17.83**

Actuarial assumptions	31-Mar-26	31-Mar-25
Discount rate	7.00%	6.95%
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-26	31-Mar-25
Estimate value of obligation if discount rate is taken 0.5% higher	101.83	57.10
Estimated value of obligation if discount rate is taken 0.5% lower	117.24	66.00
Estimate value of obligation if salary growth rate is taken 0.5% higher	116.63	65.72
Estimate value of obligation if salary growth rate is taken 0.5% lower	102.16	57.30
Estimate value of obligation if attrition rate is taken 50% higher	98.22	54.32
Estimate value of obligation if attrition rate is taken 50% lower	122.40	69.91
Estimate value of obligation if Mortality rate is taken 10% higher	109.14	61.33
Estimate value of obligation if Mortality rate is taken 10% lower	109.18	61.35

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-26	31-Mar-25
1 year	1.04	0.41
2-5 years	20.50	11.99
6-9 years	38.36	20.05
10 years and more	295.59	170.12

Compensated absences	**31-Mar-26**	**31-Mar-25**
Compensated absences recognised in statement of Profit & Loss Account	10.99	33.20
Closing balance of Compensated absences provisions	54.88	44.98

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]
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)
Future Accessories LLP	Enterprises in which relative of Key Management Personnel exercise significant influence
Mr.GR Karthikeyan	Relative of Key Management Personnel (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. G Parthasarathy	Key Management Personnel - Director
Mr. Sharad Mohan Mishra	Key Management Personnel - Director
Mr. Pramod Krishna	Key Management Personnel - Chief Financial Officer
Devesh Taparia	Key Management Personnel - Chief Executive Officer
Mr.Ranjith R	Key Management Personnel - Company Secretary (Resigned Date: 25th Feb 2026)

B. **Details of transactions during the year and balance outstanding as at the balance sheet date:**

Related parties	31-Mar-26	31-Mar-25
Income from Vehicle Subscription		
RND Softtech Private Limited	0.19	0.42
Sri Karthikeya Spinning & Weaving Mills Pvt Ltd	0.09	0.28
Purchase Vehicle:		
Future Accessories LLP	44.63	-
Nkars Mobility Solution Pvt Ltd		23.49
TVS Credit Services Ltd	160.97	898.93
Purchase of Subscription:		
Nkars Mobility Solution Pvt Ltd	-	2.25
Vehicle Loan:		
TVS Motor Company Ltd	4.29	25.78
Payment of Rent:		
Karthikeya Spinners	-	0.18
Payment for Services:		
Tvs Training & Service LTd	834.60	602.28
TVS Digital Limited	1.13	-
Narain Karthikeyan	-	29.70
Expenses Reimbursements:		
Narain Karthikeyan	**119.02**	**0.94**
Remunaration:		
Key Managerial Personnel	**16.83**	**121.00**
	1,181.75	**1,705.25**

Notes forming part of Financial Statements - *(continued)*

(Amount in Rs Lakhs, unless otherwise stated)

Outstanding balances as at

Particulars	Related Party	31-Mar-26	31-Mar-25
Trade Payable	Karthikeya Spinners	0.02	0.02
	Mr.Narain Karthikeyan	9.92	9.92
	Tvs Training & Service LTd	59.03	58.42
Trade Receivable	RND Softtech Private Limited	-	0.04
	Sri Karthikeya Spinning & Weaving Mills Pvt Ltd	-	0.42
Other Receivables	TVS Credit Services Ltd	1.01	-

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-26	Year ended 31-Mar-25
Profit \ (Loss) attributable to equity shareholders	(4,993.28)	(4,632.99)
Weighted average number of equity shares for calculating:		
Basic earnings per share (Nos.)	30,484	23,469
Diluted earnings per share (Nos.)	30,484	23,469
Par value per equity share (Rs.)	10	10
Earnings/(loss) per share		
- Basic (Rs.)	(18,278.91)	(22,540.18)
- Diluted (Rs.)	(18,278.91)	(22,540.18)

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-26	Year ended 31-Mar-25
Movement in right-of-use assets and lease liabilities during the year:		
Right-of-use assets - Buildings		
Gross block		
Opening balance	1,067.29	855.35
Additions	1,180.91	211.94
Deletions	367.43	-
Closing balance	**1,880.77**	**1,067.29**
Accumulated depreciation		
Opening balance	370.06	178.10
Depreciation for the year	315.14	191.96
Elimination on cancelled lease	162.27	-
	522.93	**370.06**
Net block	**1,357.84**	**697.23**

	Year ended 31-Mar-26	Year ended 31-Mar-25
Lease liabilities - Buildings		
Opening balance	795.87	739.48
Additions	1,180.91	211.94
Deletions	(251.88)	-
Interest	125.23	77.18
Lease payments	(372.21)	(232.74)
Closing balance	**1,477.92**	**795.87**
Current	324.64	200.16
Non-current	1,153.28	595.71

Maturity analysis of lease payment and short term and low value leases	31-Mar-26	31-Mar-25
1 year	324.64	200.16
1 to 5 years	1,153.28	595.71
More than 5 years	-	-

	Year ended 31-Mar-26	Year ended 31-Mar-25
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	98.04	104.42
Depreciation on right of use assets	315.14	191.96
Interest on lease liabilities	125.23	77.18

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 Mar 31, 2026 and March 31, 2025 is as follows:

Particulars	Carrying value as at	
	31-Mar-26	31-Mar-25
Amortised Cost		
Trade receivable	216.00	216.00
Cash and cash equivalents including margin money	433.90	433.90
Other financial assets	20.11	20.11
Office lease security deposits	192.33	192.33
Other security deposits	5.38	5.38
Prepaid Rent	48.57	27.75
Total Assets	**916.29**	**916.29**
Financial liabilities		
Amortised Cost		
Lease liabilities	1,477.93	795.87
Short Term borrowings	2,705.67	3,301.03
Trade payables	325.24	333.34
Other financial liabilities	1.03	88.76
Total Liabilities	**4,509.87**	**4,519.00**

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, 2026			As at 31st Mar, 2025		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets :						
Trade Receivables	-	-	216.00	-	-	734.05
Cash and Cash Equivalents	-	-	433.90	-	-	202.25
Interest accrued on deposits			0.55			9.27
Other advances	-	-	-	-	-	4.20
Office lease security deposits	-	-	192.33	-	-	169.13
Other security deposits	-	-	5.38	-	-	3.20
Prepaid Rent	-	-	68.13	-	-	39.87
Total	**-**	**-**	**916.29**	**-**	**-**	**1,161.97**
Financial liabilities						
Short term borrowings	-	-	2,705.67	-	-	3,301.03
Lease Liabilities	-	-	1,477.93	-	-	795.87
Trade Payables	-	-	325.24	-	-	333.34
Payable towards purchase of property plant and equipment	-	-	-	-	-	1.26
Other financial liabilities	-	-	1.03	-	-	87.50
Total	**-**	**-**	**4,509.87**	**-**	**-**	**4,519.00**

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

Assets and liabilities which are measured at amortised cost

As at 31st Mar, 2026	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets				
Trade Receivables	-	-	216.00	216.00
Cash and Cash Equivalents	-	-	433.90	433.90
Interest accrued on deposits	-	-	0.55	0.55
Office lease security deposits	-	-	192.33	192.33
Other security deposits	-	-	5.38	5.38
Prepaid Rent	-	-	68.13	68.13
Total financial assets	**-**	**-**	**916.29**	**916.29**
Financial Liabilities				
Short term borrowings	-	-	2,705.67	2,705.67
Lease Liabilities	-	-	1,477.93	1,477.93
Trade Payables	-	-	325.24	325.24
Other financial liabilities	-	-	1.03	1.03
Total financial liabilities	**-**	**-**	**4,509.87**	**4,509.87**

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
Other advances	-	-	4.20	4.20
Office lease security deposits	-	-	169.13	169.13
Other security deposits	-	-	3.20	3.20
Prepaid Rent	-	-	39.87	39.87
Total financial assets	**-**	**-**	**1,161.97**	**1,161.97**
Financial Liabilities				
Short term borrowings	-	-	3,301.03	3,301.03
Lease Liabilities	-	-	795.87	795.87
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	**-**	**-**	**4,519.00**	**4,519.00**

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 26	As at 31 March 25
Particulars		
Cash and Cash Equivalents	433.90	202.25
Total	**433.90**	**202.25**

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 Dec 25 and 31 Mar 25.

Particulars	As at	Less than 1 year	1-5 years	5 years and above
Trade Payables	31-Mar-26	325.24	-	-
	31-Mar-25	333.34	-	-
Other Financial Liabilities	31-Mar-26	1.03	-	-
	31-Mar-25	13.14	-	-
Lease liabilities	31-Mar-26	324.64	1,153.29	-
	31-Mar-25	200.16	595.71	-
Short Term Borrowings	31-Mar-26	2,705.67	-	-
	31-Mar-25	3,301.03	-	-

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-26**	**31-Mar-25**
Impact on profit or (loss) for the year	27.26	31.02

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-26**	**31-Mar-25**
Total equity attributable to the equity share holders of the company	7,379.09	3,698.43
As percentage of total capital	73.17%	52.84%
Total borrowings	2,705.67	3,301.03
As a percentage of total capital	26.83%	47.16%
Total capital (borrowings and equity)	**10,084.76**	**6,999.46**

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-26**	**31-Mar-25**
Total Current Assets (A)	4,664.09	3,742.20
Total Current Liabilities (B)	3,728.57	4,547.47
Current ratio (C) = (A) / (B)	1.25	0.82
%Change from previous period/ year*	**52%**	-48%

*The increase in current ratio during FY 2025-26 is mainly attributable to improved working capital position arising from increase in current assets and reduction in short-term liabilities compared to the previous year.

Ratio	**Debt Equity Ratio**	
Ratios / measures	**31-Mar-26**	**31-Mar-25**
Total debts (A)	2,705.67	3,301.03
Total shareholder's equity (B)	7,379.09	3,698.43
Debt equity ratio (C) = (A) / (B)	0.37	0.89
%Change from previous period/ year*	**-58%**	134%

* The decrease in Debt Equity Ratio is mainly due to reduction in borrowings and increase in shareholders' equity during the year.

Ratio	**Debt service coverage ratio**
Numerator	Earnings available for debt service
Denominator	Debt service

Ratios / measures	**31-Mar-26**	**31-Mar-25**
Profit after tax (A)	(4,993.28)	(4,632.99)
Add: Following non cash operating expenses and finance cost		
Depreciation and amortization (B)	641.33	672.44
Finance cost (C)	125.23	77.18
Other non-cash expenses (D)	-	-
Earnings available for debt services (E) = (A)+(B)+(C)+(D)	**(4,226.72)**	**(3,883.37)**
Interest cost (F)	125.23	77.18
Principal repayments (G)	-	-
Principal payments for lease liability(H)	246.97	155.56
Debt service (I) = (F) + (G) + (H)	**372.21**	**232.74**
Debt service coverage ratio (E/I)	**(11.36)**	**(16.69)**
* The change in DSCR is mainly due to losses incurred during the year and new premises taken on rent.	**-32%**	6%

Ratio	**Return on equity [%]**
Numerator	Profit after tax
Denominator	Average Shareholder's Equity

Ratios / measures	**31-Mar-26**	**31-Mar-25**
Net Profit after tax (A)	(4,993.28)	(4,632.99)
Closing shareholder's equity (B)	7,379.09	3,698.43
Average shareholder's equity [opening + closing /2] (C)	5,538.76	4,013.79
Return on equity [%] (D) = (A)/ (C) *100	-90%	-115%
% Change from previous period/ year*	**22%**	-119%

*The change in ratio is due to contribution losses incurred and increase in fixed expenses as company is in growth phase

Ratio	**Trade receivables turnover ratio**
Numerator	Revenue from operations
Denominator	Average trade receivables

Ratios / measures	**31-Mar-26**	**31-Mar-25**
Average Inventory - (A)	2,184.35	2,016.55
Cost of goods sold - (B)	7,051.66	6,846.81
Inventory turnover ratio - (B/A)	3.23	3.40
% Change from previous period/ year	**-5%**	6%

Notes forming part of Financial Statements - *(continued)*

(Amount in Rs Lakhs, unless otherwise stated)

Ratio	Trade receivables turnover ratio		
Numerator	Revenue from operations		
Denominator	Average trade receivables		
Ratios / measures		**31-Mar-26**	**31-Mar-25**
Sales (A)		7,319.48	5,997.30
Closing Trade Receivables		216.00	734.05
Average Trade Receivables [(opening + closing) /2] (B)		475.03	407.39
Trade receivables turnover ratio (C) = (A) / (B)		15.41	14.72
% Change from previous period/ year		**5%**	74%

Ratio	Trade payables turnover ratio		
Numerator	Adjusted total expenses		
Denominator	Average trade payables		
Ratios / measures		**31-Mar-26**	**31-Mar-25**
Total expenses excluding depreciation,finance cost and non cash expenses (A)		13,095.80	11,199.29
Closing Trade Payables		325.24	333.34
Average Trade Payables [(opening + closing) /2] (B)		329.29	307.77
Trade payables turnover ratio		39.77	36.39
% Change from previous period/ year*		**9%**	**70%**

Ratio	Net Working capital turnover ratio		
Numerator	Revenue from operations		
Denominator	Average working capital		
Ratios / measures		**31-Mar-26**	**31-Mar-25**
Revenue from operations (A)		7,319.48	5,997.30
Working Capital (Current Assets - Current Liabilities)		935.52	(805.27)
Net working Capital (B)		935.52	(805.27)
Net capital turnover ratio (C) = (A)/ (B)		7.82	-7.45
% Change from previous period/ year		**-205%**	-458%

* The change in Working Capital Turnover Ratio is mainly due to improvement in working capital position and increase in revenue from operations during the year.

Ratio	Net profit [%]		
Numerator	Net profit		
Denominator	Revenue from operations		
Ratios / measures		**31-Mar-26**	**31-Mar-25**
Profit after tax (A)		(4,993.28)	(4,632.99)
Revenue from operations (B)		7,319.48	5,997.30
Net profit [%] (C) = (A) / (B) *100		-68.22%	-77.25%
% Change from previous period/ year*		**-12%**	**-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-26**	**31-Mar-25**
Profit before tax (A)		(6,700.01)	(6,177.72)
Add : Finance cost (B)		398.06	387.33
Earnings before interest and tax (C) = (A) + (B)		(6,301.95)	(5,790.39)
Total Shareholder's Equity (D)		7,379.09	3,698.43
Total Debt (E)		4,183.60	4,096.90
Capital Employed (F) = (D) + (E)		11,562.69	7,795.33
Return on capital employed [%] (G) = (C) / (F) *100		-55.00%	-74.00%
% Change from previous period/ year*		**-26%**	**14%**

*The change in Return on Capital Employed is mainly due to continued operating losses during the year, partially offset by increase in capital employed.

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

39 All the numbers have been rounded off to nearest lakhs except shares and EPS

For **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
FRN: 007761S

V. Sathyanarayanan
Partner
Membership No. 027716

Date: 17th April 2026
Place:Bengaluru
UDIN: 26027716LTRKCY5055

For **and on behalf of the Board of Directors**

G Parthasarathy
Director
DIN: 01769831

Sharad Mohan Mishra
Director
DIN: 09772241

Devesh Taparia
Chief Executive Officer

Pramod Krishna
Chief Financial Officer

Date: 17th April 2026
Place:Bengaluru

Date: 17th April 2026
Place:Bengaluru

The Directors have the pleasure of presenting the Eighteenth Annual Report and the audited accounts of the Company for the year ended 31st March 2026.

1. BUSINESS AND FINANCIAL PERFORMANCE

The highlights of the financial performance of the Company are given below:

₹ in crore

Particulars	Year ended	
	31st March 2026	31st March 2025
Revenue from Operations	7,191.14	6,604.75
Other Income	4.86	3.93
Total Income (A)	**7,196.00**	**6,608.68**
Finance Costs	1,934.29	1,863.32
Fees & Commission, Employee Benefit, Administrative & Other Operating Expenses	2,802.07	2,378.36
Impairment of Financial Instruments	1,156.59	1,295.36
Depreciation and Amortisation Expenses	56.12	46.20
Total Expenses (B)	**5,949.07**	**5,583.24**
Profit / (Loss) before Tax & Exceptional Item (A) - (B)	**1,246.93**	**1,025.44**
Less: Exceptional Items	8.61	-
Profit / (Loss) before Tax	**1,238.32**	**1,025.44**
Less: Tax Expense	325.15	258.19
Profit / (Loss) after Tax	**913.17**	**767.25**
Other Comprehensive Income	5.85	(15.08)
Total Comprehensive Income	**919.02**	**752.17**

Company's Performance

The Company registered a growth of 26% in disbursements from ₹26,301 crore to ₹33,017 crore for the financial year ended 31st March 2026. The Company ended the year with assets under management (AUM) of ₹30,639 crore as against ₹26,647 crore as of the end of the previous year, registering a growth of 15%. AUM of the Company is well diversified with various portfolios, and % of total loans as of 31st March 2026 are as follows: Two-Wheeler Loans (28%), Used Car Loans (8%), Consumer Durable Loans (21%), Personal Loans (15%) Tractor Loans (13%), Used Commercial Vehicle Loans (10%) and Business Loans (1%).

Total income during the financial year ended 31st March 2026 increased to ₹ 7,196 crore from ₹6,609 crore, an increase of 9% over the previous year. The profit before tax and exceptional items for the year stood at ₹1,247 crore as against ₹1,025 crore during the previous year, registering a growth of 22%.

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 to 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 ₹7,483 crore to ₹ 8,669 crore as of March 2026 registering a growth of 16%. 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 2026 is at ₹ 2,400 crore against ₹ 2,235 crore as at March 2025, registering an increase of 7%.

Consumer Durable Loans: During this year, the number of loans grew by 27% from 46 lakh loans to 58 lakh loans. AUM of consumer durable loans have increased from ₹4,047 crore to ₹6,586 crore, registering a growth of 63% over the corresponding previous year.

Personal Loans: The personal loans to existing customers portfolio as of March 2026 is at ₹ 3,893 crore, registering a growth of 5% from ₹ 3,716 crore as of March 2025, owing to the necessary credit interventions undertaken over the last three years in the light of the stress noted in the portfolio coupled with the overleverage in the market across players over the last financial year.

Tractor Loans: During this year, on account of cautious growth in New Tractors coupled with degrowth during FY25, the total AUM of New Tractors have reduced from ₹1,809 crore to ₹1,212 crore as of March 2026, owing to run down of the earlier years book.

There has been growth in the disbursements in Used Tractors and the AUM has registered a growth of 3% from ₹ 2,591 crore to ₹ 2,657 crore as of March 2026. The growth has been calibrated given 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 of medium, heavy, small and light commercial vehicles has marginally degrown by 3% from ₹ 3,265 crore to ₹3,182 crore as of March 2026 on account of necessary credit interventions undertaken in the last two years due to stress noted in the segment.

2. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

India continues to stand out as one of the fastest-growing major economies, charting a steady path towards becoming the third-largest economy by 2030.

Indian economy to grow 7.6% in fiscal 2026, outpacing global peers

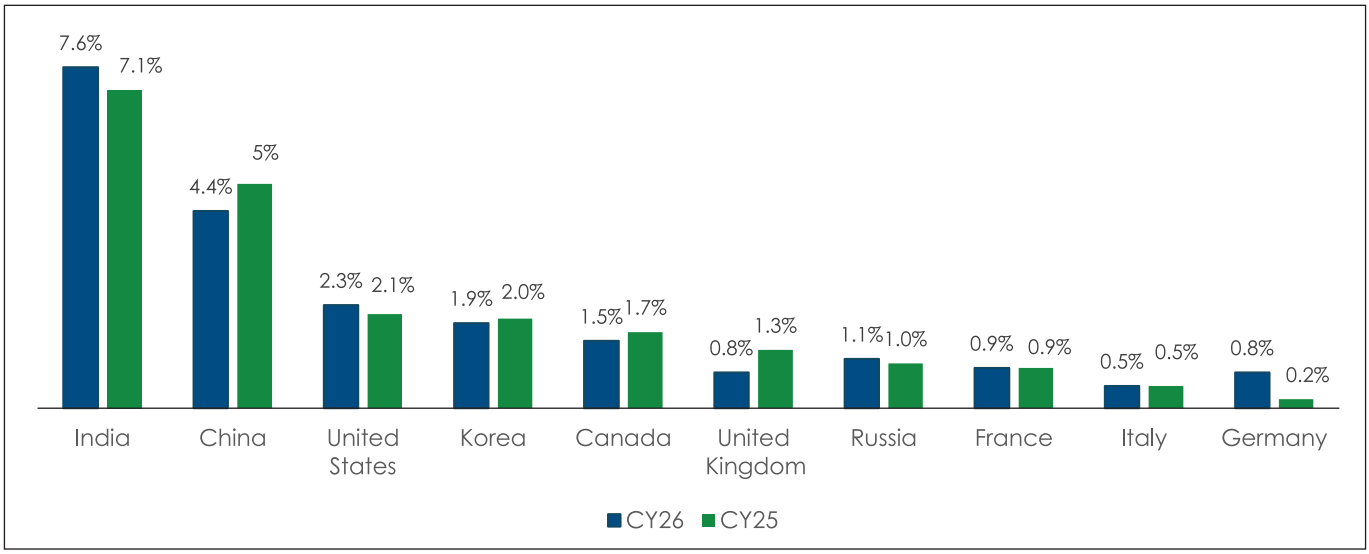
According to the International Monetary Fund (IMF), global growth is projected at 3.1% for calendar year 2026. Global trade uncertainties and shifting policy dynamics continue to pose headwinds to this outlook. Furthermore, the escalating geopolitical conflict involving Iran has disrupted energy markets and supply chains may drive up inflation. However, these challenges are partly offset by rising investment in technology, particularly Artificial Intelligence (AI), along with supportive fiscal and monetary policies, broadly accommodative financial conditions, and the improving adaptability of the private sector.

As per the Reserve Bank of India (RBI), Indian economy is estimated to grow by 7.6% in fiscal 2026, significantly outperforming its global peers. The Indian economy is expected to remain resilient, supported by strong domestic demand, government-led capital expenditure, improving labour force participation, rapid adoption of digital public infrastructure, and positive investor sentiment. This growth momentum is further supported by sustained economic reforms, a continued policy focus, and deeper global integration. Additionally, the GST rate rationalisation is expected to stimulate domestic consumption, ease inflationary pressures, and further accelerate economic growth by simplifying the tax structure.

Indian economy to maintain momentum in fiscal 2027, with real GDP growth estimated at 6.9%

India's real Gross Domestic Product (GDP) is projected to grow at 6.9% in fiscal 2027, following expected growth of 7.6% in fiscal 2026 and 7.1% in fiscal 2025. The growth outlook for fiscal 2027 reflects moderation from the high base of fiscal 2026, even as fiscal 2026 was supported by strong quarterly momentum in the second and third quarters. In fiscal 2026, real Gross Value Added (GVA) is estimated to have risen 7.3%, while nominal GDP growth moderated to 8.6%. Growth during the year was broad-based, led by the secondary sector at 9.2% and the tertiary sector at 11.7%, while the primary sector grew by around 0.6% due to uneven seasonal and commodity trends.

Real GDP growth for major global economies in calendar year 2026



*Note: *For India, estimated real GDP is presented on a fiscal year basis (April 2025-March 2026 and April 2024-March 2025).*

On inflation, the Monetary Policy Committee (MPC) has projected CPI at 4.6% for fiscal 2027, with risks tilted to the upside. Inflation is expected at 4.0% in Q1, 4.4% in Q2, 5.2% in Q3, and 4.7% in Q4. At its April 2026 meeting, the MPC maintained a neutral stance and kept policy rates unchanged, with the repo rate at 5.25%, the standing deposit facility at 5.00%, and the marginal standing facility at 5.50%. Given heightened uncertainty from the West Asia conflict, the MPC has adopted a wait-and-watch approach, while reiterating its commitment to maintaining adequate domestic liquidity amid ongoing financial market volatility. Domestic demand remains supported by GST rationalization, a resilient services sector, strong corporate and banking balance sheets, and improving manufacturing capacity utilization, although external risks continue to persist.

GST rationalization during fiscal 2026 is expected to provide a further impetus to rural consumption across key segments. The reduction in GST on tractors (engine capacity below 1800 cc) to 5%, along with rate cuts on components such as tyres, tubes, and hydraulic pumps, is expected to lower acquisition costs and support demand for tractor financing. Similarly, the reduction in GST on two-wheelers (≤350 cc) and small cars from 28% to 18%, coupled with evolving consumer preferences and increasing participation of women, is expected to support sustained demand for two-wheeler financing over the long term.

Key drivers and sectoral highlights

- **Healthy domestic consumption:** Private Final Consumption Expenditure (PFCE) is expected to remain resilient, supported by steady urban demand, ongoing recovery in services and improving rural incomes as agricultural output stabilises. PFCE is estimated to grow at 7.7% in fiscal 2026, compared with 5.8% in fiscal 2025.
- **Sustained investment momentum:** Gross Fixed Capital Formation is likely to persist, backed by government infrastructure spending and private capital expenditure, particularly in manufacturing, construction and allied sectors.
- **Services sector strength:** The services sector is expected to remain the primary driver of growth, with trade, transport, communication, financial services and IT-enabled services continuing to expand at a healthy pace.
- **Manufacturing and construction:** The secondary sector is likely to benefit from policy support, supply chain improvements and steady demand for consumer durables and capital goods. Within the secondary sector, manufacturing recorded higher growth of 11.4% in Gross Value Added at current prices in fiscal 2026.
- **Government policy support:** Fiscal policy is expected to remain growth-supportive, with continued emphasis on capital expenditure and targeted measures to support consumption, employment and skilling.

Geopolitical developments and trade uncertainties remain key monitorables

Global economic conditions continue to be influenced by elevated geopolitical tensions and ongoing uncertainties in global trade policies. A key transmission channel remains crude oil, where potential supply disruptions may exert upward pressure on prices, with spillover effects on inflation, currency stability, and input costs. The 10% global tariff currently in effect following the US Supreme Court's decision to strike down reciprocal tariffs is significantly lower than the effective tariffs previously faced by India; however, renewed geopolitical concerns and trade-related uncertainties may continue to pose a downside risk to export performance.

The likely emergence of El Niño conditions in 2026 poses a risk of a below normal monsoon, which could disrupt agricultural output, dampen rural consumption, and rise along with impact on domestic food inflation. The Indian Meteorological Department has projected rainfall at ~92% of the long-period average, marking a below-normal monsoon that could have impact on the agriculture sector, particularly during the Kharif cropping season.

If Brent crude oil prices remain elevated over the long term due to ongoing geopolitical conflicts, it could exert upward pressure on inflation and input costs, thereby impacting trade competitiveness. The conflict in West Asia has caused the rupee to depreciate sharply in March following a correction in February, and a prolonged conflict could lead to even sharper depreciation, increasing India's external vulnerability and disrupting foreign portfolio investment (FPI) flows. Additionally, the combination of high oil prices and geopolitical supply risks continues to put pressure on the current account deficit and imported inflation.

The Consumer Price Index (CPI) is estimated to close at 2.5% in FY26 and expected to increase to 4.6% as of March 2027, owing to increased geopolitical stress and increase in crude oil prices.

Despite these macroeconomic headwinds, sustained government focus on infrastructure investments including roads, highways, and logistics corridors is expected to drive robust demand for commercial vehicles.

Overall, while India's macroeconomic fundamentals remain resilient, evolving global uncertainties could influence external demand, financial conditions, and consumer sentiment, particularly in interest rate-sensitive segments, and would remain key monitorable in this year.

Budget measures to strengthen rural demand, MSME funding, and domestic manufacturing

The Union Budget 2026-27 introduced targeted measures to strengthen rural incomes, improve MSME liquidity, and support domestic manufacturing. The replacement of MGNREGS with the Viksit Bharat Guarantee for Rozgar and Ajeevika Mission (Gramin), with a combined allocation of ₹1.26 lakh crore or 2.4% of total expenditure, signals a strategic shift towards employment-led rural income generation. This was complemented by continued farmer support through ₹ 63,500 crore under Pradhan Mantri Kisan Samman Nidhi and an approximately 140% increase in allocation for the Pradhan Mantri Kisan Maandhan Yojana.

To support MSMEs, the Budget strengthened TReDS, enabled credit guarantee-backed invoice discounting, set up a ₹ 10,000 crore MSME growth fund, and increased contribution to the Self-Reliant India Fund to ₹ 12,000 crore, improving access to working capital, equity, and formal credit. On manufacturing, the Budget extended support through exemptions for 35 capital goods for EV battery manufacturing and 28 capital goods for mobile battery manufacturing, while increasing the allocation for the Electronics Components Manufacturing Scheme from ₹ 22,919 crore to ₹ 40,000 crore to accelerate localisation, reduce import dependence, and improve cost efficiencies.

Rural India poised to drive the next phase of consumption growth

India's rural economy continues to strengthen, supported by improving income visibility, moderating inflation, and sustained policy support. According to NABARD's Rural Economic Conditions and Sentiments Survey (RECSS), approximately 79% of rural households reported higher consumption over the past year, marking the highest level across survey rounds conducted in fiscal 2026. Above average monsoon with rainfall of 8% above normal levels during fiscal 2026 also supported rural agricultural productivity with improved cashflows and sentiments aiding consumption.

Households are allocating 67.3% of their monthly income toward consumption, while 42.2% reported income growth, the strongest performance recorded in the survey since September 2024. This improvement reflects stronger agricultural and non-agricultural wages, robust farm credit growth, steady MSP procurement, healthy reservoir levels, and lower input costs.

The Government of India continues to support rural incomes through increased allocations toward rural development schemes, including enhanced outlays for the Pradhan Mantri Gram Sadak Yojana (PMGSY) and the introduction of the Viksit Bharat-Guarantee for Rozgar and Ajeevika Mission (Gramin) Act, 2025, which marks a strategic shift in rural employment policy toward sustainable livelihood creation under the Viksit Bharat 2047 vision.

Growth in rural demand is reflected in the sales of key products such as two-wheelers, three-wheelers and tractors. Domestic two-wheeler sales are estimated to have grown by 13% in fiscal 2026. However, tractor sales are estimated to have grown at a higher rate of 22-24% in fiscal 2026 supported by multiple tailwinds such as above average monsoon improving farm cashflow, GST cut on tractors (12% to 5%) and continued government financing schemes. Going ahead the growth is expected to stabilise at 3-5% in fiscal 2027 due to high base effect and emerging El Niño probability with a long-term growth expectation of 5-7% between fiscal 2026-31.

Growth of middle-income households in India expected to sustain economic growth

The proportion of "middle India", households with annual income between ₹2 lakh and ₹ 10 lakh, has increased steadily and is projected to reach approximately 18.1 crore households by fiscal 2030, from 4.1 crore in fiscal 2012, reflecting a CAGR of approximately 9%. A significant share of this growth is driven by semi-urban and rural areas, indicating broad-based income expansion. Per capita net national income at constant prices is estimated to grow at a CAGR of approximately 6.6% between fiscals 2023 and 2026, strengthening household purchasing power.

As the middle-income base expands, consumption patterns are shifting structurally

toward discretionary spending. Discretionary expenditure increased from 47% to 53% in rural areas and from 57% to 60% in urban areas between fiscals 2012 and 2024, as per the Household Consumer Expenditure Survey (2023-24) by Ministry of Statistics and Programme Implementation (MOSPI).

With the overall Labor Force Participation Rate (LFPR) estimated at 55.9% and unemployment declining to approximately 4.9%, improving income stability continues to support demand for vehicles and consumer durables.

Rationalization of personal income tax under the new tax regime has provided meaningful relief to individual taxpayers. The tax-free income threshold has been increased to ₹ 12.75 lakh, with an additional benefit of ₹ 75 thousand for salaried individuals, supported by an enhanced rebate under Section 87A of ₹ 60,000. Additionally, tax rates across middle-income slabs have been moderated to provide further relief. These measures are expected to increase household disposable incomes and support consumption demand with higher purchasing power, particularly among middle-income segments, thereby contributing positively to overall economic activity.

India's digital ecosystem drives formalization and credit growth

India's expanding digital public infrastructure continues to strengthen the country's economic backbone by improving productivity, reducing transaction costs and expanding access to financial services. The digital economy accounted for 12% of GDP in fiscal 2023 and is projected to reach approximately 20% by fiscal 2030. As of March 2026, over 134 crore Aadhaar holders have been registered, and 2,356 crore e-KYC transactions have been completed, materially reducing onboarding friction and enabling seamless access across financial services.

Digital infrastructure is also easing credit constraints, particularly for MSMEs, which comprise over 7.6 crore enterprises as of February 2026. Platforms such as the Trade Receivables Discounting System (TReDS) are enabling working capital financing, with 64.05 lakh invoices uploaded in fiscal 2025, of which approximately 95% were successfully financed, while emerging frameworks such as the Open Credit Enablement Network (OCEN) are facilitating consent-based, cash flow-driven lending. The Unified Payments Interface (UPI) processed 2,170 crore transactions in January 2026, reflecting approximately 28% year-on-year growth and underscoring the deepening integration of households and businesses into the formal financial ecosystem.

Retail-led credit expansion supports systemic lending growth in fiscal 2026

India's lending ecosystem continued to expand at a healthy pace in fiscal 2026. Systemic credit, comprising banks and non-banking financial institutions, grew approximately 15%, compared with 13% in fiscal 2025. The retail segment continued to drive this growth, expanding approximately 16% in fiscal 2026 versus 13% in fiscal 2025, with the segment's share of systemic credit growing a CAGR of approximately 16% between fiscals 2021 and 2026. Demand for secured retail products, including housing, vehicle and gold loans, remained strong, supported by improving income visibility and stable asset quality. Policy measures, including income tax cuts, GST rationalisation, the cumulative 125 basis points reduction in the repo rate, and the rollback of the risk-weight circular for bank lending to NBFCs, collectively supported credit demand and improved liquidity across the financial system. Systemic credit is expected to grow at a CAGR of 14-15% between fiscals 2026 and 2027, with secured retail expected to remain the key driver of credit expansion.

Amid this strong demand, rising stress in unsecured retail lending and stricter regulatory norms have prompted lenders to shift their focus toward secured retail segments. This transition has intensified competition in products such as housing, vehicle, and gold loans, as both banks and NBFCs recalibrate their portfolios towards lower-risk, collateral-backed lending.

As per the Fintech Association for Consumer Empowerment, overall personal loan outstanding stood at ₹ 15.92 lakh crore as of December 2025, growing at a rate of 12%. Within this, digital NBFCs account for a higher share of loan volumes (~50%) but a lower share of value (~9%), reflecting the predominance of small-ticket loans relative to banks and NBFCs.

Secured retail segments anchor NBFC credit growth

NBFCs continued to strengthen their position within the credit ecosystem, with their share in systemic credit rising to approximately 22% in fiscal 2026 from approximately 19% in fiscal 2019. Between fiscals 2021 and 2026, NBFC credit grew at a CAGR of approximately 16%, outpacing

systemic credit growth of approximately 13% over the same period. In fiscal 2026, NBFCs' outstanding credit expanded approximately 15% on-year, while retail credit grew at approximately 17%, supported by sustained demand across consumer lending segments. Vehicle finance remained a key driver of NBFC credit expansion, with the portfolio growing 16-17% on-year in fiscal 2026, supported by improving vehicle sales, favourable policy measures, and increasing financing penetration across segments.

Improvements in semi-urban and rural landscape cause cheer

Tractor financing recorded healthy momentum during fiscal 2026, supported by a normal monsoon, improving rural sentiment, stable crop prices, and the reduction in GST rates for tractors from 12% to 5%. Replacement demand remained strong, and the overall NBFC tractor loan book is estimated to have grown at a healthy double-digit rate in fiscal 2026.

Two-wheeler financing remained a key growth driver for NBFCs, particularly in rural and semi-urban markets, supported by favourable agricultural conditions, income tax benefits, and repo rate cuts. Premiumization and rising electric two-wheeler penetration further supported demand. The NBFC two-wheeler loan book is estimated to have grown at approximately 15-16% in fiscal 2026.

The Commercial Vehicle (CV) segment saw gradual improvement, driven by better freight demand, improved utilization, sustained infrastructure activity, and replacement demand in Light Commercial Vehicles (LCV) and recovery in Medium and Heavy Commercial Vehicles (MHCV). The NBFC CV loan book is estimated to have grown at approximately 10-11% in fiscal 2026.

Domestic Passenger Vehicle (PV) sales witnessed robust growth in fiscal 2026, supported by improved affordability, GST rationalization, and increasing EV penetration. The NBFC PV loan book is estimated to have grown at approximately 10-11% in fiscal 2026. Used-vehicle loans continued to outpace new vehicle financing, supported by evolving consumer preferences and better access to organized pre-owned platforms. The used-to-new car sales ratio improved to approximately 1.4x, and the NBFC used vehicle loan book is estimated to have grown at approximately 19-20% in fiscal 2026.

Calibrated growth in MSME and LAP lending

The MSME lending landscape remained a key driver of credit growth, with lenders in fiscal 2026 adopting a more calibrated approach emphasizing asset quality and prudent underwriting. NBFCs' MSME credit portfolio is estimated to have grown at approximately 13-14% in fiscal 2026, posting healthy double-digit gains even as growth moderated from the high base of fiscal 2025.

Policy support is likely to give a push to housing and gold loans

Housing credit growth for NBFCs and housing finance companies (HFCs) is estimated at 16-17% in fiscal 2026. Policy support, including the cumulative 125 basis points repo rate cut, income tax relief for income up to ₹ 12 lakh, and GST rationalization, is expected to sustain demand in the housing finance segment going forward.

Gold credit growth is estimated at 32-33% on-year in fiscal 2026, supported by rising gold prices, tighter underwriting in unsecured segments, and rapid expansion by major players. The revised gold loan framework proposed by the RBI, along with the proposal to remove the requirement for branch expansion approval for NBFCs with more than 1,000 branches, is expected to further support growth in this segment by enabling faster network expansion.

Unsecured lending to see cautious growth

The personal loan segment of NBFCs improved in fiscal 2026, with credit growth estimated at 19-20% on-year. Lenders focused on higher-quality borrowers, particularly salaried borrowers and existing customers with stronger credit profiles, and increasingly leveraged digital channels to improve sourcing efficiency and customer engagement.

NBFCs' consumer durable financing portfolio grew 19-20% in fiscal 2026, with NBFCs gaining market share through flexible lending solutions and wider customer reach. Growth continued to be supported by rising disposable incomes and sustained demand for consumer durables, despite some moderation in pent-up demand.

Overall, NBFC credit growth is expected to remain stable in fiscal 2027, with secured lending segments leading expansion. For retail unsecured loans, as asset quality concerns gradually ease, credit growth is expected to

recover in fiscal 2027, although expansion is expected to remain measured to maintain portfolio stability.

Businesses - Disbursements grew at 25.5% in fiscal 2026

During fiscal 2026, the Company continued its strategic focus on building a diversified and high-quality book across its consumer, retail, and commercial portfolios. As of 31st March 2026, the Company's assets under management grew by 15% to ₹ 30,639 crore from ₹ 26,647 crore as of 31st March 2026. The Company's customer base expanded to approximately 2.44 crores customers during the year, reflecting continued momentum in new customer acquisition across segments. Disbursements grew 25.5% during the year, driven by calibrated expansion across micro markets, products, and customer segments, with an emphasis on portfolio quality and sustainable growth.

The Company's Consumer Durable Finance business delivered a strong performance during fiscal 2026, with total disbursals crossing ₹14,100 crore, registering robust growth of 40% over the previous year. The white goods segment emerged as a key growth driver, with volumes growing 70% year-on-year, reflecting sustained consumer demand for home appliances and financing. Customer franchise depth continued to strengthen, with repeat business increasing from 17.51% in FY25 to 22.88% in FY26. In absolute terms, repeat volumes grew by 65% year-on-year, underscoring the effectiveness of targeted engagement and conversion strategies and the expanding pre-approved customer base. During the year, the Company also forged new partnerships with marquee brands, further enhancing its positioning in the premium consumer segment, and expanded its geographic footprint into Jammu & Kashmir, extending access to a wider set of consumers.

Building on the momentum of its e-commerce financing initiative, the Company expanded its presence in the digital consumer credit space during fiscal 2026. Disbursals in the existing-to-book segment grew this year reflecting deepening customer engagement within the digital commerce ecosystem. The Company also entered the new-to-book segment within its e-commerce business, since its launch in September 2025, marking a meaningful step in broadening its digital lending footprint. The Personal Loan portfolio recorded steady growth during fiscal 2026, with disbursals to existing customers growing at 8% year-on-year reflecting the strength of the Company's cross-sell capabilities within its established customer base.

The Company's two-wheeler and used-car financing continued to grow with a focus on portfolio quality and customer experience. In the two-wheeler segment, the Company increased its proportion of customers with higher credit scores and lower loan-to-value (LTV) ratios, reflecting its continued emphasis on disciplined underwriting. The Company plans to further leverage advanced analytics for credit decisioning and pricing optimization to drive sustainable growth in this segment. The Company also started a pilot in the Used two-wheeler segment with focus in Karnataka and Tamil Nadu. In the used-car segment, the Company strengthened its disbursal performance through newly onboarded partners, while technology upgrades meaningfully improved customer onboarding turnaround times, enhancing the overall customer experience.

The Tractor segment witnessed improved disbursement performance in both new and used tractor financing during fiscal 2026. The Company's strategy of focusing on geographies with lower delinquency rates and healthier margins, supported by digital sourcing capabilities, contributed to a stronger and more resilient portfolio. The Company continued to refine its geographic approach using micro-market analytics to identify and target the right customer segments, ensuring quality acquisitions.

The Company's three-wheeler financing portfolio crossed a significant milestone to reach an AUM of ₹ 631 crore during fiscal 2026, and the segment achieved full coverage across all states within the TVS Motor's network. The Company plans to continue expanding its reach and deepening its network presence in this segment.

The Mid-Corporate portfolio maintained its focus on ecosystem-based growth during fiscal 2026, with all new-to-credit customers sourced exclusively through ecosystem partners, reflecting the maturity and depth of the Company's relationship-led approach. The Company expanded its offerings through ecosystem vendor financing programs and group health insurance partnerships, adding value to its corporate relationships.

The Company has broadened gold loan business by opening additional branches across Tamil Nadu with the AUM crossing ₹ 130 crore in FY26. The Company recognizes Gold loans

as a strategic extension of its existing product line and expects to capitalize on its current customer base through deeper penetration in Tamil Nadu.

The Company's micro-market analytics strategy continued to serve as a key enabler of effective risk management, portfolio optimization, and growth decisions across all business lines. The Company continues to invest in credit underwriting capabilities, cloud-based infrastructure, and technology-led applications to drive sustainable expansion and deliver enhanced customer experience across all segments.

Optimized Collection Framework to Drive Efficiency

The Company maintains a comprehensive collection infrastructure, comprising dedicated product-wise collection verticals supported by a three-tiered regional supervisory framework, a robust legal team, and advanced data-driven analytical models. During fiscal 2026, the Company further strengthened this framework by introducing a Zonal supervisory structure to enhance governance and review effectiveness across large and distributed portfolios. The adoption of Total Quality Management (TQM) principles within the collection function, supported by branch-level MIS and performance dashboards, has reinforced process adherence and enabled real-time performance visibility across the organization.

During the year, the Company deployed a range of targeted initiatives to enhance collection effectiveness across retail, commercial, and consumer portfolios. Digital payment efficiency significantly improved from 25% to 45% through customer segmentation based on payment behaviour and targeted campaign engagement. Customer-level analytics were leveraged to align follow-up strategies with actual payment patterns, improving resolution rates and collection productivity. Dedicated hard-bucket collection teams were deployed across segments, driving higher writebacks and provision releases. The Company also continued to leverage its AI-powered digital collection application for real-time field monitoring and collection optimization and expanded micro segmentation to enable more targeted collection interventions.

These initiatives delivered measurable improvements across portfolios. The Company continues to invest in building internal supervisory capability, equipping collection teams with the skills to manage complex accounts, adhere to regulatory guidelines, and drive sustained field productivity across all product lines.

Accelerating Digital Transformation to Drive Operational Excellence

During fiscal 2026, the Company further solidified its operational resilience by recording minimal downtimes during the peak season, maintaining high-performance standards and robust support that significantly bolstered confidence among key OEM partners. Building on the digital transformation roadmap established in the previous year, the Company successfully concluded the migration of all portfolios to the new Loan Management System (LMS), ensuring a unified repository for seamless data accessibility and enhanced reporting. Furthermore, the completion of Phase 2 of the CRM implementation has optimized the application's functionality, providing a superior and more intuitive experience for end-users while streamlining internal workflows. As part of its forward-looking strategy, the Company has also initiated several AI-driven initiatives designed to enhance decision-making and operational efficiency, a focus area that will be further strengthened and integrated into the core digital framework in the upcoming fiscal year to drive long-term innovation and hyper-personalization.

Strengthening Data, Analytics and AI Capabilities to Drive Informed Decision-Making

During the year, the Company made significant strides in advancing its data and analytics capabilities to enable sharper, data-driven decision-making across the customer lifecycle. Progress was made towards building a unified customer view, facilitating the identification of cross-sell opportunities and enabling more targeted, personalized engagement. Dealer segmentation implemented across all products to support focused and differentiated business interventions. The expanded use of credit bureau data across key decision points, enabled field teams to take timely, proactive action, strengthening both underwriting quality and collections effectiveness.

The Company applied LLM on customer 360 data to understand semantic meaning and create customer micro segments. Generative AI based interactive HR chatbot that summarizes and responds to queries on HR policies was introduced. The Company also started new initiatives such as calls based AI BOT for sales and collections, and AI generated marketing videos.

The Company also made meaningful progress in Generative AI, building internal capabilities across text-based chatbots, voice-to-text intelligence, and conversational AI. Select use cases, including KYC automation, invoice processing, and conversational AI agents, were successfully piloted during the year. In parallel, existing machine learning models were further enhanced through the incorporation of alternate data sources, improving prediction accuracy and business impact. Focused upskilling initiatives were undertaken to strengthen in-house AI and analytics capabilities.

Looking ahead, the Company's strategic priorities include scaling AI-led automation across underwriting, operations, risk, fraud control, and collections; expanding voice-based and conversational interfaces for customers and employees; and enabling business users to access insights through generative analytics platforms, all underpinned by a robust AI and data governance framework.

Strengthening digital-first initiatives to build a customer-centric brand

During fiscal 2026, the Company continued to increase digitisation across the value chain to craft customer-first experiences. With customers increasingly adopting technology, the Company expanded its digital self-service channels and processes to support quick application, onboarding and disbursements. The Company increased its digital adoption rate to 90% and a self-service utilisation rate to 88% in fiscal 2026 supported by the growth of the active users in the Company's customer App, Saathi.

The Company's Service to Sale initiatives have been ably supported by integrated customer analytics enhanced cross-sell capabilities through customer care interactions, area office walk-ins and WhatsApp-based chatbots.

The Company improved its customer satisfaction score across core segments in fiscal 2026, achieved through seamless service and omni channel grievance redressals. The Company successfully managed several customer interactions across self-service channels and CRM platforms during the year. Of these, a significant number of queries were handled through chatbot-enabled assistance, improving response times, reducing manual intervention, and enabling support teams to focus on more complex customer issues.

Through integrated support initiatives across the customer journey lifecycle, and optimal use of advanced analytics, the Company was able to secure a healthy Relationship NPS (rNPS) of 67 (from 64 in fiscal 2025).

Moving the brand closer to Customers through targeted marketing initiatives

During fiscal 2026, the Company continued to enhance its brand equity, with overall brand awareness and brand consideration increasing from last year. This was supported by a series of integrated physical and digital marketing initiatives that prioritised customer aspirations, built trust, strengthened brand visibility and expanded customer engagement across markets. The Company focused on strategic collaborations such as co-branded campaigns and activation programmes with OEMs, dealerships, and other channel partners.

Additionally, regional visibility campaigns across multiple languages were launched to cater to diverse linguistic segments, further strengthening the Company's presence in key markets and fostering deep-rooted relationships with the dealer network.

During the year, the Company's reach across digital platforms increased to over 5.6 crore monthly reach, driven by engaging campaigns such as #AapkiKushiyonKaSaathi and #BeatTheHeat. The Company has advanced the use of Gen AI to scale production and create highly resonating marketing campaigns such as the Republic Day video which recorded the highest engagement rate compared to past campaigns.

As physical and offline channels remain accessible touchpoints, the brand continued to ramp up its on-ground initiatives. The offline presence was strengthened with POSM (point of sale marketing) coverage at more than 45,000 channel partners and PR coverage in mainstream publications. The Company enhanced awareness and drove engagement through its high-touch rural campaigns like Pragati Parv and Chaupal across 359 regions, generating over 23,200 leads. Further this flagship program complemented by hyper local initiatives such as Chaupal, Mandis, Sugarcane mills and Haats at over 300 additional locations, achieved a combine reach of over 5,000 villages, attracting a footfall of more than 1.5 lakhs. Collectively, these grassroots initiatives achieved over 5.7% on-the-spot conversion rates, fostering sustainable brand advocacy across rural India.

To recognise and build improved rapport with its dealer network, the Company rolled out dealer-centric offline initiatives like the TVS Credit Utsav and Brand Ambassador Day, covering more than 3,000 dealers this year.

The Company continues to focus on its digital touchpoints endeavouring to enhance accessibility across the website and the Saathi app. Both platforms are now available in several regional languages. Optimisation efforts led to a 43% increase in traffic and a 68% increase in the top 10 keyword rankings.

Building a Future-Ready, High-Trust Workforce

The Company's people strategy remains anchored in building a high-performing, high-trust, and future-ready workforce, one that thrives on purpose, capability, and a strong cultural foundation. As part of strengthening this foundation, the Company rolled out six TVS Group values - Trust, Customer Obsession, Value Maximization, Exactness, Speed and Agility, and a Disruptive Mindset - which are being cascaded across the organization through focused initiatives and communication collaterals to deepen Company-wide understanding and embed these principles into everyday ways of working. Reflecting the sustained strength of this commitment, the Company was re-certified as a Great Place to Work for the third consecutive time by the Great Place to Work Institute, achieving a Trust Index score of 91, a one-point improvement over the previous year, with 94% of employees affirming it as a great place to work and a near-perfect participation rate of 99.9%.

Capability building continued to be a strategic priority through the Company's Learning Academies, offering structured curricula and certifications across Leadership, Managerial, Sales, Credit, TQM, and Digital & AI domains, delivered through blended learning formats and strengthened by partnerships with LinkedIn Learning and Skillsoft. Managerial development programmes, conducted in collaboration with NIIT, GLIM, and Welingkar Institute of Management, further deepened leadership depth across the organization. The Company is proud to report that 12 managers across functions were recognized among the Top 300 Great Managers by People Business Consulting during the year.

The Company also advanced its commitment to women's leadership through targeted initiatives such as the 1000 Women Leaders Programme, Flying Lessons, and Wings of Change, with three employees ranked in the top 10% of the 1000 Women Leaders 2025 cohort. On the technology front, the Company launched a Generative AI-powered platform providing employees with round-the-clock, multilingual access to HR and administrative policies, an initiative that earned recognition at the ET Human Capital Awards 2026 for Excellence in Use of Generative AI for Human Resource Management.

The seventh edition of the E.P.I.C. Campus Challenge saw participation from over 1,35,000 students across 8,000 colleges, reinforcing the Company's brand as an employer of choice among future talent and deepening its engagement with premier academic institutions across the Country.

Driving Process Excellence for Superior Stakeholder Experience

During the year, the Company continued to strengthen its process excellence agenda, with a focused commitment to enabling error-free operations and delivering an effortless experience across customers, dealers, employees, and partners. A total of 53 improvement projects were completed across the organization under four strategic themes, spanning First Time Right (FTR) initiatives, effort reduction, digitization, and automation.

The Company's quality initiatives earned strong external recognition, with 49 awards secured across leading forums including QCFI, ISQ, and the Kaizen Institute, and four Gold awards won for the second consecutive year at the International Convention on Quality Control Circles, Taiwan. The successful completion of the ISO 9001:2015 surveillance audit with zero non-conformities further reinforced the strength and maturity of the Company's quality management systems.

Awards and recognitions

During fiscal 2026, the Company was honoured with various awards and recognitions. Some of the key awards are listed below:

- Multiple GOLD awards at the International Convention conducted by QCFI in Taiwan;
- Multiple Gold awards at the 1st Puducherry Chapter Quality Concepts Convention (PYQCC);
- Multiple Gold awards at 4th TQM Summit, with participation from Finance, CD Sales, HR L&D, HR BP, IT - Projects, Product Management teams along with the TQM team;
- The Great Place to Work recognition in the NBFC category by the Great Place to Work

Institute, for our workplace culture and employee experience. Also, ranked #78 among India's Top 100 Best Companies to work for by Great Place to Work - 2025;

- One of 'India's Leading BFSI and FinTech Companies-2025-26' by Dun and Bradstreet;
- 'ET Best BFSI Brands-2025-26' by The Economic Times;
- The Best Data Quality Award - Gold Category in the Emerging Segment NBFCs by TransUnion CIBIL;
- Awarded for exemplary data quality at the CRIF Data Excellence Awards 2025 in the Consumer - Data category;
- Recognised as a Top-rated Financial Services Company and among the Top 20 Large Companies by Ambition Box Employee Choice Awards (ABECA) 2025;
- Silver for L&D Team of the Year, Gold for Best Blended Learning Programme and Bronze for Best Digital Learning Transformation Programme at TISS LeapVault Chief Learning Officer (CLO) Awards 2025;
- Secured 3 Coveted Spots in Jombay's 10% Club of the 1000 Women Leaders Programme for the year 2025; and
- Best Farm Equipment Financier of the Year 2025 award by Indian Tractor of the Year (ITOTY).

Awards for various marketing initiatives

- ET Trendies Award 2025 for the Best Social Media Regional Campaign and Best Use of Humour in Social Media by The Economic Times;
- Multiple awards for our marketing campaigns, market research project and Fireside Chat podcast series by the Rural Marketing Association - FLAME Awards Southeast Asia Edition 2025;
- Multiple Gold, Silver and Bronze Excellence Awards for our marketing campaigns and collaterals by PRCI (Public Relations Council of India);
- Two awards for our "Ab Wait Nahi Upgrade Karo" Campaign and our Chaupal Rural initiative at the Financial Express Ace Awards 2025;
- Two awards for our "Fantastic Five" campaign and "New Year" campaign at the e4m South Indian Marketing Awards (IMA);
- The Best Social Media Campaign for our "Fantastic Five" campaign at the ET DigiPlus Awards 2025;
- Three awards for our The Fantastic Five Campaign, "Ab Wait Nahi Upgrade Karo" Campaign and our Chaupal Rural initiative at the e4m Pitch Finovate Marketing Summit & Awards 2025;
- Our Chaupal initiative was awarded the Excellence in Rural Marketing award at the Adgully Finnix Awards 2025;
- Bronze Award as Rural Financial Inclusion Champion for our Chaupal initiative at the Rural Fintech Financial Inclusion Awards by Rural Marketing Association of India (RMAI) 2025;
- The Best Humorous/Satirical Campaign for our "Fantastic Five" campaign at the Inkspell India Content Leadership Awards 2025; and
- The Best Social Media Campaign for our "Fantastic Five" campaign at the e4m Maddies Awards 2025.

Community support initiatives

Our community support initiative, Saksham, in collaboration with Yuva Parivartan NGO empowers underprivileged youth in Maharashtra (Sanoer), Gujarat (Savli), Rajasthan (Alwar), Telangana (Warangal), Karnataka (Dabishet). 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 empowered over 1,200 individuals, with 5 new locations added this year.

Treasury

The Company has constituted an Asset Liability Management Committee (ALCO) in accordance with the guidelines issued by the Reserve Bank of India (RBI). The ALCO monitors asset-liability mismatches, liquidity position, funding sources, interest rate risks, liquidity stress testing, contingency funding plans, and collateral position, while also ensuring compliance with regulatory requirements and lender covenants.

The financial year 2026 presented a dynamic operating environment for Non-Banking Financial Companies (NBFCs). The Reserve Bank of India reduced the policy repo rate by 100 basis points from 6.25% to 5.25%, and relaxed risk weights on bank lending to NBFCs with

effect from 1st April 2025. However, systemic liquidity remained volatile during the year, influencing short-term interest rates. Global factors, including rising crude oil prices and foreign capital outflows, further weighed on the domestic liquidity environment. Against this backdrop, the Company continued to adopt a prudent and proactive approach to liability management, diversifying its funding sources and maintaining adequate liquidity buffers while optimizing borrowing costs.

As of 31st March 2026, the Company's total principal debt outstanding is at ₹ 27,377 crore (31st March 2025: ₹ 24,491 crore). During the year, the Company raised ~ ₹ 14,100 crore in fresh borrowings, comprising both long-term and short-term instruments. The Company's borrowing strategy remains aligned with the composition and maturity profile of its assets, with continued focus on managing interest rate and liquidity risks. The Company continues to maintain a diversified lender base comprising banks, financial institutions, mutual funds, insurance companies, and other institutional investors, ensuring that funding structures remain resilient and responsive to its evolving asset mix. During the year, the Company also executed issuances of Non-Convertible Debentures (NCDs) and raised funds through External Commercial Borrowings (ECBs), further strengthening the depth and diversity of its funding program. This prudent asset-liability management enabled the Company to maintain positive cumulative mismatches across all maturity buckets, well within internal and RBI-stipulated norms.

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 maintained a prudent liquidity buffer in the form of cash, liquid investments, and unutilized bank lines to ensure adequate preparedness for unforeseen disruptions. The Company's Liquidity Coverage Ratio (LCR) remained comfortably above the regulatory requirement during the year, and all liquidity metrics were maintained within limits approved by the ALCO.

All principal and interest obligations were met on time during the year. The Company's pool of assets available by way of security continues to remain adequate to cover outstanding liabilities as and when they become due. The Company continued to receive support from shareholders through equity infusion, supplemented by participation from institutional investors in Tier I (Perpetual Debt Instruments) and Tier II (Subordinated Debt) instruments, collectively contributing to a comfortable capital position. As of 31st March 2026, the Company's Capital Adequacy Ratio (CRAR) stood at 19.4%, well above the regulatory minimum of 15% prescribed by the RBI.

The Company's credit ratings as of 31st March 2026, as assigned by leading domestic rating agencies, are summarized 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+
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 33,94,779 Equity Shares of face value of ₹10 per share at a premium of ₹ 579.14/- per share. Consequent to the aforesaid allotment of Equity Shares, the total paid up capital of the Company as on 31st March 2026, stood at ₹ 258 crore comprising 23,96,67,485 Equity Shares and 1,83,84,684 Compulsorily Convertible Preference Shares, having a face value of ₹ 10 each.

Non-Convertible Debentures

During the year under review, the Company issued Non-Convertible Debentures (NCDs) of ₹ 1,075 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. REGISTERED OFFICE OF THE COMPANY

During the year under review, the Registered Office of the Company was shifted from the erstwhile State of Tamil Nadu to the State of Karnataka, pursuant to the approval of the Shareholders and the Central Government, in accordance with the applicable provisions of the Companies Act, 2013 and the Rules made thereunder.

Accordingly, with effect from 6th March 2026, the Registered Office of the Company is now situated at TVR Pride, No. 383, 16th Main, 3rd Block, Koramangala, Bengaluru, Karnataka – 560034.

Consequent to the aforesaid shift of the Registered Office to the State of Karnataka, the Corporate Identification Number (CIN) of the Company has been changed to U65920KA2008PLC218369.

5. 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.

6. TRANSFER TO RESERVES

During the year, ₹ 182.63 crore were transferred to the Statutory Reserve created as required under Section 45-IC of the Reserve Bank of India Act, 1934.

7. 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.

8. 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 Annual General Meeting (AGM).

The consolidated Profit Before Tax of the Company and its subsidiaries amounted to ₹ 1,239 crore for the financial year 2025-26 as compared to ₹1,027 crore in the previous year.

Subsidiary Companies

The following companies are the subsidiaries of the Company as on 31st March 2026:

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 (80.76% on a fully diluted basis), as on the date of this report.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors' Appointment / Re-appointment / Cessation

During the year under review, Mr. Venu Srinivasan (DIN: 00051523), Non-Executive Director of the Company, resigned from the Board with effect from 3rd February 2026. TVS Credit Services Limited, was established under the guidance of Mr. Venu Srinivasan in the year 2008 and he has played a significant role in the Company's journey from the early stages of its evolution and has consistently provided thoughtful guidance

to the management over the years while also being a strong pillar of support to the Board. During his tenure, Mr. Venu Srinivasan's visionary leadership and strategic oversight contributed meaningfully to the Company's sustained growth and transformation. His prudent approach on strategic decision-making, focus on customer-centricity, and strong emphasis on corporate governance have been instrumental in shaping the Company's culture and long-term success, firmly rooted in the values of the TVS ethos. The Board wishes to place on record its deep appreciation for his valuable contribution during his tenure as Director of the Company.

Dr. Deepali Pant Joshi (DIN: 07139051), Independent Director also resigned from the Board of the Company with effect from 6th November 2025. The Board wishes to place on record its deep appreciation for the valuable contribution of Dr. Deepali Pant Joshi (DIN: 07139051), during her tenure as Director of the Company.

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 Independent Directors (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. K N Radhakrishnan (DIN: 02599393), Non-Executive Director, is liable to retire by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment. The Nomination and Remuneration Committee, at its meeting held on 12th May 2026 recommended his re-appointment after evaluating his track record, integrity, and fit and proper criteria as laid down under RBI guidelines.

Woman 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) is the Independent Woman Director 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 IDs 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, the Board obtained necessary annual declaration and undertaking from the Directors in the format prescribed by RBI.

Separate Meeting of Independent Directors

During the year under review, a separate meeting of IDs was held on 3rd March 2026. 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) for performance evaluation of Non-IDs, namely, Mr. Sudarshan Venu (DIN: 03601690), Mr. Sanjiv Chadha (DIN: 08368448), Mr. K N Radhakrishnan (DIN: 02599393) and Mr. Ashish Sapra (DIN: 09805893).

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 fully satisfied 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, tough state of the economy and clear initiatives for staying ahead of the competition.

IDs also appreciated 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 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 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, Technology, 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 of 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.

There was no change in KMPs during the year under review.

10. 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 at 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 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. CNGSN & Associates LLP, Chartered Accountants expired at conclusion of the 17th Annual General Meeting of the Company held on 30th July 2025. On the recommendation of the Board of Directors of the Company, members of the Company had at the Annual General Meeting held on 30th July 2025, appointed M/s. Brahmayya & Co., Chartered Accountants (ICAI Firm Registration No. 000511S) as Statutory Auditors of the Company for a term of 3 consecutive years from conclusion of 17th Annual General Meeting unitll the conclusion of 20th Annual General Meeting, 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. Suri & Co., Chartered Accountants and M/s. Brahmayya & Co., Chartered Accountants, have jointly conducted the statutory audit for the year ended 31st March 2026. 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 2025-26. The Auditors' Reports for the financial year 2025-26 do not contain any qualifications, reservations, or adverse remarks.

11. SECRETARIAL AUDITORS

On the recommendation of Audit Committee and Board, the members of the Company had, at the Annual General Meeting held on 30th July 2025, appointed B. Chandra & Associates, Company Secretaries (Peer Reviewed) (Firm Registration No. P2017TN065700), as Secretarial Auditor of the Company for a term of five consecutive years from 2025-26.

As required under Section 204 of the Act, 2013, the Secretarial Audit Report for the year 2025-26, given by them, is attached as Annexure VI to this report. The Secretarial Audit Report does not contain any qualifications, observations, or other remarks.

Secretarial Standards

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

12. 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 Securities Exchange Board of India (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 2026 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 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 2026 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.

13. 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).

14. 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 TVS Group. 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 28th April 2025, 17th June 2025, 30th July 2025, 27th October 2025, 27th January 2026 and 23rd March 2026 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/ Reserve Bank of India (Non-Banking Financial Company – Governance) Directions, 2025, as amended.

The Board has established the following Committees viz., Audit Committee, Stakeholder Relationship and Customer Service Committee (SRCSC), Nomination and Remuneration Committee (NRC), Corporate Social Responsibility Committee (CSR), Asset Liability Management Committee (ALCO), Risk Management Committee (RMC), Information Technology Strategy Committee (ITSC), Credit Sanction Committee 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 inter-alia provides the criteria for appointment of Directors, KMPs and SMPs, their performance evaluation, principles on the remuneration and provides for risk alignment of compensation to ensure that there is a proper balance between fixed pay and variable pay for KMPs and SMPs, including for those in assurance functions. The NRC Policy of the Company can be accessed at https://www.tvscredit.com/wp-content/uploads/2023/09/Nomination-and-Remuneration-Policy.pdf.

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 2025-26, based on the recommendation of the NRC.

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.

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.

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, Technology or other disciplines related to Company's business and (ii) 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 2026, with related parties were in the ordinary course of business and at arm's length. Hence, no particulars are being provided in Form AOC-2 and it does not form part of this Report.

Related Party disclosures, as per IND-AS have been provided in Notes to the financial statement.

15. 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, operational risk and information technology & cybersecurity 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 RMC and the ALCO 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 these risks. 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.

16. 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.

17. 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.

18. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company recognises social responsibility as an integral and a crucial part of its value system. Srinivasan Services Trust (SST), the CSR arm of TVS Motor Company has been implementing various socio-economic development programs in thousands of villages across five states of India viz. Tamil Nadu, Karnataka, Andhra Pradesh, Maharashtra and Himachal Pradesh in the last 30 years.

SST follows an integrated, holistic and participatory approach to village development, working in close association with the communities and the Government. SST nudges communities to embrace practices towards a better quality of life by ensuring a participatory approach right from the stage of planning to execution of activities.

SST aim is to bring about sustainable development in villages through Total Community Involvement (TCI). SST focusses on society building through the development of women and children, conserving water, repairing and renovating government health and education infrastructure and preserving the environment in its 2500 working villages across the Country.

SST has so far facilitated in the formation of over 5000 Self-Help Groups (SHGs) consisting of more than 60,000 women, who have been empowered both socially and economically. More than ₹150 crore of annual income is being generated by the women in Self-Help Groups by engaging in livelihood activities. During the year 2025-26, three SHGs facilitated by SST have been honoured with the prestigious Manimegalai Award by the Government of Tamil Nadu for empowering women and fostering economic growth.

SST has so far renovated more than 2,300 government infrastructures, which includes anganwadis, schools, health centres, veterinary centres and other village community infrastructures. SST has partnered with organisations such as Gramalaya, Agastya International Foundation, Villmart Education and Solutions, Shreeja Mahila Milk Producer Company, NavSahyog Foundation, Agaram Foundation, Magic Bus India Foundation, Care Works Foundation, National Bank for Agriculture and Rural Development (NABARD) and Sankara Eye Foundation to enhance the impact for the community.

More than 25,000 farmers have been benefitted by its water conservation projects like repairing, renovating and rebuilding water conservation structures that include desilting of tanks, channels and creation of percolation ponds. Across the working villages over 500+ water conservation projects have been implemented. This has created an additional water storage capacity of 169 crore litres.

SST also ensures last mile connectivity for availing the government social security schemes and agriculture & livestock schemes to reach the unreached population. Apart from renovating the government health centres and conducting regular medical camps, SST runs seven medical centres and four mobile medical vans in its working areas. Today, due to SST's interventions, annually more than two lakh villagers are receiving access to health care facilities.

SST has also afforested over 14,000 acres of barren areas including degraded forests, panchayat hillocks and plains in the last three decades. SST is working with Grassroots Research and Advocacy Movement (GRAAM) and Anna University to carry out social impact studies for the various projects undertaken by the Trust.

SST has won the following awards during the year 2025-26:

- 'Excellence in Domain Excellence Award in Corporate Social Responsibility' under the 20th CII ITC Sustainability Awards 2025;
- 8th ICC Social Impact Awards 2026 Rural Development was adjudged the Runners up;
- Gold Award under the category of 'Best HR Practices in CSR in Manufacturing and Process (Large)' in the 9th CII National HR Circle Competition; and
- Award for 'Best Water Conservation' from the Tamil Nadu Water Resources Department.

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 as prescribed under the Act, 2013, and approved by the Board for FY 2025-26 are furnished in Annexure III to this Report.

It may also be noted that the CSR Committee has approved the projects or programmes to be undertaken by SST and other eligible trusts for the year 2026-27, preferably in local areas including the manner of execution, modalities of utilisation of funds and implementation schedules and monitoring and reporting mechanism for the projects or programmes.

19. POLICY ON VIGIL MECHANISM

The Company has adopted a Whistle Blower Policy and has established an effective Vigil Mechanism in accordance with the provisions of the Act, 2013, which provides a formal framework 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.

20. 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 2025-26 is given in the Corporate Governance Report.

21. MATERNITY BENEFIT ACT, 1961

During the financial year 2025-26, Company was fully compliant with the provisions of Maternity Benefit Act, 1961.

22. EMPLOYEE STOCK OPTION

The Board at its meeting held on 14th October 2024, based on the recommendation of the NRC, 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.

The NRC has granted 2,97,408 employee stock 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 at a predetermined price provided that the vesting conditions are 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.

23. GENERAL DISCLOSURES

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

(a) 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.

(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.

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

As a non-banking finance company, the Company's 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 2025-26 is ₹ 109.41 crore (previous year ₹ 62.42 crore). The Company did not have any foreign exchange earnings.

25. 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.

26. 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.

27. DETAILS OF LOANS / GUARANTEES / INVESTMENTS MADE

The details of investments made by the Company for the financial year 2025-26 is as per Note no. 09 of Notes to 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.

The interest on loans granted to employees is goverened by the NRC Policy and is in compliance with Section 186 of the Act, 2013.

28. REPORTING OF FRAUD

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

29. 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.

30. 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 19.4% 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 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.

31. ACKNOWLEDGEMENT

The Directors gratefully acknowledge the continued support and cooperation received from TVS Motor Company Limited, the Holding Company 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 for 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

Sudarshan Venu
Chairman
DIN: 03601690

Place: Singapore
Date : 12-05-2026

Annexure - III to the Directors' Report

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

1. Brief outline of 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:

S 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*	Non-Independent Director	1	1
2.	Sudarshan Venu,# Chairman	Non-Independent Director	1	NA
3.	K N Radhakrishnan, Member	Non-Independent Director	1	1
4.	R Gopalan, Member	Independent Director	1	1

NA: Not Applicable
*Mr. Venu Srinivasan ceased to be a Member and Chairman of the CSR Committee with effect from 3rd February 2026.
#Mr. Sudarshan Venu was appointed as Member and Chairman of the CSR Committee with effect from 23rd March 2026.

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/investor-zone/corporate-social-responsibility/
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)	₹ 766.23 crore
	(b) Two percent of average net profit of the company as per section 135(5) of the Companies Act, 2013	₹ 15.32 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).	₹ 15.32 crore

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) : ₹ 16.00 crore
   (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)] : ₹ 16.00 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 Companies Act, 2013		Amount transferred to any fund specified underSchedule VII as per second proviso to section 135(5) of the Companies Act, 2013		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
16.00 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)	15.32
(ii)	Total amount spent for the financial year	16.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.68
(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)]	0.68

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

1	2	3	4	5	6		7	8
S 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 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

For and on behalf of the Board of Directors

Sudarshan Venu
Chairman of the CSR Committee
DIN: 03601690

Place : Singapore
Date : 12-05-2026

Annexure-IV to the Directors' Report

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	01.04.2025 to 31.03.2026		
3.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	INR	INR	INR
4.	Share capital / Contribution	0.25	1,200.00	0.25
5.	Reserves & Surplus	(2.71)	503.98	(2.75)
6.	Total assets	0.24	1,751.15	0.24
7.	Total Liabilities	2.70	47.17	2.73
8.	Investments	-	-	-
9.	Turnover	-	106.43	-
10.	Profit/(Loss) before taxation	(0.90)	100.82	(0.82)
11.	Provision for taxation/ Current Year Taxes	-	26.79	-
12.	Profit/(Loss) after taxation	(0.90)	74.03	(0.82)
13.	Proposed Dividend	-	-	-
14.	% of shareholding	100.00	100.00	100.00

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 Brahmayya & Co
Chartered Accountants
Firm Regn No.: 000511S

K Jitendra Kumar
Partner
Membership No.: 201825

12th May 2026
Chennai

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

12th May 2026
Bengaluru

Ashish Sapra
Director & Chief Executive Officer
DIN: 09805893

Roopa Sampath Kumar
Chief Financial Officer

Chetan Nage
Company Secretary

Annexure-V to the Directors' Report

Company's philosophy on Corporate Governance

The Company is anchored in a well established legacy of fair, transparent, ethical and responsible 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, which shape its conduct across all levels of the organisation.

The Company is committed to upholding highest standards of integrity, transparency, professionalism and propriety in all its operations. These principles form the foundation for attaining sustainable and responsible growth in an evolving and competitive business environment. Compliance with applicable laws and regulations, both in letter and in spirit, remain central to the Company's governance philosophy. The Company remains committed to continuously enhancing its governance standards in line with evolving regulatory expectations and global benchmarks.

The Company places strong emphasis on sustainability and long-term value creation for all stakeholders.

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 2026, the board comprises of eight Directors, viz.,

Name of the Director (M/s.)	DIN	Initial Date of Appointment	Cate-gory	Number of Board Meetings		No of Other Director-ships#	Remuneration (₹ In crore)			No. of shares held in the Company	Committee Memberships in other Companies##	
				Held	Attended		Salary^	Sitting Fee	Commis-sion		Member**	Chairman
Sudarshan Venu	03601690	31 Jan 2013	NED & Chair-person	6	6	18	-	-	-	-	2	1
Venu Srinivasan$	00051523	21 Jun 2010	NED	5	2	-	-	0.01	-	-	-	-
Ashish Sapra	09805893	22 Nov 2024	ED	6	6	-	8.02	-	-	-	-	-
K N Radhakrishnan	02599393	17 Feb 2010	NED	6	5	6	-	0.03	-	10*	1	-
R Gopalan	01624555	20 Jul 2019	ID	6	6	11	-	0.04	0.30	-	8	1
B Sriram	02993708	12 Oct 2019	ID	6	5	6	-	0.03	0.30	-	4	1
Kalpana Unadkat	02490816	28 Jul 2021	ID	6	6	4	-	0.03	0.30	-	6	3
T C Suseel Kumar	06453310	06 Aug 2024	ID	6	5	5	-	0.01	0.30	-	4	2
Sanjiv Chadha	08368448	22 Nov 2024	NED	6	6	4	-	-	-	-	1	-
Deepali Pant Joshi$$	07139051	06 Aug 2024	ID	4	4	-	-	0.01	0.18	-	-	-

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

**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 the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("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.

$ Mr. Venu Srinivasan resigned from the Board w.e.f. 3rd February 2026

$$ Dr. Deepali Pant Joshi resigned from the Board w.e.f. 6th November 2025

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 2025-26		Meeting date
April – June	(Q1)	28th April 2025 17th June 2025
July – September	(Q2)	30th July 2025
October- December	(Q3)	27th October 2025
January- March	(Q4)	27th January 2026 23rd March 2026

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 30th July 2025
		Entitled to attend	Attended	
1.	Sudarshan Venu	6	6	No
2.	Venu Srinivasan	5	2	No
3.	K N Radhakrishnan	6	5	Yes
4.	R Gopalan	6	6	No
5.	B Sriram	6	5	No
6.	Kalpana Unadkat	6	6	No
7.	Deepali Pant Joshi	4	4	No
8.	T C Suseel Kumar	6	5	No
9.	Ashish Sapra	6	6	Yes
10.	Sanjiv Chadha	6	6	No

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
Sudarshan Venu	TVS Motor Company Limited	Executive Director- Chairman and Managing Director
	TVS Holdings Limited	Executive Director-Managing Director
	Coromandel International Limited	Independent 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
Kalpana Unadkat	Avenue Supermarts Limited	Independent Director
	Eris Lifesciences Limited	Independent Director
	TVS Motor Company Limited	Independent Director
T C Suseel Kumar	Manappuram Finance Limited	Independent Director
	FirstSource Solutions Limited	Independent Director
	PCBL Chemical Limited	Independent Director
	LIC Housing Finance Limited	Independent Director

Meetings of Independent Directors

As stipulated by the Code of Independent Directors under the Act and Rules made thereunder and Listing Regulations as amended from time to time, one meeting of Independent Directors was held during the year. The meeting was conducted on 3rd March 2026 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 program

Familiarisation program 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 program 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 2025-26, in terms of the requirements of 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	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
Ashish Sapra	Leadership, Industry Knowledge, Risk Management, Business and Strategic Planning, Financial Sector experience, Information Technology, Human Resource
K N Radhakrishnan	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
T C Suseel Kumar	Industry Knowledge, Risk Management, Business and Strategic Planning, Financial Sector experience, Governance, Ethics and Regulatory Oversight, Information Technology
Sanjiv Chadha	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 2026.

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 and Customer Service 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
Nomination & Remuneration Committee	Kalpana Unadkat	Independent Director	Chairperson	04-Feb-2022
	Sanjiv Chadha	Non-executive Director	Member	14-July-2025
	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
	Sanjiv Chadha	Non-executive Director	Member	28-Mar-2025
Stakeholders Relationship and Customer Service 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
	Ashish Sapra	Director and Chief Executive Officer	Member	12-May-2026
Corporate Social Responsibility Committee	Sudarshan Venu	Non-executive Director	Chairperson	23-Mar-2026
	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
	Sanjiv Chadha	Non-executive Director	Member	28-Mar-2025
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 62F of the Listing Regulations and Reserve Bank of India (Non-Banking Financial Companies – Governance)Directions, 2025.

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;
- 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; and
- Monitoring, reviewing, recommending and approving all related party transactions and its subsequent modifications, 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 Comittee would include the review and audit 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, fixation of audit fee and approval for payment for any other services. Review and monitor the external auditor's independence and performance, and effectiveness of audit process;
- Approval of Annual Plans before it is placed before the Board;
- Approval or any subsequent modification of transactions of the company with related party;
- Reviewing with the management the quarterly and annual financial statements before submission to the Board, focusing, 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 judgment 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 and 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 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 including on nature and scope of audit and to have post audit discussion to ascertain any area of concern;
- Reviewing the Company's financial and risk management policies. Evaluation of internal financial controls and risk management systems;
- Review of inter-corporate loans and investments;
- 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) 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; and
- 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.

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.

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)	Kalpana Unadkat	Sanjiv Chadha
24th April 2025	✔	✔	✔
17th June 2025	✔	✔	✔
30th July 2025	✔	✔	✔
27th October 2025	✔	✔	✔
23rd January 2026	✔	✔	✔
23rd March 2026	✔	✔	✔

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 programs 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;

- To perform such other function related or incidental to the CSR Policy of the Company, at the request of the Board; and
- To perform all such actions as may be required under the relevant laws as prescribed by the Act, and rules/ regulations as prescribed by various regulators.

Based on the recommendation of the CSR Committee, the Board has approved the projects /programs to be carried out as CSR activities by Srinivasan Services Trust (SST) in compliance with the CSR policy of the Company and contributed ₹16.00 crore constituting more than 2% of average net profits, for the immediate past three financial years, towards CSR spending for the financial year 2025-26.

SST, with over 30 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 meetings	Members present (M/s)			
	Venu Srinivasan* (Chairman)	R Gopalan	K N Radhakrishnan	Sudarshan Venu#
28th April 2025	✔	✔	LOA	NA

LOA - Leave of Absence; NA- Not Applicable

* Mr Venu Srinivasan ceased to be a member of the Corporate Social Responsibility Committee with effect from 3rd February 2026

Mr Sudarshan Venu was appointed as a member and Chairman of the Corporate Social Responsibility Committee with effect from 23rd March 2026

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 and 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 62G read with Part D of Schedule II of the 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 (KMP) and senior management personnel (SMP), 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 KMP and SMP.

NRC prescribed 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. The Board carried out the performance evaluation as per the methodology specified above.

The performance evaluation of the Board as a whole is undertaken 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 ensures 'fit and proper' status of proposed and existing directors and on a continual basis and that there is no conflict of interest in appointment of directors, KMP and SMP.

Brief description of terms of reference:

- 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;
- Evaluating the performance of the Director(s) and providing necessary report to the Board for its further evaluation and consideration;
- Oversee the framing, review and implementation of its Board-approved compensation policy;
- Work in close coordination with the Risk Management Committee to achieve effective alignment between compensation and risks;
- Ensure that compensation levels are supported by the need to retain earnings of the NBFC and the need to maintain adequate capital based on Internal Capital Adequacy Assessment Process (ICAAP);
- 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 BFSI industry;
- 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;
- Devise a policy on diversity in the Board;
- Develop a succession plan for the Board and SMP; and
- Performing such other activities as may be delegated by the Board and/or prescribed under the 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 and 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 (Chairperson)	Sudarshan Venu*	B Sriram	Sanjiv Chadha#
28th April 2025	✔	✔	✔	NA

NA-Not Applicable

* Mr. Sudarshan Venu ceased to be a member of NRC Committee with effect from 14th July 2025

Mr. Sanjiv Chadha was appointed as a member of NRC Committee with effect from 14th July 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.

d. Risk Management Committee:

The Risk Management Committee has been constituted pursuant to the provisions of Regulation 62I of the 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 meetings;
- 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; and
- All other roles/responsibilities of Risk Management Committee as specified by Listing Regulations, and Circulars/ Directions of Reserve Bank of India as applicable to NBFCs.

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 Radha-krishnan (Chairman)	R Gopalan	Kalpana Unadkat	Sanjiv Chadha
23rd April 2025	✔	✔	✔	✔
24th July 2025	✔	✔	LOA	✔
27th October 2025	✔	✔	✔	✔
23rd January 2026	✔	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:

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, liquidity 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 subject to the limits delegated by the Board.
- Approve and review ALCO policy and its amendments; and
- 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 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
28th June 2025	✔	✔	✔
29th September 2025	✔	✔	✔
22nd December 2025	✔	LOA	✔
19th March 2026	✔	✔	✔

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 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 establish 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 role 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; and
- All other roles/responsibilities of Information Technology 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.

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)	Sanjiv Chadha	K N Radha-krishnan	Ashish Sapra
23rd June 2025	✔	✔	✔	✔
29th September 2025	✔	✔	✔	✔
26th December 2025	✔	✔	✔	✔
20th March 2026	✔	✔	✔	✔

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 vendors 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 27th June 2025, 27th September 2025, 19th December 2025 and 26th March 2026.

i. Stakeholders Relationship and Customer Service Committee

In terms of Regulation 62H of Listing Regulations, the Company had constituted Stakeholders Relationship Committee. The Board of Directors at its meeting held on 12th May 2026, re-designated the Committee as 'Stakeholders Relationship and Customer Service Committee' and enhanced its terms of reference to include monitoring of customer grievances and customer service matters in addition to discharging the responsibilities of Stakeholders' Relationship Committee under Listing Regulations. The enhanced terms of reference for the Committee are as follows:

- To Resolve the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, general meetings etc;

- To review measures taken for effective exercise of voting rights by shareholders;
- To review adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- To review grievance redressal and issues bearing on the quality of services rendered by the Company to its customers;
- To review periodic reports submitted by Internal Ombudsman (IO), review the cases where decision of the IO was rejected by the Company;
- To review customer complaints and status of redressal of such complaints, along with root cause analysis, reviewing awareness/ sensitisation programmes conducted;
- To review periodic reports on customer requests and their disposal across channels, turnaround times, ageing and pendency, assessing quality of resolution and customer satisfaction outcomes;
- To oversee and guide implementation of service enhancement initiatives across the Company;
- Customer Feedback including Net Promoter Score (NPS), its movement and periodic customer service feedback analysis including social media monitoring and review of turnaround time (TAT) for customer requests and complaints;
- To review and monitor key projects and strategic initiatives undertaken by the Company to enhance customer experience, including progress against defined milestones, impact on service quality, and alignment with overall customer service objectives;
- Consumer court cases, litigation related to customer service Audit observations (RBI, internal, statutory, etc.) linked to customer service;
- Review and renewal of customer-related policies and recommendation to the Board;
- Benchmarking with peers and best practices and process efficiencies observed in the market; and
- Performing such other activities as may be delegated by the Board and/or prescribed under the 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.

Mr. Ashish Sapra was appointed a member of the Committee effective 12th May 2026. 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 Radha-krishnan (Chairman)	Kalpana Unadkat	R Gopalan	Ashish Sapra
22nd September 2025	✔	LOA	✔	NA

LOA- Leave of Absence; NA-Not Applicable

There were no investor complaints received during the year 2025-26.

iii) General body meeting:

Location and time where AGMs were held during the last three years:

Year	Venue of the meeting	Date	Time
2022-23	Registered Office	17th July 2023	10.00 AM
2023-24	Registered Office	7th August 2024	04.00 PM
2024-25	Registered Office	30th July 2025	04.00 PM

Special resolutions passed in the previous three AGMs:

Year	Subject Matter of Special Resolution	Date of AGM
2022-23	-	17th July 2023
2023-24	-	7thAugust 2024
2024-25	-	30th July 2025

Special resolutions passed at the EGMs during the Financial Year:

Date	Place	Subject Matter of Special Resolution
29th October 2025	Registered Office	1. Approval for issue of equity shares on a private placement basis 2. Approval for change of Registered Office from one State to Another

Date	Place	Subject Matter of Special Resolution
18th February 2026	Registered Office	Approval for amendment to the object clause of the Memorandum of Association (MOA) of the Company

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 Exchange, where the Company's securities are listed.

Quarterly results:

The Company's quarterly/half-yearly/annual financial results were sent to the Stock Exchange 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	:	20th July 2026 at 4.00 P.M
Financial year	:	1st April to 31st March
Financial calendar	:	2026-27
Financial reporting for the quarter ending		
30th June 2026	:	On or before 14th August 2026
30th September 2026	:	On or before 14th November 2026
31st December 2026	:	On or before 14th February 2027
31st March 2027	:	On or before 30th May 2027

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 (NSE) 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 2026	1. INE729N08030 9. INE729N08105 2. INE729N08048 10. INE729N08113 3. INE729N08055 11. INE729N07065 4. INE729N08063 12. INE729N07073 5. INE729N08071 13. INE729N07081 6. INE729N08089 14. INE729N07099 7. INE729N08097 15. INE729N07107 8. INE729N07057

(Note: Annual listing fees and custodial charges for the year 2025-26 were duly paid to the NSE 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 Equity Shares of the Company are not listed.

viii) Suspension of Securities from trading: During the FY 2025-26, none of the securities of the Company were suspended from trading.

ix) Share Transfer Agents and Share Transfer System:

In terms of Regulation 7 Listing Regulations, 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	4*	21.05	40	0.00
5001-10000	1	5.26	8,516	0.00
10001-20000	1	5.26	17,032	0.01

Shareholding (Range)	No. of Members	%	No. of Equity Shares	%
20001-50000	3	15.79	1,16,332	0.05
50001-100000	2	10.53	1,02,190	0.04
100001 & above	8	42.11	23,94,23,375	99.90
Total	**19**	**100.00**	**23,96,67,485**	**100.00**

*The shares are held by 4 individuals 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 equity shares in dematerialised form and as on 31st March 2026 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 Share Capital except 1,83,84,684 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 ₹ 1 crore to the Statutory Auditors for all services received by the Company 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 2025-26 are as under:

No. of Complaints	-
No. of Complaints resolved	-
No. of Complaints pending for more than 90 days	-

In terms of the provisions of POSH, an Internal Complaints Committee 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 K N Radhakrishnan, Non-Executive Director as on 31st March 2026, is liable to retire by rotation as per the provisions of the Act.

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 the issue of Debt securities for incremental borrowings by Large Corporates:

The Company has been considered as a Large Corporate (LC) as per the applicable SEBI guideline and is required to raise not less than 25% of its incremental borrowings made during the financial year (T), by way of issuance of debt securities within 3 years (T + 2 yrs).

During the year under review, the Company availed a sum of ₹ 6,100 crore as eligible incremental Long-Term Borrowings and has raised ₹ 1,075 crore through issuance of listed debt securities. The Company will raise

the remaining amount to be raised through listed debt securities within the regulatory timeline of 31st March 2028.

xviii) Other Disclosures

a. Materially significant related party transactions:

All transactions entered into with related parties, as defined under the Act and the Listing Regulations, during the financial year 2025-26 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 potentially 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 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-a-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 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.

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.

xix) Branch Locations:

The Company has a PAN India presence with offices at 190 locations in the Country.

xx) 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 Limited 'Subramanian Building', No. 1, Club House Road, Chennai- 600 002
	For non-receipt of annual report	:	Equity Shares: corpserv@integratedindia.in Debentures: investor1@cameoindia.com
	For investors' grievance & general correspondence	:	Equity Shares: corpserv@integratedindia.in Debentures: 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, Mumbai, Maharashtra - 400001 E-mail: teamolive@idbitrustee.com

xxi) Pursuant to the guidelines on 'Fair Practices Code' issued by RBI, the Company has adopted a Fair Practices Code, which is posted on the website of the Company and a regular review on the implementation of the same is conducted by the Risk Management Committee.

xxii) The Company has adopted a Code of Conduct for employees of the Company and due care is taken that the employees adhere to it.

xxiii) 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 limit 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 and Credit policies as approved by the Board of Directors.

xxiv) The Board of Directors of the Company reviews, records and adopts the minutes of the meetings of various committees constituted by the Company.

xxv) 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 and CEO is fixed by the Board and is within the limits approved by the Shareholders in terms of the relevant provisions of the Act read with the Listing Regulations.

Particulars of remuneration to Executive Director for the financial year 2025-26 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 Board and Committee thereof attended by them, which is within the limits, prescribed under the Act. The Board at its meeting held on 12th May 2026, based on the recommendation of the Nomination and Remuneration Committee, approved the payment of sitting fees of ₹50,000/- for each meeting of the Board and Committees thereof attended by NEDs.

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 12th May 2026, based on the recommendation of the Nomination and Remuneration Committee, approved the payment of commission of ₹ 30,00,000/- each to the Non-Executive Independent Directors of the Company for the year ended 31st March 2026. The amount of commission for every financial year will be decided by the Board, as approved by the shareholders at 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.

xxvi) 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. The details of remuneration paid to NEDs are included in the table under para no. ii.

xxvii) Detailed reasons for the resignation of an Independent Director who resigns before the expiry of his tenure:

Dr Deepali Pant Joshi, Independent Director resigned from the Company with effect from 6th November 2025 to pursue other interests. Her resignation letter confirms that there is no other material reason for her resignation.

xxviii) 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.

xxix) 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

xxx) 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.

xxxi) Breach of covenant:

There have been no instances of breach of covenant of loan availed or debt securities issued.

xxxii) Divergence in Asset Classification and Provisioning:

As per the last available RBI Supervisory Report for the Financial Year 2024-25, there is no divergence in asset classification and provisioning assessed by RBI.

xxxiii) 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.

xxxiv) For further clarification / information, stakeholders are requested to visit the Company's website at https://www.tvscredit.com/

Annexure - VI to the Directors' Report

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2026

[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
Jayalakshmi Estates, 29, Haddows Road,
Nungambakkam, Chennai – 600006

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, 2026 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, 2026 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.

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.

Place : Chennai
Date : 12th May 2026

Name of the Company Secretary:

B CHANDRA
Certificate of Practice No. 7859
Partner
B Chandra & Associates
Firm Regn No P2017TN065700
UDIN: A020879H000332938
PEER REVIEW NUMBER 1711/2022

To
The Members
TVS CREDIT SERVICES LIMITED
Jayalakshmi Estates, 29, Haddows Road,
Nungambakkam, Chennai – 600006

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.

Place : Chennai
Date : 12th May 2026

Name of the Company Secretary:

B CHANDRA
Certificate of Practice No. 7859
Partner
B Chandra & Associates
Firm Regn No P2017TN065700
UDIN: A020879H000332938
PEER REVIEW NUMBER 1711/2022

Annexure VII to the Directors' Report

Statement of Disclosure relating to Employees Stock Option Scheme in accordance with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 as on 31st March 2026

(a)	Options granted	2,97,408
(b)	Options vested	33,022
(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	2,97,408
(j)	Employee wise details of options granted to:	
	(i) key managerial personnel;	2,97,408
	(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 2026, 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 2026, and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("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. We have determined the matters described below to be the key audit matters to be communicated in our report.

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 internal model, impairment allowance policy and ECL modelling methodology. We verified the appropriateness of the methodology and models used by the Company and assessed reasonableness of the assumptions used within the computation process to determine the impairment loss allowance as per the requirements of Ind AS 109 'Financial Instruments' and ECL policy of the Company. We tested, on a sample basis, the completeness and accuracy of the source data used.

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. Quantitative factors like days past due, behaviour of the loan portfolio, historical losses incurred on defaults, macro-economic data points and qualitative factors like nature of the underlying loan, deterioration in credit quality, correlation of macro-economic variables to determine expected losses, probability weights applied to reflect future economic conditions, judgement in relation to Management overlays and related Reserve Bank of India ('RBI') guidelines, to the extent applicable, etc. are also taken into account in the ECL computation.	We recomputed the impairment loss allowance for a sample of loans spread across the portfolios, to check the arithmetical accuracy and compliance with the ECL methodology approved by the Board of Directors of the Company; We also assessed the approach of the Company for categorization of the loans in various stages reflecting the inherent risk in the respective loans. As a result of the above audit procedures no material differences were noted. We confirm the adequacy of disclosures made in the financial statements.
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.	
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. Given the complexity of the IT systems and high level of dependency on these systems for processing of financial transactions and their impact on the financial reporting process, we considered this area as a Key Audit Matter.	We tested a sample of key controls operating over the information technology in relation to key financial accounting and reporting systems including system reconciliation and system application controls. Reliance was also placed on the System Audit report of the Company covering user access management which includes granting access right, new user creation, removal of user rights and preventative controls designed to enforce segregation of duties. 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 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 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, the relevant circulars, guidelines and directions issued by the Reserve Bank of India ("RBI") from time to time 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 2025. The comparative Standalone Financial Statements for the year ended 31st March 2025 were audited by the previous joint statutory auditors whose report dated 28th April 2025 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 (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 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 as on 31st March 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2026 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to Standalone Financial Statements.;

(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.43.

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 software 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 **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

K Jitendra Kumar
Partner
Membership No. 201825

Date: 12.05.2026
Place: Chennai

UDIN: 26201825XQIISH4272

For **Suri & Co.,**
Chartered Accountants
Firm Registration No. 004283S

Sanjeev Aditya M
Partner
Membership No. 229694

Date: 12.05.2026
Place: Chennai

UDIN: 26229694MPZEMR6407

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 2026, 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 Rs.5 Crores 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 of the respective quarters and no material discrepancies have been observed.

(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 the instances where there are delays or defaults in repayment of principal and/ or interest. In respect of such cases, the Company has recognized necessary provisions in accordance with the principles of Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India ("RBI") for Income Recognition and Asset Classification.

d) The amounts overdue for more than 90 days aggregating principal repayment and interest payments is Rs. 353.48 Crores. 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, 2026 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 crores)	Amount unpaid* (Rs. In crores)	Period to which the amount relates	Forum where the dispute is pending
Goods and Service Act, 2017	Goods and Service Act Dues	0.66	0.59	2017-18	Commissioner (Appeals)
Goods and Service Act, 2017	Goods and Service Act Dues	1.32	1.23	2018-19	Commissioner (Appeals)
Goods and Service Act, 2017	Goods and Service Act Dues	0.22	0.20	2019-20	Commissioner (Appeals)
Goods and Service Act, 2017	Goods and Service Act Dues	2.09	1.95	2020-21	Commissioner (Appeals)
Goods and Service Act, 2017	Goods and Service Act Dues	0.10	0.09	2021-22	Commissioner (Appeals)
Finance Act, 1994	Service Tax Dues	4.08	3.93	2011-12 to 2014-15	Customs Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax Dues	1.45	1.32	2015-16	Customs Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax Dues	0.24	0.21	2016-17	Customs Excise and Service Tax Appellate Tribunal

Name of Statute	Nature of dues	Amount disputed (Rs. In crores)	Amount unpaid* (Rs. In crores)	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax Dues	0.84	0.76	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)

*Net of amount paid under protest

(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 other than the instances of fraud noticed and reported by the management to the regulator.

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) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting under this clause.

(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) During the year, the Company has not conducted any non-banking financial activities or housing financial activities without a valid Certificate of Registration ('CoR') from the RBI as per the RBI Act, 1934.

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 **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

K Jitendra Kumar
Partner
Membership No. 201825

Date: 12.05.2026
Place: Chennai

UDIN: 26201825XQIISH4272

For **Suri & Co.,**
Chartered Accountants
Firm Registration No. 004283S

Sanjeev Aditya M
Partner
Membership No. 229694

Date: 12.05.2026
Place: Chennai

UDIN: 26229694MPZEMR6407

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 2026 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 2026, 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 **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

K Jitendra Kumar
Partner
Membership No. 201825

Date: 12.05.2026
Place: Chennai

UDIN: 26201825XQIISH4272

For **Suri & Co.,**
Chartered Accountants
Firm Registration No. 004283S

Sanjeev Aditya M
Partner
Membership No. 229694

Date: 12.05.2026
Place: Chennai

UDIN: 26229694MPZEMR6407

STANDALONE BALANCE SHEET
AS AT 31ST MARCH 2026

(All amounts in ₹ crores, unless otherwise stated)

S. No.	Particulars	Note No.	As at 31st March 2026	As at 31st March 2025
	ASSETS			
1	**Financial assets**			
(a)	Cash and cash equivalents	4	3,327.50	3,590.32
(b)	Bank balance other than (a) above	5	0.21	5.95
(c)	Derivative financial instruments	6	103.43	-
(d)	Receivables			
	i) Trade receivables	7	214.66	141.25
(e)	Loans	8	30,285.47	26,298.84
(f)	Investments	9	313.37	299.75
(g)	Other financial assets	10	29.56	28.28
	Total		**34,274.20**	**30,364.39**
2	**Non-financial assets**			
(a)	Current tax assets (net)	11	8.20	11.03
(b)	Deferred tax assets (net)	12	482.01	408.64
(c)	Investment property	13	83.58	85.16
(d)	Property, plant and equipment	14A	72.14	45.07
(e)	Right-to-use asset	14A	70.33	65.19
(f)	Capital work-in-progress	14B	0.63	2.40
(g)	Intangible assets under development	14B	1.90	10.96
(h)	Other intangible assets	14A	47.00	2.53
(i)	Other non-financial assets	15	28.10	48.33
	Total		**793.89**	**679.31**
	Total assets		**35,068.09**	**31,043.70**
	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	29.60	26.08
	ii) total outstanding dues of creditors other than Micro enterprises and small enterprises	16	979.89	1,061.22
(c)	Debt securities	17	3,309.86	2,625.39
(d)	Borrowings (other than debt securities)	18	22,088.05	19,792.47
(e)	Subordinated liabilities	19	2,269.96	2,269.31
(f)	Other financial liabilities	20	209.85	221.34
	Total		**28,887.21**	**25,998.05**
2	**Non-Financial Liabilities**			
(a)	Provisions	21	75.15	59.58
(b)	Other non-financial liabilities	22	38.10	38.15
	Total		**113.25**	**97.73**
3	**EQUITY**			
(a)	Equity share capital	23	239.67	236.27
(b)	Instruments entirely equity in nature	23	18.38	18.38
(c)	Other equity	24	5,809.58	4,693.27
	Total		**6,067.63**	**4,947.92**
	Total liabilities and equity		**35,068.09**	**31,043.70**
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		43		

As per our report of even date

For Brahmayya & Co.,
Chartered Accountants
ICAI Regn. No. FRN 000511S

K Jitendra Kumar
Partner
Membership No. 201825

Place : Chennai
Date : 12th May 2026

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 : Bengaluru
Date : 12th May 2026

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 2026

(All amounts in ₹ crores, unless otherwise stated)

S. No.	Particulars	Note No.	Year ended 31st March 2026	Year ended 31st March 2025
	Revenue from operations			
i)	Interest income	25	6,213.35	5,775.97
ii)	Fees and commission income	26	823.77	736.46
iii)	Net gain on fair value changes	27	154.02	92.32
I)	**Total revenue from operations**		**7,191.14**	**6,604.75**
II)	Other income	28	4.86	3.93
III)	**Total income (I + II)**		**7,196.00**	**6,608.68**
	Expenses			
i)	Finance costs	29	1,934.29	1,863.32
ii)	Fees and commission expenses		473.14	527.16
iii)	Impairment of financial instruments (net)	30	1,156.59	1,295.36
iv)	Employee benefits expenses	31	1,274.23	1,135.58
v)	Depreciation and amortization expenses	32	56.12	46.20
vi)	Other expenses	33	1,054.70	715.62
IV)	**Total expenses**		**5,949.07**	**5,583.24**
V)	**Profit before exceptional items and tax (III-IV)**		**1,246.93**	**1,025.44**
VI)	Exceptional items	43(4)	8.61	-
VII)	**Profit before tax (V-VI)**		**1,238.32**	**1,025.44**
VIII)	**Tax expense**	34		
	(1) Current tax		400.49	323.80
	(2) Deferred tax		(75.34)	(65.61)
IX)	**Profit for the year (VII-VIII)**		**913.17**	**767.25**
X)	**Other comprehensive income**			
A.	(i) Items that will not be reclassified to profit or loss			
	- Remeasurements of the defined benefit plans		(10.80)	(10.64)
	- Fair value gain/(loss) on financial instruments through other comprehensive income		4.76	(0.62)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		1.52	2.83
	Subtotal (A)		**(4.52)**	**(8.43)**
B.	(i) Items that will be reclassified to profit or loss			
	-Fair value change on cash flow hedge		13.85	(8.89)
	(ii) Income tax relating to items that will be reclassified to profit or loss		(3.48)	2.24
	Subtotal (B)		**10.37**	**(6.65)**
	Other comprehensive income (A+B)		**5.85**	**(15.08)**
XI)	**Total comprehensive income for the year (IX + X) (Comprising Profit/(Loss) and other comprehensive income for the year)**		**919.02**	**752.17**
XII)	Earnings per equity share (Face value of Rs. 10/- each)	35		
	Basic (Rs.)		35.66	30.36
	Diluted (Rs.)		35.66	30.36
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		**43**		

As per our report of even date

For and on behalf of the Board of Directors of
TVS Credit Services Limited

For Brahmayya & Co.,
Chartered Accountants
ICAI Regn. No. FRN 000511S

K Jitendra Kumar
Partner
Membership No. 201825

Place : Chennai
Date : 12th May 2026

For Suri & Co.,
Chartered Accountants
ICAI Regn. No. FRN 004283S

Sanjeev Aditya M
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Chief Financial Officer

Place : Bengaluru
Date : 12th May 2026

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 2026

(All amounts in ₹ crores, unless otherwise stated)

I) Equity share capital

Particulars	Note No.	Amounts
Balance as at 1st April 2024		**228.22**
Changes in equity share capital during the year	23	8.05
Balance as at 31st March 2025		**236.27**
Changes in equity share capital during the year	23	3.39
Balance as at 31st March 2026		**239.67**

II) Instruments entirely equity in nature

Particulars	Note No.	Amounts
Balance as at 1st April 2024		**18.38**
Changes in compulsorily convertible preference shares during the year	23	-
Balance as at 31st March 2025		**18.38**
Changes in compulsorily convertible preference shares during the year	23	-
Balance as at 31st March 2026		**18.38**

III) Other equity

Particulars	Note No.	Reserves and surplus				Other comprehensive income (OCI)		Total
		Securities premium account	Statutory reserve	Share based payment reserve	Retained earnings	Financial instruments through OCI	Cashflow Hedge reserve	
Balance as at 1st April 2024		**1,874.19**	**356.40**	**-**	**1,382.40**	**-**	**5.89**	**3,618.88**
Profit for the year	24	-	-	-	767.25	-	-	767.25
Fair valuation gain/ (loss) of financial instrument (net)	24	-	-	-	-	(0.47)	(6.65)	(7.12)
Remeasurement of defined benefit plans (net)	24	-	-	-	(7.96)	-	-	(7.96)
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**	**(0.47)**	**(0.76)**	**4,693.27**
Profit for the year	24	-	-	-	913.17	-	-	913.17
Fair valuation gain/ (loss) on financial instrument (net)	24	-	-	-	-	3.55	10.37	13.92
Remeasurement of defined benefit plans (net)	24	-	-	-	(8.08)	-	-	(8.08)
Transfer to Statutory reserve	24	-	182.63	-	(182.63)	-	-	-
Issuance of equity shares	24	196.61	-	-	-	-	-	196.61
Share-based payment expenses	24	-	-	0.69	-	-	-	0.69
Balance as at 31st March 2026		**2,392.75**	**692.48**	**0.96**	**2,710.70**	**3.08**	**9.61**	**5,809.58**

As per our report of even date

For Brahmayya & Co.,
Chartered Accountants
ICAI Regn. No. FRN 000511S

K Jitendra Kumar
Partner
Membership No. 201825

Place : Chennai
Date : 12th May 2026

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
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Director and Chief Executive Officer
DIN-09805893

Roopa Sampath Kumar
Chief Financial Officer

Chetan Nage
Company Secretary

Place : Bengaluru
Date : 12th May 2026

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2026

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Cash flows from operating activities		
Profit before tax	1,238.32	1,025.44
Adjustment for:-		
Depreciation and amortization	56.12	46.20
Impairment of financial instruments	41.02	(56.00)
Profit on disposal of property, plant and equipment	(0.71)	(0.20)
Finance costs	1,934.29	1,863.32
Unwinding of discount on security deposits	(1.14)	(0.97)
Remeasurements of defined benefit plans	(10.80)	(10.64)
Share-based payment expenses	0.69	0.27
Cash outflow towards finance costs	(1,928.20)	(1,858.87)
Cash generated/(used) from operations before working capital changes	**91.27**	**(16.89)**
Changes in working capital		
(Increase)/Decrease in Trade receivables	(72.84)	(25.26)
(Increase)/Decrease in Loans	(4,028.22)	(771.40)
(Increase)/Decrease in Other financial assets and other bank balances	5.61	(3.53)
(Increase)/Decrease in Other non-financial assets	20.23	10.21
Increase/(Decrease) in Trade payables	(77.81)	31.11
Increase/(Decrease) in Other financial liabilities	(17.58)	(153.35)
Increase/(Decrease) in Provisions and other non-financial liabilities	15.51	(22.70)
Net cash generated/(used) in operating activities before income tax	**(2,825.51)**	**73.63**
Income taxes paid (net of refund)	(397.66)	(315.03)
Net cash used in operating activities (I)	**(3,223.17)**	**(241.40)**
Cash flows from investing activities		
Investment in Property, plant and equipment	(52.02)	(32.50)
Proceeds from sale of Property, plant and equipment	0.72	0.23
Investment in intangible assets	(41.20)	(9.07)
Investment in Government securities	(6.86)	(188.66)
Investment in Alternate investment fund	(2.00)	(2.00)
Net cash used in investing activities (II)	**(101.36)**	**(232.00)**
Cash flows from financing activities		
Proceeds from issue of Equity shares	200.00	330.00
Proceeds from Issue/(Repayment) of Debt securities (net)	684.47	1,114.40
Proceeds/(Repayment) of Borrowings other than debt securities (net)	2,204.70	834.47
Proceeds/(Repayment) of Subordinated liabilities (net)	0.65	56.35
Payments of Lease liabilities	(28.08)	(24.33)
Net cash generated from financing activities (III)	**3,061.74**	**2,310.89**
Net increase/(decrease) in Cash and cash equivalents (I+II+III)	**(262.79)**	**1,837.49**
Cash and cash equivalents at the beginning of the year	**3,590.29**	**1,752.80**
Cash and cash equivalents at the end of the year	**3,327.50**	**3,590.29**

Components of cash and cash equivalents for the purpose of Statement of Cash Flows:

Description	As at 31st March 2026	As at 31st March 2025
Cash and cash equivalents as per Balance Sheet	3,327.50	3,590.32
Less: Overdrafts utilised (Grouped under Borrowings (other than debt securities) - Note 18)	-	0.03
Cash and Cash Equivalents for the purpose of Statement of Cash Flows	**3,327.50**	**3,590.29**

As per our report of even date

For Brahmayya & Co.,
Chartered Accountants
ICAI Regn. No. FRN 000511S

K Jitendra Kumar
Partner
Membership No. 201825

Place : Chennai
Date : 12th May 2026

For Suri & Co.,
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Chetan Nage
Company Secretary

Place : Bengaluru
Date : 12th May 2026

(All amounts in ₹ crores, unless otherwise stated)

1 Corporate information

TVS Credit Services Limited ('the Company') (CIN U65920KA2008PLC218369) is a public limited company incorporated and domiciled in India. The registered office is located at TVR Pride, No. 383, 16th Main, 3rd Block, Koramangala, Bengaluru-560034, Karnataka,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 Finance Company, as defined under Section 45-IA of Reserve Bank of India (RBI) Act, 1934. The Company offers diverse lending products like automobile finance , consumer durable loans and small business loans . The Company is categorised as "NBFC - Investment and Credit Company (NBFC-ICC)" pursuant to RBI circular DNBR (PD) CC.No.097/03.10.001/2018-19 dated February 22, 2019 and as defined in Para 6(12) of Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025, dated November 28, 2025. Effective 1st October 2022, the Company has been categorised as NBFC-Middle Layer under the RBI Scale Based Regulation.

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), the guidelines issued by the RBI as applicable to Non-Banking Finance Companies (NBFCs), including the Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 and in accordance with Division III of Schedule III of Companies Act 2013 notified by MCA on 11th October 2018. Further, the Company follows applicable guidance, clarifications, circulars and directions issued by the Reserve Bank of India (RBI) for Non-Banking Financial Companies (NBFC), MCA 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 and employee benefit plans 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.

The financial statements have been approved and authorized for issue by the Board of Directors of the Company at its meeting held on 12th May 2026.

2.2 Presentation of financial statements

The Company prepares and presents its Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the format prescribed by Division III of Schedule III of the Companies Act, 2013. The Statement of Cash Flows has been prepared and presented under the indirect method as per the requirements of Ind AS 7 'Statement of Cash Flows'.

The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only where it has legally enforceable right to offset the recognised amounts and the Company intends to either settle on a net basis or to realise the asset and settle the liability simultaneously as permitted by Ind AS. Similarly, the Company offsets incomes and expenses and reports the same on a net basis where the netting off reflects the substance of the transaction or other events as permitted by Ind AS.

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

(All amounts in ₹ crores, unless otherwise stated)

together with information about the basis of calculation for each affected line item in the financial statements.

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 and 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 useful life of assets assuming no residual value at the end of useful life of the asset . 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.

Useful life as used by the Company and as indicated in Schedule II are listed below:

Nature of Asset	Useful life adopted by the Company
Computers	3 years
Furniture & fixtures	10 years
Office equipments	5 years
Vehicles (Motor cycle)	10 years
Vehicles (Motor car)	8 years
Leasehold improvements	As per lease tenure
Building	48 years

Depreciation on PPE individually costing Rs.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 and 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 Intangible assets

Intangible assets are recognised when it is probable that the 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 are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation.

Subsequent expenditure related to an item of intangible asset are added to its gross value only if it increases the future benefits of the existing asset, if it is probable that future economic benefit will flow to the Company from that expenditure and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Intangible assets representing computer software are amortised using the straight-line method over a period of 3 to 5 years, based on Management's estimate of their useful lives.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

3.4 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.

(All amounts in ₹ crores, unless otherwise stated)

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 (FVOCI), 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.

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

(All amounts in ₹ crores, unless otherwise stated)

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. 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.

vi. 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.

a. Investment in compulsory Convertible debenture

Investment in compulsorily convertible debentures are classified and measured in the financial statements at fair value through other comprehensive income.

b. Investment in Alternate investment fund

Investment in alternative 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

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 2026.

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

(All amounts in ₹ crores, unless otherwise stated)

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.

(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 Government 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

(All amounts in ₹ crores, unless otherwise stated)

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) Net gain on fair value changes:

Investments in financial instruments are measured at fair value through profit or loss (FVTPL) in accordance with Ind AS 109. Gains or losses on sale/redemption are recognised in the Statement of Profit and Loss.

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	Upto 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 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;

(All amounts in ₹ crores, unless otherwise stated)

- 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 are considered credit-impaired when they are past due for more than 90 days and have not been completely regularised to zero days past due (DPD). Credit-impaired loans also include restructured loan contracts under the Reserve Bank of India (Non-Banking Financial Companies – Resolution of Stressed Assets) Directions, 2025 dated 28th November, 2025, irrespective of the number of days past due as at the reporting date. Loan accounts where principal and/or interest are overdue for more than 90 days, together with all other loan exposures of the same borrower, continue to be classified as Stage 3 until all overdues across such accounts are fully cleared. The Company recognises a lifetime expected credit loss (ECL) allowance on such loans.

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: Probability of Default (PD), Exposure At Default (EAD) and Loss Given Default (LGD). ECL is calculated by multiplying the PD, EAD and and LGD.

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 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 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.

(All amounts in ₹ crores, unless otherwise stated)

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.

3.5.7 Derivatives

The Company enters into derivative transactions to manage its exposure to interest rate risk and foreign exchange rate risk. 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.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss recognised in OCI is subsequently transferred to the Statement of Profit and Loss on ultimate recognition of the underlying hedged forecast transaction.When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the Statement of Profit and 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.

(All amounts in ₹ crores, unless otherwise stated)

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 and 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

(All amounts in ₹ crores, unless otherwise stated)

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

(All amounts in ₹ crores, unless otherwise stated)

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 ₹ crores, unless otherwise stated)

NOTE 4 Cash and cash equivalents

S No	Description	As at 31st March 2026	As at 31st March 2025
a)	Cash on hand*	0.49	0.33
b)	Balances with banks		
	-Current accounts	3,327.01	3,589.99
	Total	**3,327.50**	**3,590.32**

* 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 2026	As at 31st March 2025
a)	Balances with banks to the extent held as margin money or security against borrowings, guarantees, other commitments	0.21	5.95
	Total	**0.21**	**5.95**

* 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 2026		
		Notional amounts	Fair value - Assets	Fair value - Liabilities
a)	Part I - Currency derivatives- Cross currency interest rate swaps	854.83	103.43	-
	Part II - Derivatives included in above are derivatives held for hedging and risk management purposes as cash flow hedges	854.83	103.43	-
	Total	**854.83**	**103.43**	**-**

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**

The Company does not undertake derivative transactions for trading purposes.

During the financial year, the Company entered into derivative contracts (cross-currency interest rate swaps) solely for hedging foreign exchange and interest rate exposures arising from its External Commercial Borrowings (ECBs). In line with the Company's Asset Liability Management Policy approved by Board, all foreign currency borrowings are fully hedged at the time of drawdown and remain fully hedged until repayment. The front office and back-office role is defined and segregated. All the derivatives transactions is quarterly monitored and reviewed.

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 38 for foreign currency risk management and interest rate sensitivity on derivative financial instruments respectively.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 7 Trade receivables

S.No.	Particulars	As at 31st March 2026	As at 31st March 2025
(i)	Receivables considered good - secured	-	-
(ii)	Receivables considered good - unsecured*	214.66	141.25
(iii)	Receivables which have significant increase in credit risk	-	-
(iv)	Receivables - credit impaired	0.98	1.73
	Total (A)	**215.64**	**142.98**
	Less: Allowance for impairment loss (B)	0.98	1.73
	Net (C) = (A-B)	**214.66**	**141.25**

Notes:

1 *Includes dues from related parties (Refer note 41)

2 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.

NOTE 7.1 Trade receivables (Ageing schedule)

S No.	Particulars	Unbilled	Outstanding for following periods from date of transaction as at 31st March 2026					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed trade receivables – considered good	138.90	75.76	-	-	-	-	214.66
(ii)	Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed trade receivables – credit impaired	-	-	0.75	0.23	-	-	0.98
(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)	**138.90**	**75.76**	**0.75**	**0.23**	**-**	**-**	**215.64**
	Less: Allowance for impairment loss (B)	-	-	0.75	0.23	-	-	0.98
	Net (C) = (A-B)	**138.90**	**75.76**	**-**	**-**	**-**	**-**	**214.66**

S No.	Particulars	Unbilled	Outstanding for following periods from date of transaction as at 31st March 2025					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed trade receivables – considered good	61.09	80.16	-	-	-	-	141.25
(ii)	Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed trade receivables – credit impaired	-	-	1.60	0.13	-	-	1.73
(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)	**61.09**	**80.16**	**1.60**	**0.13**	**-**	**-**	**142.98**
	Less: Allowance for impairment loss (B)	-	-	1.60	0.13	-	-	1.73
	Net (C) = (A-B)	**61.09**	**80.16**	**-**	**-**	**-**	**-**	**141.25**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 8 Loans

S No	Description	As at 31st March 2026	As at 31st March 2025
		Amortised Cost	
(A)	**Term loans**		
	i) Automobile financing	19,055.84	18,130.65
	ii) Consumer lending	11,559.30	8,428.23
	iii) Small business lending	600.87	620.54
	Total loans - Gross	**31,216.01**	**27,179.42**
	Less: Impairment loss allowance	930.54	880.58
	Total loans - Net	**30,285.47**	**26,298.84**
(B)	**Nature**		
a)	Secured by tangible assets	25,377.17	21,918.72
b)	Unsecured loans	5,838.84	5,260.70
c)	**Total loans - Gross (a) + (b)**	**31,216.01**	**27,179.42**
d)	Less: Impairment loss allowance	930.54	880.58
e)	**Total loans - Net (c) - (d)**	**30,285.47**	**26,298.84**
i)	Loans in India		
	Public sector	-	-
	Others	31,216.01	27,179.42
	Total loans - Gross	**31,216.01**	**27,179.42**
	Less: Impairment loss allowance	930.54	880.58
	Total loans- Net	**30,285.47**	**26,298.84**
ii)	Loans outside India	-	-
iii)	**Total Loans (i) +(ii)**	**30,285.47**	**26,298.84**

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 3,380 nos repossessed vehicles as at Balance Sheet date. (31st March 2025: 6,266 nos).

c. The term loans include loans given to related parties (refer note 41) 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. No loans and advances in the nature of loans are granted to promoters, directors, KMPs that are repayable on demand or without specifying any terms or period of repayment.

e. Gold loans constitute 0.37% of the total assets of the Company as at 31st March 2026 (31st March 2025: 0.07%).

f. Refer note 43 for additional disclosures.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 9 Investments

S No	Description	As at 31st March 2026	As at 31st March 2025
A	**At cost:**		
a)	**Investment in equity instruments of subsidiaries:**		
i)	TVS Housing Finance Private Limited (1,20,00,000 (31st March 2025: 1,20,00,000) shares of Rs. 10 each fully paid up)	12.00	12.00
ii)	Harita Two Wheeler Mall Private Ltd (2,500 (31st March 2025: 2,500) shares of Rs. 10 each fully paid up)*	0.00	0.00
iii)	Harita ARC Private Limited (2,500 (31st March 2025: 2,500) shares of Rs. 10 each fully paid up)*	0.00	0.00
B	**At amortised cost:**		
a)	**Investment in Government securities**	288.98	282.12
C	**At fair value through other comprehensive income:**		
a)	**Investment in Alternative instrument fund:**		
	80,000 units of Eight Innovate fund II (31st March 2025: 60,000)	12.14	5.38
b)	**Investment in Compulsory convertible debentures**		
	25 (31st March 2025 : 25) 0.001% compulsorily convertible debentures of Rs.1,00,000 each in Hyper Grocers Private Limited	0.25	0.25
	Total – Gross (A)	**313.37**	**299.75**
	(i) Investments outside India	-	-
	(ii) Investments in India	313.37	299.75
	Total	**313.37**	**299.75**
	Less: Allowance for impairment loss (B)	-	-
	Total - Net = (A) - (B)	**313.37**	**299.75**

* Represents amount less than rounding off norm adopted by the company

NOTE 10 Other financial assets

S No	Description	As at 31st March 2026	As at 31st March 2025
	Unsecured - considered good		
	At amortised cost		
a)	Employees related receivables	17.65	18.06
b)	Security deposit for leased premises	15.51	13.29
c)	Other financial assets - Related parties *	3.03	2.70
d)	Other financial assets - Non related parties	5.34	5.34
e)	Deposit with service providers	2.39	2.12
	Total - Gross	**43.92**	**41.50**
	Less: Impairment loss allowance	14.36	13.22
	Total - Net	**29.56**	**28.28**

*Includes dues from related parties (Refer note 41)

(All amounts in ₹ crores, unless otherwise stated)

NOTE 11 Current tax assets (Net)

S No	Description	As at 31st March 2026	As at 31st March 2025
a)	Opening balance	11.03	19.80
b)	Add: Taxes paid	397.66	315.03
c)	Less: Taxes payable	(400.49)	(323.80)
	Total - Net	**8.20**	**11.03**

NOTE 12 Movement in Deferred tax asset /(liability)

S. No	Description	Balance as at 31st March 2024	Recognised in profit and loss	Recognised in OCI	Balance as at 31st March 2025	Recognised in profit and loss	Recognised in OCI	Balance as at 31st March 2026
a)	**Deferred tax asset**							
	Remeasurement of defined benefit plans	18.04	(5.72)	2.68	15.00	0.90	2.72	18.62
	Expected credit loss	205.61	16.90	-	222.51	10.19	-	232.70
	Property, plant and equipment and intangible assets	4.88	1.43	-	6.31	(0.88)	-	5.43
	Right-to-use assets	1.20	0.22	-	1.42	0.39	-	1.81
	Impact of effective interest rate adjustment on financial assets/ liabilities	66.79	35.84	-	102.63	60.67	-	163.30
	Other temporary differences	43.42	16.78	-	60.20	4.07	-	64.27
	Deferred tax assets (a)	**339.94**	**65.45**	**2.68**	**408.07**	**75.34**	**2.72**	**486.13**
b)	**Deferred tax liabilities**							
	Fair value on equity instruments designated under FVOCI	-	(0.16)	-	(0.16)	-	1.20	1.05
	Cash flow hedge reserve	1.98	-	(2.39)	(0.41)	-	3.48	3.07
	Deferred tax liabilities (b)	**1.98**	**(0.16)**	**(2.39)**	**(0.57)**	**-**	**4.68**	**4.12**
c)	**Deferred tax assets/ (liabilities), Net (a-b)**	**337.96**	**65.61**	**5.07**	**408.64**	**75.34**	**(1.96)**	**482.01**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 13 Investment property

Description	Land
As at 31st March 2026	
Gross carrying amount as at 1st April 2025	85.16
Additions	-
Sub-total	**85.16**
Disposals	-
Closing gross carrying amount (A)	**85.16**
Depreciation and amortisation	
Opening accumulated depreciation	-
Depreciation for the year	1.58
Sub-total	**1.58**
Disposals	-
Closing accumulated depreciation and amortisation(B)	**1.58**
Net carrying value as at 31st March 2026 (A)-(B)	**83.58**
Net carrying value as at 31st March 2025	**85.16**

Description	Land
As at 31st March 2025	
Gross carrying amount as at 1st April 2024	85.16
Additions	-
Sub-total	**85.16**
Disposals	-
Closing gross carrying amount (A)	**85.16**
Depreciation and amortisation	
Opening accumulated depreciation	-
Depreciation for the year	-
Sub-total	-
Disposals	-
Closing accumulated depreciation and amortisation(B)	-
Net carrying value as at 31st March 2025 (A)-(B)	**85.16**

(i) Fair value

Description	As at 31st March 2026	As at 31st March 2025
Investment property	443.22	422.11

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	Significant unobservable inputs	Range (Weighted Avg)	Sensitivity of the input to fair value	Fair Value (Rs. In crore)	Sensitivity (Rs. In crore)
As at 31st March 2026	Per/Acre	16,17,00,000 per acre	5%	16.17	16.98
As at 31st March 2025	Per/Acre	15,40,00,000 per acre	5%	15.40	16.17

(All amounts in ₹ crores, unless otherwise stated)

NOTE 14A Property, plant and equipment and intangible assets

Description	Property, plant and equipment								Right-to-use asset	Other intangible assets (Computer software)*
	Computers	Furniture & fixtures	Office equipments	Vehicles	Leasehold improvements	Building	Land	Total		
As at 31st March 2026										
Gross carrying amount as at 1st April 2025	70.90	24.18	29.34	1.49	6.00	-	-	131.91	122.44	21.80
Additions and adjustments on account of modification	17.38	3.10	9.86	0.05	7.98	5.39	8.45	52.21	28.84	50.26
Adjustment due to revaluation and acquisitions through business combinations	-	-	-	-	-	-	-	-	-	-
Sub-total	**88.28**	**27.28**	**39.20**	**1.54**	**13.98**	**5.39**	**8.45**	**184.12**	**151.28**	**72.06**
Disposals	6.92	0.46	1.06	-	-	-	-	8.45	-	-
Closing gross carrying amount (A)	**81.36**	**26.82**	**38.14**	**1.54**	**13.98**	**5.39**	**8.45**	**175.67**	**151.28**	**72.06**
Depreciation and amortisation										
Opening accumulated depreciation	53.09	14.22	18.26	0.48	0.78	-	-	86.84	57.25	19.27
Depreciation/amortisation charge for the year	14.63	2.56	5.36	0.19	2.26	0.07	-	25.06	23.70	5.78
Sub-total	**67.72**	**16.78**	**23.62**	**0.67**	**3.04**	**0.07**	**-**	**111.90**	**80.95**	**25.05**
Disposals	6.93	0.43	1.01	-	-	-	-	8.37	-	-
Closing accumulated depreciation and amortisation (B)	**60.79**	**16.35**	**22.61**	**0.67**	**3.04**	**0.07**	**-**	**103.53**	**80.95**	**25.05**
Net carrying value as at 31st March 2026(A)-(B)	**20.57**	**10.47**	**15.53**	**0.87**	**10.94**	**5.32**	**8.45**	**72.14**	**70.33**	**47.00**
Net carrying value as at 31st March 2025	**17.81**	**9.96**	**11.08**	**1.01**	**5.22**	**-**	**-**	**45.07**	**65.19**	**2.53**

* Intangible assets included in the above schedule represent assets acquired/purchased during the year

(All amounts in ₹ crores, unless otherwise stated)

NOTE 14A Property, plant and equipment and intangible assets (Cont.)

Description	Property, plant and equipment								Right-to-use asset	Other intangible assets (Computer software)*
	Computers	Furniture & fixtures	Office equipments	Vehicles	Leasehold improvements	Building	Land	Total		
As at 31st March 2025										
Gross carrying amount as at 1st April 2024	59.16	20.79	18.64	1.49	-	-	-	100.08	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	**71.16**	**24.37**	**29.89**	**1.49**	**6.00**	**-**	**-**	**132.91**	**122.44**	**21.80**
Disposals	0.26	0.19	0.55	-	-	-	-	1.00	-	-
Closing gross carrying amount (A)	**70.90**	**24.18**	**29.34**	**1.49**	**6.00**	**-**	**-**	**131.92**	**122.44**	**21.80**
Depreciation and amortisation						-	-	-		
Opening accumulated depreciation	38.63	11.81	13.44	0.29	-	-	-	64.16	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	**53.34**	**14.40**	**18.79**	**0.48**	**0.78**	**-**	**-**	**87.79**	**57.25**	**19.27**
Disposals	0.25	0.18	0.53	-	-	-	-	0.96	-	-
Closing accumulated depreciation and amortisation (B)	**53.09**	**14.22**	**18.26**	**0.48**	**0.78**	**-**	**-**	**86.84**	**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**

* Intangible assets included in the above schedule represent assets acquired/purchased during the year

(a) The Company follows cost model as per Ind AS 16 and the Company has not carried out any revaluation of property, plant and equipment (including Right-to-use asset) during the year ended 31st March, 2026 and year ended 31st March, 2025.

(b) The title deeds of immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of lessee) are held in the name of the Company.

NOTE 14B 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 2026	As at 31st March 2025
Opening Balance	2.40	2.73
Additions	10.29	6.93
Deductions	(12.06)	(7.26)
Closing Balance	**0.63**	**2.40**

Ageing for capital work-in-progress

As at	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
31st March 2026	0.63	-	-	-	0.63
31st March 2025	2.40	-	-	-	2.40

The Company does not have any project temporarily suspended or any CWIP which is overdue or has exceeded its cost compared to its original plan and hence CWIP completion schedule is not applicable.

(All amounts in ₹ crores, unless otherwise stated)

Intangible Assets Under Development (ITUD)

Particulars	As at 31st March 2026	As at 31st March 2025
Opening Balance	10.96	3.18
Additions	3.85	8.32
Deductions	(12.91)	(0.54)
Closing Balance	**1.90**	**10.96**

Ageing for intangible assets under development

As at	Amount in ITUD for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
31st March 2026	1.90	-	-	-	1.90
31st March 2025	8.04	2.92	-	-	10.96

The Company does not have any project temporarily suspended or any intangible asset under development which is overdue or has exceeded its cost compared to its original plan and hence intangible asset under development completion schedule is not applicable.

NOTE 15 Other non-financial assets

S No	Description	As at 31st March 2026	As at 31st March 2025
a)	Advances to dealers	0.18	0.17
b)	Prepaid expenses	20.92	33.00
c)	Vendor advances	4.40	12.93
d)	Balances with GST/ Service tax department	1.68	1.59
e)	Amount paid under protest	0.92	0.64
	Total	**28.10**	**48.33**

Impairment loss allowance recognised on other non-financial assets is Nil (31st March 2025: Nil).

NOTE 16 Trade payables

S No	Description	As at 31st March 2026	As at 31st March 2025
(a)	Total outstanding dues of micro enterprises and small enterprises	29.60	26.08
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	979.89	1,061.22
	Total	**1,009.49**	**1,087.30**

(All amounts in ₹ crores, unless otherwise stated)

16.1 Trade payables (Ageing Schedule)

The following schedules reflect ageing of trade payables with respect to the date of transaction

S No	Description	Outstanding for following periods from date of transaction as at 31st March 2026				
		<1 Year	1-2 years	2-3 years	>3 years	Total
	Undisputed:					
(i)	MSME	29.60	-	-	-	29.60
(ii)	Others	979.89	-	-	-	979.89
	Disputed:					
(i)	MSME	-	-	-	-	-
(ii)	Others	-	-	-	-	-
	Total	1,009.49	-	-	-	1,009.49

S No	Description	Outstanding for following periods from date of transaction as at 31st March 2025				
		<1 Year	1-2 years	2-3 years	>3 years	Total
	Undisputed:					
(i)	MSME	26.08	-	-	-	26.08
(ii)	Others	1,061.05	0.09	0.08	-	1,061.22
	Disputed:					
(i)	MSME	-	-	-	-	-
(ii)	Others	-	-	-	-	-
	Total	1,087.13	0.09	0.08	-	1,087.30

Notes:

1 Includes dues to related parties (Refer note 41)

2 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.

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:

Particulars	As at 31st March 2026	As at 31st March 2025
Principal amount due to suppliers under MSMED Act, as at the year end (since paid)	29.60	26.08
Interest accrued and due to suppliers under MSMED Act, on the above amount as at the year end	-	-
Payment made to suppliers(other than interest)beyond the appointed day,during the year	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act,for payments already made	-	-
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act(since paid)	-	-

(All amounts in ₹ crores, unless otherwise stated)

NOTE 17 Debt securities

Description	As at 31st March 2026	As at 31st March 2025
At amortised cost:		
Commercial paper (Unsecured)	398.27	-
Non convertible debentures (Secured)	2,911.59	2,625.39
Total (A)	**3,309.86**	**2,625.39**
Debt securities in India	3,309.86	2,625.39
Debt securities outside India	-	-
Total (B)	**3,309.86**	**2,625.39**

NOTE 18 Borrowings (Other than debt securities)

Description	As at 31st March 2026	As at 31st March 2025
At amortised cost:		
(a) Term loans (Secured)		
i) from banks	15,879.42	16,757.81
ii) from other parties	523.91	943.06
iii) External commercial borrowings	948.88	299.22
(b) Loans repayable on demand		
i)cash credit from banks (secured)	-	0.03
ii)working capital demand loan (secured)	4,735.84	1,792.35
Total (A)	**22,088.05**	**19,792.47**
Borrowings in India	21,139.17	19,493.25
Borrowings outside India	948.88	299.22
Total (B)	**22,088.05**	**19,792.47**

Period and amount of default: NIL (31st March 2025: NIL)

NOTE 19 Subordinated liabilities

Description	As at 31st March 2026	As at 31st March 2025
At amortised cost-Unsecured		
(a) Perpetual debt instruments to the extent that do not qualify as equity	103.58	103.57
(b) Other subordinated liabilities		
From banks	-	-
From others	2,166.38	2,165.74
Total (A)	**2,269.96**	**2,269.31**
Subordinated liabilities in India	2,269.96	2,269.31
Subordinated liabilities outside India	-	-
Total (B)	**2,269.96**	**2,269.31**

Period and amount of default: NIL (31st March 2025: NIL)

(All amounts in ₹ crores, unless otherwise stated)

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. Change in liabilities arising from financing activities

Particulars	As at 1st April 2025	Cash flows	Exchange differences	Other*	As at 31st March 2026
Debt securities	2,625.39	675.00	-	9.47	3,309.86
Borrowings other than debt securities	19,792.47	2,211.69	91.43	(7.55)	22,088.05
Subordinated liabilities	2,269.31	-	-	0.66	2,269.96
Total	**24,687.17**	**2,886.69**	**91.43**	**2.58**	**27,667.87**

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**

* (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

Annexure

Institution	Amount Outstanding as on 31st March 2026	Type of Security	Interest Rate	Total Installment	No of installments remaining	Frequency	Repayable from	Repayable to
Debt Securities								
Commercial Paper	199.29	Unsecured	6.55%	1	1	Bullet	21/04/2026	21/04/2026
Commercial Paper	198.97	Unsecured	6.60%	1	1	Bullet	30/04/2026	30/04/2026
Non Convertible Debentures	236.21	Secured	7.15%	1	1	Bullet	26/06/2026	26/06/2026
Non Convertible Debentures	516.08	Secured	8.35%	2	2	Bullet	29/10/2026	29/10/2027
Non Convertible Debentures	534.77	Secured	8.25%	2	2	Bullet	31/12/2026	31/12/2027
Non Convertible Debentures	502.95	Secured	8.25%	3	3	Bullet	03/03/2027	03/03/2028
Non Convertible Debentures	578.28	Secured	7.50%	3	3	Bullet	26/04/2028	27/06/2028
Non Convertible Debentures	543.31	Secured	7.55%	3	3	Bullet	19/07/2028	19/09/2028
	3,309.86							
Loan repayable on demand	4,735.84	Secured	6.35% to 7.32%	Repayable on demand				
	4,735.84							
Term Loan								
Bank	39.75	Secured	6.83%	15	6	Quarterly	31/03/2024	01/10/2027
Bank	120.00	Secured	6.83%	15	6	Quarterly	31/03/2024	01/10/2027
Bank	120.00	Secured	6.83%	15	6	Quarterly	31/03/2024	01/10/2027
Bank	40.00	Secured	6.83%	15	6	Quarterly	31/03/2024	01/10/2027

(All amounts in ₹ crores, unless otherwise stated)

Institution	Amount Outstanding as on 31st March 2026	Type of Security	Interest Rate	Total Installment	No of installments remaining	Frequency	Repayable from	Repayable to
Bank	45.82	Secured	6.45%	39	18	Monthly	31/07/2024	30/09/2027
Bank	92.31	Secured	6.45%	39	18	Monthly	31/07/2024	30/09/2027
Bank	46.15	Secured	6.45%	39	18	Monthly	31/07/2024	30/09/2027
Bank	215.38	Secured	6.45%	39	21	Monthly	15/10/2024	15/12/2027
Bank	72.88	Secured	6.95%	15	11	Quarterly	30/06/2025	31/12/2028
Bank	146.67	Secured	6.95%	15	11	Quarterly	30/06/2025	31/12/2028
Bank	146.67	Secured	6.95%	15	11	Quarterly	30/06/2025	31/12/2028
Bank	230.51	Secured	5.30%	13	12	Quarterly	28/02/2026	28/02/2029
Bank	230.66	Secured	5.30%	13	12	Quarterly	31/03/2026	31/03/2029
Bank	249.80	Secured	5.30%	13	13	Quarterly	30/06/2026	30/06/2029
Bank	181.80	Secured	7.00%	11	4	Quarterly	01/10/2024	01/04/2027
Bank	131.26	Secured	7.80%	16	7	Quarterly	29/03/2024	29/12/2027
Bank	174.99	Secured	7.80%	12	6	Quarterly	30/12/2024	30/09/2027
Bank	75.02	Secured	7.80%	12	6	Quarterly	30/12/2024	30/09/2027
Bank	75.86	Secured	7.00%	21	15	Monthly	31/10/2025	30/06/2027
Bank	303.60	Secured	7.00%	21	15	Monthly	31/10/2025	30/06/2027
Bank	750.10	Secured	7.25%	36	36	Monthly	30/04/2026	31/03/2029
Bank	25.00	Secured	6.64%	6	1	Half Yearly	29/02/2024	31/08/2026
Bank	166.67	Secured	7.18%	6	5	Half Yearly	29/03/2026	29/09/2028
Bank	31.42	Secured	7.25%	12	1	Quarterly	30/06/2023	28/04/2026
Bank	176.69	Secured	7.10%	16	5	Quarterly	30/09/2023	29/06/2027
Bank	58.86	Secured	7.10%	16	5	Quarterly	30/09/2023	29/06/2027
Bank	144.86	Secured	7.10%	16	6	Quarterly	27/12/2023	26/09/2027
Bank	43.35	Secured	5.85%	16	6	Quarterly	27/12/2023	26/09/2027
Bank	125.59	Secured	7.15%	13	4	Quarterly	29/02/2024	01/03/2027
Bank	31.38	Secured	5.95%	13	4	Quarterly	26/03/2024	27/03/2027
Bank	70.60	Secured	5.47%	26	7	Monthly	30/06/2024	30/10/2026
Bank	154.27	Secured	5.47%	10	5	Quarterly	30/03/2025	30/06/2027
Bank	68.00	Secured	5.79%	27	10	Monthly	29/09/2024	30/01/2027
Bank	138.90	Secured	5.79%	11	6	Quarterly	29/03/2025	29/09/2027
Bank	92.74	Secured	5.97%	27	13	Monthly	30/12/2024	27/04/2027
Bank	162.33	Secured	5.97%	13	7	Quarterly	30/12/2024	27/12/2027
Bank	243.46	Secured	5.60%	13	9	Quarterly	31/05/2025	29/05/2028
Bank	87.53	Secured	5.60%	31	18	Monthly	31/03/2025	27/09/2027
Bank	85.01	Secured	5.55%	13	11	Quarterly	28/10/2025	28/10/2028
Bank	145.54	Secured	5.55%	29	21	Monthly	28/08/2025	28/12/2027
Bank	127.52	Secured	5.55%	13	11	Quarterly	05/11/2025	28/10/2028
Bank	38.11	Secured	5.55%	29	22	Monthly	05/09/2025	28/12/2027
Bank	85.05	Secured	5.55%	13	11	Quarterly	30/12/2025	30/12/2028
Bank	119.55	Secured	5.55%	29	23	Monthly	30/10/2025	29/02/2028
Bank	216.56	Secured	5.55%	29	25	Monthly	19/12/2025	17/04/2028
Bank	100.46	Secured	5.40%	13	13	Quarterly	27/05/2026	26/05/2029
Bank	145.51	Secured	5.40%	29	28	Monthly	27/03/2026	26/07/2028
Bank	249.99	Secured	7.00%	1	1	Bullet	30/06/2026	30/06/2026
Bank	299.95	Secured	7.10%	1	1	Bullet	26/09/2027	26/09/2027
Bank	349.71	Secured	7.00%	10	10	Quarterly	01/07/2026	01/10/2028
Bank	100.77	Secured	8.00%	10	5	Quarterly	29/03/2025	29/06/2027
Bank	352.60	Secured	7.90%	10	7	Quarterly	30/09/2025	30/12/2027
Bank	30.11	Secured	6.61%	10	2	Quarterly	29/04/2024	29/07/2026
Bank	20.07	Secured	6.61%	10	2	Quarterly	29/04/2024	29/07/2026
Bank	75.28	Secured	6.48%	10	3	Quarterly	20/07/2024	20/10/2026
Bank	92.33	Secured	6.68%	11	5	Quarterly	26/11/2024	26/05/2027
Bank	225.80	Secured	7.08%	10	9	Quarterly	24/01/2026	24/04/2028
Bank	38.46	Secured	5.85%	13	5	Quarterly	30/06/2024	30/06/2027
Bank	126.85	Secured	5.60%	13	11	Quarterly	17/10/2025	17/10/2028
Bank	112.50	Secured	6.55%	8	3	Quarterly	11/03/2025	08/12/2026
Bank	400.18	Secured	8.10%	1	1	Bullet	29/05/2026	29/05/2026

(All amounts in ₹ crores, unless otherwise stated)

Institution	Amount Outstanding as on 31st March 2026	Type of Security	Interest Rate	Total Installment	No of installments remaining	Frequency	Repayable from	Repayable to
Bank	350.14	Secured	7.12%	1	1	Bullet	21/05/2027	21/05/2027
Bank	350.14	Secured	7.13%	1	1	Bullet	14/07/2027	14/07/2027
Bank	300.12	Secured	7.09%	1	1	Bullet	26/08/2027	26/08/2027
Bank	16.65	Secured	7.80%	12	4	Quarterly	30/06/2024	31/03/2027
Bank	50.00	Secured	7.80%	12	4	Quarterly	30/06/2024	31/03/2027
Bank	49.99	Secured	7.95%	10	1	Quarterly	31/03/2024	30/06/2026
Bank	40.01	Secured	7.95%	10	2	Quarterly	30/04/2024	31/07/2026
Bank	10.00	Secured	7.95%	10	1	Quarterly	31/03/2024	30/06/2026
Bank	20.00	Secured	7.95%	10	1	Quarterly	31/03/2024	30/06/2026
Bank	125.00	Secured	7.95%	12	3	Quarterly	29/02/2024	30/11/2026
Bank	250.00	Secured	7.95%	12	6	Quarterly	31/12/2024	30/09/2027
Bank	145.87	Secured	7.95%	12	7	Quarterly	28/02/2025	30/11/2027
Bank	145.87	Secured	7.95%	12	7	Quarterly	31/03/2025	31/12/2027
Bank	551.72	Secured	7.95%	15	11	Quarterly	29/05/2025	29/11/2028
Bank	184.57	Secured	7.95%	15	11	Quarterly	29/05/2025	29/11/2028
Bank	738.28	Secured	7.95%	15	11	Quarterly	29/05/2025	29/11/2028
Bank	738.28	Secured	7.95%	15	11	Quarterly	29/05/2025	29/11/2028
Bank	999.73	Secured	6.76%	7	7	Monthly	27/06/2026	27/12/2026
Bank	33.41	Secured	6.73%	12	4	Quarterly	27/06/2024	27/03/2027
Bank	33.59	Secured	6.73%	12	4	Quarterly	27/06/2024	27/03/2027
Bank	33.59	Secured	6.73%	12	4	Quarterly	27/06/2024	27/03/2027
Bank	167.77	Secured	6.73%	12	4	Quarterly	27/06/2024	27/03/2027
Bank	67.11	Secured	6.73%	12	4	Quarterly	27/06/2024	27/03/2027
Bank	136.35	Secured	7.75%	11	5	Quarterly	26/12/2024	26/06/2027
Bank	163.67	Secured	7.75%	11	6	Quarterly	30/01/2025	30/07/2027
Bank	218.23	Secured	7.75%	11	6	Quarterly	28/02/2025	31/08/2027
Bank	318.18	Secured	7.05%	11	7	Quarterly	30/06/2025	31/12/2027
Bank	363.71	Secured	7.05%	11	8	Quarterly	30/09/2025	31/03/2028
Bank	428.61	Secured	7.00%	21	18	Monthly	31/01/2026	30/09/2027
Others	147.27	Secured	7.19%	43	21	Monthly	10/06/2024	10/12/2027
Others	167.40	Secured	7.24%	12	4	Quarterly	10/06/2024	10/03/2027
Others	209.25	Secured	6.90%	12	5	Quarterly	10/08/2024	10/05/2027
Bank-ECB	331.42	Secured	7.77%	1	1	Bullet	27/03/2028	27/03/2028
Bank-ECB	285.62	Secured	7.50%	1	1	Bullet	15/05/2028	15/05/2028
Bank-ECB	331.84	Secured	7.59%	1	1	Bullet	19/06/2028	19/06/2028
	17,352.21							
Subordinated Liabilities								
Perpetual Debt	103.58	Unsecured	11.50%	1	1	Bullet	24/11/2027	24/11/2027
Other Subordinated Liabilities:								
Others	154.11	Unsecured	9.40%	1	1	Bullet	10/06/2026	10/06/2026
Others	151.14	Unsecured	9.40%	1	1	Bullet	26/08/2026	26/08/2026
Others	101.82	Unsecured	8.85%	1	1	Bullet	02/06/2027	02/06/2027
Others	359.29	Unsecured	8.85%	1	1	Bullet	11/06/2027	11/06/2027
Others	101.45	Unsecured	9.50%	1	1	Bullet	18/01/2028	18/01/2028
Others	324.77	Unsecured	9.50%	1	1	Bullet	31/01/2028	31/01/2028
Others	201.84	Unsecured	9.35%	1	1	Bullet	29/08/2028	29/08/2028
Others	512.18	Unsecured	9.30%	1	1	Bullet	27/06/2029	27/06/2029
Others	157.56	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	**2,166.38**							
Subordinated Liabilities Total	**2,269.96**							

(All amounts in ₹ crores, unless otherwise stated)

Institution	Amount Outstanding as on 31st March 2025	Type of Security	Interest Rate	Total Installment	No of installments 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	30/10/2026
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
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

(All amounts in ₹ crores, unless otherwise stated)

Institution	Amount Outstanding as on 31st March 2025	Type of Security	Interest Rate	Total Installment	No of installments remaining	Frequency	Repayable from	Repayable to
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
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

(All amounts in ₹ crores, unless otherwise stated)

Institution	Amount Outstanding as on 31st March 2025	Type of Security	Interest Rate	Total Installment	No of installments remaining	Frequency	Repayable from	Repayable to
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
	18,000.09							
Subordinated Liabilities								
Perpetual Debt	103.57	Unsecured	11.50%	1	1	Bullet	24/11/2027	24/11/2027
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
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**							

Details of Security

i) Non convertible debentures of Rs. 2912 Crores inclusive of current and non-current dues (As at 31st March 2025 Rs. 2,625 Crores) 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 Rs. 17,352 Crores inclusive of current and non-Current dues (As at 31st March 2025 Rs. 18,000 Crores) 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 Rs. 4,736 Crores (As at 31st March 2025 Rs.1,792 Crores) is fully secured by exclusive floating charge against hypothecation of receivables under the financing activity of the Company.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 20 Other financial liabilities

S No	Description	As at 31st March 2026	As at 31st March 2025
a)	Employee related liabilities	104.65	127.42
b)	Security deposit	19.87	15.51
c)	Lease liability (refer note 40)	77.50	71.41
d)	Other liability	7.83	7.00
	Total	**209.85**	**221.34**

NOTE 21 Provisions

S No	Description	As at 31st March 2026	As at 31st March 2025
	Provision for employee benefits		
a)	Pension (refer note 36)	13.29	12.70
b)	Gratuity (refer note 36)	15.58	3.60
c)	Compensated absences (refer note 36)	45.05	43.28
	Others		
a)	Provision for expected credit loss towards undrawn commitments	1.23	-
	Total	**75.15**	**59.58**

NOTE 22 Other non-financial liabilities

S No	Description	As at 31st March 2026	As at 31st March 2025
a)	Statutory dues	38.10	38.15
	Total	**38.10**	**38.15**

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 Rs. 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 Rs. 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.

	Description	As at 31st March 2026	As at 31st March 2025
c)	**Authorised share capital:**		
	300,000,000 (As at 31st March 2025 : 300,000,000) equity shares of Rs.10 each	300.00	300.00
	20,000,000 (As at 31st March 2025 : 20,000,000) 0.001% Compulsorily convertible preference shares of Rs.10 each	20.00	20.00
	Total	**320.00**	**320.00**

(All amounts in ₹ crores, unless otherwise stated)

d)	**Issued, subscribed and paid up:**		
	Equity Share:		
	23,96,67,485 (As at 31st March 2025 : 23,62,72,706) equity shares of Rs.10 each	239.67	236.27
	Total	**239.67**	**236.27**
	Instruments entirely equity in nature:		
	1,83,84,684 (As at 31st March 2025: 1,83,84,684) 0.001% Compulsorily convertible preference shares of Rs.10 each	18.38	18.38
	Total	**18.38**	**18.38**

e) **Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:**

Equity Share:

Particulars	As at 31st March 2026		As at 31st March 2025	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	23,62,72,706	236.27	22,82,23,926	228.22
Add: Issued during the year	33,94,779	3.39	80,48,780	8.05
At the end of the year	**23,96,67,485**	**239.67**	**23,62,72,706**	**236.27**

Notes:

1) During FY 25-26, the Company through preferential issue on private placement basis on 31st October 2025 & 13th November 2025 allotted 29,59,441 & 4,35,338 equity shares respectively to eligible buyers at a price of Rs.589.14 per equity share of Rs.10 face value (inclusive of premium of Rs.579.14 per share) aggregating to approximately Rs.200 crores.

2) During FY 24-25, the Company through preferential issue on private placement basis on 28th June 2024 allotted 80,48,780 equity shares respectively to eligible buyers at a price of Rs.410 per equity share of Rs.10 face value (inclusive of premium of Rs.400 per share) aggregating to approximately Rs.330 crores.

3) There were no shares alloted for contract(s) without payment being received in cash, buy back of shares or bonus shares issued during immediately preceeding 5 previous years.

4) No shares has been reserved for issue under options and contracts/commitments for the sale of shares/ disinvestment during the preceeding 5 previous years.

0.001% Compulsorily convertible preference shares:

Particulars	As at 31st March 2026		As at 31st March 2025	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	1,83,84,684	18.38	1,83,84,684	18.38
Add: Issued during the year	-	-	-	-
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 2026	As at 31st March 2025
Equity share:		
TVS Motor Company Limited	20,52,30,334	20,23,19,089
0.001% Compulsorily convertible preference shares:		
TVS Motor Company Limited	31,69,773	31,69,773

(All amounts in ₹ crores, unless otherwise stated)

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 2026		As at 31st March 2025	
	No. of shares	% of Holding	No. of shares	% of Holding
Equity share:				
TVS Motor Company Limited	20,52,30,334	85.63%	20,23,19,089	85.63%
PI Opportunities Fund I Scheme II	1,26,38,567	5.27%	1,22,72,143	5.19%
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

Promotor Name	No. of shares	% of total shares	% change during the year
Equity share:			
TVS Motor Company Limited	20,52,30,334	85.63%	0.00%
0.001% Compulsorily convertible preference shares:			
TVS Motor Company Limited	31,69,773	17.24%	0.00%

NOTE 24 Other equity

Description	As at 31st March 2026	As at 31st March 2025
a) Securities premium	2,392.75	2,196.14
b) Statutory reserves	692.48	509.85
c) Share based payment reserve	0.96	0.27
d) Retained earnings	2,710.70	1,988.24
e) Other comprehensive income - Financial Instruments through OCI	3.08	(0.47)
f) Other comprehensive income - Cashflow Hedge reserve	9.61	(0.76)
Total reserves and surplus	**5,809.58**	**4,693.27**

a) Securities premium	As at 31st March 2026	As at 31st March 2025
Opening balance	2,196.14	1,874.19
Additions during the year	196.61	321.95
Closing balance	**2,392.75**	**2,196.14**

b) Statutory reserves	As at 31st March 2026	As at 31st March 2025
Opening balance	509.85	356.40
Transfer from retained earnings	182.63	153.45
Closing balance	**692.48**	**509.85**

(All amounts in ₹ crores, unless otherwise stated)

c) Share based payment reserve	As at 31st March 2026	As at 31st March 2025
Opening balance	0.27	-
Share based payment expense during the year	0.69	0.27
Closing balance	**0.96**	**0.27**

d) Retained Earnings	As at 31st March 2026	As at 31st March 2025
Opening balance	1,988.24	1,382.40
Net profit for the year	913.17	767.25
Items of other comprehensive income recognised directly in retained earnings:		
- Remeasurements of post-employment benefit obligation net off tax	(8.08)	(7.96)
Transfer to statutory reserve	(182.63)	(153.45)
Closing balance	**2,710.70**	**1,988.24**

e) Other comprehensive income - Financial Instruments through OCI	As at 31st March 2026	As at 31st March 2025
Opening balance	(0.47)	-
Add: Fair value gain/(loss) on financial instruments net of tax	3.55	(0.47)
Closing balance	**3.08**	**(0.47)**

f) Other comprehensive income - Cashflow hedge reserve	As at 31st March 2026	As at 31st March 2025
Opening balance	(0.76)	5.89
Add: Change in fair value of hedging instruments, net off tax	10.37	(6.65)
Closing balance	**9.61**	**(0.76)**

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.

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 comprehensive income - Financial Instruments through OCI:

It represents the cumulative gains/(losses) arising on revaluation of equity instruments measured at fair value through OCI.

Other comprehensive income - Cashflow Hedge reserve:

It represents the cumulative gains/(losses) arising on revaluation of derivative instruments designated as cash flow hedges through OCI.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 25 Interest income

Description	Year ended 31st March 2026	Year ended 31st March 2025
On financial assets measured at amortised cost:		
Interest on loans	6,175.12	5,752.94
Interest on deposits with bank	19.96	16.24
Interest on Government securities	18.27	6.79
Total	**6,213.35**	**5,775.97**

NOTE 26 Fees and commission income

Description	Year ended 31st March 2026	Year ended 31st March 2025
Fee based income	576.56	525.12
Service income	247.21	211.34
Total	**823.77**	**736.46**

NOTE 27 Net gain on fair value changes

Description	Year ended 31st March 2026	Year ended 31st March 2025
Net gain on financial instruments at fair value through profit or loss		
On trading portfolio		
Realised gain on investment at FVTPL	154.02	92.32
Total	**154.02**	**92.32**

NOTE 28 Other income

Description	Year ended 31st March 2026	Year ended 31st March 2025
Unwinding of discount on security deposits and receivable for investments	1.14	0.97
Other non-operating Income	3.72	0.44
Interest on income tax refund	-	2.52
Total	**4.86**	**3.93**

NOTE 29 Finance costs

Description	Year ended 31st March 2026	Year ended 31st March 2025
Interest expenses on financial liabilities measured at amortised cost:		
- Interest on borrowings (other than debt securities)	1,445.82	1,476.13
- Interest on debt securities	268.60	169.54
- Interest on subordinated liabilities	206.71	203.74
Other interest expense:		
- Interest on lease liabilities	6.48	6.12
- Others	6.68	7.79
Total	**1,934.29**	**1,863.32**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 30 Impairment of financial instruments

Description	Year ended 31st March 2026	Year ended 31st March 2025
On financial instruments measured at amortised cost:		
Bad Debts written off (net)	722.12	940.98
Net Loss on foreclosure / sale of repossessed assets	392.22	410.38
Impairment provision on loans	41.59	(57.20)
Provision for expected credit loss towards undrawn commitments	1.23	-
Impairment provision on trade receivables and other financial assets	(0.57)	1.20
Total	**1,156.59**	**1,295.36**

NOTE 31 Employee benefit expenses

Description	Year ended 31st March 2026	Year ended 31st March 2025
Salaries and wages	1,154.06	1,019.56
Contribution to provident and other funds	60.74	56.86
Gratuity expenses (refer note 36)	9.86	6.87
Share based payment to employees	0.69	0.27
Staff welfare expenses	48.88	52.02
Total	**1,274.23**	**1,135.58**

NOTE 32 Depreciation and amortization expenses

Description	Year ended 31st March 2026	Year ended 31st March 2025
Depreciation on investment property (refer note 13)	1.58	-
Depreciation on property, plant and equipment (refer note 14)	25.06	23.63
Depreciation on Right-to-use assets (refer note 14)	23.70	20.87
Amortisation of Intangible assets (refer note 14)	5.78	1.70
Total	**56.12**	**46.20**

NOTE 33 Other expenses

Description	Year ended 31st March 2026	Year ended 31st March 2025
Rent, taxes and energy costs (Refer note 40d))	23.02	18.36
Repairs and maintenance	14.73	18.31
Communication costs	136.93	97.21
Printing and stationery	1.32	1.59
Directors sitting fees & commission expenses	1.53	1.03
Auditors fees and expenses*	1.04	0.73
Legal and professional charges	22.20	92.49
Insurance expenses	1.56	0.90
Travelling and conveyance	58.80	46.13
Information technology expenses	126.38	106.16
Manpower support expenses	579.43	274.49
Brand royalty fee	24.63	24.96
Corporate social responsibility (refer note 41) **	16.00	10.00
Donation (refer note 41)	38.30	20.00
Others	8.83	3.26
Total	**1,054.70**	**715.62**

(All amounts in ₹ crores, unless otherwise stated)

***Auditors fees and expenses**

Description	Year ended 31st March 2026	Year ended 31st March 2025
Statutory audit	0.69	0.42
Limited review	0.12	0.12
Tax audit	0.10	0.08
Certification	0.09	0.05
Reimbursement of expenses	0.04	0.06
Auditors fees and expenses	**1.04**	**0.73**

**** Expenditure incurred on corporate social responsibility activities:**

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
(i) Amount required to be spent by the Company during the year	15.32	9.53
(ii) Amount spent during the year on	16.00	10.00
a. Construction/ acquisition of any asset	-	-
b. On purposes other than (a) above	16.00	10.00
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	NA	NA
(vi) Details of related party transactions: Contribution to a trust, an Enterprise under common control	16.00	10.00
(vii) 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 : Economic development, health care, education, environment sustainability and water conservation		

NOTE 34 Income tax expense

Description	Year ended 31st March 2026	Year ended 31st March 2025
(a) Income tax expense:		
Current tax on profits for the year	400.49	323.80
Tax profits relating to prior period	-	-
Total current tax expense	**400.49**	**323.80**
Deferred tax		
Decrease/(increase) in deferred tax assets	(75.34)	(65.61)
(Decrease)/increase in deferred tax liabilities	-	-
Total deferred tax expense/(benefit)	**(75.34)**	**(65.61)**
Income tax expense for the year	**325.15**	**258.19**
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before income tax expense	1,238.32	1,025.44
Tax at the Indian tax rate of 25.168% (31st March 2025: 25.168%)	311.66	258.08
Tax effect of amounts which are permanent differences in nature in calculation of taxable income	13.49	0.11
Income tax expense	**325.15**	**258.19**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 35 Earnings per equity share (EPS)

Description	Year ended 31st March 2026	Year ended 31st March 2025
(a) Basic earnings per share		
Basic earnings per share attributable to the equity holders of the Company	35.66	30.36
(b) Diluted earnings per share		
Diluted earnings per share attributable to the equity holders of the Company	35.66	30.36
(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 basic earnings per share	913.17	767.25
Diluted earnings per share:		
Profit attributable to equity holders of the company used in calculating diluted earnings per share	913.17	767.25
(d) Weighted average number of equity shares used as the denominator in calculating basic earnings per share	25,60,55,601	25,27,16,862
Effect of dilution:		
Employee stock options	13,390	2,782
(e) Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	25,60,68,991	25,27,19,644

NOTE 36 Employee benefit plans

(I) Defined benefit plans

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		
	Present value of obligation	Fair value of plan assets	Total	Present value of obligation	Fair value of plan assets	Total
As at 1st April 2024	**44.52**	**(43.95)**	**0.57**	**11.23**	**-**	**11.23**
Current service cost	7.07	-	7.07	-	-	-
Interest expense/(income)	3.12	(3.32)	(0.20)	0.79	-	0.79
Total amount recognised in profit or loss	**10.19**	**(3.32)**	**6.87**	**0.79**	**-**	**0.79**
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**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 36 Employee benefit plans (Contd.)

Particulars	Gratuity			Pension		
	Present value of obligation	Fair value of plan assets	Total	Present value of obligation	Fair value of plan assets	Total
As at 1st April 2025	**57.10**	**(53.48)**	**3.60**	**12.70**	**-**	**12.70**
Current service cost	9.70	-	9.70	-	-	-
Past service cost	8.61	-	8.61	-	-	-
Interest expense/(income)	3.97	(3.81)	0.16	0.79	-	0.79
Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-	-	-	-
(Gain)/loss from change in financial assumptions	-	-	-	-	-	-
Experience (gains)/losses	-	-	-	-	-	-
Total amount recognised in profit or loss	**22.28**	**(3.81)**	**18.48**	**0.79**	**-**	**0.79**
Remeasurements						
Return on plan assets, excluding amounts included in interest expense/(income)	-	0.92	0.92	-	-	-
(Gain)/loss from change in financial assumptions	0.05	-	0.05	0.87	-	0.87
Experience (gains)/losses	9.66	-	9.66	(0.71)	-	(0.71)
Total amount recognised in other comprehensive (income)/Losses	**9.71**	**0.92**	**10.64**	**0.16**	**-**	**0.16**
Employer contributions	-	(17.14)	(17.14)	-	-	-
Benefit payments	(4.12)	4.12	-	(0.36)	-	(0.36)
As at 31st March 2026	**84.97**	**(69.39)**	**15.58**	**13.29**	**-**	**13.29**

Details	Gratuity		Pension	
	31st March 2026	31st March 2025	31st March 2026	31st March 2025
Discount rate	6.23%	6.34%	5.75%	6.44%
Salary growth rate	6.00%	6.00%	5.50%	5.50%
Attrition rate	36.00%	36.00%	0.00%	0.00%
Retirement age	58	58	60	60
Mortality inclusive of provision for disability	100% of Indian assured lives mortality (IALM)			

(All amounts in ₹ crores, unless otherwise stated)

NOTE 36 Employee benefit plans (Contd.)

(i) Sensitivity analysis

FY 2025-26

Particulars	Gratuity			Pension		
	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%	84.00	85.95	1.00%	12.08	14.73
Salary growth rate	0.50%	85.90	84.04	1.00%	14.80	12.01
Mortality	5.00%	84.97	84.96	5.00%	13.18	13.41
Attrition	5.00%	84.50	85.44	5.00%	13.29	13.29
Rs.10,00,000 benefit ceiling	-	80.58	-	-	-	-
No benefit ceiling	-	-	87.34	-	-	-

FY 2024-25

Particulars	Gratuity			Pension		
	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
Salary growth rate	0.50%	57.74	56.43	1.00%	14.26	11.38
Mortality	5.00%	57.08	57.08	5.00%	12.60	12.81
Attrition	5.00%	56.68	57.49	5.00%	12.70	12.70
Rs.10,00,000 benefit ceiling	-	55.33	-	-	-	-
No benefit ceiling	-	-	57.86	-	-	-

(ii) Projected plan cash flow

Maturity profile	Amount (Rs. in crs)
Expected benefits for year 1	28.66
Expected benefits for year 2	23.43
Expected benefits for year 3	17.28
Expected benefits for year 4	12.82
Expected benefits for year 5	9.41
Expected benefits for year 6 and above	22.15
Total	**113.75**

(iii) Risk associated with defined benefit plan

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

a. Changes in discount rate

The present value of defined benefit plan liabilities is calculated using a discount rate which is determined by reference to Government bonds' yields at the end of the reporting period.
A decrease/(increase) in discount rate will increase/(decrease)present values of plan liabilities.

b. Salary escalation risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants calculated by applying estimated salary escalation rate. Any deviation in actual salary escalation can have impact on plan liability.

c. Attrition rate risk

If the actual employee withdrawal rate in the future turns out to be more or less than expected then it may result in increase/decrease in the liability.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 36 Employee benefit plans (Contd.)

d. Mortality rate risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase/decrease in the life expectancy of the plan participants can have impact on plan liability

(iv) Category of Plan Assets

100% in insurer managed funds

(II) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions. The Company's contribution to defined contribution plan viz. provident fund & ESI, of Rs. 59.95 crore (As at 31st March 2025: Rs. 55.80 crore) has been recognised in the Statement of Profit and Loss.

(III) Other long-term employee benefits

Compensated absences

Particulars	31st March 2026	31st March 2025
Present value of obligations	45.05	43.28
Expense recognised in the Statement of Profit and Loss	1.77	(12.51)
Assumptions		
Discount rate	6.19%	6.34%
Salary growth rate	6.00%	6.00%
Attrition rate	36.00%	36.00%
Retirement age	58	58

NOTE 37 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.

The carrying value and fair value of other financial instruments by categories as of 31st March 2026 were as follows:

Particulars	Carrying amount	Fair value			
	Amortised cost	Level 1	Level 2	Level 3	Total
Financial assets:					
Cash and cash equivalents	3,327.50	-	-	3,327.50	3,327.50
Other bank balances	0.21	-	-	0.21	0.21
Trade receivables	214.66	-	-	214.66	214.66
Loans	30,285.47	-	-	30,285.47	30,285.47
Investment in subsidiaries	12.01	-	-	12.01	12.01
Investment in Government securities	288.98	288.98	-	-	288.98
Other financial assets	29.56	-	-	29.56	29.56
Total financial assets	**34,158.39**	**288.98**	**-**	**33,869.40**	**34,158.39**
Trade payables	1,009.49	-	-	1,009.49	1,009.49
Debt securities	3,309.86	-	3,309.86	-	3,309.86
Borrowings other than debt securities	22,088.05	-	-	22,088.05	22,088.05
Subordinated liabilities	2,269.96	-	2,269.96	-	2,269.96
Other financial liabilities	209.85	-	-	209.85	209.85
Total financial liabilities	**28,887.21**	**-**	**5,579.82**	**23,307.39**	**28,887.21**

(All amounts in ₹ crores, unless otherwise stated)

The carrying value and fair value of other financial instruments by categories as of 31st March 2025 were as follows:

Particulars	Carrying amount	Fair value			
	Amortised cost	Level 1	Level 2	Level 3	Total
Financial assets:					
Cash and cash equivalents	3,590.32	-	-	3,590.32	3,590.32
Other bank balances	5.95	-	-	5.95	5.95
Trade receivables	141.25	-	-	141.25	141.25
Loans	26,298.84	-	-	26,298.84	26,298.84
Investment in subsidiaries	12.01	-	-	12.01	12.01
Investment in Government securities	282.12	282.12	-	-	282.12
Other financial assets	28.28	-	-	28.28	28.28
Total financial assets	**30,358.77**	**282.12**	**-**	**30,076.65**	**30,358.77**
Trade payables	1,087.30	-	-	1,087.30	1,087.30
Debt securities	2,625.39	-	2,625.39	-	2,625.39
Borrowings other than debt securities	19,792.47	-	-	19,792.47	19,792.47
Subordinated liabilities	2,269.31	-	2,269.31	-	2,269.31
Other financial liabilities	221.34	-	-	221.34	221.34
Total financial liabilities	**25,995.81**	**-**	**4,894.70**	**21,101.11**	**25,995.81**

Financial assets and financial liabilities measured at fair value:

Particulars	Fair value hierarchy	31st March 2026	31st March 2025
Financial assets			
Derivative financial instruments	Level 2	103.43	-
Investment in alternate investment fund	Level 3	12.14	5.38
Investment in compulsory convertible debentures	Level 3	0.25	0.25
Total financial assets		**115.82**	**5.63**
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 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.

(All amounts in ₹ crores, unless otherwise stated)

(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 in subsidiary have been considered as the carrying value.
- 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 38 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, financial institutions, commercial papers, debentures and subordinated liabilities in the form of debentures.

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.

Particulars	31st March 2026	31st March 2025
Gross carrying value of loans		
Stage-1 (Up to 30 Days)	29,566.06	25,066.76
Stage-2 (31-90 Days)	892.13	1,329.68
Stage-3 (More than 90 Days)*	757.82	782.98
Total gross carrying value as of year end	**31,216.01**	**27,179.42**

*Includes restructured contracts under Reserve Bank of India (Non-Banking Financial Companies – Resolution of Stressed Assets) Directions, 2025 dated 28th November 2025 irrespective of days past due on the reporting date.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 38 Financial risk management (Contd.)

Trade receivable 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.

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 are taken through follow ups and legal recourse.

Inputs considered in the ECL model

In assessing the impairment of loan 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 at 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.

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.
As at 31st March 2026, the outstanding exposure in respect of accounts restructured under the COVID-19 One-Time Resolution framework vide RBI circular dated 6th August 2020 and RBI/2021-22/31/DOR.STR.REC.11/21.04.048/2021-22 dated 5th May 2021 is Nil.
The Company has classified all restructured accounts done under Reserve Bank of India (Non-Banking Financial Companies – Resolution of Stressed Assets) Directions, 2025 dated 28th November 2025 in Stage 3.

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.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 38 Financial risk management (Contd.)

Forward Looking Economic Conditions

The Company measures Expected Credit Loss ("ECL") using reasonable and supportable information, including historical, current and forward looking information, in accordance with Ind AS 109.

The Historical Probability of Default ("PD") estimates are adjusted to reflect forward looking economic conditions by incorporating relevant macro economic factors such as GDP growth, government borrowing, private consumption expenditure, policy interest rates, etc., that impact the overall economic environment. The macro economic inputs used in the model are based on external forecasts, including data sourced from the International Monetary Fund (IMF).

Sensitivity

The ECL allowance is sensitive to changes in macro economic assumptions and scenario weightage. Any changes in these assumptions may result in variations in the impairment provision in future periods. The Company continuously reviews economic developments and updates its assumptions to ensure that the ECL provision remains adequate and prudent.

Impairment loss

The expected credit loss allowance provision is determined as follows:

FY 25-26	Stage 1	Stage 2	Stage 3	Grand Total
Gross carrying value	29,566.06	892.13	757.82	31,216.01
Allowance for ECL	335.82	184.60	410.12	930.54
ECL coverage ratio	1.14%	20.69%	54.12%	2.98%

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%

Reconciliation of expected credit loss

Particulars	Stage-1	Stage-2	Stage-3	Grand Total
Balance as at 1st April 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)	(224.54)
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 31st March 2025	**210.70**	**244.71**	**425.17**	**880.58**
Transfer from Stage 1	(13.77)	5.64	8.13	-
Transfer from Stage 2	10.74	(106.71)	95.97	-
Transfer from Stage 3	4.13	3.16	(7.29)	-
Loans that have derecognised during the period	(50.10)	(77.01)	(119.89)	(247.00)
New loans originated during the year	194.08	33.72	32.06	259.85
Net remeasurement of loss allowance	(19.72)	80.85	(24.02)	37.11
Balance as at 31st March 2026	**336.06**	**184.36**	**410.13**	**930.54**

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:

Particulars	31st March 2026	31st March 2025
Carrying value		
Concentration by geographical region in India		
South	12,158.53	11,173.70
West	7,559.69	6,927.67
East	6,262.85	4,736.87
North	5,234.94	4,341.18
Total Loans as at reporting period	**31,216.01**	**27,179.42**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 38 Financial risk management (Contd.)

(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 is ascertained 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 2026	31st March 2025
Floating rate		
Expiring within one year	1,932	4,820
Expiring beyond one year	-	-
	1,932	4,820

(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
As at 31st March 2026						
Financial assets:						
Derivative financial instruments	-	-	-	103.43	-	103.43
Cash and cash equivalents	3,327.50	-	-	-	-	3,327.50
Fixed deposits	-	-	0.21	-	-	0.21
Trade receivables	214.66	-	-	-	-	214.66
Loans	7,880.34	5,779.07	8,774.30	15,325.93	8.05	37,767.69
Investments	-	-	304.56	-	24.39	328.95
Other financial assets	1.29	4.23	9.38	14.39	0.28	29.56
Total	**11,423.79**	**5,783.30**	**9,088.45**	**15,443.75**	**32.72**	**41,772.01**
Financial liabilities:						
Borrowings	4,036.13	3,065.25	10,044.77	12,556.25	-	29,702.40
Security deposit	-	-	4.80	15.07	-	19.87
Trade payables	112.82	452.27	444.40	-	-	1,009.49
Other financial liabilities	22.55	8.40	106.82	66.43	0.93	205.13
Total	**4,171.50**	**3,525.93**	**10,600.79**	**12,637.74**	**0.93**	**30,936.89**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 38 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
As at 31st March 2025						
Financial assets:						
Cash and cash equivalents	3,590.32	-	-	-	-	3,590.32
Fixed deposits	-	-	5.95	-	-	5.95
Trade receivables	38.64	38.14	64.47	-	-	141.25
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	**10,551.21**	**4,915.52**	**7,706.08**	**14,021.53**	**24.20**	**37,272.55**
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	241.36	-	-	1,087.30
Other financial liabilities	7.82	6.99	144.00	51.39	10.90	221.11
Total	**3,142.88**	**3,777.68**	**7,627.20**	**14,133.46**	**161.48**	**28,842.72**

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 2026						
Financial assets:						
Derivative financial instruments	-	-	-	103.43	-	103.43
Cash and cash equivalents	3,327.50	-	-	-	-	3,327.50
Fixed deposits	-	-	0.21	-	-	0.21
Trade receivables	214.66	-	-	-	-	214.66
Loans	6,720.63	4,594.34	6,882.06	12,666.05	352.94	31,216.01
Investments	-	-	288.98	-	24.39	313.37
Other financial assets	1.29	4.23	9.38	14.39	0.28	29.56
Total	**10,264.08**	**4,598.57**	**7,180.62**	**12,783.87**	**377.61**	**35,204.75**
Financial liabilities:						
Borrowings	3,608.99	2,728.32	9,522.39	11,808.18	-	27,667.88
Security deposit	-	-	4.80	15.07	-	19.87
Trade payables	112.82	452.27	444.40	-	-	1,009.49
Other financial liabilities	21.18	7.03	104.07	57.71	-	189.99
Total	**3,742.98**	**3,187.62**	**10,075.66**	**11,880.95**	**-**	**28,887.23**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 38 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
As at 31st March 2025						
Financial assets:						
Cash and cash equivalents	3,590.32	-	-	-	-	3,590.32
Fixed deposits	-		5.95	-	-	5.95
Trade receivables	38.64	38.14	64.47	-	-	141.25
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	**9,625.70**	**3,839.71**	**6,152.29**	**11,604.12**	**23.14**	**31,244.97**
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	241.36	-	-	1,087.30
Other financial liabilities	6.49	5.66	141.35	42.49	9.85	205.84
Total	**2,678.38**	**3,366.30**	**6,969.68**	**12,823.85**	**159.85**	**25,998.06**

(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 2026	31st March 2025
Financial liabilities		
Variable Foreign Currency Borrowings (USD 100 million) (Year ended 31st March 2025 : USD 35 million)	854.83	300.13
Derivative liabilities		
Hedged through forward contracts and CCS	854.83	300.13
Net exposure to foreign currency risk (liabilities)	-	-

(b) Sensitivity analysis

The Company has hedged all its foreign currency exposures by entering into CCS/ forward 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 contracts & cross current swap are to buy USD for hedging foreign currency loan.

Impact on profit after tax		
USD sensitivity	31st March 2026	31st March 2025
INR/USD Increases by 5%	-	-
INR/USD Decreases by 5%	-	-

(All amounts in ₹ crores, unless otherwise stated)

NOTE 38 Financial risk management (Contd.)

(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 the year ended 31st March 2026 and 31st March 2025, 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 2026	31st March 2025
Variable rate borrowings	20,836.05	17,493.01
Total borrowings	**27,667.87**	**24,687.17**

As at the end of the reporting period, the Company had the following variable rate borrowings outstanding:

	31st March 2026		
	Weighted average interest rate	Balance	% of total loans
Cash credits, bank loans etc.	6.91%	20,836.05	75.31%

	31st March 2025		
	Weighted average interest rate	Balance	% of total loans
Cash credits, bank loans etc.	7.93%	17,493.01	70.86%

An analysis by maturities is provided in note 38 B (ii) above.

(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 2026**	**31st March 2025**
Interest rates – increase by 50 basis points (50 bps) *	(77.96)	(65.45)
Interest rates – decrease by 50 basis points (50 bps) *	77.96	65.45

* Holding all other variables constant

NOTE 39 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 2026	31st March 2025
Net debt (total borrowings, less cash and cash equivalents)	24,340.37	21,103.76
Total equity (as shown in the balance sheet)	6,067.63	4,947.92
Net debt to equity ratio	**4.01**	**4.27**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 39 Capital management (Contd.)

(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 43 18.17)
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.

NOTE 40 Leases

a) Lease disclosures pertaining to right-to-use asset

Particulars	31st March 2026	31st March 2025
Opening balance	65.19	26.58
Add: Adjustments on account of modification	-	35.95
Add: Additions during the year	28.84	23.53
Less: Deletions during the year	-	-
Less: Depreciation during the year	(23.70)	(20.87)
Closing balance	**70.33**	**65.19**

b) Lease liability movement

Particulars	31st March 2026	31st March 2025
Opening balance	71.41	31.36
Add: Adjustments on account of modification	-	34.72
Add: Additions during the year	27.69	23.53
Add: Interest accrued during the year	6.48	6.12
Less: Interest paid during the year	(6.48)	(6.12)
Less: Deletions during the year	-	-
Less: Prinicpal repayment during the year	(21.60)	(18.20)
Closing balance	**77.50**	**71.41**

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 lease 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 & Loss

Particulars	31st March 2026	31st March 2025
Amounts recognised in the Statement of Profit and Loss		
i. Depreciation charge of right-of-use assets (included in depreciation,amortisation and impairment)	23.70	20.87
ii. Interest expense (included in finance costs)	6.48	6.12
iii. Expense relating to short-term leases (included in other expenses)	7.42	6.68
iv. Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)	-	-
v. Expense relating to variable lease payments not included in lease liabilities (included in other expenses)	-	-
Total	**37.60**	**33.67**

(All amounts in ₹ crores, unless otherwise stated)

f) Addition disclosures in cash flow statement

Particulars	31st March 2026	31st March 2025
Cash flow financing activities		
Principal repayments related to lease liabilities	21.60	18.20
Interest payments related to lease liabilities	6.48	6.12

g) Contractual maturities of lease liabilities outstanding

Particulars	31st March 2026	31st March 2025
Less than one year	22.13	19.07
One to five years	46.49	42.49
More than five years	8.88	9.85
Total	**77.50**	**71.41**

NOTE 41 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 Home Credit India Finance Private Limited Drive X Mobility Millennial Solutions Private Limited
Enterprise under common control	Sundaram-Clayton Limited Srinivasan Services Trust Vee Yes Charities Foundation TVS Emerald Limited
Associate of holding company	Scienaptic Systems Private Limited (Upto 27th December 2024) TVS Training and Services Limited
Non-executive directors	Mr. Venu Srinivasan (upto 3rd February 2026) Mr. Sudarshan Venu Mr. K.N. Radhakrishnan Mr. Sanjiv Chadha
Independent directors	Mr. R. Gopalan Mr. B. Sriram Ms. Kalpana Unadkat Ms. Deepali Pant Joshi (upto 6th November 2025) Mr. T. C. Suseel Kumar
Director and CEO	Mr. Ashish Sapra, Director and Chief Executive Officer
Key managerial personnel	Ms. Roopa Sampath Kumar, Chief Financial Officer Mr. Chetan Nage, Company Secretary

(All amounts in ₹ crores, unless otherwise stated)

NOTE 41 Related party disclosure (Contd.)

A. Transactions with related parties during the year:

Sl. No.	Name of the Related Party	Nature of Transactions	31st March 2026	31st March 2025
1	TVS Motor Company Limited	Contribution towards issuance of equity shares	171.51	282.67
		Receipt of subvention income	29.34	10.11
		Reimbursement of IT expense	4.45	2.46
		Payment towards business support service	1.54	3.70
2	TVS Holdings Limited	Payment towards brand royalty fees	24.63	22.87
		Payment towards business support service	4.36	2.82
3	TVS Housing Finance Private Limited	Reimbursement of expenses	0.20	0.17
4	Harita ARC Private Limited	Reimbursement of expenses	0.01	0.00
5	Harita Two Wheeler Mall Private Limited	Reimbursement of expenses	0.01	0.00
6	TVS Digital Pte Limited	Payment towards software license fees	2.26	1.97
		Payment towards Software purchase	36.05	-
		Payment towards business support service	-	0.01
7	TVS Digital Limited	Payment towards business support service	4.35	0.36
8	Drive X Mobility Millennial Solutions Private Limited	Receipt towards sale of repossessed vehicles	1.50	7.87
9	Sundaram-Clayton Limited	Payment towards business support service	1.66	1.27
10	Srinivasan Services Trust	Contribution towards corporate social responsibility	16.00	10.00
11	Vee Yes Charities Foundation	Contribution towards Donation	10.62	7.10
12	TVS Training and Services Limited	Interest on loan received	0.01	0.02
		Loan recovered	0.05	0.06
13	Home Credit India Finance Private Limited	Receipt of Lead generation fee	0.32	-
		Receipt towards Seat rental	0.10	-
		Reimbursement of expenses	1.03	-
14	Scienaptic Systems Private Limited	Payment towards business support service	-	0.89

B. Remuneration to Key Managerial Personnel*

Particulars	2025-26	2024-25
Short term benefits	11.15	8.69
Post retirement benefits	0.40	0.28
Share based payment	0.17	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 ₹ crores, unless otherwise stated)

NOTE 41 Related party disclosure (Contd.)

C. Directors' Sitting Fees and Commission

Sl. No.	Name of the Director	Nature	2025-26	2024-25
1	Mr. Venu Srinivasan	Sitting fees*	0.01	0.00
		Commission	-	-
2	Mr. K.N. Radhakrishnan	Sitting fees	0.03	0.03
		Commission	-	-
3	Mr. B.Sriram	Sitting fees	0.03	0.05
		Commission	0.30	0.20
4	Mr. R.Gopalan	Sitting fees	0.04	0.03
		Commission	0.30	0.20
5	Ms. Kalpana Unadkat	Sitting fees	0.03	0.04
		Commission	0.30	0.20
6	Ms. Deepali Pant Joshi	Sitting fees	0.01	0.01
		Commission	0.18	0.13
7	Mr. T.C. Suseel Kumar	Sitting fees	0.01	0.01
		Commission	0.30	0.13
TOTAL			**1.53**	**1.03**

1. The amounts mentioned are actual payments made during the year.
2. * The sitting fees paid during year ended 31st March 2025 represents amount less than rounding off norm adopted by the company
3. Transaction values are excluding taxes and duties

D. Balance outstanding as at:

Sl. No.	Name of the Related Party	31st March 2026	31st March 2025
1	**Amounts due from:**		
	TVS Motor Company Limited	23.61	-
	TVS Housing Finance Private Limited	0.20	-
	Harita ARC Private Limited	0.03	0.02
	Harita Two Wheeler Mall Private Limited	0.03	0.02
	Home Credit India Finance Private Limited	0.05	-
	TVS Training and Services Limited	0.07	0.12
2	**Amounts due to:**		
	TVS Motor Company Limited	-	0.94
	TVS Holdings Limited	2.33	0.72
	TVS Digital Pte Limited	-	0.18
	TVS Digital Limited	1.13	0.16
	Sundaram-Clayton Limited	0.24	0.18
	Scienaptic Systems Private Limited	-	0.17

(All amounts in ₹ crore unless otherwise stated)

41 Related Party Disclosure (Contd.)

Related Party disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 requirements vide notification no. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26::

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	-	-	-	-	0.07	0.12	-	-	-	-	-	-	-	-	0.07	0.12
Maximum outstanding during the year	-	-	-	-	0.12	0.18	-	-	-	-	-	-	-	-	0.12	0.18
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
Purchase of fixed/other assets:																
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.18)	-	(0.18)
Maximum outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	(36.05)	(0.77)	(36.05)	(0.77)
Sale of fixed/other assets:																
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid:																
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received:																
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum outstanding during the year	-	-	-	-	0.00	0.00	-	-	-	-	-	-	-	-	0.00	0.00
Others:																
Outstanding at the year end	21.28	(1.66)	0.25	0.03	-	(0.17)	(0.24)	(0.18)	-	-	-	-	(1.08)	(0.16)	20.21	(2.14)
Maximum outstanding during the year	19.84	5.08	0.25	0.05	(0.17)	(0.17)	(0.52)	(0.09)	-	-	-	-	(1.50)	(0.75)	17.90	4.12

(All amounts in ₹ crore unless otherwise stated)

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*		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
Contribution towards issuance of equity shares	171.51	282.67	-	-	-	-	-	-	-	-	-	-	-	-	171.51	282.67
Receipt of subvention income	29.34	10.11	-	-	-	-	-	-	-	-	-	-	-	-	29.34	10.11
Reimbursement of IT expense	4.45	2.46	-	-	-	-	-	-	-	-	-	-	-	-	4.45	2.46
Payment towards business support service	5.89	6.52	-	-	-	0.89	1.66	1.27	-	-	-	-	4.35	0.37	11.91	9.05
Payment towards brand royalty fees	24.63	22.87	-	-	-	-	-	-	-	-	-	-	-	-	24.63	22.87
Reimbursement of expenses	-	-	0.22	0.18	-	-	-	-	-	-	-	-	1.03	-	1.25	0.18
Payment towards software license fees	-	-	-	-	-	-	-	-	-	-	-	-	2.26	1.97	2.26	1.97
Payment towards software purchase	-	-	-	-	-	-	-	-	-	-	-	-	36.05	-	36.05	-
Receipt towards sale of repossessed vehicles	-	-	-	-	-	-	-	-	-	-	-	-	1.50	7.87	1.50	7.87
Receipt of Lead generation fee	-	-	-	-	-	-	-	-	-	-	-	-	0.32	-	0.32	-
Receipt towards Seat rental	-	-	-	-	-	-	-	-	-	-	-	-	0.10	-	0.10	-
Contribution towards corporate social responsibility	-	-	-	-	-	-	16.00	10.00	-	-	-	-	-	-	16.00	10.00
Contribution towards Donation	-	-	-	-	-	-	10.62	7.10	-	-	-	-	-	-	10.62	7.10
Disbursal of loan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan recovered	-	-	-	-	0.05	0.06	-	-	-	-	-	-	-	-	0.05	0.06
Interest on loan received	-	-	-	-	0.01	0.02	-	-	-	-	-	-	-	-	0.01	0.02

* There is no transaction with directors and relatives of directors.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 42 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 grants given upto the reporting date under the scheme are given as under:

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
ESOP 2024	1,42,008	28th April 2025	1,42,008	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 (Rs.)	Weighted average share price (Rs.)	Exercise Price (Rs.)	Expected Volatility*	Option life (years)	Dividend yield (%)	Risk-free interest rate (%)
12th November 2024	178.45	461.54	440.00	33.16%	4	-	6.86%
28th April 2025	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 2026, the Company has accounted expense of Rs. 0.69 crores as employee benefits expense (note no. 31) on the aforementioned employee stock option plan (31st March 2025: Rs 0.27 crores)

(C) Movement in ESOP

Particulars	As at 31st March 2026		As at 31st March 2025	
	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	1,55,400	178.45	-	-
Granted during the year	1,42,008	178.45	1,55,400	178.45
Forfeited/ cancelled during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	2,97,408	178.45	1,55,400	178.45
Exercisable at the end of the year	-	-	-	-

Particulars	As at 31st March 2026 (In days)	As at 31st March 2025 (In days)
Weighted average remaining contractual life of options outstanding as at year end	1,036	1,321

(All amounts in ₹ crores, unless otherwise stated)

NOTE 43 Additional notes forming part of Standalone Financial Statements for the year ended 31st March 2026

1 Capital commitments

Description	31st March 2026	31st March 2025
Estimated amount of contracts remaining to be executed on capital account not provided for	2.88	13.38

2 Other commitments

Description	31st March 2026	31st March 2025
Undrawn loans sanctioned to borrowers	195.23	41.29
Undrawn investments	2.00	4.00

3 Contingent liabilities not provided for

Claims against the Company not acknowledged as debts

Description	31st March 2026	31st March 2025
Disputed service tax and GST demand inclusive of penalty (Pre-deposit of Rs. 0.70 Cr, as on 31st March 2025 Rs.0.63 Cr)	10.28	10.65
Legal cases filed by borrowers against the Company	15.54	13.15

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 New Labour Codes which became effective November 21, 2025, resulted in an past period provision for gratuity of Rs. 8.61 Crores, the same has been reported as an Exceptional item in the financials for the quarter ended December 31, 2025 and year ended March 31, 2026. After the balance sheet date, while the Central Government notified the Rules on May 8, 2026, the State Rules are yet to be notified. The impact relating to Labour Codes is subject to finalisation of rules and regulatory framework thereunder.

5 Pursuant to para 2 of general instructions for preparation of financial statements of an 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 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 ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

11 Disclosure of ratios:

S.No.	Particulars	31st March 2026	31st March 2025	% Change
a.	Debt-Equity Ratio	4.56	4.99	-8.61%
b.	Return on Equity Ratio	16.58%	17.41%	-4.78%
c.	Net Profit Ratio	12.69%	11.57%	9.66%
d.	Capital to Risk-Weighted Assets Ratio (CRAR) (Calculated as per RBI guidelines)	19.44%	20.30%	-4.22%
e.	Tier I CRAR (Calculated as per RBI guidelines)	16.49%	15.84%	4.08%
f.	Tier II CRAR (Calculated as per RBI guidelines)	2.95%	4.46%	-33.90%
g.	Liquidity Coverage Ratio (LCR) (Calculated as per RBI guidelines)#	252%	288%	-12%

The LCR is more than the regulatory requirement

Notes:

i. Debt service coverage ratio, Interest service coverage ratio, Long term debt to working capital, Bad debt to account receivable ratio, Current ratio, Current liability ratio, Debtors turnover, Inventory turnover, Operating margin ratios are not relevant as the Company is engaged in financing activities

ii. Debt-Equity Ratio = Total Borrowings/Shareholder's Equity

iii. Return on Equity Ratio = Profit after tax/Average Networth

iv. Net profit ratio (%) = Profit after tax / Total income

v. The Tier II CRAR percentage declined by 33.90% during the year, primarily due to the discounting of existing subordinated debt, coupled with the absence of any fresh subordinated debt issuances.

12 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.

13 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.

14 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 during the year.

15 The Company has not traded or invested in crypto currency or virtual currency during the financial year.

16 No scheme of arrangements has been approved during the year by the Competent Authority in terms of Sections 230 to 237 of the Companies Act, 2013.

17 Disclosure pursuant to Master Directions on Fraud Risk Management in Non-Banking Financial Companies (NBFCs): There were 49 cases of frauds amounting to Rs. 0.59 crore reported during the year. (Previous year 20 cases amounting to Rs 0.47 crore).

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

18 Disclosure pursuant to Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 requirements vide notification no. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025 as amended.

18.1 Schedule to the Balance Sheet of a non-deposit taking Non-Banking Financial Company

S.No.	Description	Amount outstanding	Amount overdue
		As at 31st March 2026	
	Liabilities		
(1)	**Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:**		
A	Debentures *	-	-
	- Secured	2,911.59	-
	- Unsecured	2,166.38	-
B	Deferred credits	-	-
C	Term loans (including subordinated debt)	17,455.79	-
D	Inter-corporate loans and borrowings	-	-
E	Commercial paper	398.27	-
F	Other loans:	-	-
	i. Cash credit & WCDL	4,735.84	-
	ii. Securitized trust borrowing	-	-
	Total	**27,667.87**	**-**

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	2,165.74	-
B	Deferred credits	-	-
C	Term loans (including subordinated debt)	18,103.66	-
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**	**-**

* There is no public deposit, as defined in the Reserve Bank of India (Non-Banking Financial Companies – Acceptance of Public Deposits) Directions, 2025 and it includes subordinated debt

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

S. No.	Description	Amount Outstanding as at	
		31st March 2026	31st March 2025
	Assets		
(2)	**Break-up of loans and advances including bills receivable (other than those included in (4) below) :**		
(a)	Secured	25,377.17	21,918.72
(b)	Unsecured considered good	5,838.84	5,260.70
(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	**31,216.01**	**27,179.42**

S.No.	Description	Amount Outstanding as at	
		31st March 2026	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	288.98	282.12
	(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 ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

	2 Unquoted:		
	(i) Shares: (a) Equity	12.01	12.01
	(b) Preference	-	-
	(ii) Debentures and bonds	0.25	0.25
	(iii) Units of mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others (Alternate investment fund)	12.14	5.38
	Total	**313.37**	**299.76**

(5)	Borrower group-wise classification of assets financed as in (2) and (3) above						
	Category	Amount (Net of provisions for non-performing assets) as at 31st Mar 2026			Amount (Net of provisions for non-performing assets) as at 31st Mar 2025		
		Secured	Unsecured	Total	Secured	Unsecured	Total
	1. Related Parties						
	(a) Subsidiaries			-			-
	(b) Companies in the same group	1.58	-	1.58	2.22	-	2.22
	(c) Other related parties			-			-
	2. Other than related parties	25,389.18	5,317.52	30,706.70	21,448.38	5,153.48	26,601.86
	Total	**25,390.76**	**5,317.52**	**30,708.28**	**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 / Break up or fair value of NAV	Book value (Net of provisions)
	1. Related Parties		
	(a) Subsidiaries	12.01	12.01
	(b) Companies in the same group	-	-
	(c)Other related parties	-	-
	2. Other than related parties	301.36	301.36
	Total	**313.37**	**313.37**

(7)	Other information	Amount as at 31st March 2026	Amount as at 31st March 2025
(i)	Gross non-performing assets	-	-
	(a) Related parties	-	-
	(b) Other than related parties	1,141.36	1,338.63
(ii)	Net non-performing assets	-	-
	(a) Related parties	-	-
	(b) Other than related parties	633.63	763.29
(iii)	Assets acquired in satisfaction of debt	-	-

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

18.2 Loans against gold collateral

i) Details of loans extended against eligible gold collateral

S. No.	Description	Loan outstanding		Average ticket size(Rs. Crore)	Average LTV ratio	Gross NPA (%)
		Rs. Crore	As % of total loans			
1	Opening balance at the beginning of the year [(a)+(b)]	20.89	100.00%	0.03	39.65	-
(a)	Consumption loans	11.58	55.44%	0.02	39.92	-
	of which bullet repayment loans	11.23	53.77%	0.02	40.17	-
(b)	Income generating loans	9.31	44.56%	0.03	39.38	-
2	New loans sanctioned and disbursed during the year [(c)+(d)]	149.41	100.00%	0.05	57.28	NA
(c)	Consumption loans	93.23	62.40%	0.04	58.24	NA
	of which bullet repayment loans	90.63	60.66%	0.04	58.34	-
(d)	Income generating loans	56.18	37.60%	0.05	56.32	NA
3	Renewals sanctioned and disbursed during the year	243.83	100.00%	0.06	62.02	NA
4	Top-up loans sanctioned and disbursed during the year	-	-	-	-	NA
5	Loans repaid during the year [(e)+ (f)]	283.14	100.00%	-	NA	NA
(e)	Consumption loans	179.72	63.47%	-	NA	NA
	of which bullet repayment loans	177.88	62.82%	-	NA	NA
(f)	Income generating loans	103.42	36.53%	-	NA	NA
6	Non-performing loans recovered during the year [(g)+(h)]	-	-	-	NA	NA
(g)	Consumption loans	-	-	-	NA	NA
	of which bullet repayment loans	-	-	-	NA	NA
(h)	Income generating loans	-	-	-	NA	NA
7	Loans written off during the year [(i)+(j)]	-	-	-	NA	NA
(i)	Consumption loans	-	-	-	NA	NA
	of which bullet repayment loans	-	-	-	NA	NA
(j)	Income generating loans	-	-	-	NA	NA
8	Closing balance at the end of the year [(k)+(l)]	130.98	100.00%	0.05	70.89	-
(k)	Consumption loans	81.80	62.45%	0.04	69.40	-
	of which bullet repayment loans	79.07	60.36%	0.04	69.89	-
(l)	Income generating loans	49.18	37.55%	0.05	72.39	-

ii) Details of gold collateral auctions

S. No.	Description	2025-26	2024-25
a)	Unclaimed gold collateral at the end of the financial year (in grams)	-	-
b)	Number of loan accounts in which auctions were conducted	-	-
c)	Total outstanding in loan accounts mentioned in (b)	-	-
d)	Gold collateral acquired during the FY due to default of loans (in grams)	-	-
e)	Gold collateral auctioned during the FY (in grams)	-	-
f)	Recovery made through auctions during the FY (in ₹ crore)	-	-
g)	Recovery percentage	-	-
h)	as % of value of gold collateral	-	-
i)	as % of outstanding loan	-	-

Note: There were no loans extended against silver collateral and therefore, there were no silver collateral auctions

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

18.3 The Company has not extended any loans or advances towards project finance activities during the year ended 31st March 2026 and 31st March 2025. Accordingly, there were no recoverable project finance balances outstanding as at 31st March 2026.

18.4 The Company has not extended any Non-Fund Based (NFB) credit facilities during the year ended 31st March 2026 and 31st March 2025.

18.5 Disclosures on Co-Lending Arrangements
The Company has no co-lending arrangement as on 31st March 2026.

18.6 Disclosures relating to securitisation

S. No.	Description	31st March 2026	31st March 2025
1	No of SPEs holding assets for securitisation transactions originated by the NBFC	-	-
2	Total amount of securitised assets as per books of the SPEs	-	-
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	-	-
	- Others	-	-
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitizations		
	- First loss	-	-
	- Others	-	-
	ii) Exposure to third party securitizations		
	- First loss	-	-
	- Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitizations		
	- First loss	-	-
	- Others	-	-
	ii) Exposure to third party securitizations		
	- First loss	-	-
	- Others	-	-
5	Sale consideration received for the securitised assets and 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.	-	-
7	Performance of facility provided	-	-
	a) Amount paid	-	-
	b) Repayment received	-	-
	c) Outstanding amount	-	-
8	Average default rate of portfolios	-	-
9	Additional loan given on same underlying asset	-	-
10	Investor complaints (a) Directly/Indirectly received (b) Complaints outstanding	-	-

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

18.7 Disclosure of transfer of loan exposure

Details of loans transferred/acquired during the year ended 31st March 2026 under the Reserve Bank of India (Non-Banking Financial Companies - Transfer and Distribution of Credit Risk) Directions, 2025 and Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025 are given below:

(i) The Company has not transferred any Non-Performing Assets.

(ii) The Company has not transferred any loan not in default.

(iii) The Company has not acquired any Special Mention Account.

(iv) The Company has not acquired any stressed loan and loan not in default.

18.8 Exposure

(i) Exposure to real estate sector

Category	2025-26	2024-25
(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	**5.47**	**4.74**
- individual housing loans up to Rs. 15 Lakhs	3.16	2.60
- individual housing loans more than Rs. 15 Lakhs	2.31	2.14
(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.).	-	-
(c) Investments in Mortgage backed securities (MBS) and other securitised exposures-		
i. Residential	-	-
ii. 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	**5.47**	**4.74**

(ii) Exposure to capital market

S. No.	Particulars	2025-26	2024-25
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 purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	-
iv	Advances for any other purposes 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	-	-

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

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	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	-	-
ix	Financing to stockbrokers for margin trading	-	-
x	All exposures to Alternative Investment Funds:		
	(i) Category I	-	-
	(ii) Category II	12.14	5.38
	(iii) Category III	-	-
Total exposure to capital market		**12.39**	**5.63**

(iii) Disclosure on sectoral exposures

Sl. No.	Sector	2025-26			2024-25		
		Total exposure (Rs. Crore)	Gross NPA (Rs. Crore)	Percentage of gross NPAs to total exposure in that sector	Total exposure (Rs. Crore)	Gross NPA (Rs. Crore)	Percentage of gross NPAs to total exposure in that sector
1	Agriculture and allied activities	**4,306.66**	**443.46**	**10.30%**	**4,726.15**	**560.49**	**11.86%**
2	Industry						
	i. MSME	454.18	17.65	3.89%	824.70	26.01	3.15%
	ii. Other	33.53	0.63	1.88%	147.01	6.04	4.11%
	Total	**487.71**	**18.28**	**3.75%**	**971.71**	**64.89**	**2.78%**
3	Services	**2,258.50**	**155.45**	**6.88%**	**1,361.95**	**32.84**	**2.41%**
4	Personal loans	**4,774.84**	**119.72**	**2.51%**	**4,616.42**	**177.29**	**3.84%**
5	Others						
	i. Vehicles	12,963.80	341.92	2.64%	11,608.62	460.63	3.97%
	ii. Consumer durable	6,065.43	62.01	1.02%	3,689.42	74.71	2.02%
	iii. Advance to dealers	228.17	0.52	0.23%	184.25	0.68	0.37%
	iv. Other	130.89	-	0.00%	20.89	-	-
	Total	**19,388.30**	**404.45**	**2.09%**	**15,503.18**	**536.02**	**3.46%**
	Grand total	**31,216.01**	**1,141.36**	**3.66%**	**27,179.42**	**1,338.69**	**4.93%**

(iv) Disclosure on Intra-Group exposures

Description	2025-26	2024-25
Total amount of intra-group exposures	1.58	2.22
Total amount of top 20 intra-group exposures	1.58	2.22
Percentage of intra group exposures to total exposure of the NBFC on borrower/ customers	0.01%	0.01%

(v) Unhedged foreign currency exposures

The Company's exposure of unhedged foreign currency risk at the end of the reporting period is Nil. (As on 31st March 2025: Nil)

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

18.9 Related party disclosure

Disclosed in Note 41 of Financial statements

18.10 Disclosure of complaints

(i) Summary information on complaints received by the NBFC from customers and from the Offices of Ombudsman

Sr No.		Description	2025-26	2024-25
		Complaints received by the NBFC from its customers		
1		Number of complaints pending at the beginning of the year	132	109
2		Number of complaints received during the year	5,625	4,505
3		Number of complaints disposed during the year	5,502	4,482
	3.1	Of which, number of complaints rejected by the NBFC	463	79
4		Number of complaints pending at the end of the year	255	132
		Maintainable complaints received by the NBFC from Office of Ombudsman	-	-
5		No. of complaints received by the NBFC from the Office of Ombudsman	509	416
	5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	491	406
	5.2	Of 5, number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman	18	10
	5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6		Number of awards unimplemented within the stipulated time (other than those appealed)	-	-

(ii) 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
2025-26					
(a) Staff interaction related	37	993	17%	43	-
(b) Levy of charges related	2	309	92%	8	-
(c) Non-update of personal account payment	10	430	41%	24	-
(d) CIBIL correction	5	279	68%	20	-
(e) FC Amount paid - Loan live	-	268	NA	1	-
(f) Others	78	3,346	4%	159	12
2024-25					
(a) Staff interaction related	14	851	4%	21	-
(b) Levy of charges related	22	161	-14%	2	-
(c) Sourcing Related	1	44	57%	1	1
(d) SMS calls related	3	228	73%	4	-
(e) Loan Application related	-	-	100%	-	-
(f) Others	69	3,221	30%	104	-

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

18.11 Loans to Directors, Senior Officers and relatives of Directors:

	2025-26	2024-25
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

18.12 Currency Futures and Options:

The Company has not undertaken any transaction during the current year and previous year for currency futures and options.

18.13 Liquidity

(i) Funding Concentration based on significant counterparty (both deposits and borrowings):

Particulars	As at 31st March 2026	As at 31st March 2025
Number of significant counterparties*	21	19
Amount (Rs in crore)	26,164.34	23,212.04
% of Total deposits	NA	NA
% of Total liabilities**	90.22%	88.92%

*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	2025-26	2024-25
Total amount of top 10 borrowings	19,556.89	19,092.77
Percentage of amount of top 10 borrowings to total borrowings	70.68%	77.34%

(iv) Funding Concentration based on significant instrument/product

Sr No	Name of instrument/product	As at 31st March 2026	% of Total Liabilities	As at 31st March 2025	% of Total Liabilities
1	Term Loans from Banks	15,879.42	54.76%	16,757.81	64.20%
2	Term Loan from Financial Institution	523.91	1.81%	943.06	3.61%
3	External Commercial Borrowings	948.88	3.27%	299.22	1.15%
4	Sub-ordinated Debts	2,166.38	7.47%	2,165.74	8.30%
5	Commercial Paper	398.27	1.37%	-	0.00%
6	Non-Convertible Debentures	2,911.59	10.04%	2,625.39	10.06%
7	Working Capital Demand Loan	4,735.84	16.33%	1,792.35	6.87%

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

(v) Stock Ratios

Sl. No.	Particulars	As at 31st March 2026	As at 31st March 2025
1	Commercial papers as a % of total public funds	1.44%	0.00%
2	Commercial papers as a % of total liabilities	1.37%	0.00%
3	Commercial papers as a % of total assets	1.14%	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	60.31%	53.00%
8	Other short- term Liabilities as a % of total liabilities	57.54%	50.12%
9	Other short- term Liabilities as a % of total assets	47.58%	42.14%

(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.

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

18.14 Credit default swaps

S.No.	Description	2025-26	2024-25
1	No. of transactions during the year	-	-
2	Amount of protection bought during the year	-	-
3	No. of transactions where credit event payment was received during the year	-	-
a)	pertaining to current year's transactions	-	-
b)	pertaining to previous year(s)' transactions	-	-
4	Outstanding transactions as on 31st March 2026	-	-
a)	No. of Transactions	-	-
b)	Amount of protection	-	-
5	Net income / profit (expenditure / loss) in respect of CDS transactions during year-to-date	-	-
a)	premium paid	-	-
b)	Credit event payments received (net of value of deliverable obligation)	-	-

18.15 Comparison between provisions required under IRACP and impairment allowances made under Ind AS 109

As at 31st March 2026

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)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	29,526.90	333.81	29,193.09	118.11	215.70
Standard	Stage 2	547.75	89.00	458.75	2.19	86.81
Subtotal for standard		**30,074.65**	**422.81**	**29,651.84**	**120.30**	**302.51**
Non-Performing Assets (NPA)						
Substandard	Stage 1	30.17	1.45	28.72	4.04	(2.59)
Substandard	Stage 2	279.84	78.21	201.63	42.14	36.07
Substandard	Stage 3	483.55	259.04	224.51	86.98	172.06
Subtotal for substandard		**793.56**	**338.70**	**454.86**	**133.16**	**205.54**
Doubtful - upto 1 Year	Stage 1	8.99	0.57	8.42	2.26	(1.69)
Doubtful - upto 1 Year	Stage 2	64.54	17.39	47.15	21.28	(3.89)
Doubtful - upto 1 Year	Stage 3	267.16	147.60	119.56	86.86	60.74
1 to 3 years	Stage 3	6.79	3.34	3.45	2.49	0.85
More than 3 years	Stage 3	0.32	0.13	0.19	0.17	(0.04)
Subtotal for doubtful		**347.80**	**169.03**	**178.77**	**113.06**	**55.97**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**1,141.36**	**507.73**	**633.63**	**246.22**	**261.51**

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

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	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		**-**	**-**	**-**	**-**	**-**
Total	**Stage 1**	**29,566.06**	**335.83**	**29,230.23**	**124.41**	**211.42**
	Stage 2	**892.13**	**184.60**	**707.53**	**65.61**	**118.99**
	Stage 3	**757.82**	**410.11**	**347.71**	**176.50**	**233.61**
	Total	**31,216.01**	**930.54**	**30,285.47**	**366.52**	**564.02**

As at 31st March 2025

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)=(3)-(4)**	**(6)**	**(7)=(4)-(6)**
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	-	0.01	-	-
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	-	0.01	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**
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	**-**	**-**	**-**	**-**	**-**

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		**-**	**-**	**-**	**-**	**-**
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**

18.16 Summary of significant policies

Disclosed in Note 3 - Material note to accounting policies forming part of financial statements

18.17 Capital

Particulars	2025-26	2024-25
(i) CRAR (%)	19.44%	20.30%
(ii) CRAR- Tier 1	16.49%	15.84%
(iii) CRAR- Tier 2	2.95%	4.46%
(iii) Tier I capital	5,615.76	4,592.73
(iv) Tier 2 capital	1,004.85	1,293.60
(v) Amount of subordinated debt raised as Tier 2- capital	669.80	1,089.60
(vi) Amount raised by issue of Perpetual Debt Instruments (PDI)	-	-

Perpetual Debt Instruments (PDI)

Particulars	2025-26	2024-25
Fund raised through PDI during the year	-	-
Outstanding at the end of the financial year	103.58	103.57
Percentage of PDI to Tier I capital	1.84%	2.25%
Financial year in which interest for PDI not Paid	NA	NA

18.18 Investments

S.No.	Description	2025-26	2024-25
1	**Value of investments**		
	i) Gross value of investments		
	a) In India	313.37	299.75
	b) Outside India	-	-
	ii) Provision for depreciation		
	a) In India	-	-
	b) Outside India	-	-
	iii) Net value of investments		
	a) In India	313.37	299.75
	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	-	-

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

18.19 Derivatives

(i) Forward rate agreement/Interest rate swap

Sl. No.	Description	2025-26	2024-25
(i)	The notional principal of swap agreements	854.83	300.13
(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	958.26	297.89

(ii) Exchange traded interest rate (IR) derivatives

Sl. No.	Description	Amount
(i)	Notional principal amount of exchange traded IR derivatives undertaken during the year	-
(ii)	Notional principal amount of exchange traded IR derivatives outstanding as on 31st March 2026	-
(iii)	Notional principal amount of exchange traded IR derivatives outstanding and not " highly effective"	-
(iv)	Mark-to-market value of exchange traded IR derivatives outstanding and not" highly effective"	-

(iii) 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.

Sl. No.	Description	2025-26	2024-25
(i)	Derivatives (Notional Principal Amount)		
	For hedging	854.83	300.13
(ii)	Marked to market positions		
	a) Asset (+)	103.43	-
	b) Liability (-)	-	2.24
(iii)	Credit exposure	958.26	297.89
(iv)	Unhedged exposures	-	-

18.20 Asset Liability Management - maturity pattern of certain items of assets and liabilities

As at 31st March 2026											
Time Bucket	1 to 7 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 year	Over 3 year up to 5 year	Over 5 years	Total
Deposits	-	-	-	-	-	-	0.21	-	-	-	**0.21**
Advances	2,204.10	122.45	122.45	2,075.26	2,196.37	4,594.34	6,882.06	11,215.23	1,450.82	352.94	**31,216.01**
Investments	-	-	-	-	-	-	288.98	-	-	24.39	**313.37**
Borrowings	43.09	11.30	709.07	1,001.32	1,844.21	2,728.32	9,522.39	10,181.90	677.40	-	**26,718.99**
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	**-**
Foreign Currency Liabilities	-	-	-	-	-	-	-	948.88	-	-	**948.88**

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

As at 31st March 2025											
Time Bucket	1 to 7 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 year	Over 3 year up to 5 year	Over 5 years	Total
Deposits	-	-	-	-	-	-	5.95	-	-	-	**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	**27,179.42**
Investments	-	-	-	-	-	-	282.12	-	-	17.63	**299.75**
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	**24,387.95**
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	**-**
Foreign Currency Liabilities	-	-	-	-	-	-	-	299.22	-	-	**299.22**

18.21 Exposures

(i) Details of financing of Parent Company products

During the year the Company has financed 7,45,889 nos. of two wheelers and 21,167 nos. of three wheelers of TVS Motor Company Limited as against 6,20,637 nos. of two wheelers and 5,360 nos. of three wheelers during the year ended 31st March 2025

(ii) Details of Single Borrower Limits (SBL)/Group Borrower Limits (GBL) exceeded

The Company has not exceeded the Single Borrower Limit and Group Borrowers Limit as set by Reserve Bank of India for the year ended 31st March 2026 and 31st March 2025.

(iii) Unsecured advances

Gross loans and advances includes unsecured advances of Rs. 5387.84 crore (31st March 2025 : Rs.5260.70 crore).There are no advances secured against intangible assets.

18.22 Breach of covenant

There have been no instances of breach of covenant of loan availed or debt securities issued for the year ended 31st March 2026 and 31st March 2025.

18.23 Divergence in asset classification and provisioning

There is no divergence in asset classification and provisioning in the financial statement in the previous year assessed by RBI.

18.24 Registration from other financial sector regulators

The Company has not obtained any other registration/license / authorisation, by whatever name called from any other financial sector regulators.

18.25 Area of operation

There are no joint ventures or overseas subsidiaries for the year ended 31st March 2026 & 31st March 2025.

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

18.26 Ratings assigned by credit rating agencies and migration of ratings during the year

Rating agency	Facility	Rating (As on Mar 31, 2026)	Rating (As on Mar 31, 2025)
Care Ratings	Long Term Bank Facilities	CARE AA+/ Stable	CARE AA+/ Stable
	Non-Convertible Debentures	CARE AA+/ Stable	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	ICRA AA (Stable)	ICRA AA (Stable)
	Commercial Paper	ICRA A1+	ICRA A1+
CRISIL	Long Term Rating - Bank Loan Facilities	CRISIL AA+/Stable	CRISIL AA/Positive
	Short Term Rating - Bank Loan Facilities	CRISIL A1+	CRISIL A1+
	Non-Convertible Debentures	CRISIL AA+/Stable	CRISIL AA/Positive
	Tier II Bond	CRISIL AA+/Stable	CRISIL AA/Positive
	Perpetual Bonds	CRISIL AA/Stable	CRISIL AA-/Positive
	Commercial Paper	CRISIL A1+	CRISIL A1+
Brickwork Ratings	Subordinated Debt (Tier II)	BWR AA+/Stable	BWR AA+/Stable

18.27 Remuneration to directors

Disclosed in Note 41 of financial statements

18.28 Net profit or loss for the period, prior period items and changes in accounting policies

There are no prior period items which are impacting Company's current year Profit and Loss.

18.29 Circumstances in which revenue recognition has been postponed

There are no such circumstances in which revenue has been postponed pending the resolution of significant uncertainties.

18.30 Provisions and contingencies

Break up of 'Provisions and Contingencies' shown under the head expenditure in Statement of Profit and Loss

Description	2025-26	2024-25
Provision for depreciation on investments	-	-
Provision for depreciation on investment property	1.58	-
Provision/Impairment allowance towards NPA (Net)	(15.06)	32.11
Provision made towards Income Tax	400.49	323.80
Provision/Impairment allowance on Trade receivables & Other Financial Assets	(0.57)	1.20
Provision for expected credit loss towards undrawn commitments	1.23	-
Provision/Impairment allowance towards standard assets	65.02	(87.60)
Total	**452.69**	**269.51**

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

18.31 Drawdown from Reserves

No draw down from reserves existed for the year ended 31st March 2026 and 31st March 2025

18.32 Concentration of deposits,advances, exposures & NPAs

(a) Concentration of deposits

Description	2025-26	2024-25
Total deposits of twenty largest depositors	NA	NA
Percentage of Deposits of twenty largest depositors to Total Deposits of the deposit taking NBFC	NA	NA

(b) Concentration of advances

Description	2025-26	2024-25
Total advances to twenty largest borrowers	111.44	121.15
Percentage of advances to twenty largest borrowers to total advances of the NBFC	0.36%	0.45%

(c) Concentration of exposures

Description	2025-26	2024-25
Total exposures to twenty largest borrowers/customers	111.44	121.15
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers/customers	0.36%	0.45%

(d) Concentration of NPAs

Description	2025-26	2024-25
Total exposure to top four NPA accounts	7.07	7.34

18.33 Movement of NPAs

S. No.	Movement of NPA	2025-26	2024-25
(I)	**Net NPA to net advances (%)**	**2.06%**	**2.87%**
(II)	**Movement of gross NPA***		
	a. Opening balance	1,338.69	1,304.98
	b. Additions during the year	1,230.09	1,554.27
	c. Reductions during the year	549.91	500.10
	d.Write off during the year	877.51	1,020.45
	e. Closing balance	1,141.36	1,338.69
(III)	**Movement of Net NPA**		
	a. Opening balance	763.35	748.26
	b. Additions during the year	860.59	1,078.09
	c. Reductions during the year	112.80	42.55
	d.Write off during the year	877.51	1,020.45
	e. Closing balance	633.63	763.35
(IV)	**Movement of Provision for NPAs***		
	a. Opening balance	575.33	556.72
	b. Provisions made during the Year	369.51	476.10
	c. Write-off/write-back of excess provisions	437.11	457.49
	d. Closing balance	507.73	575.33

(All amounts in ₹ crores, unless otherwise stated)

18.34 Resolution of stressed assets

During the year ended 31st March 2026, the Company has not implemented resolution plan under the prudential framework for stressed assets issued by RBI vide circular no RBI/DOR/2025-26/357/DOR.STR.REC.276/21.04.048/2025-26 dated 28th November 2025.

18.35 Overseas assets

The Company has no overseas assets as on 31st March 2026 and 31st March 2025.

18.36 Off-balance sheet SPVs sponsored

The Company has no off-balance sheet sponsored SPVs as on 31st March 2026 & 31st March 2025.

18.37 Off-balance sheet exposures and structured products

The Company has no off-balance sheet exposures and structured products as on 31st March 2026 & 31st March 2025.

18.38 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 manage its commitments. Additionally, the Company has unutilized sanctioned lines of credits from banks to meet liquidity needs.

In line with RBI regulations, the cash outflows and inflows have been stressed by 115% and 75% of their respective original values for computing LCR. The key drivers on the inflow side are the expected collections from the performing assets of the company and on the outflow side the scheduled maturities of borrowings. The High Quality Liquid Assets are entirely held in the assets, without any haircut. The LCR has been consistently maintained above 100% through the year which is well over the regulatory threshold of 85% (70 % upto November 30, 2023).

Sl. No.	Particulars	Q1 FY26		Q2 FY26		Q3 FY26		Q4 FY26	
		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)	1,046	1,046	1,089	1,089	1,093	1,093	1,117	1,117
	Cash Outflows								
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding **(iii)**	9	10	122	140	196	225	191	220
4	Secured wholesale funding **(iv)**	659	758	1,017	1,169	634	729	663	762
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	559	643	586	674	625	719	628	722
7	Other contingent funding obligations	63	73	70	81	77	88	60	69
8	**TOTAL CASH OUTFLOWS**	**1,290**	**1,484**	**1,795**	**2,064**	**1,532**	**1,761**	**1,542**	**1,773**
	Cash Inflows								
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	1,912	1,434	1,857	1,393	2,105	1,578	2,226	1,670
11	Other cash inflows	3,003	2,252	3,373	2,530	2,705	2,029	2,926	2,195
12	**TOTAL CASH INFLOWS**	**4,915**	**3,686**	**5,230**	**3,923**	**4,810**	**3,607**	**5,152**	**3,864**
			Total Adjusted Value		**Total Adjusted Value**		**Total Adjusted Value**		**Total Adjusted Value**
	TOTAL HQLA		**1,046**		**1,089**		**1,093**		**1,117**
	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))		**371**		**516**		**440**		**443**
	LIQUIDITY COVERAGE RATIO (%)		**282%**		**211%**		**248%**		**252%**

(All amounts in ₹ crore unless otherwise stated)

Sl 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	1,046	1,046	1,089	1,089	1,093	1,093	1,117	1,117
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	**1,046**	**1,046**	**1,089**	**1,089**	**1,093**	**1,093**	**1,117**	**1,117**

(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 Rs. 288.59 Cr (Last year investment of Rs. 281.82 Cr matured on 24th March 2026) and accordingly it has been included in HQLA computation.

19 Disclosure under SEBI circular – Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated 15th October 2025

As per SEBI Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated 15th October 2025, the Company can issue debt securities over a continuous period of 3 years (block period). Accordingly, the Company has completed the issuance requirements until 2024-25. There is shortfall of Rs 1,438 crores for the financial year 2025-26, which can be met on or before financial year 2027-28 as per the Master Circular. The Company is in compliance with the Master Circular.

(All amounts in ₹ crore unless otherwise stated)

20 Disclosure on Restructuring Pursuant to Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 requirements vide notification no. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 - November 28, 2025 as amended.

S.No.	Type of Restructuring / Asset Classification Details		Under CDR mechanism					Under SME debt restructuring mechanism					Others					Total				
			Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total
1	Restructured accounts as on 1st April of the FY (opening figures)*	No. of borrowers	-	-	-	-	-	11.00	16.00	1.00	-	28.00	194.00	292.00	121.00	-	607.00	205.00	308.00	122.00	-	635.00
		Amount outstanding	-	-	-	-	-	0.13	1.27	-	-	1.40	2.22	2.57	1.09	-	5.88	2.35	3.84	1.09	-	7.28
		Provision thereon	-	-	-	-	-	-	0.41	-	-	0.41	0.34	1.11	0.24	-	1.69	0.34	1.52	0.24	-	2.10
2	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	23.00	-	-	23.00	-	1.00	-	-	1.00	-	24.00	-	-	24.00
		Amount outstanding	-	-	-	-	-	-	4.70	-	-	4.70	-	0.10	-	-	0.10	-	4.80	-	-	4.80
		Provision thereon	-	-	-	-	-	-	1.66	-	-	1.66	-	0.04	-	-	0.04	-	1.70	-	-	1.70
3	Upgradations to restructured standard category during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-	-	(72.00)	72.00	-	-	-	(72.00)	72.00	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	(0.49)	0.49	-	-	-	(0.49)	0.49	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	(0.20)	0.29	-	-	0.09	(0.20)	0.29	-	-	0.09
6	Write-offs of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	3.00	63.00	67.00	-	133.00	3.00	63.00	67.00	-	133.00
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	0.35	0.76	-	1.12	-	0.35	0.76	-	1.12
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	0.16	0.41	-	0.57	-	0.16	0.41	-	0.57
7	Collection	No. of borrowers	-	-	-	-	-	11.00	16.00	(7.00)	-	20.00	119.00	228.00	(60.00)	-	287.00	130.00	244.00	(67.00)	-	307.00
		Amount outstanding	-	-	-	-	-	0.13	1.27	(0.69)	-	0.71	1.73	2.22	(0.75)	-	3.20	1.86	3.49	(1.44)	-	3.91
		Provision thereon	-	-	-	-	-	-	0.41	(0.25)	-	0.16	0.14	0.96	(0.55)	-	0.55	0.14	1.37	(0.80)	-	0.71
8	Restructured accounts as on 31st March of the FY (closing figures*)	No. of borrowers	-	-	-	-	-	-	23.00	8.00	-	31.00	-	74.00	114.00	-	188.00	-	97.00	122.00	-	219.00
		Amount outstanding	-	-	-	-	-	-	4.70	0.69	-	5.39	-	0.59	1.07	-	1.66	-	5.29	1.76	-	7.05
		Provision thereon	-	-	-	-	-	-	1.66	0.25	-	1.91	-	0.33	0.37	-	0.70	-	1.99	0.62	-	2.61

(All amounts in ₹ crore unless otherwise stated)

(All amounts in ₹ crores, unless otherwise stated)

21 There have been no events after the reporting date that require disclosure in the Financial Statements.

22 Prior period figures have been regrouped, wherever necessary, to confirm to the current period presentation.

As per our report of even date

For Brahmayya & Co.,
Chartered Accountants
ICAI Regn. No. FRN 000511S

K Jitendra Kumar
Partner
Membership No. 201825

Place : Chennai
Date : 12th May 2026

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

Ashish Sapra
Director and Chief Executive Officer
DIN-09805893

Roopa Sampath Kumar
Chief Financial Officer

Chetan Nage
Company Secretary

Place : Bengaluru
Date : 12th May 2026

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"/"the 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 2026, 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"), the relevant circulars, guidelines and directions issued by the Reserve Bank of India ("RBI") from time to time ("RBI Guidelines") and other accounting principles generally accepted in India, of the state of affairs of the Group as at 31st March 2026, 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

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 internal model, impairment allowance policy and ECL modelling methodology. We verified the appropriateness of the methodology and models used by the Company and assessed reasonableness of the assumptions used within the computation process to determine the impairment loss allowance as per the requirements of Ind AS 109 'Financial Instruments' and ECL policy of the Company.

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. Quantitative factors like days past due, behaviour of the loan portfolio, historical losses incurred on defaults, macro-economic data points and qualitative factors like nature of the underlying loan, deterioration in credit quality, correlation of macro-economic variables to determine expected losses, probability weights applied to reflect future economic conditions, judgement in relation to Management overlays and related Reserve Bank of India ('RBI') guidelines, to the extent applicable, etc. are also taken into account in the ECL computation. Management has made several interpretations and assumptions	We tested, on a sample basis, the completeness and accuracy of the source data used. We recomputed the impairment loss allowance for a sample of loans spread across the portfolios, to check the arithmetical accuracy and compliance with the ECL methodology approved by the Board of Directors of the Company; We also assessed the approach of the Company for categorization of the loans in various stages reflecting the inherent risk in the respective loans. As a result of the above audit procedures no material differences were noted. We confirm the adequacy of disclosures made in the financial statements.

Key Audit matters	How our audit addressed the Key matters
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.	
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. Given the complexity of the IT systems and high level of dependency on these systems for processing of financial transactions and their impact on the financial reporting process, we considered this area as a Key Audit Matter.	We tested a sample of key controls operating over the information technology in relation to key financial accounting and reporting systems including system reconciliation and system application controls. Reliance was also placed on the System Audit report of the Company covering user access management which includes granting access right, new user creation, removal of user rights and preventative controls designed to enforce segregation of duties. 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, the relevant circulars, guidelines and directions issued by the Reserve Bank of India ("RBI") from time to time 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 Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, 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.
- 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.

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

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

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

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 Rs. 17.25 crores as of 31st March 2026, total revenues of Rs. 1.06 crores and net cash inflows amounting to Rs. 1.65 crores 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 2025. The comparative Consolidated Financial Statements for the year ended 31st March 2025 were audited by the previous joint statutory auditors whose report dated 28th April 2025 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

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 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 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2026 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.43.

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 have used multiple accounting software 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 **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

K Jitendra Kumar
Partner
Membership No. 201825

Date: 12.05.2026
Place: Chennai

UDIN: 26201825EDKQFE4061

For **Suri & Co.,**
Chartered Accountants
Firm Registration No. 004283S

Sanjeev Aditya M
Partner
Membership No. 229694

Date: 12.05.2026
Place: Chennai

UDIN: 26229694SUWKFH2350

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 Parent" / "the Holding Company"/"the Company") and its three subsidiaries which are companies incorporated in India, as of 31st March 2026 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 the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 2026, 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

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements insofar as it relates to three subsidiary companies, which are companies incorporated in India, is based solely on the corresponding report of the auditors of those companies and our opinion on the internal financial controls with reference to Consolidated Financial statements, insofar as it relates to the internal financial controls in respect of the subsidiary companies is based solely on the corresponding report of the other auditors.

Our opinion is not modified in respect of the above matter.

For **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

K Jitendra Kumar
Partner
Membership No. 201825

Date: 12.05.2026
Place: Chennai

UDIN: 26201825EDKQFE4061

For **Suri & Co.,**
Chartered Accountants
Firm Registration No. 004283S

Sanjeev Aditya M
Partner
Membership No. 229694

Date: 12.05.2026
Place: Chennai

UDIN: 26229694SUWKFH2350

CONSOLIDATED BALANCE SHEET
AS AT 31ST MARCH 2026

(All amounts in ₹ crores, unless otherwise stated)

S. No.	Particulars	Note No.	As at 31st March 2026	As at 31st March 2025
	ASSETS			
1	**Financial assets**			
(a)	Cash and cash equivalents	4	3,344.71	3,606.57
(b)	Bank Balance other than (a) above	5	0.21	5.95
(c)	Derivative financial instruments	6	103.43	-
(d)	Receivables			
	i) Trade receivables	7	214.66	141.25
(e)	Loans	8	30,285.47	26,298.84
(f)	Investments	9	301.37	287.75
(g)	Other financial assets	10	29.30	28.25
	Total		**34,279.15**	**30,368.61**
2	**Non-financial assets**			
(a)	Current tax assets (net)	11	8.23	11.04
(b)	Deferred tax assets (net)	12	482.01	408.64
(c)	Investment property	13	83.58	85.16
(d)	Property, plant and equipment	14A	72.14	45.07
(e)	Right-to-use asset	14A	70.33	65.19
(f)	Capital work-in-progress	14B	0.63	2.40
(g)	Intangible assets under development	14B	1.90	10.96
(h)	Other intangible assets	14A	47.00	2.53
(i)	Other non-financial assets	15	28.11	48.38
	Total		**793.93**	**679.37**
	Total assets		**35,073.08**	**31,047.98**
	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	29.60	26.08
	ii) total outstanding dues of creditors other than micro enterprises and small enterprises	16	979.90	1,061.21
(c)	Debt securities	17	3,309.86	2,625.39
(d)	Borrowings (other than debt securities)	18	22,088.05	19,792.47
(e)	Subordinated liabilities	19	2,269.96	2,269.31
(f)	Other Financial liabilities	20	209.85	221.35
	Total		**28,887.22**	**25,998.05**
2	**Non-financial liabilities**			
(a)	Provisions	21	75.15	59.58
(b)	Other non-financial liabilities	22	38.10	38.15
	Total		**113.25**	**97.73**
3	**EQUITY**			
(a)	Equity share capital	23	239.67	236.27
(b)	Instruments entirely equity in nature	23	18.38	18.38
(c)	Other Equity	24	5,814.56	4,697.55
	Total		**6,072.61**	**4,952.20**
	Total liabilities and equity		**35,073.08**	**31,047.98**
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		43		

As per our report of even date

For Brahmayya & Co.,
Chartered Accountants
ICAI Regn. No. FRN 000511S

K Jitendra Kumar
Partner
Membership No. 201825

Place : Chennai
Date : 12th May 2026

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 : Bengaluru
Date : 12th May 2026

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 2026

(All amounts in ₹ crores, unless otherwise stated)

S.No.	Particulars	Note No.	Year ended 31st March 2026	Year ended 31st March 2025
	Revenue from operations			
i)	Interest income	25	6,214.42	5,777.06
ii)	Fees and commission income	26	823.77	736.46
iii)	Net gain on fair value changes	27	154.02	92.32
I)	**Total revenue from operations**		**7,192.21**	**6,605.84**
II)	Other income	28	4.86	3.93
III)	**Total income (I + II)**		**7,197.07**	**6,609.77**
	Expenses			
i)	Finance costs	29	1,934.29	1,863.32
ii)	Fees and commission expenses		473.14	527.16
iii)	Impairment on financial instruments (net)	30	1,156.59	1,295.36
iv)	Employee benefits expenses	31	1,274.23	1,135.58
v)	Depreciation and amortization expenses	32	56.12	46.20
vi)	Other expenses	33	1,054.81	715.62
IV)	**Total expenses**		**5,949.18**	**5,583.24**
V)	**Profit before exceptional items and tax (III-IV)**		**1,247.89**	**1,026.53**
VI)	Exceptional items	43(4)	8.61	-
VII)	**Profit before tax (V-VI)**		**1,239.28**	**1,026.53**
VIII)	Tax expense	34		
	(1) Current tax		400.76	324.07
	(2) Deferred tax		(75.34)	(65.61)
IX)	**Profit for the year (VII-VIII)**		**913.86**	**768.07**
X)	**Other comprehensive income**			
A.	(i) Items that will not be reclassified to profit or loss			
	- Remeasurements of the defined benefit plans		(10.80)	(10.64)
	- Fair value gain/(loss) on financial instruments through other comprehensive income		4.76	(0.62)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		1.52	2.83
	Subtotal (A)		**(4.52)**	**(8.43)**
B.	(i) Items that will be reclassified to profit or loss			
	-Fair value change on cash flow hedge		13.85	(8.89)
	(ii) Income tax relating to items that will be reclassified to profit or loss		(3.48)	2.24
	Subtotal (B)		**10.37**	**(6.65)**
	Other Comprehensive Income (A+B)		**5.85**	**(15.08)**
XI)	**Total comprehensive income for the year (IX + X) (Comprising Profit/(Loss) and other comprehensive income for the year)**		**919.71**	**752.99**
XII)	Earnings per equity share (Face value of Rs. 10/- each)	35		
	Basic (Rs.)		35.69	30.39
	Diluted (Rs.)		35.69	30.39
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		43		

As per our report of even date

For Brahmayya & Co.,
Chartered Accountants
ICAI Regn. No. FRN 000511S

K Jitendra Kumar
Partner
Membership No. 201825

Place : Chennai
Date : 12th May 2026

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 : Bengaluru
Date : 12th May 2026

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 2026

(All amounts in ₹ crores, unless otherwise stated)

I) Equity share capital

	Note No.	Amounts
Balance as at 1st April 2024		**228.22**
Changes in equity share capital during the year	23	8.05
Balance as at 31st March 2025		**236.27**
Changes in equity share capital during the year	23	3.39
Balance as at 31st March 2026		**239.67**

II) Instruments entirely equity in nature

	Note No.	Amounts
Balance as at 1st April 2024		**18.38**
Changes in compulsorily convertible preference shares capital during the year	23	-
Balance as at 31st March 2025		**18.38**
Changes in compulsorily convertible preference shares capital during the year	23	-
Balance as at 31st March 2026		**18.38**

III) Other Equity

	Note No.	Reserves and surplus				Other comprehensive income (OCI)		Total
		Securities premium account	Statutory reserve	Share based payment reserve	Retained earnings	Financial instruments through OCI	Cashflow Hedge reserve	
Balance as at 1st April 2024		**1,874.19**	**356.40**	**-**	**1,385.86**	**-**	**5.89**	**3,622.34**
Profit for the year	24	-	-	-	768.07	-	-	768.07
Fair valuation gain/ (loss) of financial instrument (net)	24	-	-	-	-	(0.47)	(6.65)	(7.12)
Remeasurements of defined benefit plans (net)	24	-	-	-	(7.96)	-	-	(7.96)
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**	**(0.47)**	**(0.76)**	**4,697.55**
Profit for the Year	24	-	-	-	913.86	-	-	913.86
Fair valuation gain/ (loss) of financial instrument (net)	24	-	-	-	-	3.55	10.37	13.92
Remeasurements of defined benefit plans (net)	24	-	-	-	(8.08)	-	-	(8.08)
Transfer to Statutory reserve	24	-	182.77	-	(182.77)	-	-	-
Issuance of equity shares	24	196.62	-	-	-	-	-	196.62
Share-based payment expenses	24	-	-	0.69	-	-	-	0.69
Balance as at 31st March 2026		**2,392.76**	**692.62**	**0.96**	**2,715.53**	**3.08**	**9.61**	**5,814.56**

As per our report of even date

For Brahmayya & Co.,
Chartered Accountants
ICAI Regn. No. FRN 000511S

K Jitendra Kumar
Partner
Membership No. 201825

Place : Chennai
Date : 12th May 2026

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 : Bengaluru
Date : 12th May 2026

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2026

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Cash flows from operating activities		
Profit before tax	1,239.28	1,026.53
Adjustments for:-		
Depreciation and amortization	56.12	46.20
Impairment of financial instruments	41.02	(56.00)
Profit on disposal of property, plant and equipment	(0.71)	(0.20)
Finance costs	1,934.29	1,863.32
Unwinding of discount on security deposits	(1.14)	(0.97)
Remeasurements of defined benefit plans	(10.80)	(10.64)
Share-based payment expenses	0.69	0.27
Cash outflow towards finance costs	(1,928.20)	(1,858.87)
Cash generated/(used) from operations before working capital changes	**91.27**	**(16.89)**
Changes in working capital		
(Increase)/Decrease in Trade receivables	(72.84)	(25.25)
(Increase)/Decrease in Loans	(4,028.21)	(771.40)
(Increase)/Decrease in Other financial assets and other bank balances	5.84	(3.53)
(Increase)/Decrease in Other non-financial assets	20.27	10.21
Increase/(Decrease) in Trade payables	(77.79)	31.09
Increase/(Decrease) in Other financial liabilities	(17.60)	(153.35)
Increase/(Decrease) in Provisions and other non-financial liabilities	15.52	(22.71)
Net cash generated/(used) in operating activities before income tax	**(2,824.26)**	**74.70**
Income taxes paid (net of refund)	(397.95)	(315.30)
Net cash used in operating activities (I)	**(3,222.21)**	**(240.60)**
Cash flows from investing activities		
Investment in Property, plant and equipment	(52.02)	(32.50)
Proceeds from sale of Property, plant and equipment	0.72	0.23
Investment in intangible assets	(41.20)	(9.07)
Investment in Government securities	(6.86)	(188.66)
Investment in Alternate investment fund	(2.00)	(2.00)
Net cash used in investing activities (II)	**(101.36)**	**(232.00)**
Cash flows from financing activities		
Proceeds from issue of Equity shares	200.00	330.00
Proceeds from Issue/(Repayment) of Debt securities (net)	684.47	1,114.40
Proceeds/(Repayment) of Borrowings other than debt securities (net)	2,204.70	834.47
Proceeds/(Repayment) of Subordinated liabilities (net)	0.65	56.35
Payments of Lease liabilities	(28.08)	(24.33)
Net cash generated from financing activities (III)	**3,061.74**	**2,310.89**
Net increase/(decrease) in Cash and cash equivalents (I+II+III)	**(261.83)**	**1,838.29**
Cash and cash equivalents at the beginning of the year	**3,606.54**	**1,768.25**
Cash and cash equivalents at the end of the year	**3,344.71**	**3,606.54**

Components of cash and cash equivalents for the purpose of Statement of Cash Flows:

Description	As at 31st March 2026	As at 31st March 2025
Cash and cash equivalents as per Balance Sheet	3,344.71	3,606.57
Less: Overdrafts utilised (Grouped under Borrowings (other than debt securities) - Note 18)	-	0.03
Cash and Cash Equivalents for the purpose of Statement of Cash Flows	**3,344.71**	**3,606.54**

As per our report of even date

For Brahmayya & Co.,
Chartered Accountants
ICAI Regn. No. FRN 000511S

K Jitendra Kumar
Partner
Membership No. 201825

Place : Chennai
Date : 12th May 2026

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 : Bengaluru
Date : 12th May 2026

Ashish Sapra
Director and Chief Executive Officer
DIN-09805893

Chetan Nage
Company Secretary

(All amounts in ₹ crores, unless otherwise stated)

1 Corporate information

TVS Credit Services Limited ('the Parent Company') (CIN U65920KA2008PLC218369) is a public limited company incorporated and domiciled in India. The registered office is located at TVR Pride, No. 383, 16th Main, 3rd Block, Koramangala, Bengaluru-560034, Karnataka,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 Finance Company, as defined under Section 45-IA of Reserve Bank of India (RBI) Act, 1934. The Parent Company offers diverse lending products like automobile finance , consumer durable loans and small business loans . The Parent Company is categorised as "NBFC - Investment and Credit Company (NBFC-ICC)" pursuant to RBI circular DNBR (PD) CC.No.097/03.10.001/2018-19 dated February 22, 2019 and as defined in Para 6(12) of Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025, dated November 28, 2025. Effective 1st October 2022, the Parent Company has been categorised as NBFC-Middle Layer under the RBI Scale Based Regulation.

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), the guidelines issued by the RBI as applicable to Non-Banking Finance Companies (NBFCs), including the Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 and in accordance with Division III of Schedule III of Companies Act 2013 notified by MCA on 11th October 2018. Further, the Group follows applicable guidance, clarifications, circulars and directions issued by the Reserve Bank of India (RBI) for Non-Banking Financial Companies (NBFC), MCA 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 and employee benefit plans 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.

The financial statements have been approved for issue by the Board of Directors of the Parent Company on 12th May 2026.

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.

The subsidiary companies considered in consolidated financial statements are:

S. No.	Name of the Subsidiary	Proportion of Ownership (interest/voting power -%)		Reporting Date
		2025-26	2024-25	
1	Harita ARC Services Private Limited	100%	100%	31st March 2026
2	TVS Housing Finance Private Limited	100%	100%	31st March 2026
3	Harita Two Wheeler Mall Private Limited	100%	100%	31st March 2026

All the subsidiaries are incorporated in India.

(All amounts in ₹ crores, unless otherwise stated)

2.2 Presentation of financial statements

"The Group prepares and presents its Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the format prescribed by Division III of Schedule III of the Companies Act, 2013. The Statement of Cash Flows has been prepared and presented under the indirect method as per the requirements of Ind AS 7 'Statement of Cash Flows'."

The Group generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only where it has legally enforceable right to offset the recognised amounts and the Company intends to either settle on a net basis or to realise the asset and settle the liability simultaneously as permitted by Ind AS. Similarly, the Company offsets incomes and expenses and reports the same on a net basis where the netting off reflects the substance of the transaction or other events as permitted by Ind AS.

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.

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 and 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 useful life of assets assuming no residual value at the end of useful life of the asset . 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.

Useful life as used by the Group and as indicated in Schedule II are listed below:

Nature of Asset	Useful life adopted by the Group
Computers	3 years
Furniture & fixtures	10 years
Office equipments	5 years
Vehicles(Motor cycle)	10 years
Vehicles (Motor car)	8 years
Leasehold improvements	As per lease tenure
Building	48 years

Depreciation on PPE individually costing Rs.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 and 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 Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to

(All amounts in ₹ crores, unless otherwise stated)

the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation.

Subsequent expenditure related to an item of intangible asset are added to its gross value only if it increases the future benefits of the existing asset, if it is probable that future economic benefit will flow to the Company from that expenditure and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Intangible assets representing computer software are amortised using the straight-line method over a period of 3 to 5 years, based on Management's estimate of their useful lives.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

3.4 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.

3.5 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.

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 (FVOCI), 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.

(All amounts in ₹ crores, unless otherwise stated)

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 FVOCI 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 FVOCI, 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. Investment in Government securities:

The Parent Company also made an investment in the Government securities in order to comply the liquidity ratio compliance as required by RBI pursuant to its master directions. The Parent Company intends to hold these assets till maturity expects that any sale if any 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.

vi. 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.

a. 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.

b. 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

(All amounts in ₹ crores, unless otherwise stated)

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 2026 and 31st March 2025.

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."

(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 Government securities is recognised as interest income in Profit & 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

(All amounts in ₹ crores, unless otherwise stated)

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) Net gain on fair value changes:

Investments in financial instruments are measured at fair value through profit or loss (FVTPL) in accordance with Ind AS 109. Gains or losses on sale/redemption are recognised in the Statement of Profit and Loss.

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

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	Upto 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

(All amounts in ₹ crores, unless otherwise stated)

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 are considered credit-impaired when they are past due for more than 90 days and have not been completely regularised to zero days past due (DPD). Credit-impaired loans also include restructured loan contracts under the Reserve Bank of India (Non-Banking Financial Companies – Resolution of Stressed Assets) Directions, 2025 dated 28th November 2025, irrespective of the number of days past due as at the reporting date. Loan accounts where principal and/or interest are overdue for more than 90 days, together with all other loan exposures of the same borrower, continue to be classified as Stage 3 until all overdues across such accounts are fully cleared. The Group recognises a lifetime expected credit loss (ECL) allowance on such loans.

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

(All amounts in ₹ crores, unless otherwise stated)

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.

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

The Group enters into derivative transactions to manage its exposure to interest rate risk and foreign exchange rate risk. 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 37. 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.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss recognised in OCI is subsequently transferred to the Statement of Profit and Loss on ultimate recognition of the underlying hedged forecast transaction.When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the Statement of Profit and Loss.

3.5.8 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet

(All amounts in ₹ crores, unless otherwise stated)

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 and 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

(All amounts in ₹ crores, unless otherwise stated)

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.

(All amounts in ₹ crores, unless otherwise stated)

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 ₹ crores, unless otherwise stated)

NOTE 4 Cash and cash equivalents

S.No.	Description	As at 31st March 2026	As at 31st March 2025
a)	Cash on hand*	0.49	0.33
b)	Balance with banks		
	-current accounts	3,327.73	3,590.65
	-deposits	16.49	15.59
	Total	**3,344.71**	**3,606.57**

* 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 2026	As at 31st March 2025
a)	Balances with banks to the extent held as margin money or security against borrowings, guarantees, other commitments	0.21	5.95
	Total	**0.21**	**5.95**

*Balance maintained in fixed deposits with original maturity more than 3 months as cash collateral towards cash credit (CC)

NOTE 6 Derivative financial instruments

S No	Description	As at 31st March 2026		
		Notional amounts	Fair Value - Assets	Fair Value - Liabilities
a)	Part I - Currency derivatives- Cross currency interest rate swaps	854.83	103.43	-
	Part II - Derivatives included in above are derivatives held for hedging and risk management purposes as cash flow hedges	854.83	103.43	-
	Total	**854.83**	**103.43**	**-**

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**

The Group does not undertake derivative transactions for trading purposes.

During the financial year, the Group entered into derivative contracts (cross-currency interest rate swaps) solely for hedging foreign exchange and interest rate exposures arising from its External Commercial Borrowings (ECBs). In line with the Parent Company's Asset Liability Management Policy approved by Board, all foreign currency borrowings are fully hedged at the time of drawdown and remain fully hedged until repayment. The front office and back-office role is defined and segregated. All the derivatives transactions is quarterly monitored and reviewed.

The notional amount for CCIRS represents underlying foreign currency borrowings for which the Parent Company has entered to hedge the variable interest rate and foreign exchange risks. Refer Note 38 for foreign currency risk management and interest rate sensitivity on derivative financial instruments respectively.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 7 Trade receivables

S No.	Particulars	As at 31st March 2026	As at 31st March 2025
(i)	Receivables considered good - secured	-	-
(ii)	Receivables considered good - unsecured *	214.66	141.25
(iii)	Receivables which have significant increase in credit risk	-	-
(iv)	Receivables - credit impaired	0.98	1.73
	Total (A)	**215.64**	**142.98**
	Less: Allowance for impairment loss (B)	0.98	1.73
	Net (C) = (A-B)	**214.66**	**141.25**

Notes:

1 *Includes dues from related parties (Refer note 41)

2 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.

NOTE 7 Trade receivables (Ageing schedule)

S No.	Particulars	Unbilled	Outstanding for following periods from date of transaction as at 31st March 2026					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed trade receivable – considered good	138.90	75.76	-	-	-	-	214.66
(ii)	Undisputed trade receivable – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed trade receivable – credit impaired	-	-	0.75	0.23	-	-	0.98
(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)	**138.90**	**75.76**	**0.75**	**0.23**	**-**	**-**	**215.64**
	Less: Allowance for impairment loss (B)	-	-	0.75	0.23	-	-	0.98
	Net (C) = (A-B)	**138.90**	**75.76**	**-**	**-**	**-**	**-**	**214.66**

S No.	Particulars	Unbilled	Outstanding for following periods from due date of payment as at 31st March 2025					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed trade receivable – considered good	61.09	80.16	-	-	-	-	141.25
(ii)	Undisputed trade receivable – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed trade receivable – credit impaired	-	-	1.60	0.13	-	-	1.73
(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)	**61.09**	**80.16**	**1.60**	**0.13**	**-**	**-**	**142.98**
	Less: Allowance for impairment loss (B)	-	-	1.60	0.13	-	-	1.73
	Net (C) = (A-B)	**61.09**	**80.16**	**-**	**-**	**-**	**-**	**141.25**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 8 Loans

S No.	Description	As at 31st March 2026	As at 31st March 2025
		Amortised Cost	
(A)	**Term loans**		
	i) Automobile financing	19,055.84	18,130.65
	ii) Consumer lending	11,559.30	8,428.23
	iii) Small business lending	600.87	620.54
	Total loans - Gross	**31,216.01**	**27,179.42**
	Less: Impairment loss allowance	930.54	880.58
	Total loans - Net	**30,285.47**	**26,298.84**
(B)	**Nature**		
a)	Secured by tangible assets	25,377.17	21,918.72
b)	Unsecured loans	5,838.83	5,260.70
c)	**Total loans - Gross (a) + (b)**	**31,216.01**	**27,179.42**
d)	Less: Impairment loss allowance	930.54	880.58
e)	**Total loans - Net (c) - (d)**	**30,285.47**	**26,298.84**
i)	Loans in India		
	Public Sector	-	-
	Others	31,216.01	27,179.42
	Total loans - Gross	**31,216.01**	**27,179.42**
	Less: Impairment loss allowance	930.54	880.58
	Total loans - Net	**30,285.47**	**26,298.84**
ii)	Loans outside India	-	-
iii)	**Total Loans (i) +(ii)**	**30,285.47**	**26,298.84**

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 3,380 nos repossessed vehicles as at Balance Sheet date. (As at 31st March 2025 : 6,266 nos).

c. The term loans include loans given to related parties (refer note 41) 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. No loans and advances in the nature of loans are granted to promoters, directors, KMPs that are repayable on demand or without specifying any terms or period of repayment.

e. Gold loans constitute 0.37% of the total assets of the Group as at 31st March 2026 (31st March 2025: 0.07%).

(All amounts in ₹ crores, unless otherwise stated)

NOTE 9 Investments

S No.	Description	As at 31st March 2026	As at 31st March 2025
A	**At cost:**		
a)	**Investment in Government securities**	288.98	282.12
B	**At fair value through other comprehensive income:**		
a)	**Investment in Alternative investment fund:**		
	80,000 units of Eight Innovate fund II (31st March 2025: 60,000)	12.14	5.38
b)	**Investment in Compulsory convertible debentures**		
	25 (31st March 2025 : 25) 0.001% compulsorily convertible debentures of Rs.1,00,000 each in Hyper Grocers Private Limited	0.25	0.25
	Total – Gross (A)	**301.37**	**287.75**
	(i) Investments outside India	-	-
	(ii) Investments in India	301.37	287.75
	Total	**301.37**	**287.75**
	Less: Impairment loss allowance (B)	-	-
	Total - Net = (A) -(B)	**301.37**	**287.75**

NOTE 10 Other financial assets

S No.	Description	As at 31st March 2026	As at 31st March 2025
	Unsecured - considered good		
	At amortised cost		
a)	Employees related receivables	17.65	18.06
b)	Security deposit for leased premises	15.51	13.29
c)	Other Financial Assets - Related Parties	2.77	-
d)	Other financial assets - Non related parties	5.34	5.34
e)	Deposit with service providers	2.39	2.12
	Total - Gross	**43.66**	**38.81**
	Less: Impairment loss allowance	14.36	10.56
	Total - Net	**29.30**	**28.25**

NOTE 11 Current tax assets (Net)

S No.	Description	As at 31st March 2026	As at 31st March 2025
a)	Opening balance	11.03	19.80
b)	Add: Taxes paid	397.96	315.30
c)	Less: Taxes payable	(400.76)	(324.07)
	Total	**8.23**	**11.03**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 12 Deferred tax assets/(liabilities)

The balance comprises temporary differences attributable to:

S. No	Description	As at 31st March 2024	Recognised in profit and loss	Recognized in OCI	As at 31st March 2025	Recognised in profit and loss	Recognized in OCI	As at 31st March 2026
a)	**Deferred tax asset**							
	Remeasurement of employee benefits	18.04	(5.72)	2.68	15.00	0.90	2.72	18.62
	Expected credit loss	205.61	16.90	-	222.51	10.19	-	232.70
	Property, plant and equipment and intangible assets	4.88	1.43	-	6.32	(0.88)	-	5.43
	Right-to-use assets	1.20	0.22	-	1.42	0.39	-	1.81
	Impact of effective interest rate adjustment on financial assets/ liabilities	66.79	35.84	-	102.63	60.67	-	163.30
	Other temporary differences	43.42	16.78	-	60.20	4.07	-	64.27
	Deferred tax assets (a)	**339.94**	**65.45**	**2.68**	**408.07**	**75.34**	**2.72**	**486.13**
b)	**Deferred tax liabilities**							
	Fair value on equity instruments designated under FVOCI	-	(0.16)	-	(0.16)	-	1.20	1.05
	Cash flow hedge reserve	1.98	-	(2.39)	(0.41)	-	3.48	3.07
	Deferred tax liabilities (b)	**1.98**	**(0.16)**	**(2.39)**	**(0.57)**	**-**	**4.68**	**4.12**
c)	**Deferred tax assets/ (liabilities) - net (a-b)**	**337.96**	**65.61**	**5.07**	**408.64**	**75.34**	**(1.96)**	**482.01**

NOTE 13 Investment property

Description	Land
As at 31st March 2026	
Gross carrying amount as at 1st April 2025	85.16
Additions	-
Sub-total	**85.16**
Disposals	-
Closing gross carrying amount (A)	**85.16**
Depreciation and amortisation	
Opening accumulated depreciation	-
Depreciation for the year	1.58
Sub-total	**1.58**
Disposals	-
Closing accumulated depreciation and amortisation(B)	**1.58**
Net carrying value as at 31st March 2026 (A)-(B)	**83.58**
Net carrying value as at 31st March 2025	**85.16**

(All amounts in ₹ crores, unless otherwise stated)

Description	Land
As at 31st March 2025	
Gross carrying amount as at 1st April 2024	85.16
Additions	-
Sub-total	**85.16**
Disposals	-
Closing gross carrying amount (A)	**85.16**
Depreciation and amortisation	
Opening accumulated depreciation	-
Depreciation for the year	-
Sub-total	-
Disposals	-
Closing accumulated depreciation and amortisation(B)	-
Net carrying value as at 31st March 2025 (A)-(B)	**85.16**

(i) Fair value

Description	As at 31st March 2026	As at 31st March 2025
Investment property	443.22	422.11

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	Significant unobservable inputs	Range (Weighted Avg)	Sensitivity of the input to fair value	Fair Value (Rs. In crore)	Sensitivity (Rs. In crore)
As at 31st March 2026	Per/Acre	16,17,00,000 per acre	5%	16.17	16.98
As at 31st March 2025	Per/Acre	15,40,00,000 per acre	5%	15.40	16.17

(All amounts in ₹ crores unless otherwise stated)

(All amounts in ₹ crores, unless otherwise stated)

NOTE 14A Property, plant and equipment and intangible assets

Description	Property, plant and equipment								Right-to-use asset	Intangible assets (Computer Software)*
	Computers	Furniture & fixtures	Office equipment	Vehicles	Leasehold improvements	Building	Land	Total		
As at 31st March 2026										
Gross carrying amount as at 1st April 2025	70.90	24.18	29.34	1.49	6.00	-	-	131.91	122.44	21.80
Additions and adjustments on account of modification	17.38	3.10	9.86	0.05	7.98	5.39	8.45	52.21	28.84	50.26
Adjustment due to revaluation and acquisitions through business combinations	-	-	-	-	-	-	-	-	-	-
Sub-total	**88.28**	**27.28**	**39.20**	**1.54**	**13.98**	**5.39**	**8.45**	**184.12**	**151.28**	**72.06**
Disposals	6.92	0.46	1.06	-	-	-	-	8.45	-	-
Closing gross carrying amount (A)	**81.36**	**26.82**	**38.14**	**1.54**	**13.98**	**5.39**	**8.45**	**175.67**	**151.28**	**72.06**
Depreciation and amortisation										
Opening accumulated depreciation	53.09	14.22	18.26	0.48	0.78	-	-	86.84	57.25	19.27
Depreciation/amortisation charge for the year	14.63	2.56	5.36	0.19	2.26	0.07	-	25.06	23.70	5.78
Sub-total	**67.72**	**16.78**	**23.62**	**0.67**	**3.04**	**0.07**	**-**	**111.90**	**80.95**	**25.05**
Disposals	6.93	0.43	1.01	-	-	-	-	8.37	-	-
Closing accumulated depreciation and amortisation(B)	**60.79**	**16.35**	**22.61**	**0.67**	**3.04**	**0.07**	**-**	**103.53**	**80.95**	**25.05**
Net carrying value as at 31st March 2026(A)-(B)	**20.57**	**10.47**	**15.53**	**0.87**	**10.94**	**5.32**	**8.45**	**72.14**	**70.33**	**47.00**
Net carrying value as at 31st March 2025	**17.81**	**9.96**	**11.08**	**1.01**	**5.22**	**-**	**-**	**45.07**	**65.19**	**2.53**

* Intangible assets included in the above schedule represent assets acquired/purchased during the year

(All amounts in ₹ crores unless otherwise stated)

(All amounts in ₹ crores, unless otherwise stated)

Property, plant and equipment (Cont.)

Description	Property, plant and equipment								Right-to-use asset	Intangible assets (Computer Software)*
	Computers	Furniture & fixtures	Office equipment	Vehicles	Leasehold improvements	Building	Land	Total		
As at 31st March 2025										
Gross carrying Amount as at 1st April 2024	59.16	20.79	18.64	1.49	-	-	-	100.08	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	**71.16**	**24.37**	**29.89**	**1.49**	**6.00**	**-**	**-**	**132.91**	**122.44**	**21.80**
Disposals	0.26	0.19	0.55	-	-	-	-	1.00	-	-
Closing gross carrying amount (A)	**70.90**	**24.18**	**29.34**	**1.49**	**6.00**	**-**	**-**	**131.92**	**122.44**	**21.80**
Depreciation and amortisation						-	-	-		
Opening accumulated depreciation	38.63	11.81	13.44	0.29	-	-	-	64.16	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	**53.34**	**14.40**	**18.79**	**0.48**	**0.78**	**-**	**-**	**87.79**	**57.25**	**19.27**
Disposals	0.25	0.18	0.53	-	-	-	-	0.96	-	-
Closing accumulated depreciation and amortisation(B)	**53.09**	**14.22**	**18.26**	**0.48**	**0.78**	**-**	**-**	**86.84**	**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**

* Intangible assets included in the above schedule represent assets acquired/purchased during the year

(a) The Company follows cost model as per Ind AS 16 and the Company has not carried out any revaluation of property, plant and equipment (including Right-to-use asset) during the year ended 31st March, 2026 and year ended 31st March, 2025.

(b) The title deeds of immovable property (other than properties where the Parent Company is the lessee and the lease agreements are duly executed in favour of lessee) are held in the name of the Parent Company.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 14B 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 2026	As at 31st March 2025
Opening balance	2.40	2.73
Additions	10.29	6.93
Deductions	(12.06)	(7.26)
Closing balance	**0.63**	**2.40**

Ageing for capital work-in-progress

As at	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
31st March 2026	0.63	-	-	-	0.63
31st March 2025	2.40	-	-	-	2.40

The Group does not have any project temporarily suspended or any CWIP which is overdue or has exceeded its cost compared to its original plan and hence CWIP completion schedule is not applicable.

Intangible Assets Under Development (ITUD)

Particulars	As at 31st March 2026	As at 31st March 2025
Opening balance	10.96	3.18
Additions	3.85	8.32
Deductions	(12.91)	(0.54)
Closing balance	**1.90**	**10.96**

Ageing for intangible assets under development

As at	Amount in ITUD for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
31st March 2026	1.90	-	-	-	1.90
31st March 2025	8.04	2.92	-	-	10.96

The Group does not have any project temporarily suspended or any intangible asset under development which is overdue or has exceeded its cost compared to its original plan and hence intangible asset under development completion schedule is not applicable.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 15 Other non-financial assets

S No	Description	As at 31st March 2026	As at 31st March 2025
a)	Advances to dealers	0.18	0.17
b)	Prepaid expenses	20.92	33.00
c)	Vendor advances	4.41	12.97
d)	Balances with GST/ Service tax department	1.68	1.60
e)	Amount paid under protest	0.92	0.64
	Total	**28.11**	**48.38**

Impairment loss allowance recognised on other non-financial assets is Nil (31st March 2025: Nil).

NOTE 16 Trade payables

S No	Description	As at 31st March 2026	As at 31st March 2025
(a)	Total outstanding dues of micro enterprises and small enterprises	29.60	26.08
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	979.90	1,061.21
	Total	**1,009.50**	**1,087.29**

16.1 Trade payables (Ageing schedule)

The following schedules reflect ageing of trade payables with respect to the date of transactions

S No	Description	Outstanding for following periods from date of transaction as at 31st March 2026				
		<1 Year	1-2 years	2-3 years	More than 3 years	Total
	Undisputed					
(i)	MSME	29.60	-	-	-	29.60
(ii)	Others	979.90	-	-	-	979.90
	Disputed					
(iii)	MSME	-	-	-	-	-
(iv)	Others	-	-	-	-	-
	Total	**1,009.50**	**-**	**-**	**-**	**1,009.50**

S No	Particulars	Outstanding for following periods from date of transaction as at 31st March 2025				
		<1 Year	1-2 years	2-3 years	More than 3 years	Total
	Undisputed					
(i)	MSME	26.08	-	-	-	26.08
(ii)	Others	1,061.04	0.09	0.08	-	1,061.21
	Disputed					
(iii)	MSME	-	-	-	-	-
(iv)	Others	-	-	-	-	-
	Total	**1,087.12**	**0.09**	**0.08**	**-**	**1,087.29**

Notes:

1 Includes dues to related parties (Refer note 41)

2 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.

(All amounts in ₹ crores, unless otherwise stated)

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 Group 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:

Particulars	As at 31st March 2026	As at 31st March 2025
Principal amount due to suppliers under MSMED Act, as at the year end (since paid)	29.60	26.08
Interest accrued and due to suppliers under MSMED Act, on the above amount as at the year end	-	-
Payment made to suppliers(other than interest)beyond the appointed day,during the year	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act,for payments already made	-	-
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act(since paid)	-	-

NOTE 17 Debt securities

Description	As at 31st March 2026	As at 31st March 2025
At amortised cost:		
Commercial paper (unsecured)	398.27	-
Non convertible debentures (secured)	2,911.59	2,625.39
Total (A)	**3,309.86**	**2,625.39**
Debt securities in India	3,309.86	2,625.39
Debt securities outside India	-	-
Total (B)	**3,309.86**	**2,625.39**

NOTE 18 Borrowings (Other than debt securities)

Description	As at 31st March 2026	As at 31st March 2025
At amortised cost		
(a)Term loans (secured)		
i)from banks	15,879.42	16,757.81
ii) from other parties	523.91	943.06
iii) External commercial borrowings	948.88	299.22
(b)Loans repayable on demand		
i) cash credit from banks (secured)	-	0.03
ii) working capital demand loan (secured)	4,735.84	1,792.35
Total (A)	**22,088.05**	**19,792.47**
Borrowings in India	21,139.17	19,493.25
Borrowings outside India	948.88	299.22
Total (B)	**22,088.05**	**19,792.47**

Period and amount of default: NIL (31st March 2025: NIL)

(All amounts in ₹ crores, unless otherwise stated)

NOTE 19 Subordinated liabilities

Description	As at 31st March 2026	As at 31st March 2025
At amortised cost-Unsecured		
(a) Perpetual debt instruments to the extent that do not qualify as equity	103.58	103.57
(b) Other subordinated liabilities		
(i) From banks	-	-
(ii) From others	2,166.38	2,165.74
Total (A)	**2,269.96**	**2,269.31**
Subordinated liabilities in India	2,269.96	2,269.31
Subordinated liabilities outside India	-	-
Total (B)	**2,269.96**	**2,269.31**

Period and amount of default: NIL (31st March 2025: 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. Change in liabilities arising from financing activities

Particulars	As at 1st April 2025	Cash Flows	Exchange Differences	Other*	As at 31st March 2026
Debt securities	2,625.39	675.00	-	9.47	3,309.86
Borrowings other than debt securities	19,792.47	2,211.69	91.43	(7.55)	22,088.05
Subordinated liabilities	2,269.31	-	-	0.66	2,269.96
Total	**24,687.17**	**2,886.69**	**91.43**	**2.58**	**27,667.87**

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**

* (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 ₹ crores, unless otherwise stated)

Annexure

Institution	Amount Outstanding as on 31st March 2026	Type of Security	Interest Rate	Total Installment	No of installments remaining	Frequency	Repayable from	Repayable to
Debt Securities								
Commercial Paper	199.29	Unsecured	6.55%	1	1	Bullet	21/04/2026	21/04/2026
Commercial Paper	198.97	Unsecured	6.60%	1	1	Bullet	30/04/2026	30/04/2026
Non Convertible Debentures	236.21	Secured	7.15%	1	1	Bullet	26/06/2026	26/06/2026
Non Convertible Debentures	516.08	Secured	8.35%	2	2	Bullet	29/10/2026	29/10/2027
Non Convertible Debentures	534.77	Secured	8.25%	2	2	Bullet	31/12/2026	31/12/2027
Non Convertible Debentures	502.95	Secured	8.25%	3	3	Bullet	03/03/2027	03/03/2028
Non Convertible Debentures	578.28	Secured	7.50%	3	3	Bullet	26/04/2028	27/06/2028
Non Convertible Debentures	543.31	Secured	7.55%	3	3	Bullet	19/07/2028	19/09/2028
	3,309.86							
Loan repayable on demand	4,735.84	Secured	6.35% to 7.32%				Repayable on demand	
	4,735.84							
Term Loan								
Bank	39.75	Secured	6.83%	15	6	Quarterly	31/03/2024	01/10/2027
Bank	120.00	Secured	6.83%	15	6	Quarterly	31/03/2024	01/10/2027
Bank	120.00	Secured	6.83%	15	6	Quarterly	31/03/2024	01/10/2027
Bank	40.00	Secured	6.83%	15	6	Quarterly	31/03/2024	01/10/2027
Bank	45.82	Secured	6.45%	39	18	Monthly	31/07/2024	30/09/2027
Bank	92.31	Secured	6.45%	39	18	Monthly	31/07/2024	30/09/2027
Bank	46.15	Secured	6.45%	39	18	Monthly	31/07/2024	30/09/2027
Bank	215.38	Secured	6.45%	39	21	Monthly	15/10/2024	15/12/2027
Bank	72.88	Secured	6.95%	15	11	Quarterly	30/06/2025	31/12/2028
Bank	146.67	Secured	6.95%	15	11	Quarterly	30/06/2025	31/12/2028
Bank	146.67	Secured	6.95%	15	11	Quarterly	30/06/2025	31/12/2028
Bank	230.51	Secured	5.30%	13	12	Quarterly	28/02/2026	28/02/2029
Bank	230.66	Secured	5.30%	13	12	Quarterly	31/03/2026	31/03/2029
Bank	249.80	Secured	5.30%	13	13	Quarterly	30/06/2026	30/06/2029
Bank	181.80	Secured	7.00%	11	4	Quarterly	01/10/2024	01/04/2027
Bank	131.26	Secured	7.80%	16	7	Quarterly	29/03/2024	29/12/2027
Bank	174.99	Secured	7.80%	12	6	Quarterly	30/12/2024	30/09/2027
Bank	75.02	Secured	7.80%	12	6	Quarterly	30/12/2024	30/09/2027
Bank	75.86	Secured	7.00%	21	15	Monthly	31/10/2025	30/06/2027
Bank	303.60	Secured	7.00%	21	15	Monthly	31/10/2025	30/06/2027
Bank	750.10	Secured	7.25%	36	36	Monthly	30/04/2026	31/03/2029
Bank	25.00	Secured	6.64%	6	1	Half Yearly	29/02/2024	31/08/2026

(All amounts in ₹ crores, unless otherwise stated)

Institution	Amount Outstanding as on 31st March 2026	Type of Security	Interest Rate	Total Installment	No of installments remaining	Frequency	Repayable from	Repayable to
Bank	166.67	Secured	7.18%	6	5	Half Yearly	29/03/2026	29/09/2028
Bank	31.42	Secured	7.25%	12	1	Quarterly	30/06/2023	28/04/2026
Bank	176.69	Secured	7.10%	16	5	Quarterly	30/09/2023	29/06/2027
Bank	58.86	Secured	7.10%	16	5	Quarterly	30/09/2023	29/06/2027
Bank	144.86	Secured	7.10%	16	6	Quarterly	27/12/2023	26/09/2027
Bank	43.35	Secured	5.85%	16	6	Quarterly	27/12/2023	26/09/2027
Bank	125.59	Secured	7.15%	13	4	Quarterly	29/02/2024	01/03/2027
Bank	31.38	Secured	5.95%	13	4	Quarterly	26/03/2024	27/03/2027
Bank	70.60	Secured	5.47%	26	7	Monthly	30/06/2024	30/10/2026
Bank	154.27	Secured	5.47%	10	5	Quarterly	30/03/2025	30/06/2027
Bank	68.00	Secured	5.79%	27	10	Monthly	29/09/2024	30/01/2027
Bank	138.90	Secured	5.79%	11	6	Quarterly	29/03/2025	29/09/2027
Bank	92.74	Secured	5.97%	27	13	Monthly	30/12/2024	27/04/2027
Bank	162.33	Secured	5.97%	13	7	Quarterly	30/12/2024	27/12/2027
Bank	243.46	Secured	5.60%	13	9	Quarterly	31/05/2025	29/05/2028
Bank	87.53	Secured	5.60%	31	18	Monthly	31/03/2025	27/09/2027
Bank	85.01	Secured	5.55%	13	11	Quarterly	28/10/2025	28/10/2028
Bank	145.54	Secured	5.55%	29	21	Monthly	28/08/2025	28/12/2027
Bank	127.52	Secured	5.55%	13	11	Quarterly	05/11/2025	28/10/2028
Bank	38.11	Secured	5.55%	29	22	Monthly	05/09/2025	28/12/2027
Bank	85.05	Secured	5.55%	13	11	Quarterly	30/12/2025	30/12/2028
Bank	119.55	Secured	5.55%	29	23	Monthly	30/10/2025	29/02/2028
Bank	216.56	Secured	5.55%	29	25	Monthly	19/12/2025	17/04/2028
Bank	100.46	Secured	5.40%	13	13	Quarterly	27/05/2026	26/05/2029
Bank	145.51	Secured	5.40%	29	28	Monthly	27/03/2026	26/07/2028
Bank	249.99	Secured	7.00%	1	1	Bullet	30/06/2026	30/06/2026
Bank	299.95	Secured	7.10%	1	1	Bullet	26/09/2027	26/09/2027
Bank	349.71	Secured	7.00%	10	10	Quarterly	01/07/2026	01/10/2028
Bank	100.77	Secured	8.00%	10	5	Quarterly	29/03/2025	29/06/2027
Bank	352.60	Secured	7.90%	10	7	Quarterly	30/09/2025	30/12/2027
Bank	30.11	Secured	6.61%	10	2	Quarterly	29/04/2024	29/07/2026
Bank	20.07	Secured	6.61%	10	2	Quarterly	29/04/2024	29/07/2026
Bank	75.28	Secured	6.48%	10	3	Quarterly	20/07/2024	20/10/2026
Bank	92.33	Secured	6.68%	11	5	Quarterly	26/11/2024	26/05/2027
Bank	225.80	Secured	7.08%	10	9	Quarterly	24/01/2026	24/04/2028
Bank	38.46	Secured	5.85%	13	5	Quarterly	30/06/2024	30/06/2027
Bank	126.85	Secured	5.60%	13	11	Quarterly	17/10/2025	17/10/2028
Bank	112.50	Secured	6.55%	8	3	Quarterly	11/03/2025	08/12/2026
Bank	400.18	Secured	8.10%	1	1	Bullet	29/05/2026	29/05/2026
Bank	350.14	Secured	7.12%	1	1	Bullet	21/05/2027	21/05/2027
Bank	350.14	Secured	7.13%	1	1	Bullet	14/07/2027	14/07/2027
Bank	300.12	Secured	7.09%	1	1	Bullet	26/08/2027	26/08/2027
Bank	16.65	Secured	7.80%	12	4	Quarterly	30/06/2024	31/03/2027
Bank	50.00	Secured	7.80%	12	4	Quarterly	30/06/2024	31/03/2027
Bank	49.99	Secured	7.95%	10	1	Quarterly	31/03/2024	30/06/2026
Bank	40.01	Secured	7.95%	10	2	Quarterly	30/04/2024	31/07/2026
Bank	10.00	Secured	7.95%	10	1	Quarterly	31/03/2024	30/06/2026

(All amounts in ₹ crores, unless otherwise stated)

Institution	Amount Outstanding as on 31st March 2026	Type of Security	Interest Rate	Total Installment	No of installments remaining	Frequency	Repayable from	Repayable to
Bank	20.00	Secured	7.95%	10	1	Quarterly	31/03/2024	30/06/2026
Bank	125.00	Secured	7.95%	12	3	Quarterly	29/02/2024	30/11/2026
Bank	250.00	Secured	7.95%	12	6	Quarterly	31/12/2024	30/09/2027
Bank	145.87	Secured	7.95%	12	7	Quarterly	28/02/2025	30/11/2027
Bank	145.87	Secured	7.95%	12	7	Quarterly	31/03/2025	31/12/2027
Bank	551.72	Secured	7.95%	15	11	Quarterly	29/05/2025	29/11/2028
Bank	184.57	Secured	7.95%	15	11	Quarterly	29/05/2025	29/11/2028
Bank	738.28	Secured	7.95%	15	11	Quarterly	29/05/2025	29/11/2028
Bank	738.28	Secured	7.95%	15	11	Quarterly	29/05/2025	29/11/2028
Bank	999.73	Secured	6.76%	7	7	Monthly	27/06/2026	27/12/2026
Bank	33.41	Secured	6.73%	12	4	Quarterly	27/06/2024	27/03/2027
Bank	33.59	Secured	6.73%	12	4	Quarterly	27/06/2024	27/03/2027
Bank	33.59	Secured	6.73%	12	4	Quarterly	27/06/2024	27/03/2027
Bank	167.77	Secured	6.73%	12	4	Quarterly	27/06/2024	27/03/2027
Bank	67.11	Secured	6.73%	12	4	Quarterly	27/06/2024	27/03/2027
Bank	136.35	Secured	7.75%	11	5	Quarterly	26/12/2024	26/06/2027
Bank	163.67	Secured	7.75%	11	6	Quarterly	30/01/2025	30/07/2027
Bank	218.23	Secured	7.75%	11	6	Quarterly	28/02/2025	31/08/2027
Bank	318.18	Secured	7.05%	11	7	Quarterly	30/06/2025	31/12/2027
Bank	363.71	Secured	7.05%	11	8	Quarterly	30/09/2025	31/03/2028
Bank	428.61	Secured	7.00%	21	18	Monthly	31/01/2026	30/09/2027
Others	147.27	Secured	7.19%	43	21	Monthly	10/06/2024	10/12/2027
Others	167.40	Secured	7.24%	12	4	Quarterly	10/06/2024	10/03/2027
Others	209.25	Secured	6.90%	12	5	Quarterly	10/08/2024	10/05/2027
Bank-ECB	331.42	Secured	7.77%	1	1	Bullet	27/03/2028	27/03/2028
Bank-ECB	285.62	Secured	7.50%	1	1	Bullet	15/05/2028	15/05/2028
Bank-ECB	331.84	Secured	7.59%	1	1	Bullet	19/06/2028	19/06/2028
	17,352.21							
Subordinated Liabilities								
Perpetual Debt	103.58	Unsecured	11.50%	1	1	Bullet	24/11/2027	24/11/2027
Other Subordinated Liabilities:								
Others	154.11	Unsecured	9.40%	1	1	Bullet	10/06/2026	10/06/2026
Others	151.14	Unsecured	9.40%	1	1	Bullet	26/08/2026	26/08/2026
Others	101.82	Unsecured	8.85%	1	1	Bullet	02/06/2027	02/06/2027
Others	359.29	Unsecured	8.85%	1	1	Bullet	11/06/2027	11/06/2027
Others	101.45	Unsecured	9.50%	1	1	Bullet	18/01/2028	18/01/2028
Others	324.77	Unsecured	9.50%	1	1	Bullet	31/01/2028	31/01/2028
Others	201.84	Unsecured	9.35%	1	1	Bullet	29/08/2028	29/08/2028
Others	512.18	Unsecured	9.30%	1	1	Bullet	27/06/2029	27/06/2029
Others	157.56	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	**2,166.38**							
Subordinated Liabilities Total	**2,269.96**							

(All amounts in ₹ crores, unless otherwise stated)

Institution	Amount Outstanding as on 31st March 2025	Type of Security	Interest Rate	Total Installment	No of installments 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	30/10/2026
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
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

(All amounts in ₹ crores, unless otherwise stated)

Institution	Amount Outstanding as on 31st March 2025	Type of Security	Interest Rate	Total Installment	No of installments remaining	Frequency	Repayable from	Repayable to
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
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

(All amounts in ₹ crores, unless otherwise stated)

Institution	Amount Outstanding as on 31st March 2025	Type of Security	Interest Rate	Total Installment	No of installments remaining	Frequency	Repayable from	Repayable to
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
	18,000.09							
Subordinated Liabilities								
Perpetual Debt	103.57	Unsecured	11.50%	1	1	Bullet	24/11/2027	24/11/2027
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
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**							

Details of Security

i) Non convertible debentures of Rs. 2912 Crores inclusive of current and non-current dues (As at 31st March 2025 Rs. 2,625 Crores) 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 Rs. 17,352 Crores inclusive of current and non-Current dues (As at 31st March 2025 Rs. 18,000 Crores) 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 Rs. 4,736 Crores (As at 31st March 2025 Rs.1,792 Crores) is fully secured by exclusive floating charge against hypothecation of receivables under the financing activity of the Company.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 20 Other financial liabilities

S No.	Description	As at 31st March 2026	As at 31st March 2025
a)	Employee related liabilities	104.65	127.42
b)	Security deposit	19.87	15.51
c)	Lease liability (refer note 40)	77.50	71.43
d)	Other liability	7.83	6.99
	Total	**209.85**	**221.35**

NOTE 21 Provisions

S No.	Description	As at 31st March 2026	As at 31st March 2025
	Provision for employee benefits		
a)	Pension (refer note 36)	13.29	12.70
b)	Gratuity (refer note 36)	15.58	3.60
c)	Compensated absences (refer note 36)	45.05	43.28
	Others		
a)	Provision for expected credit loss towards undrawn commitments	1.23	-
	Total	**75.15**	**59.58**

NOTE 22 Other non-financial liabilities

S No.	Description	As at 31st March 2026	As at 31st March 2025
a)	Statutory dues	38.10	38.15
	Total	**38.10**	**38.15**

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 Rs. 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 Rs. 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.

	Description	As at 31st March 2026	As at 31st March 2025
c)	**Authorised share capital:**		
	300,000,000 (As at 31st March 2025 : 300,000,000) equity shares of Rs.10 each	300.00	300.00
	20,000,000 (As at 31st March 2025 : 20,000,000) 0.001% Compulsorily convertible preference shares of Rs.10 each	20.00	20.00
	Total	**320.00**	**320.00**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 23 Equity share capital (Contd.)

	Description	As at 31st March 2026	As at 31st March 2025
d)	**Issued, subscribed and paid up:**		
	Equity share:		
	239,667,485 (As at 31st March 2025 : 236,272,706) equity shares of Rs.10 each	239.67	236.27
	Total	**239.67**	**236.27**
	Instruments entirely equity in nature:		
	18,384,684 (As at 31st March 2025: 18,384,684) 0.001% Compulsorily convertible preference shares of Rs.10 each	18.38	18.38
	Total	**18.38**	**18.38**

e) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

Equity Share:

Particulars	As at 31st March 2026		As at 31st March 2025	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	236,272,706	236.27	228,223,926	228.22
Add: Issued during the year*	3,394,779	3.39	8,048,780	8.05
At the end of the year	**239,667,485**	**239.67**	**236,272,706**	**236.27**

Notes:

1) During FY 25-26, the Company through preferential issue on private placement basis on 31st October 2025 & 13th November 2025 allotted 29,59,441 & 4,35,338 equity shares respectively to eligible buyers at a price of Rs.589.14 per equity share of Rs.10 face value (inclusive of premium of Rs.579.14 per share) aggregating to approximately Rs.200 crores.
2) During FY 24-25, the Company through preferential issue on private placement basis on 28th June 2024 allotted 80,48,780 equity shares respectively to eligible buyers at a price of Rs.410 per equity share of Rs.10 face value (inclusive of premium of Rs.400 per share) aggregating to approximately Rs.330 crores.
3) There were no shares alloted for contract(s) without payment being received in cash, buy back of shares or bonus shares issued during immediately preceeding 5 previous years.
4) No shares has been reserved for issue under options and contracts/commitments for the sale of shares/ disinvestment during the preceeding 5 previous years.

0.001% Compulsorily convertible preference shares:

Particulars	As at 31st March 2026		As at 31st March 2025	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	18,384,684	18.38	18,384,684	18.38
Add: Issued during the year	-	-	-	-
At the end of the year	**18,384,684**	**18.38**	**18,384,684**	**18.38**

f) Shares held by Holding Companies:

Particulars	As at 31st March 2026	As at 31st March 2025
Equity share:		
TVS Motor Company Limited	205,230,334	202,319,089
0.001% Compulsorily convertible preference shares:		
TVS Motor Company Limited	3,169,773	3,169,773

(All amounts in ₹ crores, unless otherwise stated)

NOTE 23 Equity share capital (Contd.)

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 2026		As at 31st March 2025	
	No. of shares	% of Holding	No. of shares	% of Holding
Equity share:				
TVS Motor Company Limited	205,230,334	85.63%	202,319,089	85.63%
PI Opportunities Fund I Scheme II	12,638,567	5.27%	12,272,143	5.19%
0.001% Compulsorily convertible preference shares:				
TVS Motor Company Limited	3,169,773	17.24%	3,169,773	17.24%
PI Opportunities Fund I Scheme II	15,214,911	82.76%	15,214,911	82.76%

g) Shares held by promoters at the end of year

Promotor Name	No. of shares	% of total shares	% change during the year
Equity share:			
TVS Motor Company Limited	205,230,334	85.63%	0.00%
0.001% Compulsorily convertible preference shares:			
TVS Motor Company Limited	3,169,773	17.24%	0.00%

NOTE 24 Other equity

Description	As at 31st March 2026	As at 31st March 2025
a) Securities premium	2,392.76	2,196.14
b) Statutory reserves	692.62	509.85
c) Share based payment reserve	0.96	0.27
d) Retained earnings	2,715.53	1,992.52
e) Other comprehensive income - Financial Instruments through OCI	3.08	(0.47)
f) Other comprehensive income - Cashflow Hedge reserve	9.61	(0.76)
Total reserves and surplus	**5,814.56**	**4,697.55**

a) Securities premium	As at 31st March 2026	As at 31st March 2025
Opening balance	2,196.14	1,874.19
Additions during the year	196.62	321.95
Deductions/Adjustments during the year	-	-
Closing balance	**2,392.76**	**2,196.14**

b) Statutory reserve	As at 31st March 2026	As at 31st March 2025
Opening balance	509.85	356.40
Transfer from retained earnings	182.77	153.45
Deductions/Adjustments during the year	-	-
Closing balance	**692.62**	**509.85**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 24 Other equity (Contd.)

c) Share based payment reserve	As at 31st March 2026	As at 31st March 2025
Opening balance	0.27	-
Share based payment expense during the year	0.69	0.27
Closing balance	**0.96**	**0.27**

d) Retained earnings	As at 31st March 2026	As at 31st March 2025
Opening balance	1,992.52	1,385.86
Net profit for the year	913.86	768.07
Items of other comprehensive income recognised directly in retained earnings:		
- Remeasurements of post-employment benefit obligation net off tax	(8.08)	(7.96)
Transfer to statutory reserve	(182.77)	(153.45)
Closing balance	**2,715.53**	**1,992.52**

e) Other comprehensive income - Financial Instruments through OCI	As at 31st March 2026	As at 31st March 2025
Opening balance	(0.47)	-
Add: Fair value gain/(loss) on financial instruments net of tax	3.55	(0.47)
Closing balance	**3.08**	**(0.47)**

f) Other comprehensive income - Cashflow Hedge reserve	As at 31st March 2026	As at 31st March 2025
Opening balance	(0.76)	5.89
Add: Change in fair value of hedging instruments, net off tax for the year	10.37	(6.65)
Closing balance	**9.61**	**(0.76)**

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 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 comprehensive income - Financial Instruments through OCI:

It represents the cumulative gains/(losses) arising on revaluation of equity instruments measured at fair value through OCI.

Other comprehensive income - Cashflow Hedge reserve:

It represents the cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 25 Interest income

Description	Year ended 31st March 2026	Year ended 31st March 2025
On financial assets measured at amortised cost:		
Interest on loans	6,175.12	5,752.94
Interest on deposits with bank	21.03	17.33
Interest on Government securities	18.27	6.79
Total	**6,214.42**	**5,777.06**

NOTE 26 Fees and commission income

Description	Year ended 31st March 2026	Year ended 31st March 2025
Fee based income	576.56	525.12
Service income	247.21	211.34
Total	**823.77**	**736.46**

NOTE 27 Net gain on fair value changes

Description	Year ended 31st March 2026	Year ended 31st March 2025
Net gain on financial instruments at fair value through profit or loss		
On trading portfolio		
Realised gain on investment at FVTPL	154.02	92.32
Total	**154.02**	**92.32**

NOTE 28 Other income

Description	Year ended 31st March 2026	Year ended 31st March 2025
Unwinding of discount on security deposits and receivable for investments	1.14	0.97
Other non-operating income	3.72	0.44
Interest on income tax refund	-	2.52
Total	**4.86**	**3.93**

NOTE 29 Finance costs

Description	Year ended 31st March 2026	Year ended 31st March 2025
Interest cost on financial liabilities measured at amortised cost		
- Interest on borrowings (other than debt securities)	1,445.82	1,476.13
- Interest on debt securities	268.60	169.54
- Interest on subordinated liabilities	206.71	203.74
Other interest expense:		
- Interest on lease liabilities	6.48	6.12
- Others	6.68	7.79
Total	**1,934.29**	**1,863.32**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 30 Impairment of financial instruments

Description	Year ended 31st March 2026	Year ended 31st March 2025
On financial instruments measured at amortised cost:		
Bad Debts written off (net)	722.12	940.98
Net Loss on forclosure/sale of repossessed assets	392.22	410.38
Impairment provision on loans	41.59	(57.20)
Provision for expected credit loss towards undrawn commitments	1.23	-
Impairment provision on trade receivables and other financial assets	(0.57)	1.20
Total	**1,156.59**	**1,295.36**

NOTE 31 Employee benefit expenses

Description	Year ended 31st March 2026	Year ended 31st March 2025
Salaries and wages	1,154.06	1,019.56
Contribution to provident and other funds	60.74	56.86
Gratuity expenses (refer note 36)	9.86	6.87
Share based payments to employees	0.69	0.27
Staff welfare expenses	48.88	52.02
Total	**1,274.23**	**1,135.58**

NOTE 32 Depreciation and amortization expenses

Description	Year ended 31st March 2026	Year ended 31st March 2025
Depreciation on investment property (refer note 13)	1.58	-
Depreciation on property, plant and equipment (refer note 14)	25.06	23.63
Depreciation on Right-to-use assets (refer note 14)	23.70	20.87
Amortisation of Intangible assets (refer note 14)	5.78	1.70
Total	**56.12**	**46.20**

NOTE 33 Other expenses

Description	Year ended 31st March 2026	Year ended 31st March 2025
Rent, taxes and energy costs (Refer Note 40d))	23.02	18.36
Repairs and maintenance	14.73	18.31
Communication costs	136.93	97.21
Printing and stationery	1.32	1.59
Directors sitting fees & commission expenses	1.53	1.03
Auditors fees and expenses*	1.04	0.73
Legal and professional charges	22.27	92.49
Insurance expenses	1.56	0.90
Travelling and conveyance	58.80	46.13
Information technology expenses	126.38	106.16
Manpower support expenses	579.43	274.49
Brand royalty	24.63	24.96
Corporate social responsibility (refer note 41)**	16.00	10.00
Donation	38.30	20.00
Others	8.87	3.26
Total	**1,054.81**	**715.62**

(All amounts in ₹ crores, unless otherwise stated)

***Auditors fees and expenses**

Description	Year ended 31st March 2026	Year ended 31st March 2025
Statutory audit	0.69	0.42
Limited review	0.12	0.12
Tax audit	0.10	0.08
Certification	0.09	0.05
Reimbursement of expenses	0.04	0.06
Auditors fees and expenses	**1.04**	**0.73**

**** Expenditure incurred on Corporate social responsibility activities:**

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
(i) Amount required to be spent by the Group during the year	15.32	9.53
(ii) Amount of expenditure incurred	16.00	10.00
a. Construction/ acquisition of any asset	-	10.00
b. On purposes other than (a) above	16.00	10.00
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	NA	NA
(vi) Details of related party transactions: Contribution to a trust, an Enterprise under common control	-	10.00
(vii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in position	16.00	-
Nature of CSR Activities : Economic development, health care, education, environment sustainability and water conservation		

NOTE 34 Income tax expense

Description	Year ended 31st March 2026	Year ended 31st March 2025
(a) Income tax expense		
Current tax on profits for the year	400.76	324.07
Tax profits relating to prior period	-	-
Total current tax expense	**400.76**	**324.07**
Deferred tax:		
Decrease (increase) in deferred tax assets	(75.34)	(65.61)
(Decrease) increase in deferred tax liabilities	-	-
Total deferred tax expense/(benefit)	**(75.34)**	**(65.61)**
Income tax expense for the year	**325.42**	**258.46**
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before income tax expense	1,239.28	1,026.53
Tax at the Indian tax rate of 25.168% (Year ended 31st March 2024 – 25.168%)	311.90	258.36
Tax effect of amounts which are permanent differences in nature in calculation of taxable income	13.52	0.10
Income tax expense	**325.42**	**258.46**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 35 Earnings per share

Description	Year ended 31st March 2026	Year ended 31st March 2025
(a) Basic earnings per share		
Basic earnings per share attributable to the equity holders of the Group	35.69	30.39
(b) Diluted earnings per share		
Diluted earnings per share attributable to the equity holders of the Group	35.69	30.39
(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	913.86	768.07
Diluted earnings per share:		
Profit attributable to equity holders of the company used in calculating diluted earnings per share	913.86	768.07
(d) Weighted average number of equity shares used as the denominator in calculating basic earnings per share	25,60,55,601	25,27,16,862
Effect of dilution:		
Employee stock options	13,390	2,782
(e) Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	25,60,68,991	25,27,19,644

NOTE 36 Employee benefit plans

(I) Defined benefit plans

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 employee's 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 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		
	Present value of obligation	Fair value of plan assets	Total	Present value of obligation	Fair value of plan assets	Total
As at 1st April 2024	**44.52**	**(43.95)**	**0.57**	**11.23**	**-**	**11.23**
Current service cost	7.07	-	7.07	-	-	-
Interest expense/(income)	3.12	(3.32)	(0.20)	0.79	-	0.79
Total amount recognised in profit or loss	**10.19**	**(3.32)**	**6.87**	**0.79**	**-**	**0.79**
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**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 36 Employee benefit plans (Contd.)

Particulars	Gratuity			Pension		
	Present value of obligation	Fair value of plan assets	Total	Present value of obligation	Fair value of plan assets	Total
As at 1st April 2025	**57.10**	**(53.48)**	**3.60**	**12.70**	**-**	**12.70**
Current service cost	9.70	-	9.70	-	-	-
Past service cost	8.61	-	8.61	-	-	-
Interest expense/(income)	3.97	(3.81)	0.16	0.79	-	0.79
Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-	-	-	-
(Gain)/loss from change in financial assumptions	-	-	-	-	-	-
Experience (gains)/losses	-	-	-	-	-	-
Total amount recognised in profit or loss	**22.28**	**(3.81)**	**18.48**	**0.79**	**-**	**0.79**
Remeasurements						
Return on plan assets, excluding amounts included in interest expense/(income)	-	0.92	0.92	-	-	-
(Gain)/loss from change in financial assumptions	0.05	-	0.05	0.87	-	0.87
Experience (gains)/losses	9.66	-	9.66	(0.71)	-	(0.71)
Total amount recognised in other comprehensive (income)/Losses	**9.71**	**0.92**	**10.64**	**0.16**	**-**	**0.16**
Employer contributions	-	(17.14)	(17.14)	-	-	-
Benefit payments	(4.12)	4.12	-	(0.36)	-	(0.36)
As at 31st March 2026	**84.97**	**(69.39)**	**15.58**	**13.29**	**-**	**13.29**

Details	Gratuity		Pension	
	31st March 2026	31st March 2025	31st March 2026	31st March 2025
Discount rate	6.23%	6.34%	5.75%	6.44%
Salary growth rate	6.00%	6.00%	5.50%	5.50%
Attrition rate	36.00%	36.00%	0.00%	0.00%
Retirement age	58	58	60	60
Mortality inclusive of provision for disability	100% of Indian assured lives mortality (IALM)			

(i) Sensitivity analysis

FY 2025-26

Particulars	Gratuity			Pension		
	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%	84.00	85.95	1.00%	12.08	14.73
Salary growth rate	0.50%	85.90	84.04	1.00%	14.80	12.01
Mortality	5.00%	84.97	84.96	5.00%	13.18	13.41
Attrition	5.00%	84.50	85.44	5.00%	13.29	13.29
Rs.10,00,000 benefit ceiling	-	80.58	-	-	-	-
No benefit ceiling	-	-	87.34	-	-	-

(All amounts in ₹ crores, unless otherwise stated)

NOTE 36 Employee benefit plans (Contd.)

FY 2024-25

Particulars	Gratuity			Pension		
	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
Salary growth rate	0.50%	57.74	56.43	1.00%	14.26	11.38
Mortality	5.00%	57.08	57.08	5.00%	12.60	12.81
Attrition	5.00%	56.68	57.49	5.00%	12.70	12.70
Rs.10,00,000 benefit ceiling	-	55.33	-	-	-	-
No benefit ceiling	-	-	57.86	-	-	-

(ii) Projected plan cash flow

Maturity profile	Amount (Rs. in crs)
Expected benefits for year 1	28.66
Expected benefits for year 2	23.43
Expected benefits for year 3	17.28
Expected benefits for year 4	12.82
Expected benefits for year 5	9.41
Expected benefits for year 6 and above	22.15
Total	**113.75**

(iii) Risk associated with defined benefit plan

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

a. Changes in discount rate

The present value of defined benefit plan liabilities is calculated using a discount rate which is determined by reference to Government bonds' yields at the end of the reporting period.

A decrease/(increase) in discount rate will increase/(decrease)present values of plan liabilities.

b. Salary escalation risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants calculated by applying estimated salary escalation rate. Any deviation in actual salary escalation can have impact on plan liability.

c. Attrition rate risk

If the actual employee withdrawal rate in the future turns out to be more or less than expected then it may result in increase/decrease in the liability.

d. Mortality rate risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase/decrease in the life expectancy of the plan participants can have impact on plan liability

(iv) Category of Plan Assets

100% in insurer managed funds

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions.The Group's contribution to defined contribution plan viz. provident fund & ESI, of Rs. 59.95 crore (As at 31st March 2025: Rs. 55.80 crore) has been recognised in the Statement of Profit and Loss.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 36 Employee benefit plans (Contd.)

(III) Other long-term employee benefits

Compensated absences

Particulars	31st March 2026	31st March 2025
Present value of obligations	45.05	43.28
Expense recognised in the Statement of Profit and Loss	1.77	(12.51)

Assumptions		
Discount rate	6.19%	6.34%
Salary growth rate	6.00%	6.00%
Attrition rate	36.00%	36.00%
Retirement age	58	58

NOTE 37 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.

The carrying value and fair value of other financial instruments by categories as of 31st March 2026 were as follows:

Particulars	Carrying amount	Fair value			
	Amortised cost	Level 1	Level 2	Level 3	Total
Financial assets:					
Cash and cash equivalents	3,344.71	-	-	3,344.71	3,344.71
Other bank balances	0.21	-	-	0.21	0.21
Trade receivables	214.66	-	-	214.66	214.66
Loans	30,285.47	-	-	30,285.47	30,285.47
Investment in Government securities	288.98	288.98	-	-	288.98
Other financial assets	29.30	-	-	29.30	29.30
Total financial assets	**34,163.32**	**288.98**	**-**	**33,874.34**	**34,163.32**
Trade payables	1,009.50	-	-	1,009.50	1,009.50
Debt securities	3,309.86	-	3,309.86	-	3,309.86
Borrowings other than debt securities	22,088.05	-	-	22,088.05	22,088.05
Subordinated liabilities	2,269.96	-	2,269.96	-	2,269.96
Other financial liabilities	209.85	-	-	209.85	209.85
Total financial liabilities	**28,887.21**	**-**	**5,579.82**	**23,307.39**	**28,887.21**

The carrying value and fair value of other financial instruments by categories as of 31st March 2025 were as follows:

Particulars	Carrying amount	Fair value			
	Amortised cost	Level 1	Level 2	Level 3	Total
Financial assets:					
Cash and cash equivalents	3,606.57	-	-	3,606.57	3,606.57
Other bank balances	5.95	-	-	5.95	5.95
Trade receivables	141.25	-	-	141.25	141.25
Loans	26,298.84	-	-	26,298.84	26,298.84
Investment in Government securities	282.12	282.12	-	-	282.12
Other financial assets	28.25	-	-	28.25	28.25
Total financial assets	**30,362.98**	**282.12**	**-**	**30,080.86**	**30,362.98**
Trade payables	1,087.29	-	-	1,087.29	1,087.29
Debt securities	2,625.39	-	2,625.39	-	2,625.39
Borrowings other than debt securities	19,792.47	-	-	19,792.47	19,792.47
Subordinated liabilities	2,269.31	-	2,269.31	-	2,269.31
Other financial liabilities	221.35	-	-	221.35	221.35
Total financial liabilities	**25,995.81**	**-**	**4,894.70**	**21,101.11**	**25,995.81**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 37 Fair value measurements (Contd.)

Financial assets and financial liabilities measured at fair value:

Particulars	Fair value hierarchy	31st March 2026	31st March 2025
Financial assets			
Derivative financial instruments	Level 2	103.43	-
Investment in alternate investment fund	Level 3	12.14	5.38
Investment in compulsory convertible debentures	Level 3	0.25	0.25
Total financial assets		**115.82**	**5.63**
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.

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.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 38 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, financial institutions, commercial papers, debentures and subordinated liabilities in the form of debentures.

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 2026	31st March 2025
Gross carrying value of loans		
Stage-1 (Up to 30 days)	29,566.06	25,066.76
Stage-2 (31-90 days)	892.13	1,329.68
Stage-3 (More than 90 days)*	757.82	782.98
Total gross carrying value as of year end	**31,216.01**	**27,179.42**

* Includes restructured contracts under Reserve Bank of India (Non-Banking Financial Companies – Resolution of Stressed Assets) Directions, 2025 dated 28th November 2025 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 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 loan 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:

(All amounts in ₹ crores, unless otherwise stated)

NOTE 38 Financial risk management (Contd.)

— 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 at 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%.

— PD for Stage 1 loan assets is calculated as average of historical trend from Stage 1 to Stage 3 in next 12 months.

— PD 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.

— LGD 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.

As at 31st March 2026, the outstanding exposure in respect of accounts restructured under the COVID-19 One-Time Resolution framework vide RBI circular dated 6th August 2020 and RBI/2021-22/31/DOR.STR.REC.11/21.04.048/2021-22 dated 5th May 2021 is Nil.

The Company has classified all restructured accounts done under Reserve Bank of India (Non-Banking Financial Companies – Resolution of Stressed Assets) Directions, 2025 dated 28th November 2025 in Stage 3.

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.

Forward Looking Economic Conditions

The Group measures Expected Credit Loss ("ECL") using reasonable and supportable information, including historical, current and forward looking information, in accordance with Ind AS 109.

The Historical Probability of Default ("PD") estimates are adjusted to reflect forward looking economic conditions by incorporating relevant macro economic factors such as GDP growth, government borrowing, private consumption expenditure, policy interest rates, etc., that impact the overall economic environment. The macro economic inputs used in the model are based on external forecasts, including data sourced from the International Monetary Fund (IMF).

Sensitivity

The ECL allowance is sensitive to changes in macro economic assumptions and scenario weightage. Any changes in these assumptions may result in variations in the impairment provision in future periods. The Group continuously reviews economic developments and updates its assumptions to ensure that the ECL provision remains adequate and prudent.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 38 Financial risk management (Contd.)

Impairment loss

The expected credit loss allowance provision is determined as follows:

FY 25-26	Stage 1	Stage 2	Stage 3	Grand Total
Gross carrying value	29,566.06	892.13	757.82	31,216.01
Allowance for ECL	335.82	184.60	410.12	930.54
ECL coverage ratio	1.14%	20.69%	54.12%	2.98%

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%

Reconciliation of expected credit loss

Particulars	Stage-1	Stage-2	Stage-3	Grand Total
Balance as at 1st April 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)	(224.54)
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 31st March 2025	**210.70**	**244.71**	**425.17**	**880.58**
Transfer from Stage 1	(13.77)	5.64	8.13	-
Transfer from Stage 2	10.74	(106.71)	95.97	-
Transfer from Stage 3	4.13	3.16	(7.29)	-
Loan that have derecognised during the period	(50.10)	(77.01)	(119.89)	(247.00)
New loans originated during the year	194.08	33.72	32.06	259.85
Net remeasurement of loss allowance	(19.72)	80.85	(24.02)	37.11
Balance as at 31st March 2026	**336.06**	**184.36**	**410.13**	**930.54**

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:

Particulars	31st March 2026	31st March 2025
Carrying value		
Concentration by geographical region in India		
South	12,158.53	11,173.70
West	7,559.69	6,927.67
East	6,262.85	4,736.87
North	5,234.94	4,341.18
Total loans as at reporting period	**31,216.01**	**27,179.42**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 38 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 is ascertained 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 2026	31st March 2025
Floating rate		
Expiring within one year	1,932	4,820
Expiring beyond one year	-	-
	1,932	4,820

(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 assets and 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 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 2026						
Financial assets:						
Derivative financial instruments	-	-	-	103.43	-	103.43
Cash and cash equivalents	3,344.71	-	-	-	-	3,344.71
Fixed deposits	-	-	0.21	-	-	0.21
Trade receivables	214.66	-	-	-	-	214.66
Loans	7,880.34	5,779.07	8,774.30	15,325.93	8.05	37,767.69
Investments	-	-	304.56	-	24.39	328.95
Other financial assets	1.28	4.23	9.38	14.13	0.28	29.56
Total	**11,440.99**	**5,783.30**	**9,088.45**	**15,443.49**	**32.72**	**41,788.95**
Financial Liabilities:						
Borrowings	4,036.13	3,065.25	10,044.77	12,556.25	0.00	29,702.40
Security deposit	-	-	4.80	15.07	-	19.87
Trade payables	112.83	452.27	444.40	-	-	1,009.50
Other financial liabilities	22.55	8.40	106.82	66.43	0.93	205.13
Total	**4,171.51**	**3,525.92**	**10,600.79**	**12,637.75**	**0.93**	**30,936.90**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 38 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
As at 31st March 2025						
Financial assets:						
Cash and cash equivalents	3,606.57	-	-	-	-	3,606.57
Fixed deposits	-	-	5.95	-	-	5.95
Trade receivables	38.64	38.14	64.47	-	-	141.25
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	**10,567.43**	**4,915.52**	**7,760.08**	**14,021.53**	**24.20**	**37,288.77**
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	241.36	-	-	**1,087.30**
Other financial liabilities	7.82	6.99	144.00	51.39	10.90	**221.11**
Total	**3,142.88**	**3,777.68**	**7,627.20**	**14,133.46**	**161.48**	**28,842.71**

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 2026						
Financial assets:						
Derivative financial instruments	-	-	-	103.43	-	103.43
Cash and cash equivalents	3,344.71	-	-	-	-	3,344.71
Fixed deposits	-	-	0.21	-	-	0.21
Trade receivables	214.66	-	-	-	-	214.66
Loans	6,720.63	4,594.34	6,882.06	12,666.05	352.94	31,216.01
Investments	-	-	288.98	-	12.39	301.37
Other financial assets	1.29	4.23	9.38	14.13	0.28	29.56
Total	**10,281.29**	**4,598.57**	**7,180.63**	**12,783.61**	**365.61**	**35,209.69**
Financial liabilities:						
Borrowings	3,608.99	2,728.32	9,522.39	11,808.18	-	27,667.88
Security deposit	-	-	4.80	15.07	-	19.87
Trade payables	112.82	452.27	444.40	-	-	1,009.49
Other financial liabilities	21.18	7.03	104.07	57.71	-	189.99
Total	**3,742.99**	**3,187.62**	**10,075.66**	**11,880.96**	**-**	**28,887.23**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 38 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
As at 31st March 2025						
Financial assets:						
Cash and cash equivalents	3,606.57	-	-	-	-	3,606.57
Fixed deposits	-	-	5.95	-	-	5.95
Trade receivables	38.64	38.14	64.47	-	-	141.25
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	**9,641.92**	**3,839.72**	**6,152.29**	**11,604.12**	**11.14**	**31,249.19**
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	241.36	-	-	1,087.30
Other financial liabilities	6.49	5.66	141.35	42.49	9.85	205.84
Total	**2,678.38**	**3,366.30**	**6,969.68**	**12,823.85**	**159.86**	**25,998.06**

(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 2026	31st March 2025
Financial liabilities		
Variable Foreign Currency Borrowings(USD 100 million) (Year ended 31st March 2025 : USD 35 million)	854.83	300.13
Derivative liabilities		
Hedged through forward contracts and CCS	854.83	300.13
Net exposure to foreign currency risk (liabilities)	-	-

(b) Sensitivity analysis

The Group has hedged all its foreign currency exposures by entering into CCS/ forward 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 2026	31st March 2025
INR/USD Increases by 5%	-	-
INR/USD Decreases by 5%	-	-

(All amounts in ₹ crores, unless otherwise stated)

NOTE 38 Financial risk management (Contd.)

(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 the year ended 31st March 2026 and 31st March 2025, 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 2026	31st March 2025
Variable rate borrowings	20,836.05	17,493.01
Total borrowings	**27,667.87**	**24,687.17**

As at the end of the reporting period, the Group had the following variable rate borrowings outstanding:

	31st March 2026		
	Weighted average interest rate	Balance	% of total loans
Cash credits, bank loans etc.	6.91%	20,836.05	75.31%

	31st March 2025		
	Weighted average interest rate	Balance	% of total loans
Cash credits, bank loans etc.	7.93%	17,493.01	70.86%

An analysis by maturities is provided in note 38 B (ii) above.

(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 2026	31st March 2025
Interest rates – increase by 50 basis points (50 bps) *	(77.96)	(65.45)
Interest rates – decrease by 50 basis points (50 bps) *	77.96	65.45

* Holding all other variables constant

(All amounts in ₹ crores, unless otherwise stated)

NOTE 39 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 2026	31st March 2025
Net debt (total borrowings, less cash and cash equivalents)	24,323.15	21,080.60
Total equity (as shown in the balance sheet)	6,072.61	4,952.20
Net debt to equity ratio	**4.01**	**4.26**

(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 license 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.

NOTE 40 Leases

a) Lease disclosures pertaining to right-to-use asset

	Particulars	31st March 2026	31st March 2025
	Opening balance	65.19	26.58
	Add: Adjustments on account of modification	-	35.95
	Add: Additions during the year	28.84	23.53
	Less: Deletions during the year	-	-
	Less: Depreciation during the year	(23.70)	(20.87)
	Closing balance	**70.33**	**65.19**

b) Lease liability movement

	Particulars	31st March 2026	31st March 2025
	Opening balance	71.41	31.36
	Add: Adjustments on account of modification	-	34.72
	Add: Additions during the year	27.69	23.53
	Add: Interest accrued during the year	6.48	6.12
	Less: Interest paid during the year	(6.48)	(6.12)
	Less: Deletions during the year	-	-
	Less: Prinicpal repayment during the year	(21.60)	(18.20)
	Closing balance	**77.50**	**71.41**

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 lease period of the respective agreements.

d) The Group has exercised the option of short term leases and low value asset exemption.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 40 Leases (Contd.)

e) Lease disclosures pertaining to Statement of Profit & Loss

	Particulars	31st March 2026	31st March 2025
Amounts recognised in the Statement of Profit and Loss			
i.	Depreciation charge of right-of-use assets (included in depreciation, amortisation and impairment)	23.70	20.87
ii.	Interest expense (included in finance costs)	6.48	6.12
iii.	Expense relating to short-term leases (included in other expenses)	7.42	6.68
iv.	Expense relating to leases of low-value assets that are not short-term leases (included in other expenses)	-	-
v.	Expense relating to variable lease payments not included in the measurement of lease liabilities	-	-
	Total	**37.60**	**33.67**

f) Addition disclosures in cash flow statement

	Particulars	31st March 2026	31st March 2025
	Cash flow financing activities		
	Principal repayments related to lease liabilities	21.60	18.20
	Interest payments related to lease liabilities	6.48	6.12

g) Contractual maturities of lease liabilities outstanding

	Particulars	31st March 2026	31st March 2025
	Less than one year	22.13	19.07
	One to five years	46.49	42.49
	More than five years	8.88	9.85
	Total	**77.50**	**71.41**

NOTE 41 Related party disclosure

Disclosure in respect of Related Parties and their relationship where transaction exists:

Nature of relationship	Parties name
Holding company	TVS Motor Company Limited
Ultimate holding company	TVS Holdings Limited
Fellow subsidiary	TVS Motor Services Limited
	Sundaram Auto Components Limited
	TVS Digital Pte Limited
	TVS Digital Limited
	Home Credit India Finance Private Limited
	Drive X Mobility Millennial Solutions Private Limited
Enterprise under common control	Sundaram-Clayton Limited
	Srinivasan Services Trust
	Vee Yes Charities Foundation
	TVS Emerald Limited
Associate of holding company	Scienaptic Systems Private Limited (Upto 27th December 2024)
	TVS Training And Services Ltd

(All amounts in ₹ crores, unless otherwise stated)

NOTE 41 Related party disclosure (Contd.)

Non-executive directors	Mr. Venu Srinivasan (upto 3rd February 2026)
	Mr. Sudarshan Venu
	Mr. K.N. Radhakrishnan
	Mr. Sanjiv Chadha
Independent directors	Mr. R. Gopalan
	Mr. B. Sriram
	Ms. Kalpana Unadkat
	Ms. Deepali Pant Joshi (upto 6th November 2025)
	Mr. T. C. Suseel Kumar
Director and CEO	Mr. Ashish Sapra, Director and Chief Executive Officer
Key managerial personnel	Ms. Roopa Sampath Kumar, Chief Financial Officer
	Mr. Chetan Nage, Company Secretary

A. Transactions with related parties during the year:

Sl. No.	Name of the Related Party	Nature of Transactions	31st March 2026	31st March 2025
1	TVS Motor Company Limited	Contribution towards issuance of equity shares	171.51	282.67
		Receipt of subvention income	29.34	10.11
		Reimbursement of IT expense	4.45	2.46
		Payment towards business support service	1.54	3.70
2	TVS Holdings Limited	Payment towards brand royalty fees	24.63	22.87
		Payment towards business support service	4.36	2.82
3	TVS Digital Pte. Limited	Payment towards software license fees	2.26	1.97
		Payment towards digital advertisement	36.05	-
		Payment towards business support service	-	0.01
4	TVS Digital Ltd	Payment towards business support service	4.35	0.36
5	Drive X Mobility Millennial Solutions Private Limited	Receipt towards sale of repossessed vehicles	1.50	7.87
6	Sundaram Clayton Limited	Payment towards business support service	1.66	1.27
7	Srinivasan Services Trust	Contribution towards corporate social responsibility	16.00	10.00
8	Vee Yes Charities Foundation	Contribution towards Donation	10.62	7.10
9	TVS Training and Services Limited	Interest on loan received	0.01	0.02
		Loan recovered	0.05	0.06
10	Home Credit India Finance Private Limited	Receipt of Lead generation fee	0.32	-
		Receipt towards Seat rental	0.10	-
		Reimbursement of expenses	1.03	-
11	Scienaptic Systems Private Limited	Payment towards business support service	-	0.89

(All amounts in ₹ crores, unless otherwise stated)

NOTE 41 Related party disclosure (Contd.)

B. Remuneration to Key Managerial Personnel*

Particulars	2025-26	2024-25
Short term benefits	11.15	8.69
Post retirement benefits	0.40	0.28
Share based payment	0.17	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.

C. Directors' Sitting Fees and Commission

S. No.	Name of the Director	Nature	2025-26	2024-25
1	Mr. Venu Srinivasan	Sitting fees*	0.01	0.00
		Commission	-	-
2	Mr. K.N. Radhakrishnan	Sitting fees	0.03	0.03
		Commission	-	-
3	Mr. B.Sriram	Sitting fees	0.03	0.05
		Commission	0.30	0.20
4	Mr. R.Gopalan	Sitting fees	0.04	0.03
		Commission	0.30	0.20
5	Ms. Kalpana Unadkat	Sitting fees	0.03	0.04
		Commission	0.30	0.20
6	Ms. Deepali Pant Joshi	Sitting fees	0.01	0.01
		Commission	0.18	0.13
7	Mr. T.C. Suseel Kumar	Sitting fees	0.01	0.01
		Commission	0.30	0.13
TOTAL			**1.53**	**1.03**

1. The amounts mentioned are actual payments made during the year.
2. * The sitting fees paid during year ended 31st March 2025 represents amount less than rounding off norm adopted by the Group
3. Transaction values are excluding taxes and duties

D. Balance outstanding as at the end of the year:

S. No.	Name of the Related Party	31st March 2026	31st March 2025
1	**Amounts due from:**		
	TVS Motor Company Limited	23.61	-
	Home Credit India Finance Private Limited	0.05	-
	TVS Training and Services Limited	0.07	0.12
2	**Amounts due to:**		
	TVS Motor Company Limited	-	0.94
	TVS Holdings Limited	2.33	0.72
	TVS Digital Pte Limited	-	0.18
	TVS Digital Limited	1.13	0.16
	Sundaram-Clayton Limited	0.24	0.18
	Scienaptic Systems Private Limited	-	0.17

(All amounts in ₹ crores unless otherwise stated)

NOTE 41 Related party disclosure (Contd.)

Related Party disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 requirements vide notification no. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26::

Related Party Balance outstanding:

Related Party Items	Parent (as per ownership or control)		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
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	-	-	0.07	0.12	-	-	-	-	-	-	-	-	0.07	0.12
Maximum outstanding during the year	-	-	0.12	0.18	-	-	-	-	-	-	-	-	0.12	0.18
Investments:														
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	12.01	12.01
Maximum outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	12.01	12.01
Purchase of fixed/other assets:														
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	(0.18)	-	(0.18)
Maximum outstanding during the year	-	-	-	-	-	-	-	-	-	-	(36.05)	(0.77)	(36.05)	(0.77)
Sale of fixed/other assets:														
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid:														
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received:														
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum outstanding during the year	-	-	0.00	0.00	-	-	-	-	-	-	-	-	0.00	0.00
Others:														
Outstanding at the year end	21.28	(1.66)	-	(0.17)	(0.24)	(0.18)	-	-	-	-	(1.08)	(0.16)	20.21	(2.14)
Maximum outstanding during the year	19.84	5.08	(0.17)	(0.17)	(0.52)	(0.09)	-	-	-	-	(1.50)	(0.75)	17.90	4.12

(All amounts in ₹ crores unless otherwise stated)

NOTE 41 Related party disclosure (Contd.)

Related Party Transactions during the year:

Related Party Items	Parent (as per ownership or control)		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
Contribution towards issuance of equity shares	171.51	282.67	-	-	-	-	-	-	-	-	-	-	171.51	282.67
Receipt of subvention income	29.34	10.11	-	-	-	-	-	-	-	-	-	-	29.34	10.11
Reimbursement of IT expense	4.45	2.46	-	-	-	-	-	-	-	-	-	-	4.45	2.46
Payment towards business support service	5.89	6.52	-	0.89	1.66	1.27	-	-	-	-	4.35	0.37	11.91	9.05
Payment towards brand royalty fees	24.63	22.87	-	-	-	-	-	-	-	-	-	-	24.63	22.87
Reimbursement of expenses	-	-	-	-	-	-	-	-	-	-	1.03	-	1.25	0.18
Payment towards software license fees	-	-	-	-	-	-	-	-	-	-	2.26	1.97	2.26	1.97
Payment towards software purchase	-	-	-	-	-	-	-	-	-	-	36.05	-	36.05	-
Receipt towards sale of repossessed vehicles	-	-	-	-	-	-	-	-	-	-	1.50	7.87	1.50	7.87
Receipt of Lead generation fee	-	-	-	-	-	-	-	-	-	-	0.32	-	0.32	-
Receipt towards Seat rental	-	-	-	-	-	-	-	-	-	-	0.10	-	0.10	-
Contribution towards corporate social responsibility	-	-	-	-	16.00	10.00	-	-	-	-	-	-	16.00	10.00
Contribution towards Donation	-	-	-	-	10.62	7.10	-	-	-	-	-	-	10.62	7.10
Disbursal of loan	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan recovered	-	-	0.05	0.06	-	-	-	-	-	-	-	-	0.05	0.06
Interest on loan received	-	-	0.01	0.02	-	-	-	-	-	-	-	-	0.01	0.02

* There is no transaction with directors and relatives of directors.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 42 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. Deatils of grants given upto the reporting date under the scheme are given as under:

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
ESOP 2024	1,42,008	28th April 2025	1,42,008	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 Volatility*	Option life (years)	Dividend yield (%)	Risk-free interest rate (%)
12th November 2024	178.45	461.54	440.00	33.16%	4	-	6.86%
28th April 2025	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 2026, the Parent Company has accounted expense of Rs.0.69 crores as employee benefits expense (note no. 31) on the aforementioned employee stock option plan (31st March 2025: Rs.0.27 crores)

(C) Movement in ESOP

Particulars	As at 31st March 2026		As at 31st March 2025	
	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	1,55,400	178.45	-	-
Granted during the year	1,42,008	178.45	1,55,400	178.45
Forfeited/ cancelled during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	**2,97,408**	**178.45**	**1,55,400**	**178.45**
Exercisable at the end of the year	-	-	-	-

Particulars	As at 31st March 2026 (In days)	As at 31st March 2025 (In days)
Weighted average remaining contractual life of options outstanding as at year end	1,036	1,321

(All amounts in ₹ crores, unless otherwise stated)

NOTE 43 Additional notes forming part of Consolidated Financial Statements for the nine year ended 31st March 2026

1 Capital commitments

Description	31st March 2026	31st March 2025
Estimated amount of contracts remaining to be executed on capital account not provided for	2.88	13.38

2 Other commitments

Description	31st March 2026	31st March 2025
Undrawn loans sanctioned to borrowers	195.23	41.29
Undrawn investments	2.00	4.00

3 Contingent Liabilities not provided for

Claims against the Group not acknowledged as debts

Description	31st March 2026	31st March 2025
Disputed Service Tax and GST demand inclusive of penalty (Pre-deposit of Rs. 0.70 Cr, as on 31st March 2025 Rs. 0.63 Cr)	10.28	10.65
Legal cases filed by borrowers against the Company	15.54	13.15

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 The New Labour Codes which became effective November 21, 2025, resulted in a past period provision for gratuity of Rs. 8.61 Crores, the same has been reported as an Exceptional items in the financials for the quarter ended December 31, 2025 and the year ended March 31, 2026. After the balance sheet date, while the Central Government notified the Rules on May 8, 2026, the State Rules are yet to be notified. The impact relating to Labour Codes is subject to finalisation of rules and regulatory framework thereunder.

5 Pursuant to para 2 of general instructions for preparation of financial statements of an 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 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 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.

8 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.

9 The Group has not traded or invested in crypto currency or virtual Currency during the financial year.

10 The Group has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(All amounts in ₹ crores, unless otherwise stated)

11 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 2026 and 31st March 2025

As at 31st March 2026

Name of the entity	Net assets		Share in profit/(loss)		Share in Other comprehensive income		Share in Total comprehensive income	
	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	99.72%	6,055.62	99.92%	913.17	100.00%	5.85	99.92%	919.00
Subsidiaries								
TVS Housing Finance Private Limited	0.28%	17.24	0.08%	0.74	0.00%	-	0.08%	0.74
Haritha ARC Private Limited	0.00%	0.00	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Harita Two Wheeler Mall Private Limited	0.00%	0.00	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Total	**100.00%**	**6,072.87**	**100.00%**	**913.86**	**100.00%**	**5.85**	**100.00%**	**919.71**

As at 31st March 2025

Name of the entity	Net assets		Share in profit/(loss)		Share in Other comprehensive income		Share in Total comprehensive income	
	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**

12 There have been no events after the reporting date that require disclosure in the Financial Statements.

13 Prior period figures have been regrouped, wherever necessary, to confirm to the current period presentation.

As per our report of even date

For Brahmayya & Co.,
Chartered Accountants
ICAI Regn. No. FRN 000511S

K Jitendra Kumar
Partner
Membership No. 201825

Place : Chennai
Date : 12th May 2026

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 : Bengaluru
Date : 12th May 2026

Ashish Sapra
Director and Chief Executive Officer
DIN-09805893

Chetan Nage
Company Secretary

Directors' Report to the Shareholders

The directors present the Ninth Annual Report together with the Annual audited statement of accounts for the year ended 31st March 2026.

Financial Highlights:

The Company is yet to commence its operations and the Company incurred an expense of Rs. 82,377/- 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 2026, stood at Rs. 25,000.

Dividend

The directors of the Company do not recommend any dividend for the period ended 31st March 2026.

Amount transferred to Reserves:

The Company has not transferred any amount to the reserves during the Financial Year ended 31st March, 2026.

Details of Subsidiaries, Joint Ventures and Associates:

During the year under review, the Company does not have any Subsidiary, Joint Venture or an Associate Company.

Directors Appointment/Cessation:

There were no appointment or resignation of directors during the year under review.

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, offer himself for re-appointment.

Statutory Auditors:

M/s. Raghavan, Chaudhuri & Narayanan, Chartered Accountants were appointed as the Statutory Auditors of the Company at the 4thAnnual General Meeting for a term of five consecutive years pursuant to Section 139 of the Companies Act, 2013. The said term of appointment concludes at the conclusion of this Annual General Meeting.

The Board of Directors placed on record its appreciation for the valuable services rendered by the auditors during their tenure as Statutory Auditors of the Company. Considering their satisfactory performance, the Board of Directors, at its meeting, has recommended the re-appointment of M/s. Raghavan, Chaudhuri & Narayanan, Chartered Accountants, as Statutory Auditors of the Company, to hold office for a further term of five consecutive years commencing from the conclusion of this Annual General Meeting, subject to the approval of the members, at such remuneration as may be decided by the Board of Directors of the Company.

The Company has received consent from M/s. Raghavan, Chaudhuri & Narayanan, Chartered Accountants to act as Statutory Auditor of the Company and a certificate pursuant to Section 139 of the Companies Act, 2013 read with Rule 4 of the Companies (Audit and Auditors) Rules, 2014, confirming eligibility for re-appointment.

The Auditors' Reports for the financial year 2025-26 do not contain any qualifications, reservations and adverse remarks and the same is attached with the annual financial statements.

Secretarial Audit Report:

During the period under review, the Secretarial Audit under Section 204(1) of the Companies Act, 2013 was not applicable to the Company and hence the Company has not obtained a Secretarial Audit Report.

Compliance of secretarial standards issued by The Institute of Companies Secretaries of India:

The Company complies with Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

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 2025 to 31st March 2026, 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.

Website link of Annual Return:

The Company does not have functional website where it can provide Annual Return of the Company as required under Section 92 (3) of Companies Act, 2013.

Number of board meetings held:

During the period under review, the board met 4 times on 26th April 2025, 28th July 2025, 17th November 2025 and 21st February 2026 and the gap between two meetings did not exceed one hundred and twenty days.

Number of general meetings held:

There were no Extra – Ordinary General Meeting of the Company held during the year under the review.

The Annual General Meeting of the Company for the period ended March 31, 2025 was held on 30th July 2025.

Policy on director's appointment and remuneration under section 178 (3):

The Company being a private Company is not required to constitute Nomination and Remuneration Committee under the provisions of the Companies Act, 2013.

The requirement to formulate a policy under Section 178(3) of the Companies Act, 2013 is not applicable to the Company.

Details of contracts or arrangements made with related parties:

During the year under review, no related party transactions referred to in sub-section (1) of section 188, were entered into by the Company. Hence, no particulars are being provided in Form AOC-2 and it does not form part of this Report.

Risk Management:

During the year, the risk assessment parameters were reviewed. In the opinion of the Board, since there are no business activities, there are no major elements of risk which has the potential of threatening the existence of the Company.

During the year under review, the company has not developed and implemented risk management policy.

Adequacy of internal financial control:

The Company has internal financial control system in place which is commensurate with its size and nature of business to ensure efficiency of operations, including adherence to company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation and reporting of reliable financial information.

Internal Auditor:

The Company is not required to appoint Internal Auditor as it does not fall within purview of section 138(1) of Companies Act, 2013 and Rule 13 of Companies (Accounts) Rules, 2014 and it is not applicable to your Company.

Corporate Social Responsibility:

The provisions of Section 135 of the Companies Act, 2013 read with the relevant rules are not applicable to the Company and therefore, the Company is not required to adopt the CSR Policy or constitute CSR Committee during the year under review.

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.

Compliance with Maternity Benefit Act, 1961:

During the year under review, since there were no employees of the Company, the Company was not required to comply with the provisions of Maternity Benefit Act, 1961.

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.

Details of difference between amount of valuation done at the time of one-time settlement and the valuation done while taking loan from banks or financial institutions with the reason there of:

During the year under review, there has been no one-time settlement of loans taken from banks and financial institutions.

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.

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 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 2026.

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.

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 : 07th May 2026	Director	Director
	DIN: 07384809	DIN: 08475988

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31ST MARCH 2026

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 2026, 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 2026, 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 Managementand 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 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

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31ST MARCH 2026

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 2026 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements
   - (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 31stMarch 2026;
     - (ii) The company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses as at 31st March 2026;
     - (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 31,2026 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: 26027716CAJFEE3155

V. SATHYANARAYANAN
Partner
Membership No. 027716

Place : Bengaluru
Date : 7th May 2026

Annexure "A" to Independent Auditors' Report 31st March 2026
(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 using 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, 2026 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 tocompanies, 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) In our opinion, the Company is not required to be registered under section 45-IA of

(b) the Reserve Bank of India Act, 1934 Hence, reporting under clause3 (xvi)(a),(b) and(c) of

(c) 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 incurred cash losses during the financial year and in immediately preceding financial year amounting to Rs. 82,377 & Rs. 24,628 covered by our audit;

xviii. There has been no resignation of the statutory auditors of the Company during the year;

Annexure "A" to Independent Auditors' Report 31st March 2026
(Referred to in our report of even date)

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due;

xx. 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: 26027716CAJFEE3155

V. SATHYANARAYANAN
Partner
Membership No. 027716

Place : Bengaluru
Date : 7th May 2026

Annexure "B" to Independent Auditors' Report 31st March 2026

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Harita Arc Private Limited

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 Harita Arc Private Limited as of 31st March 2026 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 31st March 2026 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: 26027716CAJFEE3155

V. SATHYANARAYANAN
Partner
Membership No. 027716

Place : Bengaluru
Date : 7th May 2026

Balance Sheet as at 31st March 2026

(All numbers are in hundreds unless otherwise stated)

Particulars6	Note No	As at 31st March 2026	As at 31st March 2025
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	(2,745)	(1,922)
TOTAL EQUITY		**(2,495)**	**(1,672)**
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	100
b) Total outstanding dues of other than (ii) (a) above		-	-
(iii) Other Financial Liabilities	5	2,635	1,811
TOTAL LIABILITIES		**2,735**	**1,911**
TOTAL EQUITY AND LIABILITIES		**239**	**239**

N SRINIVASA RAMANUJAM
Director
DIN: 07384809

Chennai
Dated: 07th May 2026

B RAJARAM
Director
DIN: 08475988

Chennai
Dated: 07th May 2026

As per our report annexed

For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm Regn No.: 007761S

V. SATHYANARAYANAN
Partner
Membership No.: 02771
UDIN : 26027716CAJFEE3155

Bengaluru
Dated: 07th May 2026

Statement of Profit and Loss for the year ended 31st March 2026

(All numbers are in hundreds unless otherwise stated)

Particulars	Note No	For the year ended 31st March 2026	For the year ended 31st March 2025
INCOME			
Revenue from operations		-	-
TOTAL INCOME		-	-
EXPENSES			
Other expenses	6	824	246
TOTAL EXPENSE		**824**	**246**
Profit/(Loss) before tax		**(824)**	**(246)**
Tax expense:		-	-
Profit/(Loss) after tax for the year		**(824)**	**(246)**
Other Comprehensive Income			
Total Comprehensive Income		(824)	(246)
Earning per equity share:			
Basic & Diluted earnings per share (in Rs)	7	(32.95)	(9.85)

N SRINIVASA RAMANUJAM
Director
DIN: 07384809

Chennai
Dated: 07th May 2026

B RAJARAM
Director
DIN: 08475988

Chennai
Dated: 07th May 2026

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm Regn No.: 007761S

V. SATHYANARAYANAN
Partner
Membership No.: 02771
UDIN : 26027716CAJFEE3155

Bengaluru
Dated: 07th May 2026

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

(All numbers are in hundreds unless otherwise stated)

		Year ended 31st March 26	Year ended 31st March 25
A.	**Cash Flow from Operating Activities**		
	1. Profit/(Loss) Before Tax	(824)	(246)
B.	Operating Profit before Working Capital Changes	(824)	(246)
C.	Change in Working Capital		
	(Increase)/Decrease in Loans & Advances	824	246
	Changes in liability arising from financing activities	-	-
	Change in Working Capital	**824**	**246**
D.	Cash generated from Operations (B+C)	-	-
E.	**Net Cash from Operating Activities**	**-**	**-**
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)**	**-**	**-**
I.	**Add: Cash and Cash Equivalents at beginning of the year**	**239**	**239**
J.	**Less: Cash and cash equivalents at the end of the year**	**239**	**239**

N SRINIVASA RAMANUJAM
Director
DIN: 07384809

Chennai
Dated: 07th May 2026

B RAJARAM
Director
DIN: 08475988

Chennai
Dated: 07th May 2026

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm Regn No.: 007761S

V. SATHYANARAYANAN
Partner
Membership No.: 02771
UDIN : 26027716CAJFEE3155

Bengaluru
Dated: 07th May 2026

STATEMENT OF CHANGES IN EQUITY

(All numbers are in hundreds unless otherwise stated)

A

Equity	Note No.	Amount
Balance as at April 1, 2024	2	250
Changes in Equity share capital during the year	2	
Balance as at March 31, 2025		**250**
Changes in Equity share capital during the year	2	-
Balance as at March 31, 2026		**250**

B

Other Equity	Note No.	Retained Earnings	Total
Balance as at April 1, 2024	3	**(1,675)**	**(1,675)**
Total Comprehensive Income	3	(246)	(246)
Balance as at March 31, 2025		**(1,922)**	**(1,922)**
Total Comprehensive Income	3	(824)	(824)
Balance as at March 31, 2026		**(2,745)**	**(2,745)**

N SRINIVASA RAMANUJAM
Director
DIN: 07384809

Chennai
Dated: 07th May 2026

B RAJARAM
Director
DIN: 08475988

Chennai
Dated: 07th May 2026

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm Regn No.: 007761S

V. SATHYANARAYANAN
Partner
Membership No.: 02771
UDIN : 26027716CAJFEE3155

Bengaluru
Dated: 07th May 2026

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 2026	As at 31st March 2025
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 March 31, 2024	**2,500**	250
Additions	**-**	-
Equity Shares as at March 31, 2025	**2500**	**250**
Additions	**-**	-
Equity Shares as at March 31, 2026	**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, 2025	
	No. of Shares	%
TVS Credit Services Limited	2,500	1%

Name of the Share Holder	As at March 31, 2026	
	No. of Shares	%
TVS Credit Services Limited	2,500	1%

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 2026	As at 31st March 2025
3 Other Equity		
Retained Earnings	(2,745)	(1,922)
Total Other Equity	**(2,745)**	**(1,922)**
Retained Earnings		
Opening Balance	(1,922)	(1,675)
Add: Net profit for the year	(824)	(246)
Closing Balance	**(2,745)**	**(1,922)**

*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. The entire closing balance represents the principal amount payable to these enterprises. There are no undisputed overdues on Principal and no interest due or outstanding.

4 Trade Payables

Particulars	Outstanding for the following periods from due date of payment as at 31st march 2026				
	<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 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

*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. The entire closing balance represents the principal amount payable to these enterprises. There are no undisputed overdues on Principal and no interest due or outstanding.

5 Other Financial Liabilities

	As at March 31, 2026	As at March 31, 2025
Payable to Holding Company	2,635	1,811
Total Other Financial Liabilities	**2,635**	**1,811**

NOTES TO STATEMENT OF PROFIT AND LOSS

	For the year ended 31st March 2026	For the year ended 31st March 2025
6 Other Expenses		
Professional charges	714	120
Rates and taxes	10	26
Payment to Auditors		
- As Auditor	100	100
Bank Charges	-	-
Total Other Expenses	**824**	**246**
7 Earnings per share (Basic and Diluted)		
Earnings attributable to equity share holders	(824)	(246)
Number of Shares	2,500	2,500
Earnings per Share in Rs	(32.95)	(9.85)

8. Additional Notes forming part of Financial Statements for year ended 31st March 26

1 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.

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 2025-26**	**FY 2024-25**
Advance Received	TVS Credit Services Limited	823	382
Balance Payable as at the end of the year	TVS Credit Services Limited	2,634	1,811

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 entities, 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 entities, 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 31.03.2026	Ratio 31.03.2025	Variance	Reasons for variance
(a) Current ratio	Current Assets	Current Liabilities	0.09	0.13	-30.12%	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	0.33	0.15	124.07%	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	33.01%	14.73%	124.07%	Decrease in expenes
(k) Return on investment	Profit after tax	Equity shareholders' Fund	33.01%	14.73%	124.07%	Decrease in expenes

5 All the numbers have been rounded off to nearest hundreds except shares and EPS.

N SRINIVASA RAMANUJAM
Director
DIN: 07384809

Chennai
Dated: 07th May 2026

B RAJARAM
Director
DIN: 08475988

Chennai
Dated: 07th May 2026

As per our report annexed

For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm Regn No.: 007761S

V. SATHYANARAYANAN
Partner
Membership No.: 02771
UDIN : 26027716CAJFEE3155

Bengaluru
Dated: 07th May 2026

Directors' Report to the Shareholders:

The directors present the Ninth Annual Report together with the Annual Audited Statement of Accounts for the year ended 31st March 2026.

Financial Highlights:

The Company is yet to commence its operations and the Company incurred an expense of Rs. 90,075/- 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 March 31, 2026, stood at Rs. 25,000.

Dividend:

The directors of the Company do not recommend any dividend for the period ended 31st March 2026.

Amount transferred to Reserves:

The Company has not transferred any amount to the reserves during the Financial Year ended 31st March, 2026.

Details of Subsidiaries, Joint Ventures and Associates:

During the year under review, the Company does not have any Subsidiary, Joint Venture or an Associate Company.

Directors Appointment/Cessation:

There was no appointment or resignation of directors during the year under review.

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, offer himself for re-appointment.

Statutory Auditors:

M/s. Raghavan, Chaudhuri & Narayanan, Chartered Accountants were appointed as the Statutory Auditors of the Company at the 4th Annual General Meeting for a term of five consecutive years pursuant to Section 139 of the Companies Act, 2013. The said term of appointment concludes at the conclusion of this Annual General Meeting.

The Board of Directors placed on record its appreciation for the valuable services rendered by the auditors during their tenure as Statutory Auditors of the Company. Considering their satisfactory performance, the Board of Directors, at its meeting, has recommended the re-appointment of M/s. Raghavan, Chaudhuri & Narayanan, Chartered Accountants, as Statutory Auditors of the Company, to hold office for a further term of five consecutive years commencing from the conclusion of this Annual General Meeting, subject to the approval of the members, at such remuneration as may be decided by the Board of Directors of the Company.

The Company has received consent from M/s. Raghavan, Chaudhuri & Narayanan, Chartered Accountants to act as Statutory Auditor of the Company and a certificate pursuant to Section 139 of the Companies Act, 2013 read with Rule 4 of the Companies (Audit and Auditors) Rules, 2014, confirming eligibility for re-appointment.

The Auditors' Reports for the financial year 2025-26 do not contain any qualifications, reservations and adverse remarks and the same is attached with the annual financial statements.

Secretarial Audit Report:

During the period under review, the Secretarial Audit under Section 204(1) of the Companies Act, 2013 was not applicable to the Company and hence the Company has not obtained a Secretarial Audit Report.

Compliance of secretarial standards issued by The Institute of Companies Secretaries of India:

The Company complies with Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

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 2025 to 31st March 2026, 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.

Website link of Annual Return:

The Company does not have functional website where it can provide Annual Return of the Company as required under Section 92 (3) of Companies Act, 2013.

Number of board meetings held:

During the period under review, the board met 4 times on 26th April 2025, 28th July 2025, 17th November 2025 and 21st February 2026 and the gap between two meetings did not exceed one hundred and twenty days.

Number of general meetings held:

There were no Extra – Ordinary General Meeting of the Company held during the year under the review.

The Annual General Meeting of the Company for the period ended March 31, 2025 was held on 30th July 2025.

Policy on director's appointment and remuneration under section 178 (3):

The Company being a private Company is not required to constitute Nomination and Remuneration Committee under the provisions of the Companies Act, 2013.

The requirement to formulate a policy under Section 178(3) of the Companies Act, 2013 is not applicable to the Company.

Details of contracts or arrangements made with the related parties:

During the year under review, no related party transactions referred to in sub-section (1) of section 188, were entered into by the Company. Hence, no particulars are being provided in Form AOC-2 and it does not form part of this Report.

Risk Management:

During the year, the risk assessment parameters were reviewed. In the opinion of the Board, since there are no business activities, there are no major elements of risk which has the potential of threatening the existence of the Company.

During the year under review, the company has not developed and implemented risk management policy.

Adequacy of internal financial control:

The Company has internal financial control system in place which is commensurate with its size and nature of business to ensure efficiency of operations, including adherence to company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation and reporting of reliable financial information.

Internal Auditor:

The Company is not required to appoint Internal Auditor as it does not fall within purview of section 138(1) of Companies Act, 2013 and Rule 13 of Companies (Accounts) Rules, 2014 and it is not applicable to your Company.

Corporate Social Responsibility:

The provisions of Section 135 of the Companies Act, 2013 read with the relevant rules are not applicable to the Company and therefore, the Company is not required to adopt the CSR Policy or constitute CSR Committee during the year under review.

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.

Compliance with Maternity Benefit Act, 1961:

During the year under review, since there were no employees of the Company, the Company was not required to comply with the provisions of Maternity Benefit Act, 1961.

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.

Details of difference between amount of valuation done at the time of one-time settlement and the valuation done while taking loan from banks or financial institutions with the reason there of:

During the year under review, there has been no one-time settlement of loans taken from banks and financial institutions.

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.

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 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 2026.

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.

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

	N Srinivasa Ramanujam	B Rajaram
Place : Chennai	Director	Director
Date : 07th May 2026	DIN: 07384809	DIN: 08475988

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31ST MARCH 2026

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 2026, 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 2026, 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 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 2026 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.

   (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 2026;

      (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 2026;

      (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, 2026 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

V. SATHYANARAYANAN
Partner
Membership No. 027716
UDIN : 26027716XJRVYT1967

Place : Bengaluru
Date : 7th May, 2026

Annexure "A" to Independent Auditors' Report 31st March 2026

(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, 2026 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 by the 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.90,075 & Rs. 12,429 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

V. SATHYANARAYANAN
Partner
Membership No. 027716
UDIN : 26027716XJRVYT1967

Place : Bengaluru
Date : 07th May, 2026

Annexure "B" to the Independent Auditors' Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Harita Two Wheeler Mall Private Limited)

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 Harita Two Wheeler Mall Private Limited as of 31st March 2026 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 31st March 2026 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

V. SATHYANARAYANAN
Partner
Membership No. 027716
UDIN : 26027716XJRVYT1967

Place : Bengaluru
Date : 07th May, 2026

Balance Sheet as at 31st March 2026

(All numbers are in hundreds unless otherwise stated)

Particulars	Note No	As at 31st March 2026	As at 31st March 2025
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	(2,710)	(1,810)
TOTAL EQUITY		**(2,460)**	**(1,560)**
LIABILITIES			
Current Liabilities			
Financial Liabilities			
(i) Borrowings		-	-
(ii) Trade Payables			
a) Total outstanding dues of creditors other than micro enterprises and small enterprises	4	120	122
b) Total outstanding dues of other than (ii) (a) above		-	-
(iii) Other Financial Liabilities	5	2,579	1,677
TOTAL LIABILITIES		**2,699**	**1,799**
TOTAL EQUITY AND LIABILITIES		**239**	**239**

N SRINIVASA RAMANUJAM
Director
DIN: 07384809

Chennai
Dated: 07th May 2026

B RAJARAM
Director
DIN: 08475988

Chennai
Dated: 07th May 2026

As per our report annexed

For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No. FRN 007761S

V. SATHYANARAYANAN
Partner
Membership No.: 02771
UDIN : 26027716XJRVYT1967

Bengaluru
Dated: 07th May 2026

Statement of Profit and Loss for the year ended 31st March 2026

(All numbers are in hundreds unless otherwise stated)

Particulars	Note No	Year ended March 31, 2026	Year ended March 31, 2025
INCOME			
Revenue from operations		-	-
TOTAL INCOME			
EXPENSES			
Other expenses	6	901	124
TOTAL EXPENSE		**901**	**124**
Profit/(Loss) before tax		**(901)**	**(124)**
Tax expense:		-	-
Profit/(Loss) after tax for the year		**(901)**	**(124)**
Other Comprehensive Income		-	-
Total Comprehensive Income		**(901)**	**(124)**
Earning per equity share:			
Basic & Diluted earnings per share (in Rs)	7	(36.03)	(4.97)

N SRINIVASA RAMANUJAM
Director
DIN: 07384809

Chennai
Dated: 07th May 2026

B RAJARAM
Director
DIN: 08475988

Chennai
Dated: 07th May 2026

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No. FRN 007761S

V. SATHYANARAYANAN
Partner
Membership No.: 02771
UDIN : 26027716XJRVYT1967

Bengaluru
Dated: 07th May 2026

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

(All numbers are in hundreds unless otherwise stated)

		Year ended March 31, 2026	Year ended March 31, 2025
A.	**Cash Flow from Operating Activities**		
	Profit/(Loss) Before Tax	(901)	(124)
	Operating Profit before Working Capital Changes	(901)	(124)
	Change in Working Capital		
	(Increase)/Decrease in Loans & Advances		
	Changes in liability arising from financing activities	901	124
	Change in Working Capital	**901**	**124**
	Cash generated from Operations	-	-
	Net Cash from Operating Activities	**-**	**-**
B.	**Net Cash Flow from Financing Activities**		
	Proceeds from Issue of Equity Shares		
	Net Cash from Financing Activities	**-**	**-**
C.	Net Cash Flow from Investing Activities		
	Payments for Property, Plant and Equipment and Investment Property		
	Net Cash from Investing Activities	-	-
	Net change in Cash and Cash Equivalents	**-**	**-**
	Add: Cash and Cash Equivalents as at beginning of the year	**239**	**239**
	Cash and Cash Equivalents as at End of the year	**239**	**239**

N SRINIVASA RAMANUJAM
Director
DIN: 07384809

Chennai
Dated: 07th May 2026

B RAJARAM
Director
DIN: 08475988

Chennai
Dated: 07th May 2026

As per our report annexed

For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No. FRN 007761S

V. SATHYANARAYANAN
Partner
Membership No.: 02771
UDIN : 26027716XJRVYT1967

Bengaluru
Dated: 07th May 2026

STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 31ST MARCH 2026

(All numbers are in hundreds unless otherwise stated)

A

Equity	Note No.	Amount
Balance as at April 1, 2024	2	250
Changes in Equity share capital during the year	2	
Balance as at March 31, 2025		**250**
Changes in Equity share capital during the year	2	-
Balance as at March 31, 2026		**250**

B

Other Equity	Note No.	Retained Earnings	Total
Balance as at April 1, 2024	3	(1,685)	(1,685)
Total Comprehensive Income	3	(124)	(124)
Balance as at March 31, 2025		**(1,810)**	**(1,810)**
Total Comprehensive Income	3	(901)	(901)
Balance as at March 31, 2026		**(2,710)**	**(2,710)**

N SRINIVASA RAMANUJAM
Director
DIN: 07384809

Chennai
Dated: 07th May 2026

B RAJARAM
Director
DIN: 08475988

Chennai
Dated: 07th May 2026

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No. FRN 007761S

V. SATHYANARAYANAN
Partner
Membership No.: 02771
UDIN : 26027716XJRVYT1967

Bengaluru
Dated: 07th May 2026

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 2026	As at 31st March 2025
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, 2024	2,500	250
Additions	-	-
Equity Shares as at March 31, 2025	**2,500**	**250**
Additions	-	-
Equity Shares as at March 31, 2026	**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, 2025	
	No. of Shares	%
TVS Credit Services Limited	2,500	100%

Name of the Share Holder	As on March 31, 2026	
	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 2026	As at 31st March 2025
3 Other Equity		
Retained Earnings	(2,710)	(1,810)
Total Other Equity	**(2,710)**	**(1,810)**
Retained Earnings		
Opening Balance	(1,810)	(1,685)
Add: Net profit for the year	(901)	(124)
Closing Balance	**(2,710)**	**(1,810)**

4 Trade Payables

Particulars	Outstanding for the following periods from due date of payment as at 31st march 2026				
	<1 year	1-2 years	2-3 years	More than 3 Years	Total
Undisputed dues- MSME	-	-	-	-	-
Undisputed dues- Others	120	-	-	-	120
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
TOTAL	120	-	-	-	120

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

*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. The entire closing balance represents the principal amount payable to these enterprises. There are no undisputed overdues on Principal and no interest due or outstanding.

5 Other Financial Liabilities

	Amount as at March 31, 2026	Amount as at March 31, 2025
Payable to Holding Company	2,579	1,677
Total Other Financial Liabilities	**2,579**	**1,677**

NOTES TO STATEMENT OF PROFIT AND LOSS

	For the Year ended March 31, 2026	For the Year ended March 31, 2025
6 **Other Expenses**		
Professional charges	793	-
Rates and taxes	8	24
Payment to Auditors		
- As Auditor	100	100
Bank Charges	-	-
Total Other Expenses	**901**	**124**

7 Earnings per share (Basic and Diluted)		
Earnings attributable to equity share holders	(901)	(124)
Number of Shares	2,500	2,500
Earnings per Share (in Rs.)	(36.03)	(4.97)

Additional Notes forming part of Financial Statements for year ended 31st March 2026

i. 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.

ii. 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 2025-26	Amount (Rs.) FY 2024-25
Advance Received	TVS Credit Services Limited	902	260.29
Balance Payable as at the end of the year	TVS Credit Services Limited	2,579	1,677

iii. 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(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall

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

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

(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.

iv. **DISCLOSURE OF RATIOS**

Ratio	Description of numerator	Description of denominator	Ratio 31.03.2026	Ratio 31.03.2025	Variance	Reasons for variance
(a) Current ratio	Current Assets	Current Liabilities	0.09	0.13	-33.35%	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	0.37	0.08	359.39%	Increase 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	36.61%	7.97%	359.39%	Increase in expenes
(k) Return on investment	Profit after tax	Equity shareholders' Fund	36.61%	7.97%	359.39%	Increase in expenes

v. All the numbers have been rounded off to nearest hundreds except shares and EPS.

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 2026

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 2026, 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 2026, 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, and also under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on internal financial controls system over financial reporting and 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 2026 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.

   (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 2026;

      (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 2026;

      (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, 2026 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

V. SATHYANARAYANAN
Partner
Membership No. 027716
UDIN : 26027716ZVZTHH3520

Place : Bengaluru
Date : 06th May, 2026

Annexure "A" to Independent Auditors' Report 31st March 2026
(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, 2026 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 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;

For RAGHAVAN, CHAUDHURI & NARAYANAN.,
Chartered Accountants
FRN.007761S

V. SATHYANARAYANAN
Partner
Membership No. 027716
UDIN : 26027716ZVZTHH3520

Place : Bengaluru
Date : 06th May, 2026

Annexure "B" to Independent Auditors' Report 31st March 2026

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of TVS Housing Finance Private Limited)

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 Housing Finance Private Limited as of 31st March 2026 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 31st March 2026 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

V. SATHYANARAYANAN
Partner
Membership No. 027716
UDIN : 26027716ZVZTHH3520

Place : Bengaluru
Date : 06h May, 2026

Balance Sheet as at 31st March 2026

(Amount in Thousands unless otherwise stated)

Particulars	Note No.	As on March 31, 2026	As on March 31, 2025
ASSETS			
Current Assets			
Financial Assets			
(i) Cash and Cash equivalents	1	7,177	6,581
(ii) Bank balances other than Cash and Cash Equivalents	2	1,64,945	1,55,935
(iii) Current Tax Assets (Net)	3	2,993	2,792
Non Financial Assets			
(i) Other Non Financial Assets	4	0	354
TOTAL ASSETS		**1,75,115**	**1,65,662**
EQUITY AND LIABILITIES			
Equity			
(i) Share Capital	5	1,20,000	1,20,000
(ii) Other Equity	6	50,398	42,995
TOTAL EQUITY		**1,70,398**	**1,62,995**
LIABILITIES			
Current Liabilities			
Financial Liabilities			
(i) Borrowings		-	-
(ii) Trade Payables			
a) Total outstanding dues of creditors other than micro enterprises and small enterprises	7	10	10
b) Total outstanding dues of other than (ii) (a) above		-	-
(iii) Other Financial Liabilities	8	2,028	-
Current tax liabilities (Net)	9	2,679	2,658
TOTAL LIABILITIES		4,717	2,668
TOTAL EQUITY AND LIABILITIES		**1,75,115**	**1,65,662**

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No: 007761S

Venu Srinivasan
Chairman
DIN: 00051523

Priyaavarshini
Company secretary

Chennai
Dated: 06th May 2026

N S Ramanujam
Chief Financial Officer

Chennai
Dated: 06th May 2026

V. SATHYANARAYANAN
Partner
Membership No.: 027716
UDIN: 26027716ZVZTHH3520

Bengaluru
Dated: 06th May 2026

Statement of Profit and Loss for the year ended 31st March 2026

(Amount in Thousands unless otherwise stated)

Particulars	Note No	Year ended March 31, 2026	Year ended March 31, 2025
INCOME			
Revenue from operations		-	-
Other Income	10	10,643	10,832
Total revenue		**10,643**	**10,832**
EXPENSES			
Other expenses	11	561	46
Total Expense		**561**	**46**
Profit before tax		**10,082**	**10,786**
Tax expense:			
Current year taxes		2,679	2,658
Tax relating to earlier years		-	-
Profit/(Loss) after tax for the year		**7,403**	**8,128**
Earning per equity share (in Rs):	12	0.62	0.68

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No: 007761S

Venu Srinivasan
Chairman
DIN: 00051523

V. SATHYANARAYANAN
Partner
Membership No.: 027716
UDIN: 26027716ZVZTHH3520

Priyaavarshini
Company secretary

Chennai
Dated: 06th May 2026

N S Ramanujam
Chief Financial Officer

Chennai
Dated: 06th May 2026

Bengaluru
Dated: 06th May 2026

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

(Amount in Thousands unless otherwise stated)

		Year ended March 31, 2026	Year ended March 31, 2025
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	1. Profit/(Loss) Before Tax	10,082	10,786
	Interest Income	-	-
	Operating Profit before Working Capital Changes	**10,082**	**10,786**
	Change in Working Capital		
	(Increase)/Decrease in Short Term Receivable	153	(6,834)
	Increase/(Decrease) in Trade and other Payables	2,049	(14)
	Change in Working Capital	**2,202**	**(6,848)**
	Cash generated from Operations	**12,284**	**3,938**
	Income Tax Paid	(2,679)	(2,734)
	Net Cash from Operating Activities	**9,605**	**1,204**
B	**NET CASH FLOW FROM FINANCING ACTIVITIES**		
	Borrowings	-	-
	(Investment)/Proceeds in Fixed deposit	(9,009)	5,000
	Net Cash from Financing Activities	**(9,009)**	**5,000**
C	**NET CASH FLOW FROM INVESTING ACTIVITIES**		
	Payments for Property, Plant and Equipment and Investment Property	-	-
	Net Cash from Investing Activities	**-**	**-**
D	**NET CHANGE IN CASH AND CASH EQUIVALENTS**	**596**	**6,204**
	Add: Cash and Cash Equivalents as at Beginning	**6,581**	**376**
	Cash and Cash Equivalents as at End	**7,177**	**6,581**

Venu Srinivasan
Chairman
DIN: 00051523

Priyaavarshini
Company secretary

Chennai
Dated: 06th May 2026

N S Ramanujam
Chief Financial Officer

Chennai
Dated: 06th May 2026

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No: 007761S

V. SATHYANARAYANAN
Partner
Membership No.: 027716
UDIN: 26027716ZVZTHH3520

Bengaluru
Dated: 06th May 2026

STATEMENT OF CHANGES IN EQUITY

(Amount in Thousands unless otherwise stated)

A	Equity	Note No.	Amount
	Balance as at March 31, 2024	5	1,20,000
	Changes in Equity share capital during the year	5	-
	Balance as at March 31, 2025		**1,20,000**
	Changes in Equity share capital during the year		-
	Balance as at March 31, 2026		**1,20,000**

B	Other Equity	Note No.	Retained Earnings	Total
	Balance as at April 1, 2024	6	34,866	34,866
	Profit for the period	6	8,128	8,128
	Other comprehensive income	6	-	-
	Balance as at March 31, 2025		**42,995**	**42,995**
	Profit for the period	6	7,403	7,403
	Other comprehensive income	6	-	-
	Balance as at March 31, 2026		**50,398**	**50,398**

Venu Srinivasan
Chairman
DIN: 00051523

Priyaavarshini
Company secretary

Chennai
Dated: 06th May 2026

N S Ramanujam
Chief Financial Officer

Chennai
Dated: 06th May 2026

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No: 007761S

V. SATHYANARAYANAN
Partner
Membership No.: 027716
UDIN: 26027716ZVZTHH3520

Bengaluru
Dated: 06th May 2026

TVS HOUSING FINANCE PRIVATE LIMITED

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

(in Rs.)

(Amount in Thousands unless otherwise stated)

		As on March 31, 2026	As on March 31, 2025
1	**Cash and cash equivalents**		
	Balances with banks	7,177	6,581
	Total cash and cash equivalents	**7,177**	**6,581**
2	**Balances with Banks other than Cash and Cash Equivalents**		
	Deposits with banks	1,08,900	1,08,900
	Interest accrued on Fixed Deposits	56,045	47,035
	Total Balances with Banks other than Cash and Cash Equivalents	**1,64,945**	**1,55,935**
3	**Current tax Assets (Net)**		
	Advance tax and TDS receivable	2,993	2,792
	Total Current tax Assets (Net)	**2,993**	**2,792**
4	**Other Advances**		
	Other advances	-	354
	Total Current tax Assets (Net)	**-**	**354**

		Number of Shares	Amount
5	**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, 2024	**12,000,000**	**120,000**
	Additions	**-**	**-**
	Equity Shares as at April 1, 2025	**12,000,000**	**120,000**
	Additions	**-**	**-**
	Equity Shares as at March 31, 2026	**12,000,000**	**120,000**

iv) **Details of share holders holding more than 5%**

Details of Promoter Share Holder	As on March 31, 2025	
	No. of Shares	%
TVS Credit Services Limited	1,20,00,000	100.00
Details of Promoter Share Holder	**As on March 31, 2026**	
	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 2026	Amount as at 31st March 2025
6	**Other Equity**		
	Retained Earnings	50,398	42,995
	Total Other Equity	**50,398**	**42,995**
	Retained Earnings		
i)	Opening Balance	42,995	34,866
	Add: Net profit for the year	7,403	8,128
	Closing Balance	**50,398**	**42,995**

7 **Trade Payables**

Particulars	2026				
	<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	2025				
	<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

		Amount as at March 31, 2026	Amount as at March 31, 2025
8	**Other Financial Liabilities**		
	Payable to Holding Company	2,028	-
	Total other Financial Liabilities	**2,028**	**-**

		Amount as at March 31, 2026	Amount as at March 31, 2025
9	**Current Tax Liability**		
	Provision for Taxation	2,679	2,658
	Total Current Tax Liability	**2,679**	**2,658**

NOTES TO STATEMENT OF PROFIT AND LOSS

(Amount in Thousands unless otherwise stated)

10 Other Income

	Year ended March 31, 2026	Year ended March 31, 2025
Interest Income	10,643	10,832
Total Other Income	**10,643**	**10,832**

11 Other Expenses

Professional charges	548	28
Rates and taxes	3	8
Payment to Auditors		
- As Auditor	10	10
Bank Charges	-	-
Total Other Expenses	**561**	**46**

12 Earnings per share

Earnings attributable to equity share holders	7,403	8,128
Number of Shares	1,20,00,000	1,20,00,000
Earnings per Share (in Rs)	0.62	0.68

13. Additional Notes forming part of Financial Statements for year ended 31st March 26

i. 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.

ii. 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.

iii. 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 entities, 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.

iv. There are no significant events that have occurred after the balance sheet date.

v. Disclosure of Ratios:

Ratio	Description of numerator	Description of denominator	Ratio 31.03.2026	Ratio 31.03.2025	Variance	Reasons for variance
(a) Current ratio	Current Assets	Current Liabilities	37.12	62.10	-40.22%	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	0.04	0.05	-12.88%	Decrease 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	5.92%	6.62%	-10.59%	Decrease in Interest Income
(k) Return on investment	Profit after tax	Equity shareholders' Fund	4.34%	4.99%	-12.88%	Decrease in Interest Income

vi. 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)

		Amount (Rs.)	Amount (Rs.)
Nature of Transaction	Name of the Related Party	FY 2025-26	FY 2024-25
Advance Received	TVS Credit Services Limited	2,028	1,707
Balance Payable as at the end of the year	TVS Credit Services Limited	Nil	Nil

vii. All the numbers have been rounded off to nearest thousands except shares and EPS.

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No: 007761S

Venu Srinivasan
Chairman
DIN: 00051523

V. SATHYANARAYANAN
Partner
Membership No.: 027716
UDIN: 26027716ZVZTHH3520

Priyaavarshini
Company secretary

Chennai
Dated: 06th May 2026

N S Ramanujam
Chief Financial Officer

Chennai
Dated: 06th May 2026

Bengaluru
Dated: 06th May 2026

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 2026.

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 2026 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

Kalpana Unadkat (Appointed on 17 December 2025)

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: 13 May 2026

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 2026, and the 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 2026 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 : 13th May 2026

TVS MOTOR (SINGAPORE) PTE. LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026

	Note	2026	2025	2025
		US$	US$	S$
ASSETS				
Non-current assets:				
Plant and equipment	(8)	**46,620,312**	75,053,377	100,646,579
Intangible assets	(9)	**12,884,873**	15,440,809	20,706,125
Investment in subsidiaries	(10)	**593,765,037**	428,060,114	574,028,613
Investments in associates	(11)	**67,445,898**	66,983,349	89,824,671
Other investments	(12)	**21,586,008**	21,036,159	28,209,489
Financial assets at fair value through profit or loss	(13)	**4,238,753**	-	-
Deferred tax assets	(14)	**628,117**	181,328	243,160
Capital advances	(15)	**8,275,000**	-	-
Trade and other receivables	(16)	**6,399,978**	9,192,179	12,326,712
Loans receivables	(17)	**-**	4,317,077	5,789,200
Total non-current assets		**761,843,976**	620,264,392	831,774,549
Current assets:				
Trade and other receivables	(16)	**38,515,905**	26,825,810	35,973,411
Loans receivables	(17)	**37,638,957**	29,152,706	39,093,778
Asset held for sale	(18)	**49,239,531**	-	-
Inventories	(19)	**14,637,141**	4,981,492	6,680,181
Other current assets	(20)	**223,542**	7,861,866	10,542,762
Bank balances	(21)	**4,572,383**	5,964,706	7,998,315
Total current assets		**144,827,461**	74,786,580	100,288,447
Total assets		**906,671,437**	695,050,972	932,062,996
EQUITY AND LIABILITIES				
Equity:				
Share capital	(22)	**913,799,677**	691,639,677	927,488,807
Accumulated losses		**(89,593,315)**	(74,929,009)	(100,480,158)
Total equity		**824,206,362**	616,710,668	827,008,649
Non-current liability:				
Lease liabilities	(23)	**113,810**	61,206,691	82,078,171
Current liabilities:				
Lease liabilities – current portion	(23)	**49,313,767**	7,681,817	10,301,317
Borrowings	(24)	**7,099,486**	-	-
Trade and other payables	(25)	**25,938,012**	9,451,796	12,674,859
Income tax payable	(30)	**-**	-	-
Total current liabilities		**82,351,265**	17,133,613	22,976,176
Total liabilities		**82,465,075**	78,340,304	105,054,347
Total equity and liabilities		**906,671,437**	695,050,972	932,062,996

The accompanying notes form an integral part of these financial statements

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	Note	2026	2025	2025
		US$	US$	S$
Revenue	(26)	**42,972,326**	24,250,916	32,456,415
Cost of sales		**(47,148,687)**	(24,737,287)	(33,107,354)
Gross loss		(4,176,361)	(486,371)	(650,939)
Other income	(27)	**35,948,915**	6,019,224	8,057,077
Marketing and distribution expenses		**(3,210,042)**	(591,122)	(791,134)
Administrative expenses		**(14,800,686)**	(18,547,093)	(24,822,655)
Impairment loss on financial assets	(28)	**(15,233,798)**	(26,057,013)	(34,873,619)
Finance cost	(29)	**(329,627)**	(154,220)	(206,401)
Other expense		**(13,307,621)**	(4,875,331)	(6,524,939)
Loss before income tax		**(15,109,220)**	(44,691,926)	(59,812,610)
Income tax	(30)	444,914	153,574	205,537
Loss for the year	(31)	**(14,664,306)**	(44,538,352)	(59,607,073)
Other comprehensive income		**-**	-	-
Total comprehensive loss for the year		**(14,664,306)**	(44,538,352)	(59,607,073)

The accompanying notes form an integral part of these financial statements

TVS MOTOR (SINGAPORE) PTE. LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	Share Capital	Share Application Money	Accumulated Losses	Total
	S$	S$	S$	S$
Balance as at 1 April 2024	671,685,616	19,333,690	(40,873,085)	650,146,221
Transaction with owner, recognised directly in equity				
- Issuance of shares (Note 22)	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

	Share Capital	Share Application Money	Accumulated Losses	Total
	US$	US$	US$	US$
Balance as at 1 April 2025	691,639,677	-	(74,929,009)	616,710,668
Transaction with owner, recognised directly in equity				
- Issuance of shares (Note 22)	222,160,000	-	-	222,160,000
Total comprehensive loss for the year	-	-	(14,664,306)	(14,664,306)
Balance as at 31 March 2026	913,799,677	-	(89,593,315)	824,206,362

The accompanying notes form an integral part of these financial statements

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	Note	2026	2025
		US$	US$
Cash flow from operating activities:			
Loss before income tax		**(15,109,220)**	(44,691,926)
Adjustments for:			
Amortisation of intangible assets	(9)	**2,578,424**	-
Depreciation of plant and equipment	(8)	**9,000,856**	7,111,030
Foreign currency exchange difference		**831,655**	(921,257)
Gain on disposal of plant and equipment		**-**	148,752
Loss on termination of lease		**2,340,162**	-
Impairment loss on financial assets	(28)	**15,233,798**	26,057,013
Impairment loss on inventories		**76,536**	
Impairment loss on investment	(10)	**7,242,670**	4,360,851
Interest on loan	(29)	**314,259**	134,101
Interest on lease liabilities	(32)	**3,985,468**	1,698,152
Interest income	(27)	**(1,270,590)**	(1,496,072)
Operating cash flow before working capital changes		**25,224,018**	(7,599,356)
Trade and other receivables		**(31,047,579)**	(19,773,945)
Inventories		**(9,732,185)**	(4,981,492)
Other current assets		**205,766**	(7,341,497)
Trade and other payables		**18,057,677**	6,178,171
Cash used in operation		**2,707,697**	(33,518,119)
Tax paid		**-**	(626)
Net cash from/ (used in) operating activities		**2,707,697**	(33,518,745)
Investing activities:			
Acquisition of financial assets at FVTPL		**(4,238,753)**	-
Capital work-in-progress		**(36,313,978)**	-
Capital advances		**(8,275,000)**	-
Investment in associate		**(462,549)**	(1,671,265)
Investment in subsidiaries		**(168,257,593)**	(67,628,679)
Investment in other investments		**-**	(6,662,494)
Loans to subsidiaries		**(8,859,174)**	-
Loans receivables		**-**	(56,386,189)
Proceeds from termination of lease		**3,938,469**	-
Proceeds from disposal of plant and equipment		**-**	439,754
Purchase of plant and equipment	(8)	**(89,556)**	(342,021)
Purchase of intangible assets	(9)	**(22,488)**	(642,077)
Interest received		**2,316,394**	257,806
Net cash used in investing activities		**(220,264,228)**	(132,635,165)
Financing activities:			
Advances from related party	(32)	**2,040,000**	9,377,587
Repayment of advances to related party	(32)	**(3,925,720)**	(7,589,928)
Payment of principal portion of lease liabilities	(32)	**(7,226,544)**	(4,672,674)
Payment of interest portion of lease liabilities	(32)	**(3,985,468)**	(1,698,152)
Proceeds from borrowings	(32)	**7,896,528**	-
Repayment of borrowings	(32)	**(794,588)**	(4,005,737)
Proceeds from issued of new shares		**222,160,000**	176,338,181
Net cash from financing activities		**216,164,208**	167,749,277
Net (decrease)/ increase in bank balances		**(1,392,323)**	1,595,367
Bank balance at beginning of year		**5,964,706**	4,369,339
Bank balance at end of year	(21)	**4,572,383**	5,964,706

The accompanying notes form an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

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 2026 were authorised for issue by the Board of Directors on 13 May 2026.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1. Basis of Preparation

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 1967 and Financial Reporting Standards ("FRS") in Singapore.

Prior to 1 April 2025, the management had considered Singapore dollar as the currency of the primary economic environment in which the entity operates. As the sales and cost of sales of the company are denominated primarily in United States dollar for the year ended 31 March 2026, the management has re-assessed, in accordance with FRS 21: The Effects of Changes in Foreign Exchange Rates that the functional currency of the company to be changed from the S$ to US$ with effect from 1 April 2025. Accordingly, all balances as of 1 April 2025 were translated into the new functional currency using the exchange rate on that date and the resulting translated amounts for non-monetary items were treated as their historical costs. For comparative presentation purpose, the statement of financial position as of 31 March 2025 has been translated into the new functional currency using the exchange rate on that date. The statement of comprehensive income for the year ended 31 March 2025 was translated using the average exchange rate during that year.

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 2025. 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
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 2027
FRS 119	Subsidiaries without Public Accountability: Disclosures	1 January 2027

The directors anticipate that the adoption of the above FRSs, INT FRS and amendments to FRS in future periods standards will not have a material 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 United State 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 to 6 years.

Intangible assets refers to capitalisation of costs relating to trademarks and technology-related intellectual property (IP) and website development.

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 US$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.

c) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrued to employees. All unused leave at the end of the reporting period is encashed to the employees.

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.

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, fair value through other comprehensive income (FVTOCI), and fair value through profit or loss ("FVTPL").

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.

Financial assets at fair value through profit or loss ("FVTPL")

Financial assets that are held for trading or do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as FVTPL, unless the company designated an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

A financial asset is held for trading if:

- It has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the company manages together and has evidence of recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Financial assets at FVTPL are measured at fair values as at each reporting date, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gains or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in "Income" item in profit or loss. Fair value is determined in the manner described in Note 5.

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 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 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.

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 currencies of the company, judgement is required to identify the currency that most significantly influences the economic environment in which the company operates. In making this assessment, management considers factors such as the currency that primarily affects the pricing of goods and services and the regulatory and competitive conditions of the relevant market. Based on these considerations, management has concluded that the functional currency of the company reflects the primary economic environment in which it conducts its activities.

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. Determining whether investment in subsidiary is impaired requires either an estimation of the value in use of the investment and the cash-generating units to which the investment have been allocated or assessing the recoverable amounts of the investments on the basis of net assets value as at the end of the reporting period. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the assets or cash generating unit and a suitable discount rate in order to calculate present value.

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 19 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.

f) Fair value measurements and valuation processes

Some of the company's assets are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the company uses market-observable data to the extent it is available.

Information about the valuation techniques and inputs used in determining the fair value of various assets are disclosed in Note 5 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:

	2026	2025
	US$	US$
Financial assets		
At amortised cost:		
- Trade and other receivables	**43,254,371**	35,765,408
- Loans receivables	**37,638,957**	33,469,783
- Bank balances	**4,572,383**	5,964,706
At fair value through other comprehensive income:		
- Other investments	**21,586,008**	21,036,159
At fair value through profit or loss:		
- Financial assets at FVTPL	**4,238,753**	-
	111,290,472	96,236,056

	2026	2025
	US$	US$
Financial liabilities		
At amortised cost:		
- Trade and other payables	**25,804,938**	9,451,796
- Lease liabilities	**49,427,577**	68,888,508
- Borrowings	**7,099,486**	-
	82,332,001	78,340,304

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 and 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. Details of ECL are disclosed in Note 16.

- *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 US$12,507,191 which accounted for 55% of its trade receivables (2025: two customers amounted to US$6,319,753 which accounted for 66%).

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 United states dollar and 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 United States dollar is as follows:

	2026	2025	2026	2025
	CHF	CHF	S$	S$
In United States dollar				
Financial assets				
Trade and other receivables	**64,363**	1,311,473	**5,532,336**	3,655,711
Loans receivables	**-**	509,900	-	-
Bank balances	**-**	-	**320,639**	111,556
	64,363	1,821,373	**5,852,975**	3,767,267
Financial liabilities				
Trade and other payables	**-**	-	**809,011**	2,033,444
	-	-	**809,011**	2,033,444
Net exposure	**64,363**	1,821,373	**5,043,964**	1,733,823

	2026	2025	2026	2025
	Euro	Euro	GBP	GBP
In United States dollar				
Financial assets				
Other investments	**5,960,676**	5,960,676	**125,175**	125,175
Trade and other receivables	**3,700,984**	2,185,732	**168,506**	160,950
Loans receivables	**783,440**	4,398,022	**1,388,100**	1,361,861
Bank balances	**871,144**	433,003	**-**	-
	11,316,244	12,977,433	**1,681,781**	1,647,986
Financial liabilities				
Trade and other payables	**3,716,920**	365,749	**541,562**	362,345
	3,716,920	365,749	**541,562**	362,345
Net exposure	**7,599,324**	12,611,684	**1,140,219**	1,285,641

	2026	2025	2026	2025
	AED	AED	PHP	PHP
In United States dollar				
Financial assets				
Trade and other receivables	**-**	-	**7,905,329**	2,757,584
Bank balances	**-**	-	**187,876**	212,210
	-	-	**8,093,205**	2,969,794
Financial liabilities				
Lease liabilities			**182,574**	228,895
Borrowings	**7,099,486**	-	**-**	-
Trade and other payables	**313,907**	-	**3,695,135**	760,896
	7,413,393	-	**3,877,709**	989,791
Net exposure	**(7,413,393)**	-	**4,215,496**	1,980,003

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 United States dollar against the following currencies would increase/ (decrease) profit or loss and equity by the amount shown below:

	2026	2025
	US$	US$
CHF impact	**(6,436)**	(182,137)
S$ impact	**(504,396)**	(173,382)
Euro impact	**(759,932)**	(1,261,168)
GBP impact	**(114,022)**	(128,564)
AED impact	**741,339**	-
PHP impact	**(421,550)**	(198,000)

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.

2026	Effective interest rate (%)	Carrying amount	Contractual undiscounted cash flows			
			Less than a year	Within 2 to 5 years	Later than 5 years	Total
		US$	US$	US$	US$	US$
Financial liabilities:						
Lease liabilities	6.8% to 7.8%	**49,427,577**	**59,453,836**	**120,659**	**-**	**59,574,495**
Borrowings	5.5% to 5.7%	**7,099,486**	**7,409,734**	-	**-**	**7,409,734**
Trade and other payables	-	**25,938,012**	**25,938,012**	**-**	**-**	**25,938,012**
		82,465,075	**92,801,582**	**120,659**	**-**	**92,922,241**

2025	Effective interest rate (%)	Carrying amount	Contractual undiscounted cash flows			
			Less than a year	Within 2 to 5 years	Later than 5 years	Total
		US$	US$	US$	US$	US$
Financial liabilities:						
Lease liabilities	4.4% to 7.8%	68,888,508	11,802,828	72,408,148	-	84,210,976
Trade and other payables	-	9,451,796	9,451,796	-	-	9,451,796
		78,340,304	21,254,624	72,408,148	-	93,662,772

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, borrowing, 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 16 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 2026, 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 2026	Assets 2025	Fair Value Hierarchy	Valuation Technique and Key Impact	Significant unobservable input	Relationship of unobservable inputs to fair value
	US$	US$				
At fair value through other comprehensive income						
Unquoted equity investments	**21,586,008**	21,036,159	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.
At fair value through profit or loss						
Unquoted equity investments	**4,238,753**	-	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

	2026	2025
	US$	US$
Trade and other payables	**25,938,012**	9,451,796
Lease liabilities	**49,427,577**	68,888,508
Borrowings	**7,099,486**	-
Less: Bank balances	**(4,572,383)**	(5,964,706)
Net debt	**77,892,692**	72,375,598
Total equity	**824,206,362**	616,710,668
Total capital	**902,099,054**	689,086,266
Gearing ratio	**8.6%**	10.5%

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:

	2026	2025
	US$	US$
Sales of vehicles to:		
- Immediate holding company	**26,498**	-
- subsidiaries	**18,754**	129,280
Design support fee from associate	**4,625,334**	-
Service income from related party	**14,906,546**	19,762,062
Reimbursement of expenses from:		
- holding company	**10,602,467**	-
- related party	**8,511,482**	-
Salary recharged to subsidiaries	**1,474,882**	-
Interest income from:		
- subsidiaries	**397,722**	635,657
- associate	**-**	10,000
- related parties	**308,795**	429,202
Technical and management fee from an associate	**3,000,000**	3,000,000
Purchase of vehicles from:		
- immediate holding company	**(3,194,233)**	(1,148,881)
- subsidiaries	**(195,987)**	(852,497)
- associate	**(21,165,233)**	(6,238,878)
Interest expense to a related party	**(313,907)**	-
Recovery of professional and consultancy fee by a subsidiary	**(279,647)**	(307,441)

8. PLANT AND EQUIPMENT

	Office equipment	Office artwork	Vehicle	Leasehold Property	Renovation	Capital work-in-progress	Total
	US$	US$	US$	US$	US$	US$	
Cost							
At 01.04.2024	18,821	89,530	39,453,895	303,607	-	-	39,865,853
Additions	6,702	-	61,486,672	-	14,758	-	61,508,132
Lease reassessment	-	-	(580,609)	-	-	(580,609)	
Disposal	-	-	(15,367,616)	-	-	-	(15,367,616)
At 31.03.2025	25,523	89,530	84,992,342	303,607	14,758	-	85,425,760
Additions	42,259	-	38,503	-	8,794	43,700,112	43,789,668
Lease reassessment	-	-	-	-	-	-	-
Exchange realignment	242	-	(857,230)	3,141	(9,088)	-	(862,934)
Reclassification	-	-	(57,928,860)	-	-	-	(57,928,861)
Disposal	(952)	-	(22,347,054)	-	-	-	(22,348,006)
At 31.03.2026	**67,072**	**89,530**	3,897,701	**306,748**	**14,464**	**43,700,112**	**48,075,627**
Accumulated depreciation							
At 01.04.2024	18,821	-	14,834,374	35,420	-	-	14,888,615
Charged for the year	527	-	7,049,661	60,842	-	-	7,111,030
Disposal	-	-	(11,613,253)	-	-	-	(11,613,253)
Exchange realignment	(1)	-	(13,888)	(120)	-	-	(14,009)
At 31.03.2025	19,347	-	10,256,894	96,142	-	-	10,372,383
Charged for the year	4,131	-	8,938,250	58,475	-	-	9,000,856
Exchange realignment	154	-	(21,680)	995	-	-	(20,531)
Reclassification	-	-	(8,689,329)	-	-	-	(8,689,329)
Disposal	(100)	-	(9,207,964)	-	-	-	(9,208,064)
At 31.03.2026	**23,532**	**-**	1,276,171	**155,612**	**-**	**-**	1,455,315
Carrying amount							
At 31.03.2025	6,176	89,530	74,735,448	207,465	14,758	-	75,053,377
At 31.03.2026	**43,540**	**89,530**	**2,621,530**	**151,136**	**14,464**	**43,700,112**	**46,620,312**

The company leases aircrafts for business use and an office premises for its operations. The leases have a total tenure of 60 months and the remaining lease term as at 31 March 2026 is 29 to 45 months (2025: 41 to 59 months).

Capital work-in-progress represents costs incurred for the renovation of a leased premises. As at the reporting date, the renovation is still ongoing and is anticipated to be completed in the following financial year. The lease will commence upon completion of the renovation. Accordingly, no right-of-use asset or lease liability has been recognised as at the reporting date. No depreciation has been charged as the asset has not yet been brought into use.

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	Website Development	Total
	US$	US$		US$
Cost				
At 01.04.2024	-	-	-	-
Additions	4,217,052	11,223,757	-	15,440,809
At 31.03.2025	4,217,052	11,223,757	-	15,440,809
Additions	-	-	22,488	22,488
At 31.03.2026	**4,217,052**	**11,223,757**	**22,488**	**15,463,297**
Accumulated amortisation				
At 01.04.2024 and 31.03.2025	-	-	-	-
Charged for the year	702,842	1,870,626	4,956	2,578,424
At 31.03.2026	**702,842**	**1,870,626**	**4,956**	2,578,424
Carrying amount				
At 31.03.2025	4,217,052	11,223,757	-	15,440,809
At 31.03.2026	**3,514,210**	**9,353,131**	**17,532**	**12,884,873**

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

	2026	2025
	US$	US$
Unquoted equity shares at cost:		
At beginning of the year	**432,412,374**	283,317,674
Additions	**172,947,593**	149,094,700
At end of the year	**605,359,967**	432,412,374
Less: Impairment loss	**(11,594,930)**	(4,352,260)
Carrying amount at end of the year	**593,765,037**	428,060,114

The movement in allowance for impairment of investment in subsidiaries was as follows:

	2026	2025
	US$	US$
At beginning of the year	**4,352,260**	-
Provision during the year	**7,242,670**	4,360,851
Translation difference	**-**	(8,591)
At end of the year	**11,594,930**	4,352,260

Details of the subsidiaries are as follows:

Name of subsidiary/ Country of incorporation	Principal activity	Proportion of ownership Interest	
		2026	2025
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%
TVS Ebike Company AG (Formerly known as 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%
TVS Ebike Company Limited (Formerly known as EBCO Limited) England	Producing and distributing electric bikes designed for the rapidly expanding British e-bike market	**100%**	100%
TVS Motor GmbH (Formerly known as Celerity Motor GmbH Germany	Undertake activities related to two-wheeler & three-wheeler vehicles, including research, development, engineering, sales and service thereof	**100%**	100%
Engine Engineering S.P.A. Italy	Design, engineering, and development of two-wheel and three-wheel vehicles	**100%**	-

During the financial year,

1) The company subscribed to and was allotted 86,450,000 ordinary shares in The Norton Motorcycle Co. Limited for a total consideration of GBP 86,450,000 (equivalent to US$115,873,427).

2) The company subscribed to and was allotted 72,909 ordinary shares in TVS Ebike Company AG (formerly known as Swiss E-Mobility Group (Holding) AG) for a total consideration of CHF 37,720,100 (equivalent to US$46,807,318), by way of converting from the loan to TVS Ebike Company AG.

3) The company subscribed to and was allotted 1,950 ordinary shares in TVS Ebike Company Limited (formerly known as EBCO Limited) for a total consideration of GBP 2,250,000 (equivalent to US$3,064,144), by way of converting from the loan to TVS Ebike Company Limited.

4) The company acquired a 100% equity interest in Engines Engineering S.p.A. through the subscription of 1,000,000 ordinary shares for a total consideration of EUR 5,050,000 (equivalent to US$5,920,283). The acquisition was effected by converting an existing loan receivable of EUR 4,000,000 from ACR S.r.l., the holding company of Engines Engineering S.p.A., into equity, together with a cash consideration of EUR 1,050,000. Subsequently, the company made an additional investment of EUR 1,100,000 (equivalent to US$1,282,421) in Engines Engineering S.p.A. during the same financial year.

5) The GO AG, a wholly-owned subsidiary, was merged into TVS Ebike Company AG (formerly known as Swiss E-Mobility Group (Holding) AG). As a result, TVS Ebike Company AG absorbed GO AG, and the merged entity continues as a wholly-owned subsidiary of the Company.

During the previous 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 US$60,546,274).

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 US$8,991,655), 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 US$68,103,502), 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 US$6,404,646) 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 US$5,048,623), 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 management carried out a review on the recoverable amount of its investment in material subsidiaries based on value in use calculation and net assets value for other subsidiaries. The key assumptions of value in use are those regarding the discount rate, growth rate and expected changes to selling prices and direct costs during the year. Management estimates the discount rate using pre-tax rate, derived from its weighted average cost of capital (WACC). The growth rate is based on industry growth forecasts. Changes in selling prices and directs costs are based on past practices and expectations of future changes in demand for the product.

As the result of the review, an allowance for impairment allowance of US$7,242,670 has been recognised in respect of the investment in TVS Ebike Company AG.

11. INVESTMENTS IN ASSOCIATES

	2026	2025
	US$	US$
Unquoted equity shares at cost:		
At beginning of the year	**66,983,349**	80,110,816
Addition	**462,549**	1,671,265
Disposal	**-**	(14,798,732)
At end of the year	**67,445,898**	66,983,349

Details of the associate are as follows:

Name of associate/ Country of incorporation	Principal activity	Proportion of ownership Interest	
		2026	2025
PT. TVS Motor Company Indonesia	Manufacturers of motorcycles, motorcycles spare parts and accessories	**29.9%**	31.7%
Killwatt GmbH Germany	Development, design and marketing of products and components in the field of two-, three-, and four-wheeled vehicles	**49%**	49%

During the financial year, the company made the balance payment of EUR 400,000 (equivalent to US$462,549) to Killwatt GmbH in accordance with the investment and shareholders' agreement dated on 3 April 2023.

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.

2) the company made the balance payment of EUR 1,600,000 (equivalent to US$1,671,265) 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

	2026	2025
	US$	US$
Equity instruments		
At fair value through other comprehensive income:		
Unquoted equity investments:		
At beginning of the year	**21,036,159**	10,041,078
Addition	**500,000**	10,995,081
Translation difference	**49,849**	-
At end of the year	**21,586,008**	21,036,159

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	
		2026	2025
Mottu Holdings Ltd	United States of America	**2.55%**	2.55%
ARC Ride Limited	England	**2.64%**	2.64%
Quadrant Esports Limited	United Kingdom	**1.06%**	1.06%
Zapata Group B.V	Netherland	**3.58%**	3.58%
DAT Bike Pte Ltd	Singapore	**0.71%**	-

Other investments are denominated in the following currencies:

	2026	2025
	US$	US$
British pound	**125,175**	125,175
Euro	**5,960,676**	5,960,676
United States dollar	**15,500,157**	14,950,308
	21,586,008	21,036,159

13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

	2026	2025
	US$	US$
Private equity investments	**4,238,753**	-

The movement of financial assets at FVTPL during the financial year is as follows:

	2026	2025
	US$	US$
At beginning of year	**-**	-
Additions	**4,238,753**	-
	4,238,753	-

Private equity instruments classified as non-current are held for long-term appreciation in value as well as medium to long-term strategic investments purposes. The investments in private equity investments represent investments in private equity funds. These are valued using the price or net asset value obtained from the investment managers and fund administrators as at the end of the reporting period.

Financial assets at FVTPL are denominated in United States dollar.

14. DEFERRED TAX ASSET

	2026	2025
	US$	US$
At the beginning of year	**181,328**	28,682
Credited to income for the year (Note 30)	**444,914**	153,574
Foreign exchange loss	1,875	(928)
At end of year	**628,117**	181,328

15. CAPITAL ADVANCES

Capital advances relate to progress payments made for the acquisition of plant and machinery. The equipment is expected to be delivered after more than one year from the reporting date. Accordingly, the advances are classified as non-current assets.

16. TRADE AND OTHER RECEIVABLES

	2026	2025
	US$	US$
Non-current		
Long-term deposit	**6,399,978**	9,192,179
Current		
Trade receivables:		
- third parties	**10,292,208**	3,243,114
- subsidiaries (Note 10)	**-**	70,256
- associate (Note 11)	**7,625,334**	3,301,301
- related party (Note 7)	**4,881,857**	3,018,452
	22,799,399	9,633,123
Less: Allowance for expected credit loss	(218,457)	-
	22,580,942	9,633,123

	2026	2025
	US$	US$
Accrued revenue	**777,390**	-
Amount due from ultimate holding company (Note 6)	**465,657**	-
Amount due from subsidiaries (Note 10)	**1,021,691**	22,818,792
Amount due from related parties (Note 7)	**203,852**	100,435
Bonds receivable	**-**	9,391
Convertible notes receivable	**4,000,000**	3,500,000
Interest receivables from subsidiaries (Note 10)	**388,468**	1,472,423
Interest receivables from related parties (Note 7)	**42,109**	435,053
Interest receivables from third party	**-**	132,978
Other receivables – third parties	**5,735,912**	5,063,255
Refundable deposits	**1,838,017**	4,417,191
Share application money paid	**19,763,012**	4,996,271
	56,817,050	52,578,912
Less: Allowance for expected credit loss	**(20,009,079)**	(26,005,682)
	36,807,971	26,573,230
GST/ VAT receivables	**1,661,512**	252,580
Total current portion	**38,469,483**	26,825,810
Total trade and other receivables	**44,869,461**	36,017,989

Trade receivables are non-interest bearing and they are normally settled on 30 to 120 days credit terms (2025: 30 to 120 days). 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
	US$	US$	US$	US$	US$	US$
2026						
Trade receivables						
- gross amount	**14,534,274**	**3,941,606**	**290,142**	**1,455,502**	**2,577,875**	**22,799,399**
Expected credit loss (ECL)	**-**	(53,307)	(14,507)	(52,280)	(98,363)	(218,457)
						22,580,942

	Trade receivables – days past due					
	Not past due	< 30 days	31 to 60 days	61 to 90 days	>90 days	Total
	US$	US$	US$	US$	US$	US$
2025						
Trade receivables						
- gross amount	8,662,875	869,017	91,900	5,623	3,708	9,633,123
Expected credit loss (ECL)	-*	-*	-*	-*	-*	-*
						9,633,123

* ECL is not significant

Allowance for expected credit loss – Trade receivables

The movement in allowance for expected credit losses of trade receivables computed based on lifetime ECL was as follows:

	2026	2025
	US$	US$
At beginning of the year	**-**	-
Allowance made during the year	**218,457**	-
At end of the year	**218,457**	-

Allowance for expected credit loss – Other receivables

The movement in allowance for expected credit losses of other receivables computed based on 12-month ECL (individually assessed) was as follows:

	2026	2025
	US$	US$
At beginning of the year	**26,005,682**	-
Allowance made during the year	**15,012,808**	26,057,013
Reversal of allowance during the year	**(21,009,411)**	-
Translation difference	**-**	(51,331)
At end of the year	**20,009,079**	26,005,682

Long-term deposits of US$8,250,000 (2025: US$12,200,000) 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 6.8% (2025: 4.4% to 6.8%) per annum.

Amount due from subsidiaries and related parties are unsecured, interest free and repayable on demand.

Trade and other receivables are denominated in the following currencies:

	2026	2025
	US$	US$
Australian dollar	**166,074**	152,456
British pound	**168,506**	160,950
Euro	**4,116,867**	2,185,732
Philippine peso	**9,145,611**	2,757,584
Singapore dollar	**5,549,302**	3,655,711
Swiss franc	**64,363**	1,311,473
United States dollar	**25,612,919**	25,794,083
Vietnamese dong	**45,819**	-
	44,869,461	36,017,989

17. LOANS RECEIVABLES

	2026	2025
	US$	US$
Non-current		
Loan to third party	**-**	4,317,077
Current		
Loans to subsidiaries (Note 10)	**36,655,517**	1,871,760
Loans to related parties (Note 6)	**983,440**	27,280,946
	37,638,957	29,152,706
Total loans receivables	**37,638,957**	33,469,783

Loans to subsidiaries and related parties are interest bearing at 3.25% to 5.5% (2025: 3.25% to 7%) per annum, unsecured and tenure ranging from 12 to 24 months (2025: 4 to 48 months).

In 2025, loan to third party was interest bearing at 6-month EURIBOR per annum, repayable after 36 months, and was secured by a first ranking pledge over 8% of shares of a subsidiary of third party.

Loans receivables are denominated in following currencies:

	2026	2025
	US$	US$
British pound	**1,388,100**	1,361,861
Euro	**783,440**	4,398,022
Swiss franc	**-**	509,900
United States dollar	**35,467,417**	27,200,000
	37,638,957	33,469,783

18. ASSET HELD FOR SALE

During the financial year ended 31 March 2026, the company reclassified certain plant and equipment from plant and equipment to asset held for sale, following management's decision to dispose of the asset. The sale is expected to be completed within 12 months from the end of the reporting period.

The asset has been measured at its carrying amount of US$49,239,531, being cost less accumulated depreciation, which is lower than its fair value less costs to sell. Depreciation ceased upon reclassification of the asset as held for sale.

	2026
	US$
Cost	**57,928,860**
Less: Accumulated depreciation up to date of reclassification	**(8,689,329)**
Carrying amount at date of reclassification	**49,239,531**

19. INVENTORIES

	2026	2025
	US$	US$
Trading inventories at cost	**14,713,677**	4,981,492
Less: Write-down to net realisable value	**(76,536)**	-
Net carrying amount	**14,637,141**	4,981,492

The cost of inventories recognised as an expense and included in "cost of sales" amounted to US$19,824,157 (2025: US$4,176,699).

During the financial year, the company recognised a write-down of inventories amounting to US$76,536 to reflect inventories stated at net realisable value. The write-down was mainly attributable to slow-moving and obsolete inventories.

20. OTHER CURRENT ASSETS

	2026	2025
	US$	US$
Advance payments	**-**	7,386,134
Prepayments	**269,966**	475,732
	269,966	7,861,866

In 2025, 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:

	2026	2025
	US$	US$
Australian dollar	**-**	9,946
British pound	**-**	862,828
Euro	**269,966**	5,434
Philippine peso	**-**	26,161
Singapore dollar	**-**	2,027,586
United States dollar	**-**	4,929,911
	269,966	7,861,866

21. BANK BALANCES

	2026	2025
	US$	US$
Cash at bank	**4,572,383**	5,964,706

Cash at banks earn interest at floating rates based on daily bank deposit rates.

Bank balances are denominated in the following currencies:

	2026	2025
	US$	US$
Australian dollar	**152,634**	195,653
Euro	**871,144**	433,003
Philippine peso	**187,876**	212,210
Singapore dollar	**320,639**	111,556
United States dollar	**3,040,090**	5,012,284
	4,572,383	5,964,706

22. SHARE CAPITAL

	2026	2025	2026	2025
	Number of ordinary shares		US$	US$
Issued and paid up:				
At beginning of the year	**927,488,807**	671,685,616	**691,639,677**	500,884,128
Issued during the year	**286,634,252**	255,803,191	**222,160,000**	190,755,549
At the end of the year	**1,214,123,059**	927,488,807	**913,799,677**	691,639,677

During the financial year, the company issued 286,634,252 (2025: 255,803,191) ordinary shares in the capital of the company for a consideration of US$222,160,000 (2025: US$190,755,549).

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.

23. LEASE LIABILITIES

	2026	2025
	US$	US$
Maturity analysis:		
Within one year	**59,453,836**	11,802,828
Within two to five years	**120,659**	72,408,148
	59,574,495	84,210,976
Less: future finance charges	**(10,146,918)**	(15,322,468)
	49,427,577	68,888,508
Analysed as:		
Current	**49,313,767**	7,681,817
Non-current	**113,810**	61,206,691
	49,427,577	68,888,508

The company leases vehicles for its business use and an office premises for its operations (Note 8). The effective borrowing rate is 6.8% to 7.8% (2025: 4.4% to 7.8%) per annum.

Total cash outflows for the leases during the financial year ended 31 March 2026 amounted to US$11,212,012 (2025: US$6,370,826).

Lease liabilities are denominated in the following currencies:

	2026	2025
	US$	US$
Philippine peso	**182,574**	228,895
United States dollar	**49,245,003**	68,659,613
	49,427,577	68,888,508

24. BORROWING

	2026	2025
	US$	US$
Loan from a related party	**7,099,486**	-

During the year, the company obtained a short-term unsecured loan from a related party. The loan is repayable on or before 1 January 2027 and bears an interest rate ranging from 5.5% to 5.7% per annum.

Borrowing is denominated in UAE dirham.

25. TRADE AND OTHER PAYABLES

	2026	2025
	US$	US$
Trade payables:		
- third parties	**7,253,112**	1,034,868
- holding company (Note 6)	**336,988**	78
- subsidiary (Note 10)	**480,329**	229,275
- associate (Note 11)	**13,269,402**	5,238,791
- related party (Note 7)	**2,325**	-
	21,342,156	6,503,012
Deferred revenue	**133,074**	-
Other payables – third parties	**104,802**	191,912
Interest payable to a related party (Note 7)	**313,907**	-
Amounts due to a related party (Note 7)	**-**	1,885,720
Accrued expenses	**4,044,073**	871,152
	25,938,012	9,451,796

Trade payables are unsecured, non-interest bearing and they are normally settled on 30 days' (2025: 30 days') term.

Amount due to a related party is unsecured, interest free and repayable on demand.

Contract liabilities represent the company's obligation to transfer goods to customers for which consideration has been received or is receivable but for which the relevant goods have not yet been shipped or delivered as at the reporting date.

Trade and other payables are denominated in the following currencies:

	2026	2025
	US$	US$
Australian dollar	**149,109**	17,670
British pound	**541,562**	362,345
Euro	**3,716,920**	365,749
New Zealand dollar	**19,811**	10,670
Philippine peso	**3,695,135**	760,896
Singapore dollar	**809,011**	2,033,444
UAE dirham	**313,907**	-
United States dollar	**16,692,557**	5,901,022
	25,938,012	9,451,796

26. REVENUE

	2026	2025
	US$	US$
Passenger service income	**14,906,546**	19,762,062
Sales of vehicles and spare parts	**23,440,446**	4,488,854
Design support fees	**4,625,334**	-
	42,972,326	24,250,916
Timing of transfer of good or service		
Over time	**19,531,880**	19,762,062
At a point in time	**23,440,446**	4,488,854
	42,972,326	24,250,916

27. OTHER INCOME

	2026	2025
	US$	US$
Foreign currency exchange gain	**-**	1,288,101
Interest income	**564,073**	289,706
Interest income on loan	**706,517**	1,206,366
Rental income	**-**	69,091
Recovery of expenses	**10,645,604**	-
Reversal of impairment loss on financial assets	**21,009,411**	-
Technical and management fee	**3,000,000**	3,013,050
Others	**23,310**	152,910
	35,948,915	6,019,224

28. IMPAIRMENT LOSS ON FINANCIAL ASSETS

	2026	2025
	US$	US$
Bad debts expense	2,533	-
Impairment on financial assets – advances to subsidiary (Note 16)	**-**	26,057,013
Impairment on financial assets – advances to third party (Note 16)	**246,067**	-
Impairment on financial assets – share application money (Note 16)	**14,766,741**	-
Impairment on financial assets – trade receivables (Note 16)	**218,457**	-
	15,233,798	26,057,013

29. FINANCE COST

	2026	2025
	US$	US$
Interest on lease liability	**15,368**	20,119
Interest on loan	**314,259**	134,101
	329,627	154,220

30. INCOME TAX

	2026	2025
	US$	US$
Current tax	**-**	-
Deferred tax (Note 14)	**(444,914)**	(153,574)
	(444,914)	(153,574)

The income tax benefit varied from the amount of income tax determined by applying the Singapore income tax rate of 17% (2025: 17%) to loss before income tax due to the following:

	2026	2025
	US$	US$
Loss before income tax	**(15,109,220)**	(44,691,926)
Income tax benefit at statutory rate of 17% (2025: 17%)	**(2,568,567)**	(7,597,627)
Income tax effects of:		
- non-taxable items	(3,387,338)	(37,916)
- non-deductible items	4,958,780	5,637,308
- tax losses carried forward	997,125	1,998,235
Tax for the year	**-**	-
Deferred tax (Note 14)	(444,914)	(153,574)
	(444,914)	(153,574)

The company has unutilised tax losses and donations carry forward available for offsetting against future taxable income as follow:

	2026	2025
	US$	US$
Amount at beginning of the year	**19,094,023**	8,576,967
Addition during the year	**5,865,440**	11,730,932
Amount at end of year	**24,959,463**	20,307,899
Deferred tax benefit on above unrecorded	**4,243,109**	3,452,343

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.

31. LOSS FOR THE YEAR

Loss for the year has been arrived at after charging/ (crediting):

	2026	2025
	US$	US$
Short-term employee benefits	7,252,160	1,205,854
Cost of defined contribution plans included in short-term employee benefits	177,684	15,208
Aircraft operation and maintenance charges	**13,499,217**	11,274,744
Depreciation of plant and equipment	9,000,856	7,111,030
Foreign currency exchange loss/ (gain)	699,940	(1,288,101)
Impairment loss on investment in subsidiary (Note 10)	7,242,670	4,360,851
Insurance expense	254,141	45,696
Loss on disposal of plant and equipment	**-**	148,752
Loss on termination of lease	**2,340,162**	-
Manpower cost	**1,270,426**	-
Marketing fee	**1,075,026**	567,294
Professional and consultancy fees	2,441,132	11,042,885
Research & Development expense	**-**	4,038,038
Travelling expenses	**1,148,358**	1,439,618
Warehouse expense	**1,905,390**	7,374

32. 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.

	2026	2025
Lease liabilities (Note 23)	**US$**	**US$**
At beginning of the year	**68,888,508**	22,614,479
Financing cash flows:		
- Principal portion of lease liabilities	(7,226,544)	(4,672,674)
- Interest portion of lease liabilities	(3,985,468)	(1,698,152)
	(11,212,012)	(6,370,826)
Non-cash transactions:		
- New lease	**-**	55,719,410
- Reassessment of lease	**-**	(847,984)
-Termination/ disposal of lease	**(12,236,754)**	(2,985,693)
- Foreign currency exchange loss/ (gain)	**2,367**	(939,030)
- Interest expense	**3,985,468**	1,698,152
At the end of year	**49,427,577**	68,888,508

	2026	2025
Borrowing (Note 24)	**US$**	**US$**
At beginning of the year	**-**	4,005,737
Financing cash flows:		
- Repayment of principal	**(794,588)**	(4,005,737)
- Repayment of interest	**-**	(134,101)
- Proceeds	**7,896,528**	-
	7,101,940	(4,139,574)
Non-cash transaction:		
- Interest expense	**-**	134,101
- Foreign currency exchange gain	**(2,454)**	-
At the end of year	**7,099,486**	-

	2026	2025
Amount due to related party (Note 25)	**US$**	**US$**
At beginning of the year	**1,885,720**	98,061
Financing cash flows:		
- Advances received	**2,040,000**	9,377,587
- Repayment of advances	**(3,925,720)**	(7,589,928)
	(1,885,720)	1,787,659
At the end of year	**-**	1,885,720

33. CAPITAL COMMITMENTS

Capital expenditures contracted for at the end of the reporting period but not recognised in the financial statements are as follows:

	2026	2025
	US$	**US$**
Purchase of plant and equipment	**74,475,000**	-

34. 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, except the following:

Subsequent to the reporting period,

1) the company made an additional investment of US$35,267,417 in TVS Ebike Company AG (formerly known as Swiss E-Mobility Group (Holding) AG), a subsidiary of the company, through the conversion of an existing loan extended to TVS Ebike Company AG into equity.

2) the company entered into an aircraft lease agreement for a term of five years. Upon commencement of the lease, a right-of-use asset and a corresponding lease liability will be recognised accordingly.

DETAILED STATEMENT OF PROFIT OR LOSS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	2026	2025
	US$	**US$**
Revenue		
Service income	**14,906,546**	19,762,062
Sales of vehicles and spare parts	**23,440,446**	4,488,854
Design support fees	**4,625,334**	-
	42,972,326	24,250,916
Cost of sales		
Aircraft operation and maintenance charges	**13,499,217**	11,274,744
Commission for aircraft	**-**	438,891
Cost of goods sold – vehicles	**18,568,669**	3,916,080
Cost of goods sold – spares	**1,255,488**	260,619
Depreciation of plant and equipment	**8,630,967**	6,748,218
Freight, logistics and storage charge	**680,348**	168,130
Interest on lease liabilities	**3,970,100**	1,678,033
Transportation	**120,271**	51,540
Warranty and remediation	**54,185**	1,169
Warehouse	**148,520**	38,556
Withholding tax	**220,922**	161,307
	47,148,687	24,737,287
Gross (loss)/ profit	**(4,176,361)**	(486,371)
Other income		
Foreign currency exchange gain	**-**	1,288,101
Interest income	**564,073**	289,706
Interest income on loan	**706,517**	1,206,366
Rental income	**-**	69,091
Recovery of expenses	**10,645,604**	-
Reversal of impairment loss on financial assets	**21,009,411**	-
Technical and management fee from associate	**3,000,000**	3,013,050
Others	**23,310**	152,910
	35,948,915	6,019,224
Total income	**31,772,554**	5,532,853
Less: Expenses		
- Schedule 'A'	**(46,881,774)**	(50,224,779)
Loss before income tax	**(15,109,220)**	(44,691,926)

This schedule does not form part of the statutory audited financial statements.

Schedule 'A'

EXPENSES

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	2026	2025
	US$	US$
Administrative expenses		
Auditors' remuneration	**56,248**	37,359
Bank charges	**88,822**	127,308
CPF contribution/ Superannuation fund	**177,684**	15,208
Donation	**-**	3,736
Entertainment	**59,851**	11,934
Gift	**-**	87
Legal and professional fee	**964,699**	329,533
Manpower costs	**1,270,426**	-
Miscellaneous expense	**541,561**	74,670
Meeting expenses	**8,907**	13,174
Network development	**-**	35,125
Office expense	**24,522**	19,436
Office rental	**223,317**	2,765
Permit and licenses	**132,978**	-
Printing and stationery	**7,168**	432
Professional and consultancy fee	**2,441,132**	11,042,885
Research and development	**-**	4,038,038
Salary, bonus and allowance	**6,810,416**	1,141,175
Software tools	**15,359**	50,527
Sponsorship fees	**116,715**	-
Staff insurance	**254,141**	45,696
Staff training	**25**	897
Staff welfare	**9,894**	2,878
Subscription and membership fee	**229,069**	32,145
Telecommunications	**12,658**	3,801
Transportation	**154,862**	44,559
Travelling expense	**1,148,358**	1,439,618
Utilities	**12,011**	7,134
Vehicle expense	**39,863**	26,973
Marketing and distribution		
Marketing fee	**1,075,026**	567,294
Sales agents fee	**68,246**	16,454
Transport – Outbound	**161,380**	-
Warehouse	**1,905,390**	7,374
Impairment loss on financial assets		
Bad debts expense	**2,533**	-
Impairment loss on advances	**246,067**	26,057,013
Impairment loss on share application money	**14,766,741**	-
Impairment loss on trade receivables	**218,457**	-
Finance costs		
Interest on lease liability	**15,368**	20,119
Interest on loan	**314,259**	134,101
Other expense		
Amortisation of intangible assets	**2,578,424**	-
Depreciation of plant and equipment	**369,889**	362,812
Foreign currency exchange loss	**699,940**	-
Impairment loss on investment in subsidiary	**7,242,670**	4,360,851
Impairment loss on inventories	**76,536**	-
Loss on termination of lease	**2,340,162**	-
Loss on disposal of plant and equipment	**-**	148,752
Withholding tax	**-**	2,916
	46,881,774	50,224,779

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 2026

	Notes	USD in Mn.	Rupees in crores
ASSETS			
Non-current assets			
Property, plant and equipment	1	0.99	9.41
Capital Work In Progress		28.70	272.18
Intangible Assets	1	12.88	122.19
Right of use asset	1	16.93	160.54
Investments Accounted Using Equity Method		10.72	75.54
Non-current investments	2	659.27	5,221.89
Financial assets - others	3	29.32	272.63
Deferred Tax Asset		0.63	5.96
		759.44	6,140.34
Current assets			
Financial assets			
Inventories		14.64	138.81
i. Trade receivables	4	22.58	214.15
ii. Cash and cash equivalents	5	4.57	43.36
iii. Other Financial assets	6	45.23	428.88
Other current assets	7	10.98	104.05
Right of Use Assets held for surrender		49.24	466.96
		147.24	1,396.21
Total Assets		906.68	7,536.55
EQUITY AND LIABILITIES			
Equity			
Equity share capital	8	913.80	7,285.43
Other equity	9	(89.60)	(530.94)
		824.20	6,754.49
Liabilities			
Non-Current liabilities			
Financial liabilities			
Lease liability		0.11	1.08
		0.11	1.08
Current liabilities			
Financial liabilities			
i. Lease liability		49.32	467.67
ii. Trade payables	10		
a. Total outstanding dues of micro and small enterprises		-	-
b. Total outstanding dues of other than (ii) (a) above		32.59	308.91
Other current liabilities	11	0.46	4.40
		82.37	780.98
Total liabilities		82.48	782.06
Total equity and liabilities		906.68	7,536.55

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2026

		Notes	USD in Mn.	Rupees in crores
I	Revenue from operations	12	42.98	379.72
II	Other income	13	35.95	317.65
III	Total Income (I +II)		78.93	697.37
IV	Expenses:			
	Cost of material consumed		33.65	297.31
	Employee benefits expense	14	7.00	61.84
	Finance costs	15	4.30	38.00
	Depreciation and amortisation expense	16	11.58	102.32
	Other expenses	17	37.51	331.40
	Total expenses		94.04	830.87
V	Profit before exceptional items (III - IV)		(15.11)	(133.50)
VI	Exceptional items		-	-
VII	Profit before tax (V+ VI)		(15.11)	(133.50)
VIII	Tax expense			
	i) Current tax		(0.44)	(3.93)
	ii) Deferred tax		-	-
	Total tax expense		(0.44)	(3.93)
IX	Profit for the year (VII - VIII)		(14.67)	(129.57)
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		-	148.69
	Other comprehensive income for the year, net of tax		-	148.69
XI	Total Comprehensive Income (IX + X)		(14.67)	19.12
XII	Earnings per equity share (Face value of SGD 1/- each)			
	Basic & Diluted earnings per share (in SGD / in rupees)		(0.01)	(1.08)

TVS MOTOR (SINGAPORE) PTE. LIMITED

Notes on Accounts

1 Property, Plant & Equipment and Intangible Assets as at 31.03.2026 — USD in Mn.

Description	Property, Plant & Equipment						Total		Total
	Lease Hold Improvements	Plant & equipment	Furniture and fixtures	Vehicles	Office equipments	ROU Asset		Intangible assets	
Cost of assets									
Gross carrying value as at 01-04-2025	0.01	-	0.09	1.51	0.02	95.30	96.94	15.45	15.45
Additions	0.01	-	0.01	0.04	0.04	15.00	15.10	0.01	0.01
Sub-total	0.02	-	0.10	1.55	0.06	110.30	112.04	15.46	15.46
Sales / deletion	0.01	-	0.01	0.02	-	23.18	23.22	-	15.45
Total	0.01	-	0.09	1.53	0.06	87.12	88.82	15.46	0.01
Depreciation / Amortisation									
Upto 31-03-2024	-	-	-	0.38	0.02	21.49	21.89	-	-
For the year	-	-	-	0.31	0.00	8.69	9.00	2.58	2.58
Sub-total	-	-	-	-	-	49.24	-	-	-
Withdrawn on assets sold / deleted	-	-	-	-	-	-	-	-	-
	0.01	-	0.09	0.85	0.04	16.93	17.92	12.88	12.88
Total	-	-	-	0.68	0.02	20.95	21.66	2.58	2.58
Less:ROU Asset held for surrender	-	-	-	-	-	49.24	-	-	-
Carrying value	-	-	-	-	-	-	-	-	-
As at 31-03-2026	0.01	-	0.09	0.85	0.04	16.93	17.92	12.88	12.88

1 Property, Plant & Equipment and Intangible Assets as at 31.03.2026 — Rupees in crores

Description							Total		Total
	Lease Hold Improvements	Plant & equipment	Furniture and fixtures	Vehicles	Office equipments	ROU Asset		Intangible assets	
	1	2	3	4	5	6	7	8	9
Cost of assets									
Gross carrying value as at 01-04-2025	0.13	0.02	0.77	12.91	0.20	814.57	828.59	132.08	132.08
Additions	0.08	0.01	0.09	0.37	0.39	142.25	143.19	0.10	0.10
Foreign Currency translation reserve difference	(0.03)	(0.02)	0.08	1.45	(0.02)	89.19	90.65	14.52	14.52
Sales / deletion	0.09	0.01	0.08	0.19	(0.00)	219.83	220.20	-	-
Total	0.09	-	0.85	14.53	0.57	826.18	842.23	146.70	146.70
Depreciation / Amortisation									
Upto 31-03-2025	-	-	-	3.24	0.16	183.66	187.07	-	-
For the year	-	0.01	0.01	2.70	0.03	76.80	79.55	2.58	2.58
Sub-total	-	(0.00)	(0.00)	0.52	(0.02)	486.71	487.20	2.58	2.58
Withdrawn on assets sold / deleted	-	-	0.01	0.01	(0.00)	81.53	81.55	-	-
Total									
Carrying value									
As at 31-03-2026	0.09	-	0.85	8.08	0.39	160.54	169.95	122.24	122.19

Notes on accounts - *(continued)*

	As at 31-03-2026	
	USD in Mn.	Rupees in crores
2 NON-CURRENT INVESTMENTS		
Investment in Equity instruments		
Investment in Subsidiary		
25,05,00,000 fully paidup equity shares of The Norton Motorcycle Company Ltd, UK ((face value of GBP 1 each)	318.30	2,634.20
25,158,918 fully paidup equity shares of TVS Digital Pte Limited, Singapore (face value of SGD1 each)	18.76	138.78
3,42,740 fully paidup equity shares of TVS E-bike Company AG, Switzerland (formerly known as SEMG) (face value of CHF 1 each)	245.03	1,991.09
3145 fully paidup equity shares of TVS EBike Company Limited (formerly known as EBCO Limited) (face value of GBP)	9.64	82.65
25,000 fully paidup equity shares of Celerity (face value of Euro 1 each)	6.43	53.25
10,00,000 fully paidup equity shares of Engines Engineering (face value of Euro 1 each)	5.92	52.57
Investment in Associates		
53,24,187 fully paidup equity shares of PT.TVS Motor Company Indonesia (face value of IDR 97,400 each)	56.72	253.18
Company Indonesia (face value of IDR 97,400 each)		
2,43,243 fully paidup equity shares of Tagbox Pte Limited, Singapore (face value of SGD 9.25 each)		
2,43,243 fully paidup equity shares of Tagbox Pte Limited, Singapore (face value of SGD 9.25 each)		
24,827 fully paidup equity shares of Predictronics Corp, USA (face value of USD 0.01 each)		
8,06,429 fully paidup equity shares of Altizon Inc, USA (face value of USD 0.00001 each)		
Others		
3,26,064 fully paidup Preference shares of Mottu Holdings Ltd,	14.00	132.77
USA (face value of USD 0.001 each)		
575 fully paidup equity shares of ARC Ride Limited	1.00	9.49
UK (face value of GBP 0.01 each)		
12547 fuly paid Preference shares of Quadrant Esports Ltd.	0.13	1.19
(face value of USD 0.001 each)		
Investments in DAT Bike	0.50	4.74
Convertible Loans Receivables	4.00	37.93
42,33,530 fully paid Equity shares of Zapata Group B.	5.96	56.53
Other Alternative investment funds	4.24	40.20
Less: Provision for impairment	31.36	266.69
28,05,357 fully paidup equity shares of Scienaptic Systems		
Inc, USA (face value of USD 0.001 each)		
	659.27	**5,221.89**

	As at 31-03-2025	
	USD in Mn.	Rupees in crores
3 FINANCIAL ASSETS - OTHERS (NON CURRENT)		
Share application money paid (pending allotment)	21.04	194.15
Capital Advances	8.28	78.48
	29.32	272.63
4 TRADE RECEIVABLES		
Unsecured, considered good	22.80	216.22
Less : Impairment loss on trade receivables	0.22	2.07
	22.58	214.15
5 CASH AND CASH EQUIVALENTS		
Balances with banks in current accounts	4.57	43.36
	4.57	43.36
6 FINANCIAL ASSETS - OTHERS (CURRENT)		
Lease receivables		
Hedge instrument	-	-
Interest Receivables	0.43	4.08
Interest on others	-	-
Loans & Advances	37.65	356.94
Other receivables	7.15	67.86
	45.23	428.88
7 OTHER CURRENT ASSETS		
Advances	0.78	7.37
Prepaid expenses	0.27	2.56
Trade deposits	8.24	78.12
Others	1.69	16.00
	10.98	104.05
8 EQUITY SHARE CAPITAL		
Authorised, issued, subscribed and fully paid up:		
Authorised:		
15,000,000 Ordinary shares of IDR.97,400 each	14,61,000.00	712.24
Issued, subscribed and fully paid up:		
1,19,42,53,459 Ordinary shares of SGD 1 each	913.80	7,285.43
	913.80	7,285.43
9 OTHER EQUITY		
Retained earnings	(89.60)	(725.09)
Foreign currency translation reserve	-	194.15
	(89.60)	(530.94)
Other Current Liabilities		
10 TRADE PAYABLES		
Dues to Micro and Small Enterprises**		
Dues to enterprises other than Micro and Small Enterprises	32.59	308.91
	32.59	308.91

** 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.

Notes on accounts - *(continued)*

		For the Year Ended 31-03-2026	
		USD in Mn.	Rupees in crores
11	OTHER CURRENT LIABILITIES		
	Other payables	0.46	4.40
		0.46	4.40
12	REVENUE FROM OPERATIONS		
	Sale of service	42.98	379.72
	Other operating revenue	-	-
		42.98	379.72
13	OTHER INCEOME		
	Interest Income	1.27	11.22
	Profit on sale of		
	Other non operating income	34.68	306.43
	Staff welfare expenses		
		35.95	317.65
14	EMPLOYEE BENEFITS EXPENSE		
	Salaries, wages and bonus	6.81	60.18
	Contribution to provident and other funds	0.18	1.57
	Staff welfare expenses	0.01	0.09
		7.00	61.84
15	FINANCE COST		
	Interest on lease liabilities	3.99	35.22
	Interest	0.31	2.78
		4.30	38.00
16	DEPRECIATION AND AMORTISATION EXPENSE		
	Depreciation on property plant and equipment	2.58	22.78
	Depreciation on right of use asset	8.63	76.27
	Amortisation of intangible assets	0.37	3.27
		11.58	102.32

		For the Year Ended 31-03-2026	
		USD in Mn.	Rupees in crores
17	OTHER EXPENSES		
	(a) Rent	-	-
	(b) Insurance	-	-
	(a) Rates and taxes (excluding taxes on income)	0.22	1.95
	(b) Audit fees	0.06	0.50
	(c) Bank Charges	0.09	0.78
	(d) Repair and maintenance	-	-
	(d) Foreign Exchange Loss	0.70	6.18
	(e) Marketing Expenses	3.21	28.36
	(f) Professional an Consultancy fees	2.44	21.57
	(g) Freight Charges	0.68	6.01
	(h) Miscellaneous expenses	30.11	266.05
		37.51	331.40

ENGINES ENGINEERING S.P.A.
SOCIETA' A SOCIO UNICO

ENGINES ENGINEERING S.P.A. SOCIETA' A SOCIO UNICO

Company General information

Details

Name:	**ENGINES ENGINEERING S.P.A. SOCIETA' A SOCIO UNICO**
Registered Office:	VIA PASQUALI 6 CASTENASO BO
Share capital:	1,000,000.00
Share capital fully paid up:	yes
CCIAA (Italian Chamber of Commerce, Industry, Crafts and Agriculture) code:	BO
VAT no.:	02859911204
Italian Tax Identification No.:	02859911204
REA (Economic and Administrative Index) number:	472965
Legal form:	JOINT-STOCK COMPANY
Main Activity (ATECO codes):	721029
Company under liquidation:	no
Company with sole shareholder:	yes
Company subject to management and coordination	no activities:
Name of the company or entity that exercises the management and coordination activities:	
Membership of a group:	no
Name of the parent company:	
Country of the parent company:	
Registration number in the roll of cooperatives:	

Financial Statements as at 31/12/2025

Ordinary Balance Sheet

		31/12/2025	31/12/2024
Assets			
B)	**Fixed assets**		
	I - Intangible fixed assets	-	-
	2) Development costs	219,775	293,033
	3) Design patent law and original work right to use	19,017	37,895
	Total intangible fixed assets	238,792	330,928
	II - Tangible fixed assets	-	-
	1) Land and buildings	3,600,943	3,719,580
	2) Plant and machinery	112,990	137,840
	3) Industrial and commercial equipment	82,992	123,465
	4) Other goods	95,171	64,103
	Total tangible fixed assets	3,892,096	4,044,988
	III - Long-term investments	-	-
	1) Equity investments in:	-	-
	d-bis) other companies	3,106	3,106
	Total equity investments	3,106	3,106
	Total financial fixed assets	3,106	3,106
	Total fixed assets (B)	4,133,994	4,379,022
C)	**Current assets**		
	I - Inventory	-	-
	1) Raw and ancillary materials and consumables	50,464	60,267
	3) Contract work in progress	2,792,403	4,226,171
	Total inventories	2,842,867	4,286,438
	II - Receivables	-	-
	1) from customers	2,271,449	5,470,325
	due within the following year	2,271,449	5,470,325
	4) from parent companies	468,478	
	- due within the following year	468,478	-
	5) from companies under the control of parent companies	318,083	-
	due within the following year	318,083	-
	5-bis) Tax receivables	629,358	545,991
	due within the following year	604,936	528,311
	due beyond the next financial year	24,422	17,680
	5-ter) prepaid taxes	812,225	820,377
	5-quater) due to other parties	85,495	294,108
	due within the following year	85,495	294,108
	Total receivables	4,585,088	7,130,801
	III - Current financial assets	-	-
	6) Other securities	224,612	225,158
	Total current financial assets	224,612	225,158
	IV - Cash and cash equivalents	-	-
	1) Bank and postal deposits	1,017,427	443,854
	3) Cash and cash equivalents on hand	3,960	7,673
	Total cash and cash equivalents	1,021,387	451,527
	Total current assets (C)	8,673,954	12,093,924
D)	**Accruals and deferrals**	**293,420**	**372,405**
	Total assets	**13,101,368**	**16,845,351**
Liabilities			
A)	**Shareholders' equity**	**6,188,832**	**6,134,155**
	I - Capital	1,000,000	1,000,000
	II - Share premium account	4,326,206	4,326,206
	IV - Legal reserve	188,176	163,011
	VI – Other reserves, specifically listed	-	-
	Extraordinary Reserve	1,423,324	1,422,824
	Payment on account for capital increase	2,000,000	1,500,000
	Reserve for merger surplus	3,525	3,525
	Total other reserves	3,426,849	2,926,349
	VIII - Profit (loss) carried forward	(2,307,076)	(2,407,236)
	IX - Profit (loss) for financial year	(445,323)	125,825
	Total net equity	6,188,832	6,134,155
B)	**Provisions for risks and charges**		
	1) for pension costs and similar obligations	329,978	325,317
	4) Others	33,968	33,968
	Total provisions for risks and charges	363,946	359,285
C)	**Employee severance indemnity (TFR)**	**207,683**	**208,886**

		31/12/2025	31/12/2024
D)	**Payables**		
	4) Bank payables	443,649	2,790,174
	due within the following year	393,528	2,350,436
	due beyond the next financial year	50,121	439,738
	5) Payables to other lenders	1,005,173	-
	due within the following year	5,173	-
	due beyond the next financial year	1,000,000	-
	6) Advances	573,131	3,780,830
	due within the following year	573,131	3,780,830
	7) Trade payables	710,246	1,136,745
	due within the following year	710,246	1,136,745
	11) Payables to parent companies	1,753,355	1,000,000
	due within the following year	1,753,355	-
	due beyond the next financial year	-	1,000,000
	11-bis) Payables to companies subject to the control of parent companies	351,646	
	- due within the following year	351,646	-
	12) Tax liabilities	246,064	284,490
	due within the following year	246,064	284,490
	13) Payables to social security and welfare institutions	428,162	337,317
	due within the following year	428,162	337,317
	14) Other payables	688,725	608,327
	due within the following year	688,725	608,327
	Total payables	6,200,151	9,937,883
E)	**Accruals and deferrals**	**140,756**	**205,142**
	Total liabilities	13,101,368	16,845,351

Ordinary Income Statement

		31/12/2025	31/12/2024
A)	**Production value**		
	1) Proceeds from sales and services	12,414,281	8,910,478
	3) Changes in contract work in progress	(1,433,768)	2,243,173
	4) Increase in fixed asset base because of internal building work	3,316	-
	5) Other proceeds and revenues	-	-
	operating grants	16,976	17,488
	others	165,018	111,417
	Total other proceeds and revenues	181,994	128,905
	Total value of production	11,165,823	11,282,556
B)	**Costs of production**		
	6) For raw and ancillary materials, consumables and goods	785,097	1,111,001
	7) For services	3,983,330	3,555,749
	8) For use of leased assets	604,085	581,004
	9) For personnel	-	-
	a) salaries and wages	3,768,734	3,353,794
	b) social security contributions	1,171,713	1,012,041
	c) employee severance indemnity	257,241	222,706
	e) other costs	24,374	30,849
	Total personnel costs	5,222,062	4,619,390
	10) Amortisation, depreciation and impairments	-	-
	a) amortisation of intangible fixed assets	97,201	146,672
	b) depreciation of tangible fixed assets	253,978	291,077
	c) other fixed assets depreciation	-	418,830
	Total amortisation, depreciation and impairments	351,179	856,579
	11) Change in inventory of raw and ancillary materials, consumables and goods	9,804	6,031
	14) Other operating expenses	542,945	153,217
	Total costs of production	11,498,502	10,882,971
	Difference between value and costs of production (A - B)	**(332,679)**	**399,585**
C)	**Financial proceeds and charges**		
	15) Proceeds from equity investments	-	-
	others	72	71
	Total proceeds from equity investments	72	71
	16) Other financial proceeds	-	-
	c) from securities recognised in current assets that do not constitute equity investments	-	3,182
	d) other proceeds	-	
	- others	351	149
	Total other proceeds	351	149
	Total other financial proceeds	351	3,331
	17) Interest and other financial charges	-	-
	others	67,940	89,683
	Total interest and other financial charges	67,940	89,683
	17-bis) Foreign exchange gains and losses	(326)	500
	Total financial proceeds and charges (15+16-17+-17-bis)	(67,843)	(85,781)
D)	**Adjustments in value of financial assets and liabilities**		
	18) Write-ups	-	-
	c) from securities recognised in current assets that do not constitute equity investments	-	14,801
	Total write-ups	-	14,801
	19) Write-downs	-	-
	c) of securities recognised in current assets that do not constitute equity		
	investments	546	-
	Total write-downs	546	-
	Total adjustments in value of financial assets and liabilities (18-19)	(546)	14,801
	Profit before taxes (A-B+-C+-D)	**(401,068)**	**328,605**
	20) Taxes for the financial year, current, deferred, and advanced current taxes	**36,379**	**72,178**
	taxes for previous financial years	(276)	-
	advanced and deferred taxes	8,152	130,602
	Total taxes for the financial year, current, deferred, and advanced	44,255	202,780
	21) Profit (loss) for the year	**(445,323)**	**125,825**

Financial report, indirect method

	Amount as at 31/12/2025	Amount as at 31/12/2024
A) Financial flows resulting from operating activities (indirect method)		
Profit (loss) for year	(445,323)	125,825
Income taxes	44,255	202,780
Interest expense/(income)	67,589	86,352
(Dividends)	(72)	(71)
(Gains)/Losses deriving from the transfer of assets	(5,130)	(16,780)
1) Profit (loss) for the financial year before taxes on income, interest, dividends and capital gains/losses from transfer		
Adjustments for non-monetary elements not offset in net working capital	(338,681)	398,106
Allocation to provisions	9,662	13,520
Amortisation and depreciation of fixed assets	351,179	437,749
Write-downs due to impairment	418,830	
Other non-monetary adjustment increases/(decreases)	2,603	(24,362)
Total adjustments for non-monetary elements not offset in net working capital	363,444	845,737
2) Financial flow before changes of the net working capital	24,763	1,243,843
Changes in net working capital		
Decrease/(increase) of inventories	1,443,571	(2,237,142)
Decrease/(Increase) in trade receivables	2,411,989	(4,350,578)
Increase/(Decrease) in trade payables	682,965	510,761
Decrease/(Increase) in accrued income and prepaid expenses	49,527	(167,922)
Increase/(Decrease) in accrued expenses and deferred income	(42,497)	108,282
Other decreases/(Other increases) in net working capital	(2,901,991)	2,140,151
Total changes in net working capital	1,643,564	(3,996,448)
3) Financial flow after the changes of the net working capital	1,668,327	(2,752,605)
Other adjustments		
Interest received/(paid)	(5,710)	(3,273)
(Income tax paid)	(84,024)	
Dividends collected	72	71
(Use of provisions)	(5,928)	(29,437)
Total other adjustments	(95,590)	(32,639)
Cash flow from operating activities (A)	1,572,737	(2,785,244)
B) Financial flow resulting from investment activity		
Tangible fixed assets		
(Investments)	(95,956)	(68,276)
Intangible fixed assets		
(Investments)	(5,065)	
Short-term financial assets		
Disinvestments	113,588	
Cash flow from investing activities (B)	(101,021)	45,312
C) Financial flow resulting from financing activity		
Third party financing		
Increase/(Decrease) short term bank payables	(32)	641
New loans		2,700,000
(Loan repayment)	(1,401,824)	(1,374,568)
Net equity		
Paid in capital increase	500,000	
Cash flow from financing activities (C)	(901,856)	1,326,073
Increase (decrease) in cash and cash equivalents (A ± B ± C)	569,860	(1,413,859)
Cash and cash equivalents at the beginning of the year		
Bank and postal deposits	443,854	1,858,995
Cash and cash equivalents on hand	7,673	6,391
Total cash and cash equivalents at the beginning of the year	451,527	1,865,386
Cash and cash equivalents at the end of the year		
Bank and postal deposits	1,017,427	443,854
Cash and cash equivalents on hand	3,960	7,673
Total cash and cash equivalents at the end of the year	1,021,387	451,527

Information at the bottom of the financial report

The company has prepared a financial report that represents the summary document that matches the changes in the balance sheet during the year with the changes in the company's financial position; it highlights the financial resources that the company needed during the year as well as how they were used.

With regard to the method used, in accordance with OIC 10 the company adopted the indirect method in which the cash flow is reconstructed by adjusting the net result for the year for non-monetary items.

Explanatory notes, initial section

Dear Shareholders, these Explanatory Notes form an integral part of the Financial Statements as at 31/12/2025. These Financial Statements have been drafted in accordance with the provisions set out in Article 2423 and subsequent articles in the Italian Civil Code, and Italian accounting principles, issued by the Organismo Italiano di Contabilità [Italian Accounting Body]. They therefore clearly represent a true and fair view of the company's financial position and its net financial result for the period.

The contents of the balance sheet and of the income statement are as required under articles 2424 and 2425 of the

Italian Civil Code. The financial report has been drafted pursuant to art. 2425-ter.

Moreover, these Explanatory Notes, drafted in compliance with art. 2427 of the Italian civil code, contain all useful information for a correct interpretation of the financial statements.

The Management Report accompanying the Financial Statements, with the aim, among other things, of commenting and illustrating:

- the Company's situation and the overall performance of operations and of the various business sectors;
- significant events occurring during the financial year and/or after its conclusion;
- has been drawn up in compliance with the dictates and provisions of art. 2428 of the Italian Civil Code.

Compilation standards

Compilation of the Financial Statements

The information contained in this document is presented in the order in which it is indicated in the balance sheet and the income statement.

In reference to what is stated in the introduction to these Explanatory Notes, we hereby certify that, pursuant to Article 2423.3 of the Italian Civil Code, if the information required by specific provisions of the law is not sufficient to provide a true and accurate representation of the company's situation, supplemental information deemed necessary to that end is provided.

The financial statements, like the present explanatory notes, were drafted in euro currency.

Principles of preparation

The calculation of the items in the Financial Statements was made in compliance with the principle of prudence, of relevance and on a going concern-basis.

Pursuant to art. 2423-bis 1, paragraph 1-bis of the Italian civil code, the reporting and presentation of the items was done considering the substance of the transaction or the contract. In drawing up the financial statements, charges and proceeds have been entered on the accrual principle irrespective of the timing of cash payments and only profits realised at the end of the financial year are shown. Account was also taken of the risks and losses relating to the financial year, even if identified after the closure of the financial year.

The components of each item of assets or liabilities were measured separately in order to avoid offsetting positive and negative items.

Where offsetting is permitted by law, the gross amounts subject to offsetting are disclosed in the explanatory notes. Measures for preventing corporate crisis and adequate organisational arrangements under the Crisis Code In line with Article 2086, paragraph 2, of the Italian Civil Code and Italian Legislative Decree no. 14 of 12 January

2019(Code of corporate crisis and insolvency), the company has adopted organisational, administrative and accounting arrangements considered adequate to the nature and size of its business, capable of promptly identifying any signs of crisis and continuously monitoring debt sustainability and the prospects for remaining a going concern. In particular, the governing body, including through the periodic review of economic, financial and balance sheet indicators (including by way of example profitability margins, capital structure, operating cash flow trends, net financial position and ageing of trade and financial payables), regularly assesses the existence of financial equilibrium and the company's ability to meet its obligations over the following 12 months.

At the date of approval of these financial statements, based on the information available, no indicators have emerged suggesting the existence of a state of crisis under the Code of corporate crisis, nor have any crisis or insolvency resolution procedures been initiated.

Assessment of the going concern assumption

In assessing the going concern assumption, the governing body considered:

- The operating performance for the financial year, which, although showing a loss, is significantly affected by exceptional cost components (in particular non-recoverable foreign withholding taxes pursuant to Article 165 of the Italian Consolidated Income Tax Act).
- The balance sheet structure, which shows positive equity significantly exceeding share capital.
- Cash flows generated from operating activities and the availability of bank credit lines and medium-term financing.
- The prospects for development of commercial relationships with the group and with foreign customers. Based on these elements and the forecasts prepared by the governing body, it is considered reasonable that the company will be able to meet its obligations for at least 12 months from the reporting date of these financial statements. Accordingly, the financial statements have been prepared on a going concern basis, without applying measurement criteria applicable to liquidation scenarios.

Structure and contents of the financial statements

The balance sheet, income statement, financial report and the accounting information contained in these explanatory notes conform to the accounting records, from which they have been directly taken.

The entries of the balance sheet and of the income statement have not been grouped together with consecutive

Arabic numbers, as was allowed under art. 2423 ter of the Italian Civil Code.

Pursuant to Article 2424 of the Italian Civil Code and to facilitate proper understanding of the financial statements, the following provides details of assets and liabilities that by their nature relate to more than one balance sheet item.

Specifically:

- The following are recognised under assets:
  - Under "receivables from parent companies" (item C-II-4 of assets), trade receivables from "TVS Motor Company Limited" (India), which, through its subsidiary "TVS Motor (Singapore) Pte. Ltd." indirectly controls the entire share capital of the company, amounting to €468,478, although by nature attributable to "trade receivables" (item C-II-1 of assets).
  - Under "receivables from companies under the control of parent companies" (item C-II-5 of assets), trade receivables from "The Norton Motorcycle Co. Limited", controlled by the direct parent "TVS Motor (Singapore) Pte. Ltd.", amounting to €318,083, although by nature attributable to "trade receivables" (item C-II-1 of assets).
- The following are recognised under liabilities of the balance sheet:
  - Under "payables to parent companies" (item D-11 of liabilities), advances received from "TVS Motor Company Limited" (India), which, through its subsidiary "TVS Motor (Singapore) Pte. Ltd." indirectly controls the entire share capital of the company, amounting to €1,753,354, although by nature attributable to "advances" (item D-6 of liabilities).
  - Under "payables to companies under the control of parent companies" (item D-11-bis of liabilities), advances received from "The Norton Motorcycle Co. Limited", controlled by the direct parent "TVS Motor (Singapore) Pte. Ltd.", amounting to €351,646, although by nature attributable to "advances" (item D-6 of liabilities).

Exceptional cases, pursuant to Article 2423.5 of the Italian Civil Code

There have been no exceptional cases which have made it necessary to resort to any derogation under Article 2423.4 and 5 of the Italian Civil Code.

Changes in accounting principles

There have been no exceptional cases which have made it necessary to resort to any derogation under Article 2423-bis.2 of the Italian Civil Code.

Correction of material errors

With reference to disclosure on the correction of material errors, note that no material errors were identified during the financial year, in accordance with applicable accounting standards, requiring restatement of comparative data or opening balances.

Any non-material errors relating to estimation or the allocation of immaterial amounts were recognised in the relevant financial year under other income or expenses without affecting the true and fair view of the company's financial position and performance.

For an improved disclosure, the following is provided:

Out-of-period income – 2025 financial year

During the 2025 financial year, the company identified certain errors relating to the 2024 financial year, considered non-material under OIC 29.

In accordance with OIC 29, these errors were corrected through recognition in the income statement for the 2025 financial year under "Other proceeds and revenues", totalling €5,357.

These corrections did not require a restatement of 2024 comparative data, as they did not materially affect the true and fair view of the company's financial position and performance.

For tax purposes, the out-of-period income arising from these corrections was subject to IRES and IRAP in the 2025 financial year, within the limits of the amount that would have been taxable in the period in which the error occurred.

Out-of-period expenses – 2025 financial year

During the 2025 financial year the company recognised operating other expenses totalling €33,115, recorded under item B14 "Other operating expenses" in the income statement.

These negative components mainly relate to:

- **Utilities and services relating to previous financial years** (water, electricity, motorway tolls), for consumption in 2023-2024, invoiced or communicated during 2025.
- **Adjustments to insurance premiums** under the "all risk automation" policy following updated estimates and settlements relating to previous periods.
- **Differences and arrears on car lease instalments** relating to previous periods and identified in 2025 following contract reviews.
- **Contributions and costs for training** (including contributions to Fondirigenti and for expansion of training for the event of 10 October 2024) relating to training plans developed in 2022-2024 and recognised in the accounting in 2025.
- **2024 exemption contribution** relating to employment obligations under current regulations, recognised in 2025 following determination of the amounts due.
- **Adjustments via F24 form** relating to social security contributions, compulsory insurance premiums and other taxes for 2023-2024 not previously accrued.

  The above out-of-period expenses relate to the correction of non-material accounting errors identified during the closing procedures for the 2025 financial statements, in accordance with OIC 29. These errors mainly concern:

  - Failure to recognise or incomplete recognition of costs relating to previous financial years (utilities, insurance premiums, lease instalments).
  - The incorrect estimation of certain costs relating to training plans and mandatory contributions.

In accordance with Italian accounting standards, these non-material errors were corrected through recognition in the 2025 income statement without restating comparative data.

For tax purposes, in accordance with rules applicable to entities preparing statutory financial statements subject to statutory audit, these adjustments were treated as income or expenses of the 2025 financial year, within the limits of what would have been deductible if correctly recognised in the relevant periods.

Items relating to **income taxes and tax penalties** remain non-deductible for income tax purposes, with appropriate upward adjustments made in the tax return.

The board of statutory auditors, also responsible for the statutory audit, verified the correct classification of the above expenses, the consistency with applicable accounting standards and the adequacy of the disclosures provided in these explanatory notes, as well as the effects on profit or loss and equity.

Comparability and adaptation issues

Pursuant to Article 2423-ter of the Italian Civil Code, note that comparative figures for the previous financial year are not fully comparable with those for the current year due to changes in the shareholder structure in October 2025, affecting related party relationships and their presentation in the financial statements.

In particular, receivables from "TVS Motor Company Limited", which indirectly controls the company, and "The Norton Motorcycle Co. Limited", a company under the control of the parent, amounting to €1,504,939 at the end of the 2024 financial year, were classified in that financial year under "trade receivables" (item C-II-1 of assets) rather than under "receivables from parent companies" (item C-II-4 of assets) and "receivables from companies under the control of parent companies" (item C-II-5 of assets), as in these financial statements and described under "Structure and content of the balance sheet".

Similarly, payables to the same companies at the end of the 2024 financial year, amounting to €3,637,865, were classified under "advances" (item D-6 of liabilities) rather than under "payables to parent companies" (item D-11 of liabilities) and "payables to companies under the control of parent companies" (item D-11-bis of liabilities), as in the current financial year.

Note also that during the 2024 financial year, ACT S.r.l., then parent company, granted an interest-free loan of €1,000,000, correctly classified under "payables to parent companies" (item D-11 of liabilities) in accordance with applicable regulations and accounting standard OIC 19.

Following the transfer of the entire share capital of the company from ACT S.r.l. to TVS Motor (Singapore) Pte. Ltd. in 2025, ACT S.r.l. ceased to qualify as a related party. Consequently, in the financial statements for the year under review, the above payable was reclassified under "payables to other lenders" in line with the new corporate structure.

Note that comparative figures for the previous financial year have not been reclassified, resulting in a lack of full consistency between the items presented in the two financial years. This circumstance is disclosed to enable a proper understanding of the changes that have occurred, as well as the variation in the scope of related parties and the resulting reclassifications.

Assessment criteria applied

The criteria applied in the assessment of the items in the Financial Statements and in the adjustments of value conform to the provisions of the Italian Civil Code and to the indications contained in the accounting principles

issued by Organismo Italiano di Contabilità. Moreover, they have not changed in respect of the previous year.

Pursuant to article 2427.1.1 of the Italian Civil Code, the most significant assessment criteria used in respect of the provisions of Article 2426 of the Italian Civil Code have been illustrated, and with particular reference to those financial statement items for which legislation allows the use of different criteria for assessment and adjustment, or for which no specific criteria are contemplated.

The values entered in the assets of the balance sheet were valued in accordance with article 2426 of the Italian Civil Code and in compliance with national accounting standards. The sections on the individual items detail the specific criteria applied.

The basic valuation criterion was cost, except as expressly specified in the following points of these Notes.

At the end of the financial year the company did not have any receivables or payables in currencies other than the currency of account, except for the item "cash in hand in foreign currency". Foreign currencies held in cash at the year end were translated into the reporting currency at the exchange rate recorded by the Bank of Italy on the last day of the financial year, with the corresponding recognition of the estimated exchange gain and/or loss, as envisaged by accounting standard OIC 26.

Pursuant to art. 2427.1 n.6-bis of the Italian Civil Code, it should be noted that, after the end of the year, there were no significant effects of the changes in currency exchange rates.

Pursuant to Article 2427, paragraph 1, number 1, of the Italian Civil Code, below are illustrated the most significant assessment criteria used in respect of the provisions of Article 2426 of the Italian Civil Code, with particular reference to those financial statement items for which the law allows the use of different criteria for measurement and adjustment, or for which no specific criteria are contemplated.

Intangible Fixed Assets

Intangible fixed assets, subject to the assumptions set out in accounting standards, are entered on the balance sheet at the cost of purchase and/or production and are subject to systematic straight line depreciation depending on their useful life.

The value of fixed assets is shown net of accumulated depreciation and, in the case of development costs, net of impairment provisions.

The amortisation has been calculated in accordance with the following prearranged plan, which is considered to ensure a correct allocation of the cost incurred during the useful life of the relevant fixed assets:

Intangible fixed assets items	Period
Development costs	5 years straight-line basis
Patents and use of intellectual property	5 years straight-line basis
Concessions, licenses, trademarks and similar rights	5 years straight-line basis

Note that in the previous financial years the Company did not make use of the option envisaged in Article 60, paragraph 7-bis, of Italian Decree-Law no. 104/2020 as subsequently amended and supplemented, which as an exception to Article 2426, paragraph 1, no. 2), of the Italian Civil Code allowed the suspension of amortisation of intangible fixed assets, with amortisation therefore being recognised systematically in accordance with the original amortisation plan.

In light of the above, there were no effects on the 2025 financial statements, as the amortisation process continued in line with previous financial years.

The amortisation plan adopted, as defined by the governing body, is considered appropriate to ensure a systematic, rational allocation of the cost of fixed assets over their useful life, also taking into account economic and technical obsolescence.

To the effects and purposes of art. 10, Italian Law No. 72 of 19 March 1983, as referred to by subsequent Financial revaluation acts, note that no currency appreciation has been effected on the intangible assets that are still on the corporate books.

At the end of the 2024 financial year the company fully impaired development costs in progress relating to the "DAKAR" project, in accordance with OIC 24, following the emergence of impairment indicators arising from updated estimates of expected revenues from the project, which showed that the conditions for recoverability of the capitalised costs were no longer met.

Specifically, the impairment test carried out showed that the recoverable amount of the intangible assets relating to the project was lower than their carrying amount, resulting in full impairment.

At the end of the 2025 financial year, in the absence of new information or impairment indicators affecting previous estimates, the company confirmed its prior assessments. Accordingly, the full impairment of development costs relating to the "DAKAR" project remains fully recognised in these financial statements.

With reference to the accounting treatment of public grants received during the financial year and in previous financial years relating to intangible fixed assets, note that the indirect method was applied.

Under this approach, grants were recognised in the income statement under item A5 "Other proceeds and revenues" for the portion relating to the financial year, while the portion relating to future financial years was posted under deferred income, in accordance with the accrual principle.

Development costs

Development costs have been entered in the balance sheet assets with the consent of the board of statutory auditors according to criteria required by OIC 24.

These costs were capitalised as, based on the assessments performed, they relate to specific development projects that are technically feasible, for which the company has the necessary resources and for which future economic benefits are reasonably expected. The projects are also clearly defined and the related costs are identifiable and reliably measurable.

The carrying amount is tested for recoverability in accordance with impairment test principles where applicable.

As it is not possible to reliably estimate their useful life, development costs are systematically amortised over a period not exceeding five years, on a basis that is considered prudent and consistent with the economic life cycle of the underlying projects

Intangible assets

Intangible assets are recognised at purchase cost, including ancillary costs that are directly attributable, and are systematically amortised over their residual useful life, within any legal or contractual limits.

Intangible assets that are generated internally are recognised at production cost, determined by including all costs directly attributable to their creation, provided they are capitalisable under applicable accounting standards.

Tangible fixed assets

Tangible fixed assets are recognised when the risks and rewards of ownership are transferred and are recorded at purchase cost, including any directly attributable ancillary costs that are necessary to bring the assets into use. The carrying amount does not exceed the recoverable amount determined in accordance with applicable accounting standards.

Where applicable, production cost includes all costs directly attributable to construction of the asset, as well as a reasonable allocation of indirect costs incurred during the production period up to the date the asset is ready for use.

Fixed assets are recorded in the financial statements net of the corresponding accumulated depreciation.

Routine maintenance costs are fully recognised in the income statement in the financial year in which they are incurred. Extraordinary maintenance costs are capitalised as an increase in the value of the related asset where they result in an actual increase in productivity, useful life or capacity.

Fixed assets are systematically depreciated on a straight-line basis over their residual useful life, based on economic and technical rates determined by the governing body. For assets brought into use during the financial year, depreciation rates are reduced by half, as the resulting charge does not differ significantly from a pro rata calculation.

The depreciation criteria applied are unchanged from the previous financial year.

Note that the Company did not make use of the option envisaged by Article 60, paragraph 7-bis, of Italian Decree- Law no. 104/2020, as subsequently amended, to suspend the depreciation of tangible fixed assets, with depreciation therefore being recognised systematically in accordance with the established plan. There are no effects on the 2025 financial statements.

The depreciation plan adopted is considered appropriate to ensure a systematic, rational allocation of cost over the useful life of the assets, also taking into account technical and economic obsolescence.

The rates applied are as follows:

Tangible fixed asset items	Rates %
Land	0.00
Buildings	3.00
General machinery and equipment	10.00

Specific machinery and equipment	17.50
Specific plant on real estates	15.00
Industrial and commercial equipment	35.00
Office and workshop furniture	12.00
Computers and software	20.00
Computers after 01.01.2006	20.00
Ordinary office machinery	12.00
Electro-mechanical office machinery	20.00
Testing and control instruments	30.00
Motor vehicles	25.00
Technical training books	25.00
Anti-theft devices	10.00
Mobile phones	25.00
Motorcycles for R&D	25.00

Any disposals during the financial year (sales, scrapping or other disposals) resulted in derecognition of the residual carrying amount of the assets concerned.

Pursuant to Article 10 of Italian Law no. 72/1983 and subsequent provisions on monetary revaluation, note that the company has not carried out monetary revaluations of tangible assets recognised in the financial statements. Note that certain assets included under "Testing and control instruments", transferred to the company as part of the business contribution at incorporation, had already been revalued by the contributing entity pursuant to Italian Legislative Decree no. 342/2000, as subsequently extended by Italian Law no. 350/2003, with tax recognition of the related values through payment of substitute tax.

The accounting situation of the mentioned assets is as follows:

Description	Amount
industrial and commercial equipment	
Historic Cost	96,791
Description	Amount
Law no. 342/2000	67,611
	164,402

The Company applies amortised cost and discounting criteria where envisaged. However, during the financial year no acquisitions of fixed assets with deferred payment terms outside normal market conditions were carried out requiring the discounting of initial values in accordance with OIC 19.

Finally, in accordance with OIC 9, no indicators of impairment were identified requiring recognition of impairment losses on tangible fixed assets.

Land and buildings

In accordance with applicable accounting standards, the company has accounted separately for land and buildings. Land is not depreciated as it has an indefinite useful life.

Note also that the company does not hold investment properties.

Long-term investments

Equity investments

Investments recognised under financial fixed assets are measured at purchase cost, determined as the total cost incurred for acquisition, including directly attributable ancillary costs (such as commissions, bank charges and brokerage fees), regardless of settlement method.

Finance lease transactions

Assets held under finance lease agreements are accounted for using the equity method, with lease payments recognised as costs in the financial year in accordance with the accrual principle.

Inventory

The measurement criteria for inventories are set out in the following paragraphs. Note that these are unchanged from the previous financial year.

Raw and ancillary materials and consumables

Inventories of raw and ancillary materials and consumables include goods held in the company's warehouse and/or held by third parties for processing, consignment, loan for use or deposit.

They are measured at purchase cost, determined using the weighted average cost method, including directly attributable ancillary costs. Pursuant to Article 2426, no. 9, of the Italian Civil Code, this value is compared with the net realisable value based on market trends.

To take account of the risk of obsolescence and slow-moving items, a specific impairment provision was recognised in previous financial years, deducted directly from inventory value and partially utilised in subsequent financial years following disposal of the related stock. At the reporting date, the provision amounts to €2,327. No further write-downs were deemed necessary during the financial year.

The breakdown of inventories is shown below:

	Historical cost value	Depreciation at 31/12/2025	Net book value
Inventory of materials and accessories	52,791	(2,327)	50,464

Contract work in progress

Contract work in progress is measured at the contract value, determined based on revenues accrued as at 31

December 2025, using the percentage of completion method (stage of completion), based on the actual progress of each contract in place.

The valuation was carried out using the percentage of completion method, considered the most appropriate for properly and reliably matching costs incurred with revenues earned, reflecting the economic substance of the transactions and the progressive profitability of the contracts.

The method adopted complies with OIC 23, as the conditions for applying the percentage of completion method are met. The stage of completion is determined using methods consistent with the nature of each contract and defined contractually.

Inventory of work in progress is indicated in the following detail sheet:

Work in progress identified by project code Interim work in progress	Valuation at 31/12/2025
SRV25_060	110
SRV25_083	2,384
SRV25_ACC1	16,614
ESX	854,666
N601_BD	199,766
D_HSPORT RACE	620,570
NORTON_ENG-TEST	88,500
B110_BETA HOM	19,569
C1XX	17,354
B110 BETA TEST	78,916
B_IIENG.MILEAGE	64,644
U833	182,082
N600 RLDA	3,409
B120 ALPHA TEST	7,478
B1XX_SUPPORT	59,215
J106_7 SUPPORT	68,853
EE_J101	58,772
EE_B240	14,315
BIRDIE	9,524
EE_U721	137,392
Interim work in progress	
V23D	15,422
V23L	35,006
N325	237,842

Tax treatment

For tax purposes, note that Italian Legislative Decree no. 192 of 13 December 2024, on the "Revision of the income taxation system" (IRPEF-IRES), introduced changes to the rules governing short-term and long-term contracts, with the aim of reducing the so-called "dual track" between statutory and tax values.

Specifically, it provides for tax recognition of the accounting measurement criteria adopted in the financial statements, provided they comply with proper accounting standards, namely:

- The **percentage of completion** method, where applied in accordance with proper accounting standards.

- The **completed contract** method, where applied in accordance with proper accounting standards.

These rules apply from the financial year ended 31 December 2024, with a transition period for contracts in progress at 31 December 2023, for which the previous rules continued to apply.

At the end of the 2025 financial year, contracts initiated in 2023 and still in progress at the end of 2024 were completed. Accordingly, any mismatch between statutory and tax values of work in progress (WIP) has been eliminated.

Pursuant to **OIC 25 – Income taxes**, temporary differences arising from previous mismatches between statutory and tax values of work in progress (WIP) generated deferred tax assets/liabilities, which have progressively reversed following the progress and completion of the contracts.

Receivables recognised in current assets

Receivables recognised under current assets were measured at their estimated realisable value, determined on a prudent basis, in line with Italian accounting standards. This value corresponds to the nominal value of receivables, adjusted where necessary through the recognition of a provision for bad debts, to reflect the risk of non-collection. With reference to the application of the amortised cost method and discounting, the effects arising from their application were considered immaterial for the purposes of a true and fair view of the company's financial position and performance. This assessment was made in view of:

- the predominance of receivables with maturity within 12 months;
- or the substantial alignment between contractual interest rates and market rates, such that no significant discounting effects arise.

Accordingly, receivables were recognised at their estimated realisable value, without applying the amortised cost method.

There are no receivables denominated in foreign currency requiring valuation adjustments at the reporting date. Finally, note that there are no receivables with a residual maturity exceeding five years.

Financial assets not constituting non-current assets

Other securities

Non-current securities were measured at the lower of initial recognition cost and the realisable value based on market trends. For the determination of initial recognition cost, the specific cost method was adopted, which involves identifying and attributing the actual costs incurred for their purchase.

Note that the Company did not also use the option introduced by Article 45, paragraph 3-octies, of Italian Decree- Law no. 73/2022 (the so-called "Tax Simplification" decree), subsequently extended to following financial years by the relevant decrees of the Ministry of Economy and Finance, most recently also to the 2025 financial year by Article 1, paragraphs 65-67, of Italian Law no. 199/2025 (2026 Budget Law), allows non-current investments to be maintained at their carrying amount as per the latest approved financial statements and/or acquisition cost, even where there are non-permanent impairments.

During the 2025 financial year, investments still held in the portfolio were impaired in order to align their value with the estimated realisable value at the reporting date. The impairment was recognised under item D19 of the income statement for a total amount of €546.

Cash and cash equivalents

Cash and cash equivalents are recognised at nominal value for cash on hand and at estimated realisable value for bank deposits and cheques in hand, which in this case corresponds to nominal value.

Cash and cash equivalents as at 31/12/2025 are aligned with actual balances at that date, taking into account differences relating to so-called "in-transit items" in relation to banking transactions.

Accrued income and prepaid expenses

Accrued income and prepaid expenses are determined in accordance with the accrual principle, by allocating costs and revenues common to multiple financial years.

At initial recognition and subsequent review of multi-year prepaid expenses, the continued existence of the timing conditions justifying their recognition was verified, in accordance with applicable Italian accounting standards.

Net equity

Equity items are recognised in the financial statements at their carrying amount as per the accounting records, in accordance with the Italian Civil Code and OIC standards, in particular OIC 28.

Provisions for risks and charges

Provisions for risks and charges are recognised to cover liabilities of a defined nature, certain or probable, for which the amount or timing cannot be determined at the reporting date.

Provisions are made in accordance with the principles of prudence and accrual, in line with OIC 31, and recognised in the income statement of the relevant financial year according to the classification of costs by nature.

Employee severance indemnity (TFR)

The severance indemnity provision (TFR) was determined in accordance with Article 2120 of the Italian Civil Code, taking into account applicable legislation, collective agreements and the relevant employee categories.

The provision includes the amounts accrued during the financial year and the related revaluations calculated in accordance with applicable law.

The TFR is recognised net of advances paid and amounts allocated to supplementary pension schemes or to the INPS Treasury Fund, where applicable. It represents the total payable accrued as at 31 December 2025 towards employees who have chosen to retain their severance indemnity with the company rather than allocating it to supplementary pension schemes or the Treasury Fund.

Payables

Payables are recognised in the financial statements using the amortised cost method, pursuant to Article 2426, paragraph 2, of the Italian Civil Code, taking into account the time value of money and, where applicable, discounting, in accordance with Article 2426, paragraph 1, no. 8.

This method has not been applied where its effects are immaterial for the purposes of a true and fair view of the company's financial position and performance. In particular, this occurs in the case of short-term payables (maturity within 12 months) or where transaction costs, fees and any difference between initial value and settlement value are immaterial, or where the effective interest rate does not differ significantly from market rates. Pursuant to Article 12, paragraph 2, of Italian Legislative Decree no. 139/2015 provides that the amortised cost method is not applied to payables already recognised in financial statements relating to financial years ended before 1 January 2016.

Payables are classified in the various items based on the nature (or origin) of the underlying transaction, regardless of their maturity.

Accrued liabilities and deferred income

Accrued expenses and deferred income are determined in accordance with the accrual principle, by allocating costs and revenues common to multiple financial years.

At initial recognition and subsequent review of multi-year items, the existence and continued validity of the timing conditions justifying their recognition were verified, in accordance with applicable OIC standards.

Other information

Reverse repurchase agreements

Pursuant to Article 2427, paragraph 1, no. 6-ter of the Italian Civil Code, the company confirms that during the financial year it did not enter into any transactions involving obligations to repurchase or return assets at a future date, nor are any such transactions outstanding at the reporting date.

Accordingly, there are no transactions involving repurchase obligations or similar commitments that could affect the true and fair view of the company's financial position and performance.

Explanatory Notes, assets

Below we analyse in detail the movements of the individual balance sheet items where envisaged by law.

Fixed assets

Intangible Fixed Assets

Changes in intangible fixed assets

During the financial year, investments in intangible fixed assets were made, relating to software acquisitions, totalling €5,065.

After recognising amortisation charges of €97,201 in the income statement, intangible fixed assets as at 31/12/2025 amount to €238,792, net of accumulated amortisation.

The table below details the changes in these fixed assets.

	Development costs	Industrial patent and intellectual property rights	Total intangible fixed assets
Value at the beginning of the year			
Cost	576,221	990,003	1,566,224
Amortisation (Accumulated amortisation)	283,188	952,108	1,235,296
Carrying amount	293,033	37,895	330,928
Variations during the year			
Increases for acquisitions	-	5,065	5,065
Amortisation for the financial year	73,258	23,943	97,201
Total variations	(73,258)	(18,878)	(92,136)
Value at the end of the year			
Cost	576,221	995,068	1,571,289
Amortisation (Accumulated amortisation)	356,446	976,051	1,332,497
Carrying amount	219,775	19,017	238,792

Breakdown of composition of long-term costs

Development costs

The following table illustrates the composition of the development costs along with the variations with respect to the previous year. With regard to the reasons for their recording and the respective amortisation criteria, please refer to the analysis above.

Description	Detail	2025	2024	Absolute variation	Variation %
development costs					
	Design and development expenses	576,221	576,221	-	-
	Accumulated amortisation of development costs	356.446-	283.188-	73.258-	26
	Total	**219,775**	**293,033**	**73.258-**	

Development costs were recognised under assets with the approval of the Board of Statutory Auditors and are amortised systematically over a period not exceeding five years, based on a criterion considered prudent and consistent with the economic life cycle of the underlying projects.

In accordance with OIC 24, development projects meet the following conditions jointly:

(i) They relate to a clearly defined process, the costs of which are identifiable and measurable.

(ii) They are feasible, i.e. technically achievable, and the company has the financial, technological and human resources required.

(iii) They are recoverable through revenues expected from the application of the relevant projects.

Tangible fixed assets

Changes in tangible fixed assets

Tangible fixed assets gross of the relevant accumulated depreciation amount to €10,161,979. Accumulated depreciation is equal to €6,269,883.

During the year, assets were acquired and internally constructed for a total of €101,086, and assets were disposed of for the equivalent value, expressed at historical purchase cost, of €10,545. Disposals resulted in capital gains of

€5,130.

	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other tangible fixed assets	Total tangible fixed assets
Value at the beginning of the year					
Cost	5,133,901	805,826	3,572,651	559,060	10,071,438
Amortisation (Accumulated amortisation)	1,414,321	667,986	3,449,186	494,957	6,026,450
Carrying amount	3,719,580	137,840	123,465	64,103	4,044,988
Variations during the year					
Increases for acquisitions	-	12,418	6,642	82,026	101,086
Amortisation for the financial year	118,637	37,268	47,115	50,958	253,978
Total variations	(118,637)	(24,850)	(40,473)	31,068	(152,892)
Value at the end of the year					
Cost	5,133,901	818,244	3,579,014	630,820	10,161,979
Amortisation (Accumulated amortisation)	1,532,958	705,254	3,496,022	535,649	6,269,883
Carrying amount	3,600,943	112,990	82,992	95,171	3,892,096

Finance lease transactions

During the financial year, the company used assets owned by third parties under finance lease agreements ("finance leases"), which substantially transfer all the risks and rewards associated with the leased assets to the company.

Accounting method adopted

In accordance with civil law requirements, lease transactions have been accounted for using the equity method, whereby lease payments are recognised under production costs (item B.8 of the income statement) and the asset is recognised under fixed assets only upon exercise of the purchase option.

Under this approach, over their contractual term leases are treated as operating leases, without recognition of the asset and the related financial liability in the balance sheet.

Disclosure under the financial method (IAS 17 / IFRS 16)

International accounting standards instead require accounting under the financial method, which reflects the economic substance of the transaction rather than its legal form.

Under this approach:

- The asset is recognised under tangible fixed assets at an amount equal to the cost incurred by the lease company and is depreciated over its useful life.
- A financial liability towards the lessor (the lease company) is recognised simultaneously.
- Lease payments are split into a principal component (reduction of the liability) and an interest component (finance costs).

Had this method been applied, the financial statements would have shown:

- Under tangible fixed assets, the value of the leased assets.
- Under liabilities, the outstanding payable towards the lessors.
- In the income statement, the depreciation and interest expense.

Quantitative disclosure

At the reporting date, there were two lease contracts in place relating to:

- One engine test bench measurement instrument
- One 3D scanner

During the financial year, two lease contracts also ended, with the related assets being purchased, relating to:

- One CNC machining centre
- One truck

Lease payments recognised during the financial year amount to €95,550.

The main information required for off-balance sheet disclosure under the financial method is set out below:

	Amount
Total amount of leased assets at the end of the financial year	409,664
Depreciation that would have been recognised in the financial year	82,207
Present value of undue fee instalments at the end of the financial year	303,334
Financial charges accrued relating to the financial year on the basis of the effective interest rate	14,953

Long-term investments

Changes in equity investments, other securities and derivative financial instruments recorded among the fixed assets

The table below details the changes in these fixed assets.

	Equity investments in other companies	Total equity investments
Value at the beginning of the year		
Cost	3,106	3,106
Carrying amount	3,106	3,106
Value at the end of the year		
Cost	3,106	3,106
Carrying amount	3,106	3,106

To complete the above considerations, we specify that long-term investments are formed by:

- participation in the Consorzio Nazionale Imballaggi [National Packaging Association] (abbreviated as Co.n.a.i.), required under law;
- participation in a cooperative credit institution.

Long-term receivables relating to forward repurchase agreements

The company confirms that it did not enter into any sale and purchase transactions with an obligation to repurchase at a future date during the financial year, nor are any such transactions outstanding from previous financial years.

Value of long-term investments

The long-term investments entered in the financial statements were not entered at a value higher than their "fair value".

	Book value
Equity investments in other companies	3,106

Details of the value of long-term investments in other companies

Description	Book value
B.C.C. Felsinea	3,100
C.O.N.A.I.	6
Total	**3,106**

Current assets

The items of current assets are valued in accordance with numbers 8 to 11-bis of Article 2426 of the Italian Civil Code. The criteria applied are indicated in the paragraphs of the respective items in the financial statements.

Inventory

The following table shows information about changes in inventories.

	Value at the beginning of the year	Variations during the year	Value at the end of the year
raw and ancillary materials and consumables	60,267	(9,803)	50,464
contract work in progress	4,226,171	(1,433,768)	2,792,403
Total	4,286,438	(1,443,571)	2,842,867

To ensure a correct presentation of the value of raw and ancillary materials and consumables and to reflect any impairment losses due to obsolescence, slow-moving items or reduced marketability, an allowance was recognised in previous financial years which, following its use in 2023 due to the disposal of part of the impaired inventory, amounted to €2,327 at the end of the previous financial year.

During the 2025 financial year, no further write-downs of inventory were required. Moreover, no disposals of the remaining previously impaired raw materials occurred, and the allowance therefore remained unchanged as at 31 December 2025.

Receivables recognised in current assets

Variations and due dates of receivables entered in current assets

The table that follows provides a breakdown of information relative to the variations in receivables entered in current assets as well as information relative to the due date, if significant.

	Value at the beginning of the year	Variation during the year	Value at the end of the year	Quota expiring within the year	Amount due beyond 12 months
Trade receivables	5,470,325	(3,198,876)	2,271,449	2,271,449	-
Receivables from parent companies	-	468,478	468,478	468,478	-
Receivables from companies subject to the control of the parent companies	-	318,083	318,083	318,083	-
Tax receivables	545,991	83,367	629,358	604,936	24,422
Prepaid taxes	820,377	(8,152)	812,225	-	-
Other receivables	294,108	(208,613)	85,495	85,495	-
Total	7,130,801	(2,545,713)	4,585,088	3,748,441	24,422

The item "Trade receivables" includes the total amount of receivables the Company has from customers deriving from normal business transactions.

The balance reported in the financial statements, amounting to €2,271,449 and fully due within the following financial year includes:

- Receivables relating to invoices issued by 31 December 2025 and not yet collected at the reporting date.
- Receivables relating to invoices issued in the first months of 2026 but attributable to the 2025 financial year.
- Receivables represented by notes receivable in portfolio, already presented for collection or discounted with credit institutions.

The balance is stated net of the provision for bad debts, determined to cover the risk of non-collection, and net of credit notes issued and/or to be issued.

Changes in the item ***"Trade receivables"*** are shown in the table below:

Description	Detail	Initial amount	Increase	Movement to item	Movement from item	Decrease	Final amount	Absolute variation	Variation %
from clients									
	Italy clients	1,914,270	191,501	-	-	- 2,105,771	191,501	10	
	Invoices to be issued	1,847,526	-	-	- 1,847,090	436 1.847.090-	100-		
	Foreign clients	1,676,687	-	-	- 1,432,156	244,531 1.432.156-	85-		
	Notes receivable subject to collection	136,139	-	-	-	112,891	23,248	112.891-	83-
	Credit notes to be issued	1.760-	-	-	-	1.760-	-	1,760	100-
	Taxed bad debt provision	62.297-	-	-	-	-	62.297-	-	-
	Provision for bad debts	40.240-	-	-	-	-	40.240-	-	-
	Total	5,470,325	191,501	-	- 3,390,377	2,271,449 3.198.876-			

For a clearer understanding of the financial statement figures, reference is made to the paragraph **"Structure and content of the financial statements":** a portion of trade receivables, although substantively attributable to this item, is presented under other asset items due to the nature of the counterparty.

Specifically:

- Receivables from **TVS Motor Company Limited,** amounting to €468,478, are classified under "receivables from parent companies" (C-II-4).
- Receivables from **The Norton Motorcycle Co. Limited,** amounting to €318,083, are classified under "receivables from companies under the control of parent companies" (C-II-5).

Note that receivables from the above companies existing at the end of the 2024 financial year were included under trade receivables.

The different presentation in the current financial statements is solely due to a reclassification made to provide a more appropriate representation based on the nature of the counterparty, with no impact on profit or equity. Specifically, at the end of the 2024 financial year the following trade receivables were recognised under trade receivables:

- Trade receivables from the parent company TVS Motor Company Limited amounting to €706,060.
- Trade receivables from the sister company The Norton Motorcycle Co. Limited amounting to €831,005, of which €32,126 relating to invoices to be issued and €798,879 relating to invoices issued during 2024 and unpaid at year end.

Had these receivables also been recognised in 2025 under trade receivables, the change in trade receivables would have been €1,661,812 lower. Similarly, with reference to the breakdown of receivables, those from foreign customers would have increased by €72,783 instead of decreasing by €1,432,156, while invoices to be issued would have decreased by €1,814,964.

For completeness, note that at the reporting date the company has a receivable of €33,395 from Fantic Motor S.p.A. During the 2025 financial year, that company, being in financial difficulty, filed an application to access a negotiated crisis settlement procedure with protective measures pursuant to Article 19 of the Italian Code of Business Crisis, preparing a plan pursuant to Article 57 thereof providing for the execution of restructuring agreements with the various categories of creditors.

In February 2026, after the close of the 2025 financial year, Engines entered into a "Debt restructuring agreement" pursuant to Article 57 of the Italian Code of Business Crisis with that company, providing for:

- Payment of 85% of the receivable in three instalments or, alternatively,
- Payment of 55% in a single instalment (Option), with definitive waiver of the remaining portion, subject to the condition precedent of approval by the Court of Venice by 30 June 2026 (extendable by three months).

Considering that at the close of the 2025 financial year no restructuring agreement had yet been executed or approved, and that the potential credit loss is fully covered by the existing provision, no loss was recognised nor was it necessary to increase the provision for bad debts.

Breakdown of receivables classed as current assets by geographical area

Following table shows the breakdown of receivables classed as current assets by geographical area.

Geographical area	Trade receivables entered in current assets	Receivables from parent companies entered in current assets	Receivables from companies subject to the control of the parent companies entered in current assets	Tax receivables entered in current assets	Assets for prepaid taxes entered in current assets	Other receivables entered in current assets	Total receivables entered in current assets
Italy	2,089,215	-	-	629,358	812,225	82,705	3,613,503
Europe	54,682	-	318,083	-	-	2,790	375,555
Rest of the							
world	127,552	468,478	-	-	-	-	596,030
Total	2,271,449	468,478	318,083	629,358	812,225	85,495	4,585,088

Trade receivables are stated net of the provision for bad debts.

Receivables included in current assets related to forward repurchase agreements

The company did not enter into any forward repurchase agreements during the year, nor has it entered into any in previous years.

Financial assets not constituting non-current assets

Changes in current financial assets

The following table shows information about changes in financial assets that do not constitute fixed assets.

Entry description	Value at the beginning of the year	Variations during the year	Value at the end of the year
other securities	225,158	(546)	224,612
Total	225,158	(546)	224,612

These consist of investments made in open-ended investment companies (OEIC) following a CAP (Capital Accumulation Plan) formula which provides for the periodic investment – specifically on a monthly basis – of a preset sum of capital which flows into the assets of the investment company and is managed by the latter according to specific guidelines.

The breakdown of investments outstanding at year-end is as follows:

Name OEIC	Management company	ISIN	Category	Payments	No. of units	Weighted average cost	NAV as at 31/12/25	Value as at 31/12/25	Unrealised gain (loss)
Fidelity Funds - Emerg. Market Debt Fund A-ACC-EUR	Fidelity Inv Mgmt (Lux) S.A.)	LU0238205289	Emerging market bonds	115,000.00	4,964.820	23.1630	23.260	115,680.31	680.31
BNP Paribas Climate Impact CL	BNP Paribas Asset Manag. Lux.	LU0406802339	Ecology equities	115,000.00	413.676	277.9953	266.290	109,611.73	(5,388.27)
TOTAL				230,000			225,292.04	(4,707.96)	

Cash and cash equivalents

Pursuant to Article 2427.1, no. 9, of the Italian Civil Code, note that there are no restricted cash balances. The following table shows information about changes in cash and cash equivalents.

	Value at the beginning of the year	Variations during the year	Value at the end of the year
bank and postal deposits	443,854	573,573	1,017,427
cash and cash equivalents on hand	7,673	(3,713)	3,960
Total	451,527	569,860	1,021,387

Note that the company holds foreign currencies in cash, the value of which was restated at the year end in euros using the exchange rate recorded by the Bank of Italy on the last day of the financial year, with the corresponding recognition of the estimated exchange gain and/or loss, as envisaged by accounting standard OIC 26.

Accrued income and prepaid expenses

The following table shows information about changes in accrued income and prepaid expenses.

	Value at the beginning of the year	Variation during the year	Value at the end of the year
Accrued income	-	213	213
Prepaid expenses	372,405	(79,198)	293,207
Total accrued income and prepaid expenses	372,405	(78,985)	293,420

The following table illustrates the composition of the entries in question, as indicated in the financial statements.

Description	Detail	Current year amount
ACCRUALS AND DEFERRALS		
	Accrued income	213
	Prepaid expenses	293,208
	Rounding-off	1-
	Total	293,420

In particular, total prepaid expenses of €293,208 are composed as follows: lease payments/maxi instalments

€122,680, maintenance fees €38,566, rental fees €114,168, IT rental fees €8,655, vehicle rental fees €6,443 and other lesser items €2,695.

Note also that prepaid expenses include multi-year prepaid expenses amounting to €89,542, relating to the initial maxi instalment and set-up costs associated with two finance lease agreements:

(i) A contract relating to a 3D scanner, entered into with Claris Rental with effect from 14 June 2024
(ii) A contract relating to two engine test bench measurement instruments, entered into with B.N.L. Leasing with effect from 18

March 2025 This amount represents costs attributable to financial years subsequent to the next financial year. Note also that there are no prepaid expenses with a duration exceeding five years.

Capitalised financial charges

All interest and other financial charges were fully accounted for in the financial year. For the purposes of art. 2427, par. 1, No. 8 of the It. Civil Code, we therefore certify that no capitalisations of financial charges exist.

Explanatory note liabilities and shareholders' equity

Below we analyse in detail the movements of the individual balance sheet items where envisaged by law.

Net equity

Variations in net equity

With reference to the year ended, the tables below show the variations in the individual items of shareholders' equity and the breakdown of the other reserves, if listed in the financial statements.

	Value at the beginning of the year	Distribution of the profit - Other distribution	Other changes - increases	Profit (loss) for the financial year	Value at the end of the year
Capital	1,000,000	-	-	-	1,000,000
Share premium account	4,326,206	-	-	-	4,326,206
Legal reserve	163,011	25,165	-	-	188,176
Extraordinary Reserve	1,422,824	500	-	-	1,423,324
Payment on account for capital increase	1,500,000	-	500,000	-	2,000,000
Reserve for merger surplus	3,525	-	-	-	3,525
Total other reserves	2,926,349	500	500,000	-	3,426,849
Profit (loss) carried forward	(2,407,236)	100,160	-	-	(2,307,076)
Profit (loss) for year	125,825	(125,825)	-	(445,323)	(445,323)
Total	6,134,155	-	500,000	(445,323)	6,188,832

The company did not make use of the option provided for by Article 6 of Italian Decree-Law no. 23/2020, and therefore there are no suspended losses to be carried forward within the fifth subsequent financial year.

Availability and use of shareholders' equity

The following tables present the net equity items in detail, with specification of their origins, possibilities for use and distribution, as well as their use in the three previous financial years.

Description	Amount	Origin/ Nature	Possible uses	Amount available
Capital	1,000,000	Capital		-
Share premium account	4,326,206	Capital	A;B	4,326,206
Legal reserve	188,176	Profits	B	188,176
Extraordinary Reserve	1,423,324	Profits	A;B;C	1,423,324
Payment on account for capital increase	2,000,000	Capital	A;B;C	2,000,000
Reserve for merger surplus	3,525	Capital	A;B;C	3,525
Total other reserves	3,426,849			3,426,849
Profit (loss) carried forward	(2,307,076)	Profits		-
Total	6,634,155			7,941,231
Amount not distributable	6,737,682			
Residual distributable portion				1,203,549

Key: A: for capital increase, B: to hedge losses, C: distribution to shareholders, D: for other article of association restraints, E: other

With reference to the availability and distributability of equity items, note the following:

- **Share capital:** by definition, share capital is not distributable to shareholders. It may only be reduced through specific procedures (capital reduction, loss coverage, etc.) and does not fall within "available" or distributable reserves.
- **Share premium reserve (Article 2431 of the Italian Civil Code):** pursuant to Article 2431 of the Italian Civil Code, this reserve may be used exclusively for a bonus share capital increase (A) and/or to cover losses (B) for its full amount. To the contrary, it cannot be distributed to shareholders (C) as the Legal Reserve has not yet reached the minimum level required by Article 2430 of the Italian Civil Code.
- **Legal reserve (art. 2430 c.c.):** the Legal Reserve is available only for the coverage of losses (B), after the use of other reserves, and is not available for a bonus share capital increase (A) and/or distribution to shareholders, as it has not yet reached the minimum threshold required by Article 2430 of the Italian Civil Code.
- **Extraordinary reserve:** the extraordinary reserve is a discretionary reserve formed from profits, and in principle is both available and distributable in the absence of statutory restrictions, subject to compliance with applicable legal constraints. Indeed, account must be taken of both the constraints set out in Article 2426, no. 5, of the Italian Civil Code, which provides that *"until the amortisation of formation, start-up and development costs is completed, dividends may be distributed only if sufficient available reserves remain to cover the amount of non-amortised costs",* and therefore for the amount of €219,775 corresponding to development costs not yet amortised at the reporting date, and the constraints set out in Article 2303 of the Italian Civil Code, which provides that *"if a loss of share capital occurs, no distribution of profits may be made until the capital has been reinstated or reduced accordingly".*
- **Capital contributions / capital increase contributions:** such contributions may be used exclusively for a bonus share capital increase (A) and/or to cover losses (B) for their full amount. To the contrary, it cannot be distributed to shareholders (C) as the Legal Reserve has not yet reached the minimum level required by Article 2430 of the Italian Civil Code.
- **Reserve for merger surplus** the merger surplus is a capital reserve that, in the absence of specific constraints, may be used for a bonus share capital increase (A) and/or to cover losses (B) for its full amount. To the contrary, like other capital reserves, it cannot be distributed to shareholders (C) as the Legal Reserve has not yet reached the minimum level required by Article 2430 of the Italian Civil Code.

Provisions for risks and charges

The following table shows information about changes in provisions for risks and charges.

	Value at the beginning of the year	Variations during the year - Provision	Variations during the year - Use	Variations during the year - Total	Value at the end of the year
Provision for pensions and similar obligations	325,317	28,806	24,145	4,661	329,978
Other provisions	33,968	-	-	-	33,968
Total	359,285	28,806	24,145	4,661	363,946

Other provisions

The following table illustrates the composition of the entry in question, as results from the financial statements, pursuant to art. 2427, first section, of the Italian civil code.

Description	Detail	Current year amount
others		
	Other provisions for deferred risks and charges	33,968
	Total	33,968

Employee severance indemnity (TFR)

The following table shows information about changes in employee severance indemnities.

	Value at the beginning of the year	Variations during the year - Provision	Variations during the year - Use	Variations during the year - Total	Value at the end of the year
EMPLOYEE SEVERANCE INDEMNITY (TFR)	208,886	6,651	7,854	(1,203)	207,683
Total	208,886	6,651	7,854	(1,203)	207,683

Provision for pensions and similar obligations

The item "Provision for pensions and similar obligations" includes the severance indemnity provision for directors (TFM), which comprises amounts accrued during the financial year as well as those accrued in previous financial years.

Note that until the beginning of October of the current financial year, the TFM was granted to the previous governing body, specifically to directors Mr Alberto Strazzari, Chairman of the Board of Directors, and Mr Manfredi

Fenici, Vice Chairman and Chief Executive Officer, in accordance with a specific shareholders' resolution governing its payment upon termination of office for any reason, while no such benefit was granted to the remaining members of the governing body.

Following the change in the shareholder structure and the consequent renewal of the governing body in October, the above severance indemnity arrangement is no longer granted to the members of the governing body currently in office.

With reference to changes in the "Provision for pensions and similar obligations", note that, following the resignation of the previous governing body mentioned above, provisions were made for the severance indemnity accrued on a pro rata basis to the above-mentioned directors, for a total amount of €28,806, as well as the full settlement of the severance indemnity (TFM) to Mr Fenici, with the consequent full use of the related provision.

The severance indemnity accrued in favour of Mr Strazzari, by express agreement between the parties, will be paid in instalments over the coming financial years.

Finally, note that for tax purposes the provisions made are deductible only when the related indemnities are actually paid to the beneficiaries.

Employee severance indemnity (TFR)

In accordance with Article 1, paragraphs 755 et seq. of Italian Law no. 296/2006, the company periodically pays the severance indemnity accrued by employees who have not opted for allocation to a supplementary pension fund to the INPS Treasury Fund.

Changes in the TFR provision during the financial year are detailed below:

Provision 01/01/2025	208,887
Increase	270,828
0.5% contribution pursuant to Italian Law no. 297/1982	(18,322)
Increase for revaluation of Employee Severance Indemnity provision charge	36,782
Decrease for substitute tax on Employee Severance Indemnity TFR revaluation (11%)	(6,253)
Use decrease - terminations	(7,854)
Allocation of severance pay to Suppl. pension funds	(109,131)
Allocation of severance pay to INPS (Italian National Social Security Institution) Treasury Fund	(167,254)
Provision 31/12/2025	207,683

Payables

Variations and due date of payables

Information regarding variations in payables and any information related to their expiry dates are provided in the following table.

	Value at the beginning of the year	Variation during the year	Value at the end of the year	Quota expiring within the year	Amount due beyond 12 months
Bank payables	2,790,174	(2,346,525)	443,649	393,528	50,121
Payables to other lenders	-	1,005,173	1,005,173	5,173	1,000,000
Advances	3,780,830	(3,207,699)	573,131	573,131	-
Trade payables	1,136,745	(426,499)	710,246	710,246	-
Payables due to parent companies	1,000,000	753,355	1,753,355	1,753,355	-
Payables due to companies subject to the control of parent companies	-	351,646	351,646	351,646	-
Tax payables	284,490	(38,426)	246,064	246,064	-
Payables to social security and welfare institutions	337,317	90,845	428,162	428,162	-
Other payables	608,327	80,398	688,725	688,725	-
Total	9,937,883	(3,737,732)	6,200,151	5,150,030	1,050,121

Bank payables

The following table shows the breakdown of the item "Bank payables".

Item	Current account payables	Payables for medium-term loans	Payables for long-term loans	Total
4)	3,789	241,709	198,151	443,649

Bank payables

With reference to the item "Bank payables", a breakdown and the main details are provided below.

Composition of the item

Bank payables consist of:

- Current account payables, amounting to €3,789, mainly relating to bank charges accrued during the financial year but debited in the following financial year, as well as advances subject to collection.
- Payables for medium/long-term loans: equal to €241,709, they consist of loans which, at the time of disbursement, had a duration of more than eighteen months, but less than five years;
- Payables for medium-term loans: equal to €198,151, they consist of loans which, at the time of disbursement, had a duration of more five years;

Changes in bank payables

The details of outstanding loans are set out below:

Lending institution	Type	Disbursement date	Maturity date	Amount disbursed	Payable as at 31/12/2024	Drawdowns during the financial year	Repayments during the financial year	Payable as at 31/12/2025
B.C.C. Felsinea	Unsecured loan TV	14-Feb-20	13-May-26	900,000	260,209	0	182,891	77,318
B.P.E.R.	Mortgage loan BEI	23-Mar-15	15-Dec-26	1,300,000	166,667	0	83,334	83,333
B.C.C. Felsinea	Unsecured loan TV	31-Mar-21	31-Mar-26	2,000,000	630,957	0	504,118	126,839
Simest	Unsecured loan BEI TV	31-Dec-20	31-Dec-26	150,000	75,000	0	37,500	37,500
Credem	Unsecured loan	21-Sep-23	21-Sep-27	250,000	177,320	0	62,450	114,870
B.N.L.	Unsecured loan	22/05/2024	31/10/2025	800,000	575,068	0	575,068	0
B.C.C. Felsinea	Bullet loan	02/12/2024	02/06/2025	900,000	901,132	0	901,132	0
Subject to collection B.C.C. Felsinea	Advances Subject to collection			0	0	1,458	0	1,458
Miscellaneous	Fees to be liquidated at the end of the year			0	3,821	2,331	3,821	2,331
TOTAL				6,300,000	2,790,174	3,789	2,350,314	443,649

Additional information

The item "Bank payables" includes loans granted to the company in the form of unsecured and mortgage loans, as well as year-end bank charges debited in the first months of the following financial year.

Repayment schedules are being met in accordance with the contractual terms.

Note that there are no loans with maturity beyond the fifth subsequent financial year.

Loan maturities

The following breakdown by maturity is provided for outstanding loans:

Lending institution	Payable as at 31/12/2025	Portion due within the following financial year	Portion due beyond the following financial year	Portion due beyond five years
B.C.C. Felsinea 2020/2026	77,318	77,318	0	0
B.P.E.R. Mortgage BEI 2015/26	83,333	83,333	0	0
B.C.C. Felsinea 2021/2026	126,839	126,839	0	0
Simest 2020/2026	37,500	37,500	0	0
Credem 2023/2027	114,870	64,749	50,121	0
B.N.L. 2024/2025	0	0	0	0
B.C.C. Felsinea 2024/2025	0	0	0	0
TOTAL	439,860	389,739	50,121	0

Suspensions and emergency measures

Pursuant to Article 56 of Italian Decree-Law no. 18/2020 ("Cura Italia Decree"), in previous financial years the company benefited from the temporary suspension of instalments, including principal and interest, with respect to the following loans:

- B.C.C. Felsinea – Unsecured loan TV 2020/2026
- B.P.E.R. – Mortgage loan BEI 2015/2026

Loan backed by MCC guarantee

During the 2021 financial year, the company also obtained a loan of €2,000,000 from BCC Felsinea, backed by a guarantee from the SME Guarantee Fund pursuant to Article 13, paragraph 1, letter c) of Italian Decree-Law no. 23/2020 ("Liquidity Decree"), covering up to 90% of the amount.

At the end of the 2025 financial year, the outstanding balance of this loan amounted to €126,839, entirely due within the following financial year.

Payables to other lenders

The item also includes, among other things, the payable relating to the loan obtained in 2024 from ACT S.r.l., then the parent company.

In the 2024 financial statements, this payable was recognised under "Payables to parent companies" (Item D-11 of liabilities), in accordance with applicable regulations and accounting standard OIC 19.

Following the disposal of the entire share capital of the company by ACT S.r.l. during the 2025 financial year, it no longer qualifies as a parent company. Accordingly, in the current financial statements the liability is recognised under "Payables to other lenders".

The payable amounts to €1,005,173 in total, of which €1,000,000 is due beyond the following financial year, and includes accrued interest at 31 December 2025 of €5,173.

Trade payables

The total amount of payables due to suppliers of goods and/or services arising from normal trading activities is recognised under "Trade payables".

The balance shown in the financial statements totalling €710,246=, all due within one year, includes the amount of payables for invoices received up to 31 December 2025 but not yet settled at that date and the amount of payables for invoices received in the first few months of 2026 but referable on an accrual basis to the year 2025, and is shown net of credit notes received and/or to be received.

Description	Detail	Initial amount	Increase	Movement to item	Movement from item	Decrease	Final amount	Absolute variation	Variation %
trade payables									
	Italy suppliers	761,898	-	-	-	183,547	578,351	183.547-	24-
	Foreign suppliers	96,562	-	-	-	67,048	29,514	67.048-	69-
	Invoices to be received	342,930	-	-	-	237,963	104,967	237.963-	69-
	Credit notes to be received	64.645-	-	-	-	62.059-	2.586-	62,059	96-
	Total	1,136,745	-	-	-	426,499	710,246	426.499-	

Other payables

The following table provides a breakdown of the item "Other payables".

Description	Detail	Current year amount
	Other payables	
	Payables to employees for deferred charges	453,084
	Personnel remunerations	207,090
	Payables to credit card issuers	22,651
	Lucchi Lorenzo for compensation	3,602
	Nanni Luca for compensation	1,335
	Di Natale Vittorio for compensation	322
	Filctem - GCIL	641
	Total	688,725

Breakdown of payables by geographical area

The following table shows the breakdown of payables by geographical area.

Geographical area	Bank payables	Payables to other lenders	Advances	Trade payables	Payables due to parent companies	Payables due to companies subject to the control of parent companies	Tax payables	Payables to social security and welfare institutions	Other payables	Payables
Italy	443,649	1,005,173	8,041	676,205	-	-	246,064	428,162	688,725	3,496,019
Europe	-	-	-	5,180	-	351,646	-	-	-	356,826
Rest of the world	-	-	565,090	28,861	1,753,355	-	-	-	-	2,347,306
Total	443,649	1,005,173	573,131	710,246	1,753,355	351,646	246,064	428,162	688,725	6,200,151

Payables secured by charges on company assets

The following table indicates, separately for every entry, the payables covered by real guarantees on company property, specifically indicating the nature of the guarantees.

	Liabilities secured by mortgages	Total payables secured by real guarantees	Payables not covered by real guarantees	Total
Bank payables	83,333	83,333	360,316	443,649
Payables to other lenders	-	-	1,005,173	1,005,173
Advances	-	-	573,131	573,131
Trade payables	-	-	710,246	710,246
Payables due to parent companies	-	-	1,753,355	1,753,355
Payables due to companies subject to				
the control of parent companies	-	-	351,646	351,646
Tax payables	-	-	246,064	246,064
Payables to social security and welfare				
institutions	-	-	428,162	428,162
Other payables	-	-	688,725	688,725
Total payables	83,333	83,333	6,116,818	6,200,151

The payables secured by real guarantees refer to the mortgage loan granted by Banca Popolare dell'Emilia Romagna for the amount of €1,300,000 expiring on 15 December 2026, which was secured by a mortgage granted on the property owned. The aforementioned amount refers to the balance of the mortgage-backed capital debt at 31/12/2025.

Payables relating to forward repurchase agreements

The company did not enter into any transactions involving an obligation to repurchase at a future date during the financial year, nor are there any such transactions from previous financial years.

Shareholder loans

Note that following the disposal during the 2025 financial year of the entire share capital of the company by ACT S.r.l., the €1,000,000 loan granted in 2024 no longer qualifies as a shareholder loan.

Accordingly, in the current financial statements this liability is no longer recognised under "Payables for shareholder loans", but rather has been reclassified under "Payables to other lenders", in line with the changed structure of corporate relationships.

Note also that at the reporting date there are no loans granted by the sole shareholder TVS Motor (Singapore) Pte. Ltd.

Accrued liabilities and deferred income

The following table shows information on changes in accrued expenses and deferred income.

	Value at the beginning of the year	Variation during the year	Value at the end of the year
Accrued liabilities	169,300	(115,802)	53,498
Deferred income	35,842	51,416	87,258
Total accrued expenses and deferred income	205,142	(64,386)	140,756

The following table illustrates the composition of the entries in question, as indicated in the financial statements.

Description	Detail	Current year amount
ACCRUALS AND DEFERRALS		
	Accrued liabilities	53,498
	Deferred income	87,258
	Total	140,756

Accruals and deferrals with duration beyond the financial year

Pursuant to Articles 2424 and 2427, paragraph 1, no. 7, of the Italian Civil Code, and in accordance with the OIC national accounting standards (in particular OIC 18 "Accruals and deferrals"), details are provided of accruals and deferrals with duration beyond the financial year.

With reference to the position at the reporting date, there are no accrued expenses with maturity beyond the financial year.

As regards deferred income, amounts with duration beyond the financial year totalling €60,204 are recognised, broken down as follows:

- €469 relating to deferred income on capital grants connected with the acquisition of new capital goods

pursuant to Italian Law no. 178/2020.

- €4,624 relating to deferred income on capital grants associated with the finance lease contract for a 3D

scanner, already described elsewhere in these notes.

- €47,024 relating to deferred income on capital grants associated with the finance lease contract for a measurement instrument (engine test bench), also described elsewhere in these notes.
- €8,087 relating to deferred income on capital grants relating to the tax credit for research and development concerning the "M3E" project.

Finally, there is no deferred income with residual duration exceeding five years.

Explanatory notes, income statement

Income statement

The income statement shows the financial performance for the financial year and provides a representation of operations through the summary of positive and negative income components contributing to its determination. Positive and negative income components are recognised in the financial statements in accordance with Article

2425-bis of the Italian Civil Code and are classified by nature, distinguishing between operating, financial and ancillary activities.

Operating activities include income components generated by transactions occurring on a recurring basis within the company's core business, contributing to the distinctive nature of its operations.

Financial activities include income and expenses of a financial nature arising from the investment

and raising of financial resources.

Ancillary activities include, on a residual basis, transactions generating income components falling within ordinary operations but not attributable to operating or financial activities.

Value of production

Revenue is recognised on an accrual basis and recorded net of returns, allowances, discounts and bonuses, as well as taxes directly related thereto, in accordance with Article 2425-bis of the Italian Civil Code and, where applicable, OIC 34.

Where necessary due to materiality, total consideration is allocated to individual units of account in accordance with national accounting standards.

With reference to the sale of goods, related revenue is recognised when the substantial risks and rewards of ownership are transferred, regardless of the formal transfer of title.

Revenue from services is recognised when the service has been rendered or the performance completed. In the case of continuous services, revenue is recognised based on the portion earned.

Increases in fixed assets from internal work are recognised at production cost, including direct costs (such as materials, direct labour, design costs and external supplies) and a reasonable portion of indirect production costs attributable to the asset during the construction period, up to the point it is ready for use. Financial expenses related to construction are also included where eligible for capitalisation.

Operating grants are recognised on an accrual basis in the financial year in which the right to receive them arises and are recorded under item A5 of the income statement, as they are intended to supplement operating revenue and/or reduce related costs and expenses.

The following table shows the changes in the value of production compared to the previous year:

Entry description		Year 2025	Year 2024	Diff.	Diff %
	1) Proceeds from sales and services	12,414,281	8,910,478	3,503,803	39.32
	3) Changes in contract work in progress	(1,433,768)	2,243,173	(3,676,941)	163.92
	4) Increase in fixed asset base because of internal building work	3,316	0	3,316	100.00
	5) Other proceeds and revenues				
	Operating grants	16,976	17,488	(512)	(29.28)
	others	165,018	111,417	53,601	32.48
	Total value of production	181,994	128,905	53,089	41.18
Total value of production		11,165,823	11,282,556	(116,733)	(1.03)

Breakdown of revenues from sales and services by category of activity

The following table illustrates the breakdown of revenues, sales and services by activity categories.

Category of activity	Current year amount
Design	10,884,692
Sale of finished products	626,796
Other lab tests	713,980
Engine testing room	188,813
Total	12,414,281

During the 2025 financial year, total revenue increased by approximately 39%, mainly driven by the significant growth in design services.

Revenue from the sale of finished products also increased, while revenue from laboratory testing and test room services declined compared to the previous financial year.

Specifically, design services recorded significant growth, generating additional revenue of approximately €3.8 million compared with the 2024 financial year, confirming their position as the company's main business area and making a decisive contribution to the overall increase in turnover.

The breakdown of revenue by business area is set out below, compared with the previous financial year, both in absolute terms and as percentages.

Category of activity	2025	%	2024	%
Design	10,884,692	79.77%	7,107,629	79.77%
Sale of finished products	626,796	5.18%	461,185	5.18%
Other lab tests	713,980	11.00%	979,867	11.00%
Testing room	188,813	4.05%	361,797	4.05%
TOTAL	12,414,281	100.00%	5,438,079	100.00%

The comparative analysis shows that revenue growth is mainly attributable to design services, which increased by 53.14%, while sales of finished products rose by 35.91%.

By contrast, testing services declined: revenue from other laboratory tests decreased by 27.14% and revenue from the test room by 47.81%, partly offset by the expansion of the core design business.

Category of activity	2025	2024	Difference	Diff %
Design	10,884,692	7,107,629	3,777,063	53.14%
Sale of finished products	626,796	461,185	165,611	35.91%
Other lab tests	713,980	979,867	(265,887)	(27.14%)
Testing room	188,813	361,797	(172,984)	(47.81%)
TOTAL	12,414,281	8,910,478	3,500,803	39.32%

Breakdown of revenues from sales and services by geographical area

The following table illustrates the breakdown of revenues, sales and services by geographical area.

Geographical area	Current year amount
United Kingdom	6,508,493
Italy	3,033,597
India	2,234,791
China	188,000
European Unit (Italy excluded)	8,500
Rest of the world	440,900
Total	12,414,281

Breakdown of turnover by geographical area

With reference to the breakdown of turnover by geographical area, the tables below show a comparison between the 2025 financial year and the previous financial year, both in absolute values and as percentages.

The analysis shows a significant reshaping of the geographical sales mix, with increasing internationalisation of operations and a greater concentration of revenue in foreign markets, particularly the United Kingdom and India. The United Kingdom remains the main market of reference, with revenue increasing by approximately €3.8 million (+137.86%), rising from 30.71% to 52.43% of total revenue. India also recorded very strong growth, with an increase of approximately €1.7 million (+306.44%), strengthening its share of total revenue (18.00% in 2025 compared with 6.17% in the previous financial year).

For clarity, note that, following the acquisition of the entire share capital by TVS Motor (Singapore) Pte. Ltd., a company controlled by TVS Motor Company Ltd (India), which in turn also controls "The Norton Motorcycle Co. Limited" (United Kingdom), turnover increased in these markets. Specifically, this transaction strengthened commercial relationships with the group and led to increased revenue from the United Kingdom and India, contributing significantly to the reshaping of the geographical turnover mix.

Conversely, the domestic market declined, with turnover in Italy falling by approximately €1.2 million (-27.98%), reducing its share of the total from 47.27% to 24.44%, confirming a gradual shift in the commercial focus towards foreign markets.

Revenue also declined in China (-64.95%), the European Union (excluding Italy) (-66.33%) and Japan, where no revenue was recorded in the current financial year compared with €563,414 in the previous financial year.

By contrast, the "Rest of the world" segment grew by 53.66%, although it still represents a limited share of total turnover (3.55%).

Overall, the geographical structure of revenue shows greater international diversification and increased concentration in higher-potential non-EU markets, such as the United Kingdom and India.

Detailed tables are provided below.

Category of activity	2024	%	2023	%
Italy	4,212,351	47.27%	1,708,054	31.41%
European Unit (Italy excluded)	25,245	0.28%	62,330	1.15%
United Kingdom	2,736,279	30.71%	67,104	1.23%
India	549,852	6.17%	1,840,000	33.84%
China	536,398	6.02%	1,404,151	25.82%
Japan	563,414	6.32%	247,162	4.55%
Rest of the world	286,939	3.23%	109,278	2.00%
TOTAL	8,910,478	100.00%	5,438,079	100.00%

Category of activity	2024	2023	Difference	Diff %
Italy	4,212,351	1,708,054	2,504,297	146.62%
European Unit (Italy excluded)	25,245	62,330	(37,085)	(59.50%)
United Kingdom	2,736,279	67,104	2,669,175	3977.67%
India	549,852	1,840,000	(1,290,148)	(70.12%)
China	536,398	1,404,151	(867,753)	(61.80%)
Japan	563,414	247,162	316,252	127.95%
Rest of the world	286,939	109,278	177,661	162.58%
TOTAL	8,910,478	5,438,079	3,472,399	63.85%

Costs of production

The costs and charges are recognised on an accrual basis and by type, net of returns, allowances, discounts and premiums, according to the revenue matching principle and in compliance with the OIC 12 accounting principle. With reference to the purchase of goods, related costs are recognised when the substantial transfer of ownership occurs, regardless of the formal transfer of title, based on the transfer of risks and rewards associated with the goods.

For purchases of services, the related costs are recognised when the service has been received or the performance completed. For continuous service contracts, costs are recognised based on the portion earned.

In general, note that:

- Costs for the purchase of movable goods are recognised on the date of delivery or shipment, as envisaged in the contract, or on the date when the substantial transfer of risks and rewards occurs, if different from delivery or shipment.
- Costs for the purchase of immovable property, where applicable, are recognised on the date the sale agreement is executed, or on the date when the substantial transfer of ownership occurs. The following table shows the changes in the production costs compared to the previous year:

Entry description	Year 2025	Year 2024	Diff.	Diff %
6) For raw and ancillary materials, consumables and goods	785,097	1,111,001	(325,904)	(29.33)
7) For services	3,983,330	3,555,749	427,581	12.03
8) For use of leased assets	604,085	581,004	23,081	3.97
9) For personnel	5,222,062	4,619,390	602,672	13.05
a) salaries and wages	3,768,734	3,353,794	414,940	12.37
b) social security contributions	1,171,713	1,012,041	159,672	15.78
c) employee severance indemnity	257,241	222,706	34,535	15.51
e) other costs	24,374	30,849	(6,475)	(20.99)
10) Amortisation, depreciation and impairments	351,179	856,579	(505,400)	(59.00)
a) amortisation of intangible fixed assets	97,201	146,672	(49,471)	(33.73)
b) depreciation of tangible fixed assets	253,978	291,077	(37,099)	(12.75)
c) other fixed assets depreciation	0	418,830	(418,830)	(100.00)
11) Change in inventory of raw and ancillary materials, consumables and goods	9,804	6,031	3,773	62.56
14) Other operating expenses	542,945	153,217	389,728	254.36
Total costs of production	11,498,502	10,882,971	615,531	5.66

Costs of production

During the 2025 financial year, production costs increased overall by approximately 5.66% compared with the previous financial year, rising from €10,882,971 to €11,498,502.

An analysis of the main items shows different trends across cost components.

Costs for raw and ancillary materials, consumables and goods decreased by 29.33%, reflecting a different mix of production activities and the greater importance of design activities compared with material-based activities. Service costs increased by 12.03%, reflecting greater use of external services to support design and related technical activities.

Costs for the use of third-party assets also rose slightly (+3.97%), remaining broadly in line with the previous financial year.

Personnel costs increased by 13.05%, rising from €4,619,390 to €5,222,062. This increase is mainly attributable to the hiring of new staff at the request of the new shareholder, as part of strengthening the company's organisational and technical structure in line with the expansion of design activities.

Depreciation, amortisation and write-downs decreased significantly (-59.00%), mainly due to the absence of extraordinary write-downs recognised in the previous financial year, as well as the gradual reduction in depreciation and amortisation of tangible and intangible fixed assets.

Changes in inventories of raw materials were marginal overall, showing a slight increase compared with the previous financial year.

Other operating expenses increased significantly (+254.36%), rising from €153,217 to €542,945. This increase is mainly attributable to the sharp rise in foreign withholding taxes applied to invoices for design services (technical consultancy) provided to Indian customers. These taxes, although generally recoverable through the foreign tax credit mechanism pursuant to Article 165 of the TUIR, are not fully offset against Italian tax, resulting in a higher net cost recognised in the income statement.

In fact, the company provides design services (classified as technical consultancy) to TVS Motor India (a company that is tax resident in India), on whose gross consideration withholding tax is applied at a rate of 20% at the time of payment, as envisaged under the relevant double taxation treaty.

In principle, foreign taxes that are definitively paid are eligible for recognition as a tax credit under Article 165 of the TUIR, within the limits of the Italian net tax proportionally attributable to foreign-source income.

In this case, since the foreign tax is calculated on gross revenue while Italian tax is calculated on net income (revenue less costs), and given that the company's activity is mainly focused on the Indian market, a structural excess of foreign tax over Italian tax arises. Accordingly, the portion of foreign taxes not recoverable as a tax credit, even taking into account carryforward mechanisms under tax rules, is recognised under other operating expenses (item B14 of the income statement) in the financial year in which the project is completed, as a tax-related cost other than current, deferred or prepaid income taxes. The increase in revenue from India therefore resulted in a higher amount of non-recoverable foreign taxes, and consequently higher other operating expenses.

Overall, the increase in production costs is consistent with the expansion in business volume, the strengthening of the company's operational structure and the growing internationalisation of its activities.

Financial proceeds and charges

Financial proceeds and charges are recognised on an accrual basis in relation to the portion accrued during the year.

Composition of proceeds from equity investments

Dividends are recognised in the year in which their distribution is approved.

There are no proceeds from equity investments as per art. 2425, no. 15 lt. Civil Code, other than dividends.

	Income other than dividends
Income from equity investments from other companies	-

Income from equity investments in other companies refers to the dividend paid during the year by Banca Felsinea - Banca di Credito Cooperativo - for the equity investment in that bank.

Breakdown of interest and other financial charges by type of payables

The following table reports the interest and other financial charges as per art. 2425, No. 17 of the Italian Civil Code, with specific breakdown by those relevant to bond issues, debts towards banks and other cases.

	Bank payables	Others	Total
Interest and other financial charges	61,963	5,977	67,940

Financial charges mainly consist of interest on loans, which represents the largest component, confirming the company's use of medium- to long-term financing to support operations and investments.

Specifically, interest on loans amounts to €60,504, of which €5,859 relates to ancillary costs associated with obtaining credit lines and financing, and represents the most significant item within financial charges.

Interest on the loan outstanding with Act S.r.l., previously the sole shareholder, is also significant.

Bank interest expenses (€1,458) and interest on deferred tax payments (€527) are limited in amount and relate to ordinary treasury management and routine dealings with the tax authorities.

Interest and commissions on factoring transactions (€227), default interest (€1) and other financial charges (€48) are residual and not significant overall.

Overall, financial charges are mainly related to medium- to long-term bank borrowing, with minor components linked to day-to-day liquidity and the management of working capital.

Foreign exchange gains/losses

Here-below is reported the information relevant to foreign exchange gains or losses, differentiating the proportion realised from the proportion deriving from evaluations of foreign exchange assets and liabilities included in the financial statements as at the end of the financial year.

Description	Amount in financial statements	Estimated part	Realised part
foreign exchange gains and losses	326-		
Foreign exchange gains		2	158
Foreign exchange losses		132	354
Total entry		130-	196-

Adjustments in value of financial assets and liabilities

As already noted in a previous paragraph of these Notes, to align the value of investments in open-ended investment companies (OEICs) acquired in previous financial years with their estimated realisable value based on market trends, during the financial year an additional write-down was recognised on the investment in BNP Paribas Climate Impact CL OEIC (ISIN LU0406802339).

PAC position as at 31/12/2025

OEIC	Historic Cost	NAV as at 31/12/2025	Write-down as at 31/12/25	Write-down as at 31/12/24	Reversal of write-down 30/12/25 \ (Additional write-down 30/12/25)
Fidelity Funds - Emerging Market Debt Fund A-ACC-EUR (ISIN: LU0238205289)	115,000.00	115,680.31	0.00	0.00	0.00
BNP Paribas Climate Impact CL (ISIN: LU0406802339)	115,000.00	109,611.73	5,388.27	4,842.22	(546.05)
SITUATION AS AT 31/12/2025	230,000.00	225,292.04	5,388.27	4,842.22	(546.05)

The alignment of the value of these investments with their estimated market value was carried out for each financial instrument individually by increasing the write-down already recognised in previous financial years, with a corresponding adjustment to the related allowance, recorded as a direct reduction of the carrying amount at the reporting date.

Amount and nature of the individual revenue/cost elements that are exceptional in size or incidence

No revenues or other positive elements deriving from events that are exceptional in size or incidence were recorded during this financial year.

The table below sets out the amount and nature of individual cost items of an exceptional size or impact.

Cost item	Amount	Nature
Other operating expenses	446,553	Non-recoverable foreign taxes exceeding Italian tax

Non-recoverable foreign withholding taxes pursuant to Article 165 of the TUIR, amounting to €446,553 in 2025 (€64,201 in 2024), were recognised under other operating expenses (item B14 of the income statement) and treated as fully non-deductible for income tax purposes, resulting in an increase in taxable income.

Given their size and impact on the financial result, these costs are classified as items of an exceptional size or impact pursuant to Article 2427, no. 13, of the Italian Civil Code and are summarised in the above table, which shows that, without them, profit before tax for 2025 would have been €45,485 (€392,806 in 2024), whereas, including non- recoverable foreign taxes, profit before tax is a loss of €394,051 in 2025 (profit of €328,605 in 2024).

The following table summarises the amount of non-recoverable foreign withholding taxes, recognised under other operating expenses (item B14) and treated as non-deductible for income tax purposes, and their impact on the financial result.

Description	Year 2025	Year 2024
Non-recoverable foreign withholding taxes pursuant to Article 165 TUIR	€446,553	€64,201
Profit before tax excluding non-recoverable foreign taxes*	€45,485	€392,806
Profit before tax as per income statement (including non-recoverable expense)**	– €401,068	€328,605
Total impact on profit before tax	€446,553	€64,201

* Amount of profit before tax that would have been recorded in the absence of non-recoverable foreign taxes (pro-forma management figure).

** Income statement figure: actual profit before tax after recognition of non-recoverable foreign taxes under item B14.

Taxes for the financial year, current, deferred, and advanced

The Company set aside taxes for the year based on current tax regulations. Current taxes represent taxes for the financial year determined based on taxable income as reported in the tax returns.

Taxes relating to previous financial years include tax charges relating to prior tax periods, including direct taxes, interest and penalties, as well as the effects arising from the settlement of any tax disputes or assessments, to the extent that such amounts differ from provisions recognised in previous financial years.

Deferred and prepaid taxes are recognised with reference to temporary differences between the carrying amount of assets and liabilities for statutory purposes and their corresponding tax bases. These taxes therefore reflect future tax effects relating to income and expense items that contribute to the statutory result in a different financial year from that in which they are recognised for tax purposes.

Taxes relating to previous years

Taxes relating to previous financial years (negative) relate to the adjustment of taxes for the previous financial year recognised in the financial statements compared with those resulting from the tax return.

Advanced and deferred taxes

This item reflects the effect of deferred taxation on the financial statements, arising from temporary differences between statutory and tax values of assets and liabilities.

The company calculates deferred taxation with reference to IRES and IRAP income taxes.

The advanced and deferred taxes were calculated by applying the following tax rates:

Rate	E.g. n + 1	E.g. n + +2	E.g. n + +3	E.g. n + +4	Beyond
IRES (Italian Corporation tax)	24.00%	24.00%	24.00%	24.00%	24.00%
IRAP (Italian Regional TAX on productive assets)	3.90%	3.90%	3.90%	3.90%	3.90%

Where present, below is shown the information required by art. 2427 no. 14 of the Italian Civil Code, namely:

- a description of the temporary differences that led to the recognition of deferred tax assets and liabilities, specifying the rate applied and the changes compared to the previous year, and the amounts credited or debited to the income statement or equity;
- the amount of deferred tax assets recognised in the financial statements relating to losses for the year or previous years and the reasons for recognition; the amount not yet recognised and the reasons for not recognising them;
- the items excluded from the calculation and the relative reasons.

Reporting of deferred and prepaid taxes and consequent effects

	IRES (Italian Corporation tax)	IRAP (Italian Regional TAX on productive assets)
A) Temporary differences		
Total deductible temporary differences	3,434,740	-
Temporary net differences	(3,434,740)	-
B) Tax impact		
Provision for deferred (prepaid) taxes at the beginning of the year	(820,377)	-
Deferred (prepaid) taxes for the year	8,152	-
Provision for deferred (prepaid) taxes at the end of the year	(812,225)	-

Breakdown of deductible temporary differences

Description	Amount at the end of the previous financial year	Variation during the financial year	Amount at the end of the financial year	IRES (Italian Corporation tax) rate	IRES (Italian Corporation tax) tax impact	IRAP (Italian Regional TAX on productive assets) rate	IRAP (Italian Regional TAX on productive assets) tax impact
Tax losses	2,993,690	(37,986)	2,955,704	24.00	709,369	-	-
Directors' fees unpaid during the FY	3,037	(3,037)	-	-	-	-	-
Deductible termination benefits	325,317	4,661	329,978	24.00	79,195	-	-
Taxed write-down of receivables	62,297	-	62,297	24.00	14,951	-	-
Inventory write-down of raw materials	2,327	-	2,327	24.00	558	-	-
Difference in valuation of short-term WIP	14,105	(14,105)	-	-	-	-	-
Provision for future charges	33,968	-	33,968	24.00	8,152	-	-
TOTAL	3,434,740	(50,467)	3,384,273	24.00	812,225	-	-

Tax loss policy

	Amount (current year)	Tax rate (current year)	Prepaid taxes recorded (current year)	Amount (previous year)	Tax rate (previous year)	Prepaid taxes recorded (previous year)
Tax losses of previous years	2,955,704			2,977,190		
Total tax losses	2,955,704			2,977,190		
Tax loss carryforwards recoverable with reasonable certainty	-	24.00	709,369	-	24.00	714,526

Explanatory notes, financial report

The company has prepared a financial report that represents the summary document that matches the changes in the balance sheet during the year with the changes in the company's financial position; it highlights the financial resources that the company needed during the year as well as how they were used.

With regard to the method used, in accordance with OIC 10 the company adopted the indirect method in which the cash flow is reconstructed by adjusting the net result for the year for non-monetary items.

Explanatory notes, other information

Hereafter we report the other information required by the Italian civil code.

Data on employment

This table shows the average number of employees, divided by category and calculated considering the daily average.

	Managers	Middle-ranking Managers	Office workers	Manual workers	Total employees
Average number	1	16	43	8	68

During the financial year, following the end of the wage supplementation scheme, hiring resumed to strengthen business units that had experienced a reduction in workforce due to the continuation of the scheme.

The Company applies, to employment relationships, the National Labour contract for the "Confindustria [Italian Entrepreneurial Association] rubber-plastic" sector.

We also attest that the normal industrial relationships with workers are "good" and there are no pending labour disputes and/or claims whatsoever.

In addition to the employment relationships described above – during the financial year just closed – our Company also availed itself of other so-called "flexible work" practices for a limited number of days.

For details, see below:

	Temporary jobs	Continuous Collaboration Contract	Total
Average number	0	1	1

Sustainability information and sustainability reporting

At the date of approval of these financial statements, the company is not among the entities required to prepare and publish a sustainability statement under applicable law (national regulations implementing Directive EU

2022/2464 – Corporate Sustainability Reporting Directive – and other provisions applicable to larger public- interest entities).

Although not required to prepare a standalone sustainability report, the company has initiated an internal process to progressively strengthen organisational and information systems in ESG (Environmental, Social, Governance) matters, with particular focus on:

- Employee health and safety
- Staff training and skills development
- Energy efficiency and responsible resource management
- Fairness and transparency in dealings with customers, suppliers and public administrations

The governing body monitors developments in the regulatory framework on sustainability to assess, also in coordination with the group, the possible future adoption of voluntary non-financial reporting or the integration of sustainability information into the report on operations and the notes to the financial statements.

Insurance coverage for catastrophic events

With regard to laws on insurance coverage against risks arising from catastrophic events, the governing body has assessed the company's position against the size and eligibility requirements set out in current regulations.

At the date of approval of these financial statements, the company is already covered by insurance policies that include specific guarantees for material and direct damage to company assets arising from catastrophic events (such as earthquakes, floods and other extreme natural events), as well as, where contractually envisaged, business interruption cover arising from such events.

The governing body monitors developments in the regulatory framework to assess the adequacy of existing insurance coverage against minimum requirements and market best practices.

Emoluments, advances and loans granted to directors and auditors, and commitments entered into on their behalf

Below is shown the information required by Article 2427, no. 16, of the Italian Civil Code.

	Directors	Auditors
Remuneration	320,081	14,803

Note that the item "remuneration of the governing body" includes the fees due to the governing body

in office up to the beginning of October. As discussed elsewhere in the notes, following the change in the ownership structure the previous governing body resigned, in line with standard practice, and a new governing body appointed by the new shareholder took office.

The amount indicated includes both the remuneration accrued up to the date of termination of office due to resignation and the TFM accrued up to that date by directors Mr Strazzari and Mr Fenici.

During the financial year, the TFM accrued by Mr Fenici up to the date of termination of office was paid in full, while the TFM accrued up to that date by Mr Strazzari remains fully outstanding.

Finally, note that no remuneration was awarded to the newly appointed governing body for the 2025 financial year.

With regard to the remuneration of members of the control body, note that the amount of €14,803 relates solely to the fees paid to members of the board of statutory auditors for their role as standing auditors of the company. For completeness, note that former directors Mr Strazzari and Mr Fenici were hired by the company as employees in a senior management role.

Fees to legal auditor or auditing company

The following table shows the remuneration of the legal auditor, broken down by type of service provided.

	Legal audit of annual accounts	Total fees due to the legal auditor or auditing company
Value	7,401	7,401

It should be noted that the legal audit of accounts is assigned to the Board of Statutory Auditors.

Categories of shares issued by the company

The table below shows the number and nominal value of the company's shares, as well as any changes during the financial year.

	Initial amount, number	Initial amount, nominal value	Final amount, number	Final amount, nominal value
Ordinary shares	1,000,000	1,000,000	1,000,000	1,000,000
Total	1,000,000	1,000,000	1,000,000	1,000,000

Share capital and shareholding structure

During the 2025 financial year, there were no changes in the amount of share capital, the number of shares into which it is divided or their nominal value.

The company's share capital amounts to €1,000,000.00, fully subscribed and paid in, and is divided into 1,000,000 ordinary shares with a nominal value of €1.00 each.

However, on 3 October 2025, the entire share capital was transferred by ACT S.r.l. to TVS Motor (Singapore) Pte. Ltd., a company incorporated under Singapore law, with registered office at 1, Kim Seng Promenade, #10-07 Great World City, Singapore – 237994, registration number 200301438H, as per endorsement on the same date authenticated by the Notary Massimiliano Palmeri.

As a result of this transaction, from 3 October 2025 the company is wholly owned by the sole shareholder TVS Motor (Singapore) Pte. Ltd.

The share capital structure is therefore as follows:

Sole

Shareholder	No. of shares	Face value (Euro)	%	Share certificate
TVS Motor (Singapore) Pte. Ltd.	200,000	200,000.00	20.00%	3
	800,000	800,000.00	80.00%	4
TOTAL	1,000,000	1,000,000.00	100.00%	

shareholder

Following the above transfer, the company is subject to Article 2362 of the Italian Civil Code on single-member companies, as the entire share capital is held by a single shareholder, TVS Motor (Singapore) Pte. Ltd.

The directors have completed the disclosure requirements envisaged under applicable law.

Securities issued by the company

The company has issued no securities or similar instruments falling under the provision of art. 2427, No. 18 of the It. Civil Code.

Breakdown of other financial instruments issued by the company

The company has issued no other financial instruments according to art. 2346, par. 6 of the It. Civil Code.

Commitments, guarantees and potential liabilities not reflected in the balance sheet

Information required by Article 2427, no. 9 of the Italian Civil Code is provided in the following table.

	Amount
Warranties	2,360,000 of
which real	2,340,000
Potential liabilities	71,000

Guarantees and potential liabilities

The item "Guarantees" includes the value of the mortgage registered on property owned by the company as collateral for a bank loan (real guarantees), as well as the amount relating to a guarantee issued by a credit institution in favour of third parties in the company's interest.

The item "Potential liabilities" includes the value of the retention bonus envisaged under the contract entered into with Mr Strazzari, for which the main details are set out below.

1. Annual variable remuneration of the executive

   In October 2025, following the resignation of Mr Strazzari from the position of Chairman of the Board of Directors in connection with the change in ownership, the company entered into an employment contract with him in the capacity of senior executive.

   In addition to a fixed gross annual salary, the contract provides for a variable annual component linked to the achievement of specific company and individual performance targets.

   The variable remuneration accrues on a pro rata basis during the financial year and is determined based on the level of achievement of the assigned targets. It is then paid with the first salary following approval of the financial statements for the relevant year.

   In accordance with the accrual principle and national accounting standards on the recognition of payables and personnel costs, at 31 December 2025 the company estimated the amount of variable remuneration accrued based on available information on target achievement and contractual conditions. This amount was recognised under personnel costs (item "remuneration") and under payables to employees, as it is considered certain and reliably measurable.

   Any updates to the estimate arising from information obtained after the reporting date but relating to conditions already existing at 31 December 2025 will be reflected at the time of approval of the financial statements, in accordance with the principles of accrual accounting and a true and fair view.

2. Retention bonus of the executive

   The same contract also provides for a retention bonus for the executive, with a total gross amount of €71,000, conditional upon remaining employed for a period of two years from the date of hiring.

   Under the contractual terms, this bonus:

   - Does not accrue if the employment relationship ends during the first year.
   - Accrues proportionally, up to a maximum of 70% if termination occurs during the second year.
   - Accrues in full if employment continues until the end of the second year, as well as in cases of death or permanent disability of the executive.

   At the reporting date, the contractual conditions that would give rise to a present obligation for the company are not met. In particular, in light of the provisions of OIC 31 – Provisions for risks and charges and Employee severance indemnity, there are no grounds for recognising a provision, in the absence of a present obligation arising from a past event and of an amount that can be reliably estimated.

   The retention bonus is therefore classified as a potential liability, and as such has not been recognised either among payables or among provisions for risks and charges, but is disclosed in these notes.

   It will be recognised among personnel costs and among payables to the executive in the financial year in which – depending on the development of the employment relationship – the contractual conditions determining entitlement thereto are met and the amount becomes certain and reliably measurable, in line with national accounting standards.

Information about assets and loans assigned to specific transactions

Capital assigned to specific transactions

We certify that there was no financing assigned to specific transactions under no. 20 of art. 2427 of the Italian Civil

Code at the date of closure of the financial statements.

Loans assigned to specific transactions

We certify that at the financial statement closing date there were no loans destined for a specific business operation pursuant to Article 2427 no. 21 of the Italian Civil Code.

Information about transactions with related parties

During the 2025 financial year the Company maintained commercial relationships with TVS Motor Company Limited (India), the indirect parent company of Engines Engineering S.p.A., and with The Norton Motors Ltd (United Kingdom), a company incorporated under English law controlled by TVS Motor Singapore Pte. Ltd. and therefore a related party under applicable regulations, consisting mainly of the provision of design, research and development services governed by specific commercial agreements in place.

The services generally included engineering, design, product development and related technical services, as part of the partnership described above, without the transfer of exclusive rights beyond those envisaged under ordinary service supply arrangements.

Consideration for these services was determined on the basis of internal price lists and rates consistent with those applied to comparable third-party customers, taking into account the nature of the services provided and market conditions, and was settled under standard contractual and payment terms. At the reporting date, no more favourable conditions were applied compared to those granted to customers in general.

At the reporting date there are no significant guarantees, commitments or off-balance sheet agreements with the above related parties other than those arising from the ordinary course of business and the contract in place with the parent company.

Information about off-balance sheet arrangements

No off-balance sheet arrangement has been stipulated during the year.

Information about relevant facts occurred after the closing of the financial year

With reference to point 22-quater of Article 2427 of the Italian Civil Code, note that during the 2025 financial year the Italian Revenue Agency initiated an audit with respect to the research and development tax credit claimed by the Company for the 2019 tax period, for a total amount of €156,376.

At the end of December 2025 the Company was served with a draft assessment in which the Tax Authority provisionally challenged the use of the above tax credit in offset, considering it non-existent and requesting repayment with penalties and interest.

The Company provided the Italian Revenue Agency with technical documentation supporting the classification of the activities carried out as research and development under applicable regulations, and in February 2026 submitted defence briefs in response to the draft assessment. In early March 2026, the Company also provided the Italian Revenue Agency with certification of the research and development activities issued by a party registered in the official register of certifiers established at the Ministry of Enterprises and Made in Italy pursuant to Article 23 of Italian Decree-Law no. 73/2022, converted with amendments by Italian Law no. 122/2022, and of the Prime Ministerial Decree of 15 September 2023.

This certification confirms that the activities carried out meet the requirements for the research and development tax credit and is binding on the Tax Authority.

At the date of approval of these financial statements, the audit is still ongoing and no final recovery assessment has been issued.

In light of the technical documentation and the certification obtained, the governing body considers the Tax Authority's claims to be unfounded and the risk of a significant cash outflow unlikely. Accordingly, in line with national accounting standards, no provision for risks was recognised in these financialstatements, while the situation continues to be closely monitored.

Companies that prepare the financial statements of the largest/smallest company group to which the company belongs as subsidiary

As at 31 December 2025 the Company is wholly owned by TVS Motor (Singapore) Pte Ltd, a company incorporated and registered under the Companies Act (Singapore), company no. 200301438H, with registered office at 1, Kim Seng Promenade, #10-07 Great World City, Singapore - 237994, which holds 100% of the Company's share capital.

On 3 October 2025 the entire share capital of the Company was acquired by TVS Motor (Singapore) Pte Ltd. Until that date, the share capital was wholly owned by ACT S.r.l., an Italian company with registered office in Bologna (BO), Via Fossolo 23, tax code no. 03806230375, not belonging to the TVS Group. The information provided pursuant to Article 2427, paragraphs 22-quinquies and 22-sexies, of the Italian Civil Code refers to the control structure existing at the reporting date.

To the Company's knowledge, TVS Motor Company Limited, with registered office in Chaitanya, no. 12, Khader Nawaz Khan Road, Nungambakkam, Chennai, Tamil Nadu 600006, India, in turn controlled by TVS Holdings Limited, an Indian company also with registered office at Chaitanya, no. 12, Khader Nawaz Khan Road, Nungambakkam, 600006, exercises control over TVS Motor (Singapore) Pte Ltd and prepares the consolidated financial statements of the multinational group. However, at the date of approval of these financial statements, it has not been possible to obtain formal confirmation regarding:

- Whether or not the financial statements of Engines Engineering S.p.A. are actually included in the scope of consolidation for the 2025 financial year.
- The possible existence of interim consolidated financial statements prepared by TVS Motor (Singapore) Pte Ltd or other group companies.
- The place where copies of such consolidated financial statements are available, pursuant to Article 2427, paragraphs 22-quinquies and 22-sexies, of the Italian Civil Code.

The Company has requested from the foreign parent companies the information required to comply with the disclosure obligations under Article 2427, paragraphs 22-quinquies and 22-sexies, of the Italian Civil Code, in particular regarding the identification of the entity preparing the consolidated financial statements of the "largest group" and any "smallest group" of which the Company is a part, as well as the place where copies are available. At the date of approval of these financial statements, such information has not been made available to the Company. Accordingly, the disclosure is currently limited to the identifying details of the direct and indirect parent companies specified above.

Information regarding derivative financial instruments under Article 2427-bis of the Italian Civil Code

We certify that no derivative financial instruments have been subscribed.

Summary table of the financial statements of the company performing the activity of management and coordination

At the date of approval of these financial statements, the Company has not yet been formally informed of the entity exercising management and coordination pursuant to Articles 2497 et seq. of the Italian Civil Code, nor have the key figures of the latest financial statements of such entity been made available. The Company will update the relevant disclosure in future financial statements as soon as this information becomes available.

Disclosure on start-ups, including social start-ups, and innovative SMEs

The Company does not qualify as an innovative start-up pursuant to Italian Decree-Law no. 179 of 18 October 2012, nor as an innovative SME pursuant to Article 4 of Italian Decree-Law no. 3 of 24 January 2015, and is not registered in the relevant special sections of the Companies Register. Accordingly, the section of these financial statements relating to "start-ups, including social start-ups, and innovative SMEs" does not apply to the Company and the specific disclosures required by Article 4 of Italian Decree-Law no. 3/2015 regarding research, development and innovation costs are not required, in addition to those already provided in these notes in accordance with Articles 2423, 2423-bis and 2427 of the Italian Civil Code and national accounting standards.

Information pursuant to Article 1/125 of Italian Law No. 124 of 4 August 2017

Pursuant to Article 1, paragraph 125-bis, of Italian Law no. 124/2017 concerning the obligation to disclose in the explanatory notes any amounts received during the financial year in the form of grants, subsidies, benefits, contributions or aid, in cash or in kind that are not of a general nature and are not of a compensatory, remunerative or indemnity nature from public administrations and entities referred to in paragraph 125-bis of the same Article, the relevant amounts are set out below:

Region/ Granting authority	Contribution nominal value - 2025	Aid element	Granted on	Payment description
Emilia-Romagna	6,000 €	6,000 €	20/03/2025	Employers' exemption from payment of social security contributions for new hires/ conversions to permanent contracts in the two years 2021-2022 (Article 1, paragraphs 10-15, Italian Law no. 178/2020)
Emilia-Romagna	3,710 €	3,710 €	25/01/2025	Contribution exemption for the hiring of young workers from 1 January 2021 to 30 June 2022 (Article 1, paragraphs 10-15, Italian Law no. 178/2020)
Fondimpresa training	3,952 €	3,952 €	28/05/2025	General safety training courses and refresher courses, as well as safety training for supervisors and managers
Fondimpresa training	6,338 €	6,338 €	06/10/2025	Technical professional training courses for the use of CREO software (technical office) and V-RED (Alias department)

Detailed information on the above aid is available in the National State Aid Register referred to in Article 52 of Italian Law no. 234 of 24 December 2012.

Proposal for the allocation of profits or coverage of losses

Dear shareholders,

The financial year closed with a loss of €445,323, which is proposed to be carried forward.

Following recognition of the loss for the year, also taking into account losses carried forward of €2,307,076, equity remains at €6,188,832 and therefore the conditions set out in Articles 2446 and 2447 of the Italian Civil Code do not apply.

Indeed, the loss does not result in a reduction of share capital requiring the measures set out in the above provisions as equity remains fully adequate, also considering available reserves and other positive components.

Explanatory notes, concluding section

Dear Shareholders, we confirm that these financial statements, consisting of a balance sheet, income statement, financial report and explanatory notes represent the assets and liabilities and the financial position of the company, as well as the operating result for the year, in an accurate and correct manner, and that they correspond to the company accounting records. We therefore invite you to approve the draft financial statements as at 31/12/2025 together with the suggested allocation of the profit for the year, as proposed by the governing body.

The Financial Statements are true and real and correspond to the book entries.

CASTENASO (BO), 30/03/2026

Enter Signatures

RE-STATED ACCOUNTS OF ENGINES ENGINEERING S.P.A., CASTENASO, ITALY

BALANCE SHEET AS AT 31ST MARCH 2026

	Notes	EUR in Mn.	Rupees in crores
ASSETS			
Non-current assets			
Property, plant and equipment	1	3.97	43.22
Intangible assets	1	0.22	2.41
Deferred tax assets		0.75	8.27
Financial assets			
i. Non current investments	2	0.23	2.54
ii. Other financial assets		-	0.05
		5.17	56.49
Current assets			
Financial assets			
i. Trade receivables	3	6.66	72.60
ii. Cash and cash equivalents	4	0.50	5.37
iii. Other financial assets	5	0.15	1.59
Other current assets	6	0.99	10.92
		8.30	90.48
Total assets		**13.47**	**146.97**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	7	1.00	10.43
Other equity	8	5.21	57.81
		6.21	**68.24**
Share application money pending allotment		1.10	11.56
Liabilities			
Non-Current liabilities			
Financial liabilities			
Borrowings		0.25	2.73
		0.25	**2.73**
Current liabilities			
Financial liabilities			
i. Trade payables	9		
a. Total outstanding dues of micro and small enterprises		-	-
b. Total outstanding dues of other than (i) (a) above		3.22	35.12
ii. Other financial liabilities		0.04	0.45
Other current liabilities	10	2.65	28.87
		5.91	64.44
Total liabilities		**6.16**	**67.17**
Total equity and liabilities		**13.47**	**146.97**

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2026

		Notes	EUR in Mn.	Rupees in crores
I	Revenue from operations	11	5.99	61.37
II	Other income	12	0.08	0.78
III	**Total Income (I +II)**		**6.07**	**62.15**
IV	Expenses:			
	Purchases of stock-in-trade		0.02	0.20
	Employee benefits expense	13	3.08	31.60
	Finance costs	14	0.02	0.21
	Depreciation and amortisation expense	15	0.18	1.82
	Other expenses	16	2.76	28.21
	Total expenses		**6.06**	**62.04**
V	**Profit before exceptional items (III - IV)**		**0.01**	**0.11**
VI	Exceptional items		-	-
VII	Profit before tax (V+ VI)		0.01	0.11
VIII	**Tax expense**			
	i. Current tax		0.03	0.26
	ii. Deferred tax		0.03	0.37
	Total Tax expense		**0.06**	**0.63**
IX	**Profit for the year (VII - VIII)**		**(0.05)**	**(0.52)**
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		-	3.37
	Other comprehensive income for the year, net of tax		**-**	**3.37**
XI	**Total Comprehensive Income (IX + X)**		**(0.05)**	**2.85**
XII	Earnings per equity share (Face value of AED 1000 each)			
	Basic & Diluted earnings per share (in AED 1000 each)		(0.05)	(5.20)

Notes on accounts - (continued)

1 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS AS AT 31.03.2026 GBP in Mn.

Description	Property, Plant & Equipment							Other Intangible			
	Land	Building	Plant & equipments	Furniture and fixtures	Office equipments	Vehicles	Total	Software	Trade marks, patents, licences	Design Development	Total
Cost of assets											
Gross carrying value as at 01-04-2025	-	-	-	-	-	-	-	-	-	-	-
Additions	1.18	2.45	0.16	0.05	0.11	0.14	4.10	0.02	0.01	0.24	0.27
Sub-total	**1.18**	**2.45**	**0.16**	**0.05**	**0.11**	**0.14**	**4.10**	**0.02**	**0.01**	**0.24**	**0.27**
Sales / deletion	-	-	-	-	-	-	-	-	-	-	-
Total	**1.18**	**2.45**	**0.16**	**0.05**	**0.11**	**0.14**	**4.10**	**0.02**	**0.01**	**0.24**	**0.27**
Depreciation / Amortisation											
Upto 31-03-2025	-	-	-	-	-	-	-	-	-	-	-
For the year	-	0.06	0.02	0.01	0.01	0.03	0.13	0.01	0.00	0.04	0.05
Sub-total	**-**	**0.06**	**0.02**	**0.01**	**0.01**	**0.03**	**0.13**	**0.01**	**0.00**	**0.04**	**0.05**
Withdrawn on assets sold / deleted	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**0.06**	**0.02**	**0.01**	**0.01**	**0.03**	**0.13**	**0.01**	**0.00**	**0.04**	**0.05**
Carrying value											
As at 31-03-2026	1.18	2.39	0.13	0.04	0.11	0.11	3.97	0.02	0.00	0.20	0.22

1 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS AT 31.03.2026 - (continued) Rupees in crores

Description	Property, Plant & Equipment							Other Intangible			
	Land	Building	Plant & equipments	Furniture and fixtures	Office equipments	Vehicles	Total	Software	Trade marks, patents, licences	Design Development	Total
Cost of assets											
Gross carrying value as at 01-04-2025	-	-	-	-	-	-	-	-	-	-	-
Additions	12.85	26.72	1.72	0.58	1.25	1.53	44.66	0.23	0.08	2.60	2.91
Foreign Currency translation reserve difference	-	-	-	-	-	-	-	-	-	-	-
Sales / deletion	-	-	-	-	-	-	-	-	-	-	-
Sub-total	12.85	26.72	1.72	0.58	1.25	1.53	44.66	0.23	0.08	2.60	2.91
Total	**12.85**	**26.72**	**1.72**	**0.58**	**1.25**	**1.53**	**44.66**	**0.23**	**0.08**	**2.60**	**2.91**
Depreciation / Amortisation											
Upto 31-03-2025	-	-	-	-	-	-	-	-	-	-	-
For the year	-	0.61	0.25	0.10	0.07	0.32	1.35	0.06	0.03	0.37	0.47
Foreign Currency translation reserve difference	-	0.04	0.02	0.01	0.00	0.02	0.09	0.00	0.00	0.02	0.03
Withdrawn on assets sold / deleted	-	-	-	-	-	-	-	-	-	-	-
Sub-total	-	0.65	0.27	0.11	0.08	0.34	1.44	0.06	0.03	0.40	0.50
Total	**-**	**0.65**	**0.27**	**0.11**	**0.08**	**0.34**	**1.44**	**0.06**	**0.03**	**0.40**	**0.50**
Carrying value											
As at 31-03-2026	12.85	26.08	1.45	0.48	1.17	1.20	43.22	0.17	0.04	2.20	2.41

Notes on accounts - (continued)

		EUR in Mn. As at 31-03-2026	Rupees in crores As at 31-03-2026
2	**Non-Current Investments**		
	Investment in equity instruments		
	Unquoted		
	Investment in subsidiaries/Others		
	Equity Investment in B.C.C. Felsinea	0.23	2.54
		0.23	2.54
3	**Trade Receivables**		
	Unsecured, considered good	6.66	72.60
		6.66	72.60
4	**Cash and Cash Equivalents**		
	Balances with banks	0.49	5.31
	Cash on hand	0.01	0.06
		0.50	5.37
5	**Financial Assets - Others (Current)**		
	Other Financial Assets	0.15	1.59
		0.15	1.59
6	**Other Current Assets**		
	Balance with tax authorities	0.58	6.33
	Prepaid Expenses	0.41	4.59
7	**Equity Share Capital**		
	Issued, subscribed and fully paid up:		
	10,00,000 Ordinary shares of EUR 1 each	1.00	10.43
		1.00	10.43
8	**Other Equity**		
	Retained earnings	1.74	18.14
	Capital reserve	3.28	34.33
	Legal Reserve	0.19	1.96
	Foreign currency translation reserve	-	3.37
		5.21	57.81
9	**Trade Payables**		
	Dues to Micro and Small Enterprises**	-	-
	Dues to enterprises other than Micro and Small Enterprises	3.22	35.12
		3.22	35.12

** 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.

10	**Other Current Liabilities**		
	Statutory dues	0.19	2.05
	Employee related payables	2.38	25.95
	Deferred Income	0.08	0.87
		2.65	28.87

		EUR in Mn. As at 31-03-2026	Rupees in crores As at 31-03-2026
11	**Revenue from Operations**		
	Sale of Product	0.28	2.82
	Sale of service	5.39	55.26
	Other operating revenues	0.32	3.29
		5.99	61.37
12	**Other Income**		
	Other Income	0.08	0.78
		0.08	0.78
13	**Employee Benefits Expense**		
	Salaries, wages and bonus	2.15	22.08
	Contribution to provident and other funds	0.68	6.96
	Staff welfare expenses	0.25	2.56
		3.08	31.60
14	**Finance Cost**		
	Interest expenses	0.02	0.21
		0.02	0.21
15	**Depreciation and amortisation expense**		
	Depreciation on property plant and equipment	0.13	1.35
	Amortisation on intangible assets	0.05	0.47
		0.18	1.82
16	**Other Expenses**		
	(a) Repairs & Maintenance	0.15	1.52
	(b) Insurance	0.08	0.79
	(c) Rates and taxes (excluding taxes on income)	0.20	2.06
	(d) Audit fees	0.01	0.08
	(e) Power and Fuel	0.10	0.98
	(f) Marketing expenses	0.04	0.42
	(g) Miscellaneous expenses	2.18	22.36
		2.76	28.21

STRATEGIC REPORT FOR THE PERIOD ENDED 31 MARCH 2026

The directors present the strategic report for the year ended 31 March 2026.

Review of the business

Founded in 1898, Norton is Britain's iconic sports motorcycle brand. It is among the most popular motorcycle 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.

Since acquiring the Norton brand, the Company has laid a strong foundation for sustainable growth, including the establishment of a state-of-the-art manufacturing facility and a dedicated engineering and design centre. These investments have strengthened Norton's capabilities across product development, quality engineering, and industrialisation, leading to long-term value creation.

In FY 2025–26, Norton marked a major milestone with the official global unveiling of four new models at EICMA, Milan, in November 2025. These included two variants of a 1200cc four-cylinder motorcycle and two variants of a 600cc twin-cylinder platform. This launch reflects the significant progress made in rebuilding Norton's product portfolio and brand positioning.

The premium and super-premium motorcycle segments are expected to demonstrate sustained growth, and Norton is well positioned to participate meaningfully in this market through a robust and clearly defined product pipeline.

TVS Motor continues to support Norton through sustained investments in new product development, advanced facilities, research and development, and world-class quality engineering, aligned with Norton's philosophy of Design, Dynamism, and Detail.

The Company will continue to invest strategically, leveraging its engineering, design, development, and supply chain capabilities to deliver high-quality products in a cost-effective and scalable manner.

As part of its growth strategy, Norton is preparing for phased international expansion, with an initial focus on the UK, Europe, India, and the USA in Phase 1. With dealer agreements already in place, the Company is well positioned to commence retail operations from Q1 FY 2026–27.

Details	£m
Revenue	2.90
Loss before tax	(62.2)

As of March 2026, the Company has created tangible assets amounting to £13.25 million and intangible assets of £62.45 million, primarily driven by acquisition costs and product development expenditure. The parent company has infused share capital of £243.75 million, which has been utilised to fund the initial acquisition cost, establish the manufacturing facility and equipment, invest in the future product plan, and support operational expenses. The Company has also utilised a loan facility of $30 million from a bank, for which repayment has commenced. In addition, the Company currently has an overdraft facility of £5 million to meet its working capital requirements, which remained unutilised as at 31 March 2026.

Corporate Structure

The Norton Motorcycle Co. Limited is a wholly owned subsidiary of TVS Motor (Singapore) Pte Limited, whose shares are wholly owned by TVS Motor Company Limited, one of the largest two- and three-wheeler manufacturers in the world. The ultimate parent company, TVS Holdings Limited, is a listed organisation in India.Principal Risks and uncertainties

Principal Risks and uncertainties

Risk Management

Risk management remains a key priority for the Company. Established processes are in place to identify, assess, mitigate, review, and manage risks across the organisation. The Board of Directors is responsible for the overall governance of risk management activities. The Company follows a structured review mechanism covering new investments, product development, commercial readiness, cost controls, and other critical business areas. As the Company prepares to launch new models, ensuring products are delivered at the appropriate quality and cost levels remains a critical focus area.

Commercial

As part of its growth strategy, Norton is preparing for phased international expansion, with an initial focus on the UK, Europe, India and USA in phase 1. 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 marketplace, for which a clear cadence for mitigation exists. The current geo-political factors could create a short-term challenge; however, the Company continues to monitor the situation and its impact & modify the strategy accordingly.

Compliance

Non-adherence 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 & has taken a hedge to secure against the forex risk. Further, it procures materials from various suppliers located in various countries and USD, EUR are predominant currencies apart from GB sterling. Norton is in discussion with the bankers to consider forward covers to mitigate the exchange exposure to its purchases & future sales. As of now, Norton does not sell in any export markets.

Research and Development

The company continues to focus on its research and development activities in the form of understanding technological development and how they can be used for the benefit of customers, developing a deep understanding of the customer preferences and needs, bringing innovation in style and design, and undertaking benchmarking exercises. The company will be fully leveraging TVS Motor India's engineering and R & D capabilities, both in India and the newly acquired Engines Engineering facility in Bologna, Italy, in the development of both internal combustion engine vehicles and electric vehicles. Apart from developing the required technology to meet the stringent emission and safety norms, the team of engineers will also be focusing on breakthrough technology initiatives for meeting the future mobility needs 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 in identifying 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 product plans for the medium term and is in the process of mobilising the required resources for executing the same. The shareholders are fully committed to making this project a success and have demonstrated their commitment by way of injecting equity capital to the extent of £243.75 million so far. TVS' board was given visibility of Norton's business projections for three years based on which approval for funding was given for financial year 2026-27 (representing at least twelve months from the expected date of approval of the 25/26 financial statements).

The Directors are optimistic 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
24th April 2026

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 MARCH 2026

The directors present their annual report and financial statements for the year ended 31 March 2026.

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 9.

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	
Dr. Ralf Dieter Speth	
Sudarshan Venu	
K.N. Radhakrishnan	
Sharad Mohan Mishra	
Hendrik Dietrich Eberhard Von Kuenheim	
Richard Arnold	
Robert Hentschel	(Resigned 25 May 2025)
Nevijo Mance	(Resigned 12 April 2026)

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the company continues and that the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee involvement

The company's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information about matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance.

There is no employee share scheme at present, but the directors are considering the introduction of such a scheme as a means of further encouraging the involvement of employees in the company's performance.

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; and
- 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 activites 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.

Strategic report

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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
24th April 2026

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 2026 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 2026 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. 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/auditors responsibilities. 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 24 April 2026

BALANCE SHEET AS AT 31 MARCH 2026

	Notes	2026 £	2026 £	2025 £	2025 £
Fixed assets					
Intangible assets	10		6,24,45,318		4,25,62,914
Tangible assets	11		1,32,54,147		94,36,438
Investments	12		856		-
			75,700,321		38,837,640
Current assets					
Stocks	15	5,337,408		8,574,799	
Debtors	16	5,115,108		3,740,329	
Cash at bank and in hand		815,517		5,484	
		11,268,033		12,320,612	
Creditors: amounts falling due within one year	17	(27,766,436)		(23,486,660)	
Net current assets			(16,498,403)		(16,498,403)
Total assets less current liabilities			59,201,918		40,833,304
Creditors: amounts falling due after more than one year	18		(5,249,529)		(12,512,662)
Net assets			53,952,389		28,320,642
Capital and reserves					
Called up share capital	21		243,750,001		157,300,001
Hedging reserve	22		(614,268)		(838,472)
Profit and loss reserves	22		(189,183,344)		(128,140,887)
Total equity			53,952,389		28,320,642

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 24 April 2026 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 2026

	Notes	2026 £	2025 £
Turnover	3	2,897,903	3,992,342
Cost of sales		(8,735,536)	(5,590,543)
Gross loss		(5,837,633)	(1,598,201)
Administrative expenses		(55,042,488)	(34,578,846)
Operating loss	4	(60,880,121)	(36,177,047)
Interest payable and similar expenses	8	(1,337,710)	(2,059,656)
Loss before taxation		(62,217,831)	(38,236,703)
Tax on loss	9	1,175,374	381,445
Loss for the financial year		(61,042,457)	(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 2026

	2026 £	2025 £
Loss for the year	(61,042,457)	(35,917,973)
Other comprehensive income		
Cash flow hedges gain/(loss) arising in the year	224,204	(372,126)
Total comprehensive income for the year	(60,818,253)	(36,290,099)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2026

	Notes	Share capital £	Hedging reserve £	Profit and loss reserves £	Total £
Balance at 1 April 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	21	47,500,000	-	-	47,500,000
Balance at 31 March 2025		157,300,001	(838,472)	(128,140,887)	28,320,642
Year ended 31 March 2026: Loss		-	-	(61,042,457)	(61,042,457)
Other comprehensive income: Cash flow hedges gains		-	224,204	-	224,204
Total comprehensive income		-	224,204	(61,042,457)	(60,818,253)
Issue of share capital	21	86,450,000	-	-	86,450,000
Balance at 31 March 2026		243,750,001	(614,268)	(189,183,344)	53,952,389

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2026

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 Unit 500 Solar Park, Highlands Road, Solihull, B90 4SH.

1.1 Basis of preparation

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.

At the year end the company itself is a parent entity for the first time and as a result is expected to prepare consolidated financial statements. However the two subsidiaries that have been set up in the year are dormant and therefore it was not deemed necessary to prepare group consolidated financial statements. As a result this set of financial statements relates to the company itself only.

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 that the company has adequate resources and working capital to continue in operational existence for the foreseeable future to meet its ongoing liabilities.

1.3 Revenue

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.

The company recognises revenue from the following major sources:

- Motorcycle sales
- Parts and servicing
- License fee income

The nature, timing of satisfaction of performance obligations and significant payment terms of the company's major sources of revenue are as follows:

Motorcycle sales

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.

Parts and servicing

Revenue from the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

License fee income

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.

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 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 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.

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2026 (Continued)

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.

1.9 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.

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.

1.10 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.

1.11 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.

1.12 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.

1.13 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.

1.14 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.

1.15 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.

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2026 (Continued)

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.

1.16 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.17 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.

1.18 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.

44,100

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.

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.

Included within Plant and Machinery are assets with a net book value of £5.4m. No depreciation or impairment has been made against any of these tangible assets pertaining to the new bikes which are yet in production.

Management have forecast the future financial contribution to be derived from the finalised new bike tangible and intangible assets and have concluded that such contribution is more than the expected costs of the completed fixed asset base.

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 ten 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 have capitalised any costs that were directly attributable to the creation of the intangible assets. A small proportion of overheads have been capitalised as part of the intangible assets.

No impairment has been made against any of the intangible assets pertaining to the new bikes which are yet to go into production. 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

	2026	2025
	£	£
Turnover analysed by class of business		
Motorcycle sales	2,167,576	3,293,175
Parts and servicing	109,673	90,296
Royalty income	-	5,562
Other income	620,654	88,649
	2,897,903	3,477,682

4 Operating loss

	2026	2025
Operating loss for the year is stated after charging/(crediting):	£	£
Exchange gains	178,594	(310,701)
Research and development costs	813,296	592,135
Depreciation of owned tangible fixed assets	2,016,845	2,253,125
Profit on disposal of tangible fixed assets	(25,165)	(62,800)
Amortisation of intangible assets	4,798,662	3,964,726
Operating lease charges	756,435	837,548

5 Auditor's remuneration

	2026	2025
Fees payable to the company's auditor and associates:	£	£
For audit services		
Audit of the financial statements of the company	42,000	42,000
For other services		
Taxation compliance services	935	890
All other non-audit services	10,125	12,085
	11,060	12,975

6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2026	2025
	Number	Number
Administration	83	64
Production	172	157
Total	255	221

Their aggregate remuneration comprised:

	2026	2025
	£	£
Wages and salaries	18,852,665	13,677,594
Social security costs	1,733,109	1,274,223
Pension costs	774,311	617,742
	21,360,085	15,569,559

£4,756,058 (2025: £3,554,847) of wages and salary costs, £661,354 (2025: £420,435) of social security costs and £426,466 (2025: £373,244) of pension costs have been capitalised as development costs and are not included in the figures noted above.

7 Directors' remuneration

	2026	2025
	£	£
Remuneration for qualifying services	961,096	1,003,507
Company pension contributions to defined contribution schemes	23,333	7,292
	984,429	1,010,799

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2025: 1).

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2026 (Continued)

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2026	2025
	£	£
Remuneration for qualifying services	613,125	636,507

8 Interest payable and similar expenses

	2026	2025
	£	£
Interest on bank overdrafts and loans	1,114,706	1,973,820
Other interest on financial liabilities	223,004	278,610
	1,337,710	2,252,430

9 Taxation

	2026	2025
	£	£
Current tax		
Adjustments in respect of prior periods	(1,175,374)	(787,865)

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:

	2026	2025
	£	£
Loss before taxation	(62,217,831)	(36,705,838)
Expected tax credit based on the standard rate of corporation tax in the UK of 25.00% (2025: 25.00%)	(15,554,458)	(9,176,460)
Unutilised tax losses carried forward	15,554,458	9,176,460
Research and development tax credit in respect of prior period	(1,175,374)	(787,865)
Taxation credit for the year	(1,175,374)	(787,865)

At the year end the company had unrelieved tax losses in excess of £150m (2025: in excess of £100m).

10 Intangible fixed assets

	Patents and licences	Development costs	Brand names and trademarks	Total
	£	£	£	£
Cost				
At 1 April 2025	429,000	35,212,513	24,016,280	59,657,793
Additions	-	24,681,066	-	24,681,066
At 31 March 2026	429,000	59,893,579	24,016,280	84,338,859
Amortisation and impairment				
At 1 April 2025	241,313	2,431,288	14,422,278	17,094,879
Amortisation charged for the year	53,625	1,743,251	3,001,786	4,798,662
At 31 March 2026	294,938	4,174,539	17,424,064	21,893,541
Carrying amount				
At 31 March 2026	134,062	55,719,040	6,592,216	62,445,318
At 31 March 2025	187,687	32,781,225	9,594,002	42,562,914

The net book value of the development costs relate to projects under development and these 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 2025	4,995,410	5,826,610	2,580,959	1,206,595	2,348,900	16,958,474
Additions	-	4,973,947	287,942	469,103	127,547	5,858,539
Disposals	-	-	-	-	(82,314)	(82,314)
Transfers	-	(24,246)	20,306	3,940	-	-
At 31 March 2026	4,995,410	10,776,311	2,889,207	1,679,638	2,394,133	22,734,699
Depreciation and impairment						
At 1 April 2025	2,056,474	1,282,014	2,264,499	949,924	969,125	7,522,036
Depreciation charged in the year	624,426	591,425	188,621	247,177	365,196	2,016,845
Eliminated in respect of disposals	-	-	-	-	(58,329)	(58,329)
At 31 March 2026	2,680,900	1,873,439	2,453,120	1,197,101	1,275,992	9,480,552
Carrying amount						
At 31 March 2026	2,314,510	8,902,872	436,087	482,537	1,118,141	13,254,147
At 31 March 2025	2,938,936	4,544,596	316,460	256,671	1,379,775	9,436,438

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2026 (Continued)

12 Fixed asset investments

	Notes	2026	2025
		£	£
Investments in subsidiaries	13	856	-

Movements in fixed asset investments	Shares in subsidiaries £
Cost or valuation	
At 1 April 2025	-
Additions	856
At 31 March 2026	856
Carrying amount	
At 31 March 2026	856
At 31 March 2025	-

13 Subsidiaries

Name of undertaking	Address	Class of shares held	% Held Direct
Norton Motorcycle Private Limited	1	Ordinary	100.00
Norton USA LLC	2	Ordinary	100.00

Registered office addresses:
1 Chaitanya, No.12, Khader Nawaz, Khan Road, Nungambakkam, Chennai - 600006, Tamil Nadu, India
2 1209 Orange St., Wilmington, New Castle County, Delaware 19801

14 Financial instruments

	2026	2025
Carrying amount of financial liabilities include:	£	£
Measured at fair value through profit or loss		
- Other financial liabilities	1,091,822	1,316,027

15 Stocks

	2026	2025
	£	£
Raw materials and consumables	3,719,803	7,431,237
Work in progress	752,532	61,092
Finished goods and goods for resale	865,073	1,082,470

The above values are shown net of a stock provision which totals £4.9m (2025: £1.2m). The £4.9m was an additional provision in year as a result of events which are non recurring.

16 Debtors

Amounts falling due within one year:	2026	2025
	£	£
Trade debtors	1,470	35,996
Amounts owed by group undertakings	270,794	402,635
Other debtors	1,886,713	556,461
Prepayments and accrued income	2,956,131	2,745,237
	5,115,108	3,740,329

Amounts due from group undertakings are interest free and repayable on demand.

17 Creditors: amounts falling due after more than one year

Notes	Notes	2026	2025
		£	£
Bank loans and overdrafts	17	12,512,662	21,374,287
Trade creditors		5,217,604	3,833,683
Amounts owed to group undertakings		7,615,478	4,087,432
Taxation and social security		786,061	800,291
Derivative financial instruments		1,091,822	1,316,027
Other creditors		1,100	665,688
Accruals and deferred income		6,055,002	2,183,005
		27,766,436	23,486,660

Amounts owed to group undertakings are interest free and repayable on demand.

18 Creditors: amounts falling due after more than one year

	Notes	2026	2025
Bank overdrafts	19	5,249,529	12,512,662

19 Loans and overdrafts

	2026	2025
	£	£
Bank loans	12,248,898	19,662,754
Bank overdrafts	-	3,450,442
	12,248,898	23,113,196
Payable within one year	6,999,369	10,600,534
Payable after one year	5,249,529	12,512,662

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.

20 Retirement benefit schemes

Defined contribution schemes	2026	2025
	£	£
Charge to profit or loss in respect of defined contribution schemes	774,311	617,742

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.

21 Operating lease commitments

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:

Ordinary share capital Issued and fully paid	2026 Number	2025 Number	2026 £	2025 £
Ordinary shares of £1 each	243,750,001	157,300,001	243,750,001	157,300,001

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 86,450,000 (2025: 47,500,000) ordinary shares of £1 each were issued for cash at par.

22 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 losses of the company since its inception.

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2026 (Continued)

22 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.

23 Operating lease commitments

As 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:

	2026 £	2025 £
Within 1 year	1,853,078	1,152,230
Years 2-5	5,011,046	3,550,009
After 5 years	696,574	286,194
	7,560,698	4,988,433

Included within the above are two leases with a combined lease commitment of £1.6m (2025: £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.

24 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2026 £	2025 £
Acquisition of tangible fixed assets	1,931,267	1,377,401

25 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.

26 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 £13.24m (2025 £20.807m) at the year end.

The amount of change in fair value of the hedging instrument recognised in other comprehensive income during the year was a profit of £224k (2025: loss of £372k).

RE-STATED ACCOUNTS OF
THE NORTON MOTORCYCLE CO. LIMITED
(FORMERLY PROJECT 303 BIDCO LIMITED)

BALANCE SHEET AS AT 31ST MARCH 2026

	Notes	GBP in Mn.	Rupees in crores
ASSETS			
Non-current assets			
Property, plant and equipment	1	13.25	104.46
Intangible assets	1	62.45	471.19
		75.70	575.65
Current assets			
Inventories	2	5.34	94.93
Financial assets			
i. Trade receivables	3	1.89	6.56
ii. Cash and cash equivalents		0.82	0.06
Other current assets	4	3.23	34.85
		11.28	136.40
Total Assets		86.98	712.05
EQUITY AND LIABILITIES			
Equity			
Equity share capital	5	243.75	1,607.82
Other equity	6	(189.80)	(1,294.30)
		53.95	313.52
Liabilities			
Non-Current liabilities			
Financial liabilities			
Borrowings		5.25	150.13
		5.25	150.13
Current liabilities			
Financial liabilities			
(i) Borrowings		7.00	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		12.84	76.08
(iii) Other financial liabilities		1.09	14.57
Other current liabilities	8	6.85	40.40
		27.78	248.40
Total liabilities		33.03	398.53
Total equity and liabilities		86.98	712.05

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2026

		Notes	GBP in Mn.	Rupees in crores
I	Revenue from operations	9	2.90	34.35
II	Other income		0.03	0.30
III	Total Income (I +II)		2.93	34.65
IV	Expenses:			
	Cost of material consumed		9.22	111.18
	Changes in inventories of finished goods, Stock-in -trade and work-in-progress		(0.48)	(7.65)
	Employee benefits expense	10	21.35	253.15
	Finance costs	11	1.34	15.85
	Depreciation and amortisation expense	12	6.82	80.77
	Other expenses	13	26.90	318.71
	Total expenses		65.15	772.01
V	Profit before exceptional items (III - IV)		(62.22)	(737.36)
VI	Exceptional items		-	-
VII	Profit before tax (V+ VI)		(62.22)	(737.36)
VIII	Tax expense			
	i) Current tax		(1.18)	(13.93)
	ii) Deferred tax		-	-
	Total Tax expense		(1.18)	(13.93)
IX	Profit for the year (VII - VIII)		(61.04)	(723.43)
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		0.22	2.66
	Foreign currency translation adjustments		-	57.93
	Other comprehensive income for the year, net of tax		0.22	60.59
XI	Total Comprehensive Income (IX + X)		(60.82)	(662.84)
XII	Earnings per equity share (Face value of GBP 1/- each)			
	Basic & Diluted earnings per share (in GBP/ in rupees)		(0.25)	(29.68)

Notes on Accounts

1 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS AS AT 31.03.2026 GBP in Mn.

Description	Property, Plant & Equipment							Other Intangible			
	Building	Plant & equipments	Furniture and fixtures	Office equipments	Vehicles	Right of use	Total	Brand names and trademarks	Development costs	Patents and Licenses	Total
Cost of assets											
Gross carrying value as at 01-04-2025	5.00	5.83	2.58	1.21	2.35		16.96	24.02	35.21	0.43	59.66
Additions	-	4.97	0.29	0.47	0.13	-	5.86	-	24.68	-	24.68
Sub-total	5.00	10.80	2.87	1.68	2.48	-	22.82	24.02	59.89	0.43	84.34
Transfers	-	(0.02)	0.02	0.00	-	-	0.00	-	-		-
Sales / deletion	-	-	-	-	0.08		0.08	-	-	-	-
Total	5.00	10.82	2.85	1.67	2.39	-	22.73	24.02	59.89	0.43	84.34
Depreciation / Amortisation											
Upto 31-03-2025	2.06	1.28	2.26	0.95	0.97	-	7.52	14.42	2.43	0.24	17.09
For the year	0.62	0.59	0.19	0.25	0.37	-	2.02	3.00	1.74	0.05	4.80
Sub-total	2.68	1.87	2.45	1.20	1.33	-	9.54	17.42	4.17	0.29	21.89
Withdrawn on assets sold / deleted	-	-	-	-	0.06	-	0.06	-	-	-	-
Total	2.68	1.87	2.45	1.20	1.28	-	9.48	17.42	4.17	0.29	21.89
Carrying value											
As at 31-03-2026	2.31	8.95	0.40	0.47	1.12	-	13.25	6.59	55.72	0.13	62.45

1 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS AT 31.03.2026 - (continued) Rupees in crores

Description	Property, Plant & Equipment							Other Intangible			
	Building	Plant & equipments	Furniture and fixtures	Office equipments	Vehicles	Right of use	Total	Brand names and trademarks	Development Costs	Patents and Licenses	Total
Cost of assets											
Gross carrying value as at 01-04-2025	55.30	64.50	28.57	13.36	26.00	-	187.73	265.87	389.81	4.75	660.43
Additions	-	62.43	3.61	5.89	1.60	-	73.52	-	309.77	-	309.77
Foreign Currency translation reserve difference	7.40	8.93	3.57	1.74	3.48	-	25.11	35.56	52.14	0.64	88.34
Sales / deletion	-	-	-	-	1.03	-	1.03	-	-	-	-
Total	62.70	135.86	35.75	20.98	30.05	-	285.33	301.43	751.72	5.38	1,058.54
Depreciation / Amortisation											
Upto 31-03-2025	22.77	14.19	25.07	10.52	10.73	-	83.27	159.66	26.91	2.67	189.24
For the year	7.40	7.01	2.24	2.93	4.33	-	23.90	35.58	20.66	0.64	56.87
Foreign Currency translation reserve difference	3.48	2.31	3.49	1.58	1.69	-	12.55	23.46	4.82	0.39	28.67
Withdrawn on assets sold / deleted	-	-	-	-	0.73	-	0.73	-	-	-	-
Total	33.65	23.51	30.79	15.02	16.01	-	118.99	218.69	52.39	3.70	274.79
Carrying value											
As at 31-03-2026	29.05	112.35	4.96	5.96	14.03	-	166.35	82.74	699.34	1.68	783.75

Notes on accounts - *(continued)*

	As at 31-03-2026	
	GBP in Mn.	Rupees in crores
2 INVENTORIES		
Raw materials and components	3.72	82.27
Work in progress	0.75	0.68
Finished goods	0.87	11.98
	5.34	94.93
3 TRADE RECEIVABLES		
Unsecured, considered good	1.89	6.56
	1.89	6.56
4 OTHER CURRENT ASSETS		
Vendor advance	0.27	4.46
Prepaid expenses	2.96	30.39
	3.23	#REF!
5 EQUITY SHARE CAPITAL		
Issued, subscribed and fully paid up:		
243,750,001 Ordinary shares of GBP 1 each	243.75	1,607.82
	243.75	1,607.82
6 OTHER EQUITY		
Retained earnings	(189.18)	(1,316.04)
Fair value of cash flow hedges	(0.62)	(8.71)
Foreign currency translation reserve	-	30.45
	(189.80)	(1,294.30)
7 TRADE PAYABLES		
Dues to Micro and Small Enterprises**	-	-
Dues to enterprises other than Micro and Small Enterprises	12.84	76.08
	12.84	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	0.79	8.86
Advance from customers	-	7.37
Deferred income	6.06	24.17
	6.85	40.40

	For the Year Ended 31-03-2026	
	GBP in Mn.	Rupees in crores
9 REVENUE FROM OPERATIONS		
Sale of Product	2.17	35.52
Sale of service	0.11	1.03
Other operating revenues	0.62	4.31
	2.90	40.86
10 OTHER INCEOME		
Other non operating income	0.03	0.68
	0.03	0.68
11 EMPLOYEE BENEFITS EXPENSE		
Salaries, wages and bonus	20.58	166.34
Contribution to provident and other funds	0.77	6.66
	21.35	173.00
12 FINANCE COST		
Interest expense	1.34	24.29
	1.34	24.29
13 DEPRECIATION		
Depreciation on property plant and equipment	2.02	24.30
Amortisation on Intangible assets	4.80	42.76
	6.82	67.06
14 OTHER EXPENSES		
(a) Insurance	0.83	6.80
(b) Audit fees	0.06	5.75
(c) Other marketing expenses	6.26	0.59
(d) Foreign exchange loss (Net)	0.18	12.10
(e) Miscellaneous expenses	19.57	86.79
	26.90	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 2026.

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 2026 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

Sudarshan Venu

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: 13th May 2026

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 2026, 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 2026 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.

(a) As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(b) 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.

(c) 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.

(d) 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 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.

R. Rahul Raj is the engagement partner on the audit resulting in this independent auditor's report.

RAMA & CO. LLP
PUBLIC ACCOUNTANTS AND CHARTERED ACCOUNTANTS
SINGAPORE

Singapore,
13th May 2026

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026

	Note	2026	2025
		S$	S$
ASSETS			
Non-current assets: Plant and equipment	(8)	**-**	682,894
Intangible assets	(9)	**103,412**	155,118
Investments in associates	(10)	**9,023,926**	18,741,480
Other investment	(11)	**10,204,473**	6,780,039
Total non-current assets		**19,331,811**	26,359,531
Current assets: Trade and other receivables	(12)	**314,322**	901,626
Bank balances	(13)	**213,240**	2,896,525
Total current assets		**527,562**	3,798,151
Total assets		**19,859,373**	30,157,682
EQUITY AND LIABILITIES			
Equity: Share capital	(14)	**25,158,918**	25,158,918
Share application money	(15)	**26,807,373**	6,700,000
Other reserves		**(356,888)**	-
Accumulated losses		**(33,409,936)**	(34,092,074)
Total equity/ (capital deficiency)		**18,199,467**	(2,233,156)
Non-current liability: Lease liability	(16)	**-**	428,760
Current liabilities: Current portion of lease liability	(16)	**-**	203,884
Trade and other payables	(17)	**1,659,906**	31,758,194
Total current liabilities		**1,659,906**	31,962,078
Total liabilities		**1,659,906**	32,390,838
Total equity and liabilities		**19,859,373**	30,157,682

The accompanying notes form an integral part of these financial statements

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2026

	Note	2026	2025
		S$	S$
Revenue	(18)	**6,357,648**	1,412,915
Cost of services		**(543,104)**	(1,094,270)
Gross profit		**5,814,544**	318,645
Other income	(19)	**2,000**	2,000
Administrative expenses		**(4,286,850)**	(9,186,586)
Impairment loss on trade receivables	(12)	**181,713**	(920,621)
Finance cost	(20)	**(25,988)**	(6,317)
Other expenses		**(1,003,281)**	(1,169,022)
Profit/ (Loss) before income tax		**682,138**	(10,961,901)
Income tax expense	(21)	**-**	-
Profit/ (Loss) for the year	(22)	**682,138**	(10,961,901)
Other comprehensive income		**(356,888)**	-
Total comprehensive income/ (loss) year		**325,250**	(10,961,901)

The accompanying notes form an integral part of these financial statements

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2026

	Share Capital	Share Application Money	Accumulated Losses	Other Reserve	Total
	S$	S$	S$	S$	S$
Balance as at 1 April 2024	**25,158,918**	**1,700,000**	**(23,130,173)**	**-**	**3,728,745**
Share application money received	**-**	**5,000,000**	**-**	**-**	**5,000,000**
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)**
Reclassification	**-**	**20,107,373**	**-**	**-**	**20,107,373**
Profit for the year	**-**	**-**	**682,138**	**-**	**682,138**
Other comprehensive income for the year	**-**	**-**	**-**	**(356,888)**	**(356,888)**
Balance as at 31 March 2026	**25,158,918**	**26,807,373**	**(33,409,936)**	**(356,888)**	**18,199,467**

The accompanying notes form an integral part of these financial statements

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2026

	Note	2026	2025
		S$	S$
Profit/ Loss before income tax		**682,138**	(10,961,901)
Adjustments for: Amortisation of intangible assets	(9)	**51,706**	285,197
Depreciation of plant and equipment	(8)	**253,974**	354,091
Reversal/ Impairment loss on trade receivables	(12)	**(492,836)**	920,621
Write off of trade receivables		**311,123**	-
Interest on lease liability	(23)	**25,988**	6,317
Loss on derecognition of leasehold property and lease liability		**59,610**	-
Reversal of accrued revenue		**-**	809,740
Operating cash flows before working capital changes		**891,703**	(8,585,935)
Trade and other receivables		**769,017**	(238,280)
Trade and other payables		**(1,989,525)**	(262,354)
Net cash used in operating activities		**(328,805)**	(9,086,569)
Investing activities:			
Other investment	(11)	**-**	(6,780,039)
Proceeds from disposal of investments		**5,936,232**	2,554,785
Purchase of plant and equipment	(8)	**(4,239)**	(47,569)
Net.cash.generated.from/.(used.in).investing activities		**5,931,993**	(4,272,823)
Financing activities: Advances from holding company	(23)	**3,250,000**	10,941,891
Advances from related party	(23)	**-**	2,597
Repayment of advance to holding company	(23)	**(11,316,246)**	-
Payment of principal portion of lease liability	(23)	**(194,239)**	(175,672)
Payment of interest portion of lease liability	(23)	**(25,988)**	(6,317)
Share application money received		**-**	5,000,000
Net.cash.(used.in)/.generated.from.financing activities		**(8,286,473)**	15,762,499
Net decrease in bank balances		**(2,683,285)**	2,403,107
Bank balances at beginning of year		**2,896,525**	493,418
Bank balances at end of year	(13)	**213,240**	2,896,525

The accompanying notes form an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2026

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 profit S$682,138 (2025: a net loss of S$10,961,901) during the financial year ended 31 March 2026, and as of the date, the company's net assets S$18,199,467 (2025: net capital deficiency 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 2026 were authorised for issue by the Board of Directors on 13 May 2026.

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 2026. 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:

Description	beginning on or after	Effective for annual periods Reference
FRS 109 and 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 2027
FRS 119	Subsidiaries and Small Entities without Public Accountability: Disclosures	1 January 2027
Various	Annual Improvements to FRSs-Volume 11	1 January 2026

The directors expect that the adoption of the above standards will have no material impact on the financial statements in the period of initial application.

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 5 years (2025: 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

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.

2.14. 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 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 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.

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:

	2026	2025
	S$	S$
Financial assets		
At amortised cost:		
- Trade and other receivables	303,407	874,332
- Bank balances	213,240	2,896,525
At fair value through other comprehensive income:		
- Other investment	10,204,473	6,780,039
	10,721,120	10,550,896
Financial liabilities		
At amortised cost:		
- Lease liability	-	632,644
- Trade and other payables	1,484,773	31,757,195
	1,484,773	32,389,839

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 one customer (2025: three customers) amounted to S$407,266 (2025: S$1,460,817), which accounted for 62% (2025: 92%) 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.

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2026 (Continued)

The company's exposure to foreign currency exchange rate risk in equivalent Singapore dollar is as follows:

	2026	2025
In United States dollar	S$	S$
Financial assets		
Other investment at FVTOCI	10,204,473	6,780,039
Trade and other receivables	234,888	707,064
Bank balances	33,239	2,337,304
	10,472,600	9,824,407
Financial liabilities		
Trade and other payables	7,571	185,893
Net exposure	10,465,029	9,638,514

	2026	2025
In Indian rupee	S$	S$
Financial assets		
Trade and other receivables	1,689	2,902
Financial liabilities		
Trade and other payables	591,588	611,682
Net exposure	(589,899)	(608,780)

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:

	2026	2025
	S$	S$
US$ impact	(1,046,503)	(963,851)
INR impact	58,989	60,878

A 10% weakening of Singapore dollar against the above currency 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.

The company is exposed to liquidity risk. Its immediate holding company has agreed to provide unconditional financial support to the company to enable it to discharge its obligations as and when they fall due as stated in Note 1 to the financial statements.

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.

			Contractual undiscounted cash flows			
2026	**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	5%	**-**	**-**	**-**	**-**	**-**
Trade and other payables	-	**1,484,773**	**1,484,773**	**-**	**-**	**1,484,773**
		1,484,773	**1,484,773**	**-**	**-**	**1,484,773**

			Contractual undiscounted 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

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.

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 2026, 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	2026 S$	2025 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)	**10,204,473**	**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.

	2026	2025
	S$	**S$**
Trade and other payables	**1,659,906**	31,758,194
Lease liability	**-**	632,644
Less: Bank balances	**(213,240)**	(2,896,525)
Net debt	**1,446,666**	29,494,313
Total equity	**18,199,467**	(2,233,156)
Total capital	**19,646,133**	27,261,157
Gearing ratio	**7.36%**	108.2%

The company is not subject to externally imposed capital requirements.

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:

	2026	2025
	S$	**S$**
Service income	-	-
Recovery of manpower cost	**-**	-

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:

	2026	2025
	S$	**S$**
Service income	**328,805**	326,666
Sale of software	**5,870,000**	-
Staff salary	**(1,101,785)**	-
Staff augmentation expense	(288,654)	(1,300,167)

(b) Key management personnel compensation:

	2026	2025
	S$	**S$**
Salaries, bonus, allowances and severance pay	**-**	2,177,063
Performance bonus	**-**	-
Employer's contribution to Central Provident Fund	**-**	12,240

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2026 (Continued)

8. PLANT AND EQUIPMENT

	Computer and IT Equipment	Renovation	Leasehold Property	Total
	S$	S$	S$	S$
Cost				
At 01.04.2024	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
Additions	4,239	-	-	4,239
Disposal/ Write off	(25,558)	-	(648,676)	(674,234)
At 31.03.2026	**78,143**	**416,187**	**-**	**494,330**
Accumulated depreciation				
At 01.04.2024	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
Charged for the year	47,630	-	206,344	253,974
Disposal/ Write off	(16,712)	-	(224,363)	(241,075)
At 31.03.2026	**78,143**	**416,187**	**-**	**494,330**
Carrying amount				
At 31.03.2025	52,237	-	630,657	682,894
At 31.03.2026	**-**	**-**	**-**	**-**

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	Total
	S$	S$
Cost		
At 31.03.2025 and 31.03.2026	**1,340,300**	**1,340,300**
Accumulated amortisation		
At 1.04.2024	899,985	899,985
Charged for the year	285,197	285,197
At 31.03.2025	1,185,182	1,185,182
Charged for the year	51,706	51,706
At 31.03.2026	**1,236,888**	**1,236,888**
Carrying amount		
At 31.03.2025	155,118	155,118
At 31.03.2026	**103,412**	**103,412**

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 ASSOCIATES

	2026	2025
	S$	S$
Unquoted equity shares at cost:		
At beginning of the year	**18,741,480**	21,296,265
Less: Disposal	**-**	(2,554,785)
Less: Reclassification of other investment	**(9,717,554)**	-
At end of the year	**9,023,926**	18,741,480
Less: Impairment loss	**-**	-
Carrying amount	**9,023,926**	18,741,480

The movement in allowance for impairment of investment in associates was as follows:

	2026	2025
	S$	S$
At beginning of the year	**-**	**2,762,653**
Addition during the year	-	**-**
Write off during the year	-	**(2,762,653)**
At end of the year	-	**-**

Details of the associates are as follows:

Name of associate/ Country of incorporation	Principal activity	Proportion of ownership Interest	
		2026	2025
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%

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.

On 1 April 2025, the company reclassified the investment in Scienaptic Systems Inc to other investment, as it no longer has significant influence over the investee.

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.

11. OTHER INVESTMENT

	2026	2025
	S$	**S$**
Equity instruments		
At fair value through other comprehensive income:		
Unquoted equity investment:		
At beginning of the year	**6,780,039**	-
Addition	**-**	6,780,039
Reclassification from investment in associate	**9,717,554**	-
Disposal	**(5,936,232)**	-
Decreased in fair value	(356,888)	-
At end of the year	**10,204,473**	6,780,039

The above investment offers the company the opportunity for return through dividend income and fair value gains.

Equity investment is 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.

During the year, the company partially disposed of its Series A Preferred Stock in Scienaptic Systems, Inc. at a price of USD 3.199 per share.

Details of the other investment are as follows:

Name of company	Country of incorporation	Proportion of ownership Interest	
		2026	2025
		%	%
Commeasure Pte. Ltd.	Singapore	**2.07**	2.06
Scienaptic Systems Inc.	United States of America	**5.47**	-

Other investment is denominated in United States Dollar.

12. TRADE AND OTHER RECEIVABLES

	2026	2025
	S$	**S$**
Trade receivables – third parties	**655,381**	1,589,907
Trade receivables – related parties (Note 7)	**3,115**	2,902
	658,496	1,592,809
Less: Allowance for impairment of trade receivables	(427,785)	(920,621)
Accrued revenue	**6,735**	39,092
	237,446	711,280
Deposits	**65,961**	147,729
Other receivable – third party	-	15,323
GST receivables	**10,915**	16,012
Prepayments	**-**	11,282
	314,322	901,626

Trade receivables are non-interest bearing and they are normally settled on 30 to 360 days' (2025: 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.

The credit risk profile of trade receivables is presented based on their past due status as follows:

		Days past due				
2026	**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	**3,238**	**2,780**	**112,743**	**968**	**538,767**	**658,496**
Expected Credit						
Loss (ECL)	**-**	**-**	**-**	**-**	**(427,785)**	**(427,785)**
						230,711

2025	Not past due	< 30 days	Days past due 31 to 60 days	61 to 90 days	>90 days	Total
	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

* ECL is not significant

Allowance for expected credit loss

The movement in allowance for expected credit loss of trade receivables computed based on lifetime ECL was as follows:

	2026	2025
	S$	S$
At beginning of year	**920,621**	-
Less: Reversal	**(492,836)**	-
Add: Additional allowance	**-**	920,621
At end of year	**427,785**	920,621

Trade and other receivables are denominated in the following currencies:

	2026	2025
	S$	S$
Singapore dollar	**77,744**	150,881
United States dollar	**234,889**	707,064
Indian rupee	**1,689**	2,902
Indonesia rupee	-	23,254
Philippine peso	-	17,525
	314,322	901,626

13. BANK BALANCES

	2026	2025
	S$	S$
Cash at bank	**213,240**	2,896,525

Bank balances are denominated in the following currencies:

	2026	2025
	S$	S$
Singapore dollar	**180,001**	559,221
United States dollar	**33,239**	2,337,304
	213,240	2,896,525

14. SHARE CAPITAL

	2026	2025	2026	2025
	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

The company has one class of ordinary shares with no par value, which carry one vote per share and a right to dividends as and when declared by the company.

15. SHARE APPLICATION MONEY

The share application money is advance receipt for future subscription of shares in the company.

16. LEASE LIABILITY

	2026	2025
	S$	S$
Maturity analysis:		
Within one year	**-**	230,892
Within two to five years	**-**	450,591
		681,483
Less: future finance charges	**-**	(48,839)
	-	632,644
Analysed as:		
Current	**-**	203,884
Non-current	**-**	428,760
		632,644

The company leases office premises for its operations (Note 8). The effective interest rate is 5% (2025: 4.5% - 5%) per annum.

Total cash outflows for the lease during the financial year amounted to **S$220,227** (2025: S$181,989).

Lease liability is denominated in Singapore dollar.

On 18 March 2026, the company entered into an agreement with the landlord to surrender the lease of the premises with effect from 14 March 2026. Accordingly, the company derecognised the leasehold property and the corresponding lease liability, and recognised a loss of **S$59,610,** representing compensation fees and reinstatement cost.

17. TRADE AND OTHER PAYABLES

	2026	2025
	S$	S$
Trade payables:		
- third parties	**616**	262,611
- intermediate holding company (Note 6)	**217,750**	249,408
- related parties (Note 7)	**84,319**	166,053
	302,685	678,072
Amount due to immediate holding company (Note 6)	**-**	28,173,619
Amount due to intermediate holding company (Note 6)	**373,838**	362,274
Amount due to a related party (Note 7)	**739,760**	748,768
Accrued expenses	**39,465**	1,779,014
Advance billing	**175,133**	999
Deposit received	**7,055**	6,955
Other payables	**21,970**	8,493
	1,659,906	31,758,194

Trade payables are unsecured, non-interest bearing and they are normally settled on 30 to 60 days' (2025: 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:

	2026	2025
	S$	S$
Indian rupee	**591,588**	611,682
Singapore dollar	**885,614**	30,759,178
United States dollar	**182,704**	186,892
Philippine Peso	-	23,643
Indonesia Rupiah	-	176,799
	1,659,906	31,758,194

18. REVENUE

Disaggregation of revenue from contracts with customers:

	2026	2025
	S$	S$
Service income	487,648	1,412,915
Sale of software	**5,870,000**	-
	6,357,648	1,412,915
Timing of transfer of good or service		
At a point in time	**5,870,000**	-
Over time	487,648	1,412,915
	6,357,648	1,412,915

19. OTHER INCOME

	2026	2025
	S$	S$
CPF Transition Offset	**-**	-
CIT cash grant	**2,000**	2,000
	2,000	2,000

20. FINANCE COST

	2026	2025
	S$	S$
Interest on lease liability	**25,988**	6,317

21. INCOME TAX

The income tax benefit varied from the amount of income tax determined by applying the Singapore income tax rate of 17% (2025: 17%) to loss before income tax due to the following:

	2026	2025
	S$	S$
Profit/ (Loss) before income tax	**682,138**	**(10,961,901)**
Income tax expenses/ (benefit) at statutory rate of 17%	**115,963**	(1,863,523)
Income tax effect of:		
- non-deductible expense	**118,395**	78,882
- tax losses carried forward	**(234,358)**	1,784,641
	-	-

The company has unutilised tax losses carry forward available for offsetting against future taxable income as follow:

	2026	2025
	S$	S$
At beginning of year	**28,913,259**	18,415,369
Addition during the year	**(1,378,579)**	10,497,890
At end of year	**27,534,680**	28,913,259
Deferred tax benefit on above unrecorded	**4,680,896**	4,915,254

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 2026 for unutilised tax losses have been adjusted for based on the latest income tax return.

22. PROFIT/ LOSS FOR THE YEAR

Profit/ (Loss) for the year has been arrived at after charging/ (crediting):

	2026	2025
	S$	S$
Amortisation of intangible assets	**51,706**	285,197
Cloud service cost	**472,709**	760,413
Depreciation of plant and equipment	**253,974**	354,091
Foreign currency exchange loss, net	**162,307**	2,796
Insurance expense	**86,495**	168,684
Office expense	**34,998**	50,849
Professional and consultancy fees	**314,645**	329,321
Staff augmentation expense	**754,227**	2,343,630
Short-term employee's benefits	**2,834,978**	5,580,493
Cost of defined benefits plans included in employee benefits expenses	**101,318**	189,953

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2026 (Continued)

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.

	2026	2025
Lease liability (Note 16)	**S$**	**S$**
At beginning of the year	**632,644**	159,640
Financing cash flows:		
Less: Payment of principal	(194,239)	(175,672)
Less: Payment of interest	(25,988)	(6,317)
	(220,227)	(181,989)
	412,417	(22,349)
Non-cash transactions:		
Add: New lease (Note 8)	**-**	648,676
Add: Interest expense	25,988	6,317
Less: Derecognise lease liability	**(438,405)**	-
At the end of year	**-**	632,644

	2026	2025
Amount due to immediate holding company (Note 17)	**S$**	**S$**
At beginning of the year	**28,173,619**	17,231,728
Financing cash flow:		
Add: Advances received	3,250,000	10,941,891
Less: Repayment of advance	**(11,316,246)**	-
	(8,066,246)	10,941,891
Non-cash transactions:		
Reclassification to share application money (Note 15)	**(20,107,373)**	-
At the end of year	**-**	28,173,619

	2026	2025
Amount due to a related party (Note 17)	**S$**	**S$**
At beginning of the year	**748,768**	746,171
Financing cash flows:		
Add: Advances received	**-**	2,597
Less: Repayment of advances	**-**	-
	-	2,597
Non-cash transactions:		
Less: Offsetting of interco balances	**(6,410)**	-
Less: Adjustment with software tools	**(2,597)**	-
At the end of year	**739,761**	748,768

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 reporting period except as follows:

DETAILED STATEMENT OF PROFIT OR LOSS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	2026	2025
	S$	**S$**
Revenue	**6,357,648**	1,412,915
Cost of service		
Amortisation of intangible assets	**(51,706)**	(285,197)
Cloud service cost	**(472,709)**	(760,413)
Service cost	(5,910)	(17,205)
Customer support	(12,779)	(31,455)
	(543,104)	(1,094,270)
Gross profit		
	5,814,544	318,645
Add: other income		
CPF Transition Offset	**-**	-
CIT cash grant	2,000	2,000
	2,000	2,000
Total income	5,816,544	320,645
Less: Expenses		
- Schedule 'A'	(5,134,406)	(11,282,546)
Profit/ (Loss) before income tax	**682,138**	(10,961,901)

This schedule does not form part of the statutory audited financial statements.

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2026 (Continued)

EXPENSES

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	2026	2025
	S$	S$
Administrative expenses		
Auditors' remuneration	**18,000**	18,000
Bank charges	**5,510**	5,647
Computer and IT expenses	**440**	5,794
Cloud development expense	**102,852**	136,206
CPF contribution	**101,318**	189,953
Equalization tax	**-**	17,710
Equipment leasing	**2,150**	5,160
General expense	**595**	11,478
Gifts	**-**	1,671
Insurance expense	**86,495**	168,684
Loss on derecognised of leasehold property and lease liability	**59,610**	-
Marketing	**(641)**	10,386
Medical expense	**1,115**	2,591
Meeting and events expense	-	7,514
Office expense	**34,998**	50,849
Postage & courier	**342**	2,755
Professional and consultancy fees	**314,645**	329,321
Printing & Stationery	**1,076**	5,105
Recruitment expense	**-**	129,189
Refreshments & entertainments	**5,413**	33,459
Retainer fee and incentive	**-**	-
Salary and bonus	**2,639,138**	5,212,175
SDL	**784**	1,755
Service charge	**22,289**	23,559
Staff welfare	**6,912**	6,557
Subscription and membership fee	**5,082**	10,252
Software expenses	**41,473**	178,595
Staff augmentation expense	**754,227**	2,343,630
Telecommunications & internet	**13,840**	25,624
Training and development expense	533	Transport
	2,333	11,427
Travelling expenses	**62,829**	231,596
Utilities	**1,474**	4,540
Vehicle expense	**2,551**	4,871
Impairment loss on financial assets		
Reversal/ Impairment loss on trade receivables	**(492,836)**	920,621
Write off of trade receivables	**311,123**	-
Finance cost		
Interest on lease liability	**25,988**	6,317
Other expense		
Depreciation of plant and equipment	**253,974**	354,091
Foreign currency exchange loss	**162,307**	2,796
Reversal of accrued revenue	**-**	809,740
Withholding tax	**587,000**	2,395
	5,134,406	11,282,546

This schedule does not form part of the statutory audited financial statements.

RE-STATED ACCOUNTS OF TVS DIGITAL PTE. LTD.

BALANCE SHEET AS AT 31ST MARCH 2026

	Notes	SGD in Mn.	Rupees in crores
ASSETS			
Non-current assets			
Other intangible assets	1	0.10	0.33
Investments Accounted Using Equity Method	2	12.44	0.99
Financial assets	3		4.02
Non current investments		6.78	109.61
		19.32	132.43
Current assets			
Financial assets			
i. Trade receivables	4	0.63	4.61
ii. Cash and cash equivalents	5	0.21	1.57
Other current assets	6	0.09	0.61
		0.93	6.79
Total Assets		20.25	139.22
EQUITY AND LIABILITIES			
Equity			
Equity share capital	7	25.16	138.78
Other equity	8	(33.77)	(197.28)
		(8.61)	(58.50)
Share application money pending allotment		26.81	182.59
Liabilities			
Non-Current liabilities			
Financial liabilities			
Lease liability		0.43	2.73
		0.43	2.73
Current liabilities			
Financial liabilities			
Trade payables		0.20	1.30
a. Total outstanding dues of micro and small enterprises	9		
b. Total outstanding dues of other than (a) above		-	-
		2.04	15.08
Other Current liabilities	10	0.01	0.05
Total liabilities		2.05	15.13
Total equity and liabilities		20.25	139.22

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2026

		Notes	SGD in Mn.	Rupees in crores
I	Revenue from operations	11	6.36	43.61
II	Other income		-	-
III	Total Income (I +II)		6.36	43.61
IV	Expenses:			
	Employee benefits expense	12	2.84	19.45
	Finance costs	13	0.03	0.18
	Depreciation and amortisation expense	14	0.31	2.10
	Other expenses	15	2.50	17.18
			5.68	38.91
V	Profit before exceptional items (III - IV)		0.68	4.70
VI	Exceptional items		-	-
VII	Profit before tax (V+ VI)		0.68	4.70
VIII	Tax expense			
	i. Current tax		-	-
	ii. Deferred tax		-	-
	Total Tax expense		-	-
IX	Profit for the year (VII - VIII)		0.68	4.70
X	Other Comprehensive Income			
	A. Items that will not be reclassified to profit or loss			
	Fair value changes of equity instruments		(0.36)	(2.45)
	B. Items that will be reclassified to profit or loss			
	Foreign currency translation adjustments		-	5.82
	Other comprehensive income for the year, net of tax		(0.36)	3.37
XI	Total Comprehensive Income (IX + X)		0.32	8.07
XII	Earnings per equity share (Face value of SGD 1/- each)			
	Basic & Diluted earnings per share (in SGD / in rupees)		0.03	1.87

Notes on Accounts

1. PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS AS AT 31.03.2026

SGD in Mn.

Description	Property, Plant & Equipment				Other Intangible	
	Office equipment	Right of use asset	Total		Software	Total
Cost of assets						
Gross carrying value as at 01-04-2025	0.10	0.65	0.75		1.34	1.34
Additions	0.00	-	0.00		-	-
Sub-total	0.10	0.65	0.75		1.34	1.34
Sales / deletion	0.03	0.65	0.67		-	-
Total	0.08	-	0.08		1.34	1.34
Depreciation / Amortisation						
Upto 31-03-2025	0.05	0.02	0.07		1.19	1.19
For the year	0.05	0.21	0.25		0.05	0.05
Sub-total	0.09	0.22	0.32		1.24	1.24
Withdrawn on assets sold / deleted	0.02	0.22	0.24		-	-
Total	0.08	-	0.08		1.24	1.24
Carrying value						
As at 31-03-2026	-	-	-		0.10	0.10

1 Property, Plant & Equipment and Intangible Assets as at 31.03.2026 Rupees in crores

Description		Property, Plant & Equipment				Other Intangible	
		Office equipment	Right of use asset	Total		Software	Total
Cost of assets							
Gross carrying value as at 01-04-2025		0.61	4.00	4.62		8.27	8.27
Additions		0.03	-	0.03		-	-
Foreign Currency translation reserve difference		0.12	0.77	0.88		0.50	0.50
Sales / deletion		0.19	4.77	4.96		-	
Sub-total		0.57	-	0.57		9.85	8.77
Total		0.57	-	0.57		9.85	8.77
Depreciation / Amortisation							
Upto 31-03-2025		0.17	0.11	0.28		2.29	2.29
For the year		0.33	1.42	1.74		0.35	0.35
Foreign Currency translation reserve difference		0.07	(1.53)	(1.46)		6.45	6.45
Withdrawn on assets sold / deleted		-	-	-		-	-
Sub-total		0.57	(0.00)	0.57		9.09	9.09
Total		0.57	(0.00)	0.57		9.09	9.09
Carrying value							
As at 31-03-2026		(0.00)	0.00	(0.00)		0.76	0.76

Notes on accounts - *(continued)*

		As at 31-03-2026	
		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	34.28
	829,773 fully paidup equity shares of Scienaptic Systems Inc, USA (face value of USD 0.001 each)	3.42	25.18
		12.44	81.82
3	**Non-Current Investments**		
	78,703 fully paidup equity shares of GWC Family Fund Investment Pte Ltd (Commeasure Pte Ltd)	6.78	49.85
		6.78	49.85
4	**Trade Receivables**		
	Unsecured, considered good	0.63	4.61
		0.63	4.61
5	**Cash and Cash Equivalents**		
	Balances with banks in current accounts	0.21	1.57
		0.21	1.57
6	**Other Current Assets**		
	Trade deposits	0.07	0.48
	Accrued Revenue	0.01	0.05
	Advances made	0.01	0.08
		0.09	0.61
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	(33.41)	(201.54)
	Foreign currency translation reserve	-	6.71
		(33.41)	(194.83)
9	**Trade Payables**		
	Dues to Micro and Small Enterprises**		
	Dues to enterprises other than Micro and Small Enterprises	2.04	15.08
		2.04	15.08
	** 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.		
	Other Current Liabilities		
10	**Other Payables**	0.01	0.05
		0.01	0.05

		For the Year Ended 31-03-2026	
		SGD in Mn.	Rupees in crores
11	**Revenue from Operations**		
	Sale of service	6.36	43.61
		6.36	43.61
12	**Employee Benefits Expense**		
	Salaries, wages and bonus	2.09	14.33
	Contribution to provident and other funds	0.10	0.69
	Staff Welfare Expenses	0.65	4.43
		2.84	19.45
13	**Finance Cost**		
	Interest on lease liabilities	0.03	0.18
		0.03	0.18
14	**Depreciation and amortisation expense**		
	Depreciation on property plant and equipment	0.05	0.33
	Depreciation on Lease asset	0.21	1.42
	Amortisation on intangible assets	0.05	0.35
		0.31	2.10
15	**Other Expenses**		
	(a) Cost of services	0.49	3.37
	(b) Rent	0.02	0.15
	(c) Rates and taxes (excluding taxes on income)	0.60	4.11
	(d) Administrative expenses	0.76	5.23
	(e) Loss on disposal of ROU Asset	0.06	0.41
	(f) Other expenses	0.57	3.91
		2.50	17.18

MANAGEMENT REPORT
COMPANY AND BUSINESS MODEL

TVS EBIKE is an e-bike company that specializes in engineering, distribution and maintenance of e-bikes. Our primary markets are Switzerland, Germany and Austria where we operate through our subsidiaries, TVS EBIKE Austria, TVS EBIKE Germany and EGO Germany. The Company has two business models, namely direct to consumer (D2C) and business to business (B2B). The Company is a wholly owned subsidiary of TVS Motor (Singapore) Pte Limited, which in turn is a subsidiary of TVS Motor Company Limited, a global automotive enterprise listed in India.

TVS EBIKE is one of the market leaders in Switzerland and has a network of over 30 stores and an omnichannel platform. TVS EBIKE offers a curated assortment of e-bikes from third party brands and self-owned brands along with spare parts, accessories and services. The B2B business has a strong partnership with retailers who offer e-bikes across Europe. Our omnichannel platform caters to customers in the European Union and Switzerland.

During the financial year, Swiss E-Mobility Group (Schweiz) AG (CHE-103.423.923) and Alexand'Ro Edouard'O Passion Vélo Sàrl (CHE-114.793.695), were merged into Swiss E Mobility Group (Holding) AG (CHE- 465.238.081) with retroactive effect as of 1 January 2025. As part of the same transaction, The GO Corporation (CHE-439.270.305) was also merged into the Company, and its subsidiary, EGO Movement Stuttgart GmbH, was allocated to the Holding company. Subsequently, Swiss E-Mobility Group (Holding) AG changed its name to TVS EBike Company AG in July 2025.

Market Situation

Around 316'000 bicycles and e-bikes were sold in 2025 in Switzerland of which 41% were e-bikes. The e-bike segment experienced a 14% decline year over year. In Germany, the market remained stable year over year. Inventory levels remain high in the industry but are trending downward. The effect of the above-mentioned market conditions were reflected in the sales and margin of TVS EBIKE. The market is expected to remain stressed in 2026.

Strategic Outlook

The Group continues to operate in a challenging market environment. Management remains focused on disciplined execution, cost control and the careful allocation of resources to support operational stability and financial resilience.

Looking ahead, the Group will continue to monitor market developments closely and to adapt its operational priorities as appropriate. While the near-term environment remains demanding, management believes that this approach provides an appropriate basis for navigating current market conditions.

TVS EBIKE COMPANY

CONSOLIDATED INCOME STATEMENT
in TCHF

	Notes	2025	2024
Net sales from goods and services	1	53'673	56'862
Other income		2'864	465
Release negative goodwill (badwill)	15	263	0
Total income		**56'800**	**57'327**
Manufacturing costs / cost of goods		-44'254	-45'820
Gross profit		**12'546**	**11'507**
Personnel expenses	2	-19'214	-16'835
Rental expenses		-4'965	-4'532
Logistics expenses		-2'745	-2'634
Marketing expenses		-3'319	-3'716
Other operating expenses	3	-9'214	-5'331
EBITDA		**-26'911**	**-21'541**
Depreciation on tangible fixed assets	9	-1'950	-1'545
Amortization of intangible assets	10	-6'520	-3'079
Profit/Loss from disposal of property, plant and equipment		-250	-2
EBIT		**-35'631**	**-26'167**
Financial result	4	-1'264	-2'743
Ordinary result		**-36'895**	**-28'910**
Extraordinary result	14	16	-158
EBT		**-36'879**	**-29'068**
Income taxes	5	-3'970	-14
Net result		**-40'849**	**-29'082**

CONSOLIDATED BALANCE SHEET
in TCHF

Assets	Notes	31.12.2025	31.12.2024
Cash and cash equivalents		4'221	6'119
Trade receivables	6	4'650	2'487
Other current receivables	7	2'279	1'504
Prepayments to vendors		2'680	2'716
Inventories	8	21'562	24'056
Accrued income and prepaid expenses		74	870
Current assets		**35'466**	**37'752**
Property, plant and equipment	9	4'702	5'488
Intangible assets	10	8'301	12'635
Deferred tax assets	5	0	3'940
Non-current assets		**13'003**	**22'063**
Total assets		**48'469**	**59'815**
Liabilities and shareholder's equity			
Current financial liabilities	12	33'053	200
Trade payables		2'429	4'880
Prepayments from clients		2'118	520
Other current liabilities	11	2'004	1'270
Accrued liabilities and deferred income		1'471	2'115
Current liabilities		**41'075**	**8'985**
Non-current financial liabilities	12	0	41'200
Other long-term employee benefits		23	18
Provisions - non current		789	0
Non-current liabilities		**812**	**41'218**
Total Liabilities		**41'887**	**50'203**
Share capital		343	270
Capital reserves		40'483	70'630
Retained earnings, accumulated losses		-34'244	-61'288
Equity		**6'582**	**9'613**
Total liabilities and equity		**48'469**	**59'815**

CONSOLIDATED CASH FLOW STATEMENT
in TCHF

	Notes	2025	2024
Net profit		**-40'849**	**-29'082**
Depreciation and amortization	**9, 10**	8'470	4'624
Income tax expenses	**5**	3'970	14
Badwill Release	**15**	-263	0
Other non-cash adjustments		-5	-113
Profit/Loss from disposal of property, plant and equipment		250	2
Cash flow before changes in net working capital and provisions		**-28'427**	**-24'555**
Change in trade receivables		-1'734	3'530
Change in inventories		5'978	11'309
Change in other current receivables, prepayments and accrued income		2'008	2'254
Change current liabilities		-2'761	-2'488
Change of other non-current liabilities		0	-1
Paid income taxes (net)		0	-14
Operating cash flow		**-24'936**	**-9'965**
Investment in property, plant and equipment	**9, 10**	-2'634	-6'012
Inflows from disposal of tangible and intangible assets	**9, 10**	1	504
Acquisitions	**15**	2'818	0
Cash flow from investing activities		**185**	**-5'508**
Capital increase		37'720	0
Issuance/repayment of short-term financial liabilities		-1'163	0
Issuance/repayment of long-term financial liabilities		-13'700	19'709
Cash flow from financing activities		**22'857**	**19'709**
Total cash flow		**-1'894**	**4'236**
Cash and cash equivalents at the beginning of the period		**6'119**	**1'882**
Total cash flow		-1'894	4'236
Currency translation effect on cash		-4	1
Cash and cash equivalents at the end of the period		**4'221**	**6'119**
Paid interest (included in cash flow from operating activities)		-1'099	-2'235
Received interest (included in cash flow from operating activities)		0	3

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
in TCHF

				Retained earnings, accumulated losses			
	Share capital*	**Capital reserves**	**Treasury shares**	Profit/losses carried forward	Accumulated translation differences	**Total**	**Equity**
01.01.2024	**153**	**10'238**	**0**	-32'644	499	**-32'145**	**-21'754**
Net result				-29'082		-29'082	**-29'082**
Capital increase	117	60'392			0	**0**	**60'509**
Currency translation differences				9	-70	-61	**-61**
31.12.2024	**270**	**70'630**	**0**	-61'717	430	**-61'288**	**9'613**
Net result				-40'849		-40'849	**-40'849**
Merger loss reclassification		-35'265		35'265		35'265	
Capital increase	73	37'647					**37'720**
Reclassification of loss offset		-32'530	0	32'530	**0**	32'530	**0**
Currency translation differences				-9	108	99	**99**
31.12.2025	**343**	**40'483**	**0**	-34'781	538	**-34'244**	**6'582**
Total non-distributable statutory or legal reserves							**171**

* The share capital is divided into 342'740 registered shares of CHF 1.00

Principles of consolidation

General information

TVS EBike Company AG ("TVS EBIKE") is an investment of TVS Motor (Singapore) Pte Limited. TVS EBIKE, 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 TVS EBIKE. In the ecommerce business, TVS EBIKE is represented by its German and Austria subsidiary TVS EBike Company GmbH and Swiss E-Mobility Group (Österreich) GmbH, respectively, thus acts as a comprehensive omnichannel provider for e-bike products in the market.

TVS EBIKE 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 TVS EBIKE and its subsidiaries as of December 31, 2025, 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 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 TVS EBIKE and the Group companies in which TVS EBIKE 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 21 to the consolidated financial statements.

Changes in scope of consolidation

... in the year under review (2025)

In 2025, the Group completed a merger by absorption into Swiss E-Mobility Group (Holding) AG. Swiss E-Mobility Group (Schweiz) AG and Alexand'Ro Edouard'O Passion Vélo Sàrl were already included in the scope of consolidation. The Go Corporation, previously a sister entity under common control, was merged into the Group and is therefore included in the scope of consolidation as of 2025. As a result, its subsidiary/investee EGO Movement Stuttgart GmbH is fully consolidated. For further details, refer to Note 21.

... in the previous year (2024)

The scope of consolidation is unchanged from the previous year.

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 exchange 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

	2025	2024
1 EUR	0.9314	0.9412

Annual average rates in CHF

	2025	2024
1 EUR	0.9370	0.9526

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 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-inuse 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.

Negative Goodwill (Badwill)

Negative goodwill (“badwill”) arises when the purchase consideration is lower than the fair value of the identifiable net assets acquired. After allocating the purchase price to the identifiable assets and liabilities at fair value and recognising any required restructuring provisions, the resulting badwill is deferred. Badwill is released to profit or loss on a straight-line basis over five years, considering the economic reasons for its occurrence. Integration-related costs are considered when determining the release pattern and timing.

Badwill is presented under provisions and classified as current or non-current depending on the planned release period.

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 the investment risk is no longer insured. As of 31 December 2025, 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 17 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
in TCHF

1. Net sales from goods and services

	2025	2024
Trading income E-bikes & bicycles	51'717	55'185
Other trading income	54	51
Service income	2'560	2'247
Reduction of income	-658	-621
Net sales from goods and services	**53'673**	**56'862**

2. Personnel expenses

In the current year and previous year, we have no short-time compensation received.

3. Other operating expenses

Maintenance and repair	-238	-391
Duties, fees, permits, taxes	-260	-170
Administration expenses	-4'619	-3'205
IT expenses	-1'546	-1'529
Research and development	-1'330	-165
Energy and consumables	-244	-283
Exchange differences	-525	437
Other	-452	-25
Total	**-9'214**	**-5'331**

4. Financial result

Financial income	165	3
Total financial income	**165**	**3**
Interest expenses	-1'099	-2'235
Other financial expenses	-330	-511
Total financial expenses	**-1'429**	**-2'746**
Net financial result	**-1'264**	**-2'743**

5. Income taxes

	2025	2024
Current income tax expenses	-30	-14
Deferred tax income/(expenses)	-3'940	0
Total	**-3'970**	**-14**
Deferred tax assets / deferred tax liabilities		
Deferred income tax asset for unused loss carryforwards	3'940	3'940
Deferred tax liabilities on valuation differences	-3'940	0
Net deferred tax assets	**0**	**3'940**

The Company has decided to write off the DTA asset considering the challenging market conditions currently prevailing in Europe.

6. Trade receivables

Trade receivables, nominal	5'052	2'525
Allowance for doubtful accounts	-402	-38
Trade receivables, net	**4'650**	**2'487**

7. Other current receivables

Claims against government agencies	81	72
Transfer account	15	-39
Other current receivables	2'183	1'471
Total	**2'279**	**1'504**

8. Inventories

As of 31 December 2025, the Group has inventories worth CHF 21.6m (CHF 24.1m as of 31 December 2024). CHF 17.7m or 82% of the total inventory is in Switzerland (as of 31 December 2024: CHF 21.3, around 88%). The remaining inventory is held by the German company TVS EBike Company GmbH and Swiss E-Mobility Group (Österreich) GmbH.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
in TCHF

9. Property, plant and equipment

	Machinery and technical equipment	Assets under construction	Furniture and fittings	Vehicles	Total
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**
Addition in scope of consolidation	0	508	116	4	628
Additions	375	1'145	2	3	1'525
Disposals	-51	0	-372	0	-423
Reclassifications	0	-508	-42	-4	-554
Currency translation differences	-12	0	-6	0	-18
Historical cost, 31.12.25	**6'201**	**1'145**	**2'812**	**104**	**10'262**
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**
Depreciations	-1'291	0	-643	-16	-1'950
Disposals	0	0	0	0	0
Reclassifications	0	0	0	0	0
Currency translation differences	3	0	2	1	6
Accum. Depreciation, 31.12.25	**-3'984**	**0**	**-1'474**	**-102**	**-5'560**
Net book value, 31.12.23	3'457	1'221	782	26	5'486
Net book value, 31.12.24	3'193	0	2'281	14	5'488
Net book value, 31.12.25	**2'217**	**1'145**	**1'338**	**2**	**4'702**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
in TCHF

10. Intangible assets

	Software	Trade marks, patents, licences	Development costs	Assets under construction	Goodwill	Total
Historical cost, 31.12.23	**6'124**	**988**	**279**	**0**	**18'555**	**25'946**
Addition in scope of consolidation	0	0	0	0	0	0
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**
Addition in scope of consolidation	407	58	0	0	0	465
Additions	164	17	159	860	0	1'200
Disposals	0	0	0	0	0	0
Reclassifications	-53	-58	3'463	-2'831	0	521
Currency translation differences	0	0	0	0	0	0
Historical cost, 31.12.25	**6'071**	**508**	**3'622**	**1'140**	**18'555**	**29'896**
Accum. amortisations, 31.12.23	**-4'669**	**-880**	**-279**	**0**	**-8'376**	**-14'204**
Addition in scope of consolidation	0	0	0	0	0	0
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, 31.12.24	**-4'194**	**-369**	**0**	**-281**	**-10'231**	**-15'075**
Addition in scope of consolidation	0	0	0	0	0	0
Amortisations	-968	-80	-900	0	-4'571	-6'520
Disposals	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Currency translation differences	0	0	0	-1	0	0
Accum. amortisations, 31.12.25	**-5'162**	**-449**	**-900**	**-282**	**-14'802**	**-21'595**
Net book value, 31.12.23	1'455	108	0	0	10'179	11'742
Net book value, 31.12.24	1'359	122	0	2'830	8'324	12'635
Net book value, 31.12.25	**909**	**59**	**2'722**	**858**	**3'753**	**8'301**

During the financial year, the Group fully impaired two goodwill positions at consolidation level, namely goodwill relating to the Bike Evasion asset deal in the amount of CHF 1'821'852.70 and goodwill arising from the merger with Alexand'Ro Edouard'O Passion Vélo Sàrl in the amount of CHF 893'021.00.

The impairment of both goodwill positions was based on a more prudent management assessment regarding the challenging market conditions currently prevailing. At the time of the reassessment, no formal decision had yet been taken regarding a sale, closure or similar structural measures. Nevertheless, management decided to fully impair the goodwill balances as a precautionary measure.

11. Other current liabilities

	2025	2024
Other liabilities to government agencies	310	0
Liabilities from employee benefits	1'663	1214
Other current liabilities third parties	31	56
Total	**2'004**	**1'270**

12. Financial liabilities

31.12.2025

Residual terms	up to 1 year	Residual terms 1 to 5 years	Residual terms over 5 years	**Total**
Bank loans [1]	33'002	0	0	33'002
Covid19-loans [2]	0	0	0	0
Shareholder loans	51	0	0	51
Total	**33'053**	**0**	**0**	**33'053**
Current financial liabilities	**33'053**			
Non-current financial liabilities			**0**	

31.12.2024

Residual terms	up to 1 year	Residual terms 1 to 5 years	Residual terms over 5 years	**Total**
Bank loans [1]	0	40'000	0	40'000
Covid19-loans [2]	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**	

[1] Joint guarantee issued to DBS bank for loan facility was dissolved in CY 2025.
[2] TVS EBike Company 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 were repaid in full during

13. Employee benefit schemes
According to Swiss GAAP FER 16, the accumulated pension liabilities are as follows:

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	
	31.12.25	**31.12.25**	31.12.24			**2025**	2024
Pension schemes with excess cover	0	0	0	0	-1'190	-1'190	-681
Total	**0**	**0**	**0**	**0**	**-1'190**	**-1'190**	**-681**

There were no employer contribution reserves either on 31 December 2025 or on 31 December 2024.

14. Extraordinary result

	2025	2024
Payment from an insured event	0	-140
Other extraordinary expenses	0	-18
Other extraordinary income	16	0
Total	**16**	**-158**

15. Acquisitions

	2025	2024
Cash and cash equivalents	2'818	0
Trade receivables	1'140	0
Other current receivables	180	0
Prepayments to vendors	1'537	0
Inventories	3'506	0
Accrued income and prepaid expenses	117	0
Financial assets	5'540	0
Property, plant and equipment	629	0
Software	407	0
Trade marks, licences and patents	58	0
Current financial liabilities	-4'475	0
Prepayments from clients	-1'480	0
Other current liabilities	-118	0
Accrued liabilities and deferred income	-914	0
Non-current financial liabilities	-7'615	0
Total net assets acquired	**1'330**	**0**
Badwill (negative Goodwill)	-1'330	0
Net cash outflow for acquisitions made in respective period	**0**	**0**
Acquired cash	-2'818	0
Net cash outflow (+) / inflow (-) from acquisitions	**-2'818**	**0**

In 2025, The GO Corporation, a sister company of Swiss E-Mobility Group (Holding) AG under common control, was merged into Swiss E-Mobility Group (Holding) AG by way of absorption. As a result, EGO Movement Stuttgart GmbH became a direct subsidiary of Swiss E-Mobility Group (Holding) AG.

16. Derivative financial instruments

There are no open forward transaction as on 31 December 2025, as well as of 31 December 2024.

17. Off-balance sheet leasing/rental obligations

	2025	2024
up to 1 year	3'701	3'965
1 to 5 years	5'526	9'474
> 5 years	19	569
Total	**9'246**	**14'009**

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	**2025**	**2024**
Income statement		
Sales	72	529
Purchase	0	541
Other income	2'500	18
Other operating expenses	541	278
Financial expenses	152	596
Total	**3'265**	**1'962**
Balance Sheet		
Interest on Loan from parent entity	51	0
Receivables	2'556	312
Payables	43	683
Accrued expenses and deferred income	50	596
Total	**2'700**	**1'591**

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 Norton Motorcycle Co. Limited – Held by same Parent entity

4. Ebike Company Limited (UK) – Held by same Parent entity

5. TVS Digital Limited – Held by the holding company of parent entity

6. Celerity Motor GmbH – Held by same Parent entity

During the financial year 2025, the Company recognized intercompany revenue of CHF 2.5m vis-à-vis its Indian parent company, which is outside the scope of consolidation, based on an agreement dated 22 December 2025 and the related credit note issued on 29 December 2025. The amount was recognized in revenue. The related receivable was substantially settled in March 2026, with CHF 2.25m received in cash and the remaining CHF 0.25m relating to withholding tax expected to be recovered.

19. Contingent Liabilities

In connection with hardship compensation of CHF 750k granted in prior years, the Zurich Finance Department raised follow-up questions on 31 July 2025. The Company submitted its response on 30 September 2025. As at the reporting date, the outcome of this matter remained open. Based on the information currently available, management considers the likelihood of a repayment to be low. Accordingly, no provision has been recognized. The matter is disclosed as a contingent liability. Total contingent liabilities amount to CHF 774k, consisting of the hardship compensation matter of CHF 750k described above and a rental guarantee of CHF 24k.

20. Subsequent Events

Subsequent to the balance sheet date, the Company carried out a capital increase of CHF 27.1m on 22 April 2026. The capital increase serves to strengthen the Company's equity base and to cover the losses expected for the 2026 financial year.

From the balance sheet date, until the financial statements were approved by the Board of Directors on 23 April 2026, no other major events occurred, which could have adversely affected the validity of the consolidated financial statements for 2025, or which would have to be disclosed.

21. Summary of consolidated companies

Company	Head office	Business activity	Capital		Capital share (=voting share)	
			Currency	Amount	31.12.25	31.12.24
TVS EBike Company AG	**Zürich, CH**	**Trading**	**CHF**	**342'740**		
Swiss E-Mobility Group (Schweiz) AG	Zürich, CH	Trading	CHF	1'000'000	0%	100%
TVS EBike Company 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	0%	100%
Swiss E-Mobility Group (Österreich) GmbH	Wien, AT	Trading	EUR	35'000	100%	100%
EGO Movement Deutschland GmbH	Nürnberg, DE	Trading	EUR	25'000	100%	0%

In 2025, the Group carried out a series of mergers. Swiss E-Mobility Group (Schweiz) AG and Alexand'Ro Edouard'O Passion Vélo Sàrl were each merged into Swiss E-Mobility Group (Holding) AG by way of absorption. These two mergers did not affect the scope of consolidation, as both entities were already fully consolidated prior to the mergers.

In addition, The GO Corporation, a sister company of Swiss E-Mobility Group (Holding) AG under common control, was merged into Swiss E-Mobility Group (Holding) AG by way of absorption. As a result, EGO Movement Stuttgart GmbH became a direct subsidiary of Swiss E-Mobility Group (Holding) AG and is fully consolidated as of 2025. This transaction expanded the scope of consolidation to include The GO Corporation and EGO Movement Stuttgart GmbH.

In 2025, Swiss E-Mobility Group (Holding) AG and Colag E-Mobility GmbH were renamed TVS EBike Company AG and TVS EBike Company GmbH, respectively.

Report to the Statutory Auditor to the General Meeting of TVS EBike Company AG, Zürich

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of TVS EBike Company AG (the Company) and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2025, the consolidated statement of 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, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Swiss GAAP FER and comply with Swiss law.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and 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 provisions of Swiss law and the requirements of the Swiss audit profession, 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.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements and our auditor's reports 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 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.

Board of Directors' Responsibilities for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with Swiss GAAP FER and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH 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.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse's website at: https://www.expertsuisse. ch/en/audit-report. This description forms an integral part of our report.

Report on Other Legal and Regulatory Requirements

In accordance with art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Ostschweizerische Treuhand Zürich AG

P. Bhend	S. Sousa Villar
Licensed Audit Expert	Licensed Audit Expert
Auditor in charge	

Zurich, April 23, 2026

Enclosures:

- Consolidated Financial Statements (Balance Sheet, Income Statement, Cashflow Statement, Statement of Changes in Equity, Notes)

RE-STATED ACCOUNTS OF
TVS EBIKE COMPANY

BALANCE SHEET AS AT 31ST MARCH 2026

	Notes	CHF in Mn.	Rupees in crores
ASSETS			
Non-current assets			
Property, plant and equipment	1	2.84	33.68
Capital work-in-progress		2.81	33.35
Other Intangible assets	1	3.22	38.16
Goodwill		2.43	28.77
		11.30	133.96
Current assets			
Inventories	2	28.86	342.17
Financial assets			
i. Trade receivables	3	3.07	36.44
ii. Cash and cash equivalents	4	5.16	61.22
Other current assets	5	4.00	47.45
		41.09	487.28
Total assets		**52.39**	**621.24**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	6	0.34	3.26
Other equity	7	0.15	2.50
		0.49	5.76
Liabilities			
Current liabilities			
Financial liabilities			
i. Borrowings	8	13.90	164.81
ii. Trade payables	9		
a. Total outstanding dues of micro and small enterprises		-	-
b. Total outstanding dues of other than (ii) (a) above		38.00	450.67
		51.90	615.48
Total liabilities		**51.90**	**615.48**
Total equity and liabilities		**52.39**	**621.24**

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2026

		Notes	CHF in Mn.	Rupees in crores
I	Revenue from operations	10	54.23	598.19
II	Other income	11	2.84	31.31
III	Total Income (I +II)		57.07	629.50
IV	Expenses:			
	Purchases of stock-in-trade		37.05	480.14
	Changes in inventories of Stock-in -trade		6.56	0.82
	Employee benefits expense	12	18.77	207.13
	Finance costs	13	1.09	11.99
	Depreciation and amortisation expense	14	8.80	97.06
	Other expenses	15	20.00	220.65
	Total expenses		92.27	1,017.79
V	Profit before exceptional items (III - IV)		(35.20)	(388.29)
VI	Exceptional items		-	-
VII	Profit before tax (V+ VI)		(35.20)	(388.29)
VIII	Tax expense			
	i. Current tax		0.27	2.96
	ii. Deferred tax		3.94	43.46
	Total Tax expense		4.21	46.42
IX	Profit for the year (VII - VIII)		(39.41)	(434.71)
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		0.55	32.55
	Other comprehensive income for the year, net of tax		0.55	32.55
XI	Total Comprehensive Income (IX + X)		(38.86)	(402.16)
XII	Earnings per equity share (Face value of CHF .01/- each)			
	Basic & Diluted earnings per share (in CHF/ in rupees)		(114.99)	(12,683.38)

Notes on Accounts

1 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS AS AT 31.03.2026 GBP in Mn.

Description	Property, Plant & Equipment					Intangible Assets			
	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 01-04-2025	5.46	3.19	0.10	-	8.74	4.68	0.24	2.92	7.84
Additions during the year	0.71	-	-	-	0.71	0.84	0.05	0.83	1.72
Sub-total	6.16	3.19	0.10	-	9.45	5.52	0.29	3.75	9.56
Sales / deletion	1.30	0.56	0.04		1.90	-	-	-	-
Total	4.86	2.63	0.06	-	7.55	5.52	0.29	3.75	9.56
Depreciation / Amortisation									
Upto 31-03-2025	2.42	1.07	0.09	-	3.58	3.48	0.14	0.15	3.77
For the year	0.99	0.73	0.01	-	1.73	1.32	0.08	1.17	2.57
Sub-total	3.41	1.80	0.10	-	5.31	4.80	0.22	1.32	6.34
Withdrawn on assets sold / deleted	-	0.56	0.04	-	0.60	-	-	-	-
Total	3.41	1.24	0.06	-	4.71	4.80	0.22	1.32	6.34
Carrying value									
As at 31-03-2026	1.45	1.39	-	-	2.84	0.72	0.07	2.43	3.22

1 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS AS AT 31.03.2026 - (continued) Rupees in crores

Description	Property, Plant & Equipment					Intangible Assets			
	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 01-04-2025	52.85	30.85	0.97	-	84.67	45.32	2.32	28.28	75.92
Additions	8.39	-	-	-	8.39	9.96	0.58	9.87	20.41
Foreign Currency translation reserve difference	11.86	6.92	0.22	-	18.99	10.17	0.52	6.34	17.03
Sales / deletion	15.41	6.64	0.47	-	22.53	-	-	-	-
Sub-total	73.09	37.77	1.19	-	112.05	65.45	3.43	44.49	113.37
Total	57.67	31.14	0.71	-	89.52	65.45	3.43	44.49	113.37
Depreciation / Amortisation									
Upto 31-03-2025	23.44	10.36	0.87	-	34.67	33.73	1.36	1.45	36.54
For the year	10.92	8.05	0.11	-	19.08	14.56	0.88	12.90	28.35
Foreign Currency translation reserve difference	6.08	2.47	0.17	-	8.71	8.66	0.37	1.29	10.32
Withdrawn on assets sold / deleted	-	6.18	0.44	-	6.62	-	-	-	-
Sub-total	40.43	27.06	1.59	-	62.46	56.95	2.61	15.65	75.21
Total	40.43	14.70	0.71	-	55.84	56.95	2.61	15.65	75.21
Carrying value									
As at 31-03-2026	17.24	16.43	-	-	33.68	8.50	0.82	28.84	38.16

Notes on accounts - *(continued)*

		As at 31-03-2026	
		CHF in Mn.	Rupees in crores
2	Inventories		
	Stock in trade	28.86	342.17
		28.86	342.17
3	Trade Receivables		
	Unsecured, considered good	3.07	36.44
		3.07	36.44
4	Cash and Cash Equivalents		
	Cash equivalents	5.16	61.22
		5.16	61.22
5	Other Current Assets		
	Vendor advance	1.93	22.91
	Prepaid expenses	0.04	0.44
	Other Current Receivables	2.03	24.10
		4.00	47.45
6	Equity Share Capital		
	Issued, subscribed and fully paid up:		
	3,42,740 Ordinary shares of CHF 0.01 each	0.34	3.26
		0.34	3.26
7	Other Equity		
	Retained earnings	(76.14)	(775.79)
	Capital reserve	75.74	745.74
	Foreign currency translation reserve	0.55	32.55
		0.15	2.50
8	Financial Liabilities - Borrowings (Current)		
	Short term loans from others (Unsecured)	13.90	164.81
9	Trade Payables		
	Dues to Micro and Small Enterprises**	-	-
	Dues to enterprises other than Micro and Small Enterprises	38.00	450.67
		38.00	450.67

** 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 Year Ended 31-03-2026	
		CHF in Mn.	Rupees in crores
10	Revenue from Operations		
	Sale of Product	51.34	566.27
	Sale of service	2.89	31.92
		54.23	598.19
11	Other Income		
	Other non operating income	2.84	31.31
		2.84	31.31
12	Employee Benefits Expense		
	Salaries, wages and bonus	15.05	166.04
	Contribution to provident and other funds	2.77	30.57
	Staff welfare expenses	0.95	10.52
		18.77	207.13
13	Finance Cost		
	Finance cost	1.09	11.99
		1.09	11.99
14	Depreciation and amortisation expense		
	Depreciation on property plant and equipment	8.80	97.06
		8.80	97.06
15	Other Expenses		
	(a) Rent	4.97	54.86
	(b) Other marketing expenses	3.09	34.10
	(c) Miscellaneous expenses	11.94	131.69
		20.00	220.65

REPORT OF THE DIRECTOR FOR THE YEAR ENDED 31 MARCH 2026

The directors present their report with the financial statements of the company for the year ended 31 March 2026.

CHANGE OF NAME

The company passed a special resolution on 12 August 2025 changing its name from EBCO Limited to TVS EBike Company Limited.

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

TVS EBike Company 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.

The sales for FY 2026 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, TVS EBike Company is well placed to capture additional market share in FY 2027.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2025 to the date of this report.

SM Mishra

R Ramanathan

DB Kataria

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.

Accordingly, the directors are satisfied that the company remains a going concern and have continued to adopt the going concern assumption in preparing these financial statements.

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
24th April 2026

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF EBCO LIMITED

Opinion

We have audited the financial statements of TVS EBike Company Limited (the 'company') for the year ended 31 March 2026 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 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 2026 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 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 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; 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
28 April 2026

TVS EBIKE COMPANY LIMITED (FORMERLY KNOWN AS EBCO LIMITED)

INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026	2025
		£	£
TURNOVER		**1,072,366**	1,128,268
Cost of sales		**1,607,661**	1,509,943
GROSS LOSS		**(535,295)**	(381,675)
Administrative expenses		**770,775**	976,473
		(1,306,070)	(1,358,148)
Other operating income		**128,676**	16,636
OPERATING LOSS	4	**(1,177,394)**	(1,341,512)
Interest payable and similar expenses		**75,363**	252,448
LOSS BEFORE TAXATION		**(1,252,757)**	(1,593,960)
Tax on loss		**-**	-
LOSS FOR THE FINANCIAL YEAR		**(1,252,757)**	(1,593,960)

BALANCE SHEET AS AT 31 MARCH 2026

	Notes	2026		2025	
		£	£	£	£
FIXED ASSETS					
Intangible assets	5		**28,732**		44,270
Tangible assets	6		**-**		5,715
			28,732		49,985
CURRENT ASSETS					
Stocks	7	**227,692**		1,284,230	
Debtors	8	**470,414**		408,175	
Cash at bank and in hand		**275,292**		250	
			973,398		1,692,655
CREDITORS					
Amounts falling due within one year	9	**175,930**		1,913,683	
NET CURRENT ASSETS/ (LIABILITIES)			**797,468**		(221 ,028)
TOTAL ASSETS LESS CURRENT LIABILITIES			**826,200**		(171 ,043)
CAPITAL AND RESERVES					
Called up share capital	11		**3,145**		2,020
Share premium	12		**6,306,925**		4,058,050
Retained earnings	12		**(5,483,870)**		(4,231,113)
			826,200		(171,043)

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 24 April 2026 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

TVS EBike Company 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 SectionIA "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 once again made significant losses in the current financial year as it has been selling old stock to accommodate future sales of a new bike range that is being launched. At the balance sheet date the company had net current assets of £797,468 (2025 - net current liabilities of £221,028) and total net assets of £826,200 (2025 - total net liabilities of £171,043).

Management have prepared cashflow forecasts and undertaken a review of the future fmancing 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 ofrevenue 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 measure 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 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.

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 2026 (Continued)

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 7 (2025 - **8).**

4. OPERATING LOSS

The operating loss is stated after charging:

	2026	2025
	£	£
Depreciation - owned assets	**5,715**	5,311
Website, trademarks and branding amortisation	**15,538**	15,684
Auditors' remuneration	**12,000**	11,000

5. INTANGIBLE FIXED ASSETS

	Goodwill	Website, trademarks and branding	Totals
	£	£	£
COST			
At 1 April 2025 and 31 March 2026	**25,000**	**114,412**	**139,412**
AMORTISATION			
At 1 April 2025	**25,000**	**70,142**	**95,142**
Amortisation for year	-	**15,538**	**15,538**
At 31 March 2026	**25,000**	**85,680**	**110,680**
NET BOOK VALUE			
At 31 March 2026	-	**28,732**	**28,732**
At 31 March 2025	-	44,270	44,270

6. TANGIBLE FIXED ASSETS

	Plant & machinery	**Fixtures & fittings**	**Office equipment**	**Totals**
	£	**£**	**£**	**£**
COST				
At 1 April 2025 and 31 March 2026	**15,000**	**3,064**	**19,135**	**37,199**
DEPRECIATION				
At 1 April 2025	**9,818**	**3,064**	**18,602**	**31,484**
Charge for year	**5,182**	**-**	**533**	**5,715**
At 31 March 2026	**15,000**	**3,064**	**19,135**	**37,199**
NET BOOK VALUE				
At 31 March 2026	-	-	-	-
At 31 March 2025	5,182	-	533	5,715

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2026 (Continued)

	2026	2025
	£	£
7. STOCKS		
Raw materials	15,686	18,044
Finished goods	212,006	1,266,186
	227,692	1,284,230
8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Trade debtors	227,492	335,364
Amounts owed by related parties	153,846	-
Other debtors	89,076	72,811
	470,414	408,175
9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Bank loans and overdrafts	-	1,369,756
Trade creditors	13,313	335,185
Amounts owed to related parties	69,815	1,930
Taxation and social security	65,298	56,968
Other creditors	27,504	149,844
	175,930	1,913,683

10. SECURED DEBTS

The following secured debts are included within creditors:

Bank overdrafts	-	1,369,756
Invoice factoring	-	254,430
	-	1,624,186

The invoice factoring liability within 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

On 04 August 2025, there was an allotment of 125 Ordinary £1 shares, paid at a premium of £1,999 per share. The shares were issued to the TVS Motor (Singapore) Pte Ltd, and thus maintain 100% ownership.

On 12 February 2026, there was an allotment of a further 1000 Ordinary £1 shares, paid at a premium of £1,999 per share. The shares were issued to the TVS Motor (Singapore) Pte Ltd, and thus maintain 100% ownership.

12. RESERVES

	Retained earnings	Share premium	Totals
	£	£	£
At 1 April 2025	**(4,231,113)**	**4,058,050**	**(173,063)**
Deficit for the year	**(1,252,757)**	**-**	**(1,252,757)**
Cash share issue	**-**	**2,248,875**	**2,248,875**
	(5,483,870)	6,306,925	823,055

Retained earnings

Retained earnings represent cumulative retained profits and losses from incorporation.

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 £8,742 (2025 - £11,552).

The outstanding pension contributions due from the company and amounted to £1,608 (2025 - £2,000).

14. ULTIMATE CONTROLLING PARTY

The Company is 100% owned by TVS Motor (Singapore) Pte Ltd, a company incorporated in Singapore.

The ultimate parent company is 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.

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2026 (Continued)

TRADING AND PROFIT AND LOSS ACCOUNT
for the year ended 31 March 2026

	2026		2025	
	£	£	£	£
Sales		**1,072,366**		1,128,268
Cost of sales				
Opening stock	**1,284,230**		2,769,583	
Purchases	**567,250**		13,573	
Forex (gains)/losses	**(16,125)**		11,017	
	1,835,355		2,794,173	
Closing stock	**(227,694)**		(1,284,230)	
		1,607,661		**1,509,943**
GROSS LOSS		**(535,295)**		**381,675**
Other income				
Sundry receipts		**128,676**		**16,636**
		(406,619)		**(365,039)**
Expenditure				
Wages	**374,886**		500,776	
Social security	**53,031**		63,608	
Pensions	**8,742**		11,552	
Rent	**32,791**		93,393	
Rates and water	**1,052**		7,058	
Insurance	**64,429**		60,095	
Light and heat	**64**		65	
Telephone	**1,898**		3,065	
Post and stationery	**1,863**		2,536	
Travelling	**49,429**		60,540	
Motor expenses	**12,279**		20,563	
Repairs and renewals	**1,176**		426	
Factoring charges	**7,465**		**28,308**	
Computer costs	**5,207**		6,229	
Sundry expenses	**1,831**		3,911	
Accountancy	**7,504**		11,390	
Subscriptions	**1,384**		1,590	
Late payment penalties	-		125	
Legal and professional fees	**7,410**		6,308	
Auditors' remuneration	**12,000**		**11,000**	
Amortisation of intangible fixed assets Website, trademarks and branding	**15,538**		15,684	
Advertising	**48,616**		55,637	
Entertainment	**653**		357	
Bad debts	**50,000**		**-**	
		759,248		964,216
Carried forward		**(1,165,867)**		(1,329,255)

This page does not form part of the statutory financial statements

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2026 (Continued)

	2026		2025	
	£	£	£	£
Brought forward		**(1,165,867)**		(1,329,255)
Finance costs				
Bank charges	**3,846**		6,260	
Credit card	**1,966**		686	
Bank interest	**75,363**		144,731	
Other interest	**-**		107,717	
		81,175		259,394
		(1,247,042)		**(1,588,649)**
Depreciation				
Plant and machinery	**5,182**		1,002	
Computer equipment	**533**		4,309	
		5,715		5,311
NET LOSS		**(1,252,757)**		(1,593,960)

This page does not form part of the statutory financial statements

RE-STATED ACCOUNTS OF
EBCO LIMITED

BALANCE SHEET AS AT 31ST MARCH 2026

	Notes	GBP in Mn.	Rupees in crores
ASSETS			
Non-current assets			
Intangible assets	1	0.03	0.36
		0.03	0.36
Current assets			
Inventories	2	0.18	2.23
Financial assets			
i. Trade receivables	3	0.43	5.41
ii. Cash and cash equivalents	4	0.28	3.46
Other current assets	5	0.02	0.31
		0.91	11.41
Total Assets		0.94	11.77
EQUITY AND LIABILITIES			
Equity			
Equity share capital	6	-	0.03
Other equity	7	0.83	10.34
		0.83	10.37
Liabilities			
Current liabilities			
Financial liabilities			
Trade payables	8		
a. Total outstanding dues of micro and small enterprises		-	-
b. Total outstanding dues of other than (a) above		0.09	1.14
Other current liabilities	9	0.02	0.26
		0.11	1.40
Total liabilities		0.11	1.40
Total equity and liabilities		0.94	11.77

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2026

		Notes	GBP in Mn.	Rupees in crores
I	Revenue from operations	10	1.09	12.95
II	Other income	11	0.11	1.29
III	Total Income (I +II)		1.20	14.24
IV	Expenses:			
	Purchases of stock-in-trade		0.35	5.18
	Changes in inventories of Stock-in -trade		1.10	11.99
	Employee benefits expense	12	0.44	5.17
	Finance costs	13	0.08	0.89
	Depreciation and amortisation expense	14	0.03	0.25
	Other expenses	15	0.45	5.59
	Total expenses		2.45	29.07
V	Profit before exceptional items (III - IV)		(1.25)	(14.83)
VI	Exceptional items		-	-
VII	Profit before tax (V+ VI)		(1.25)	(14.83)
VIII	Tax expense			
	i. Current tax		-	-
	ii. Deferred tax		-	-
	Total Tax expense		-	-
IX	Profit for the year (VII - VIII)		(1.25)	(14.83)
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		-	(0.81)
	Other comprehensive income for the year, net of tax		-	(0.81)
XI	Total Comprehensive Income (IX + X)		(1.25)	(15.64)
XII	Earnings per equity share (Face value of GBP 1/- each)			
	Basic & Diluted earnings per share (in GBP/ in rupees)		(397.46)	(47,154.21)

Notes on Accounts

1 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS AS AT 31.03.2026

GBP in Mn.

Description	Property, Plant & Equipment					Intangible Assets		
	Plant & equipments	Furniture and fixtures	Office Equipment	Total		Website	Trade marks	Total
Cost of assets								
Gross carrying value as at 01-04-2025	0.02	0.00	0.02	0.04		0.09	0.01	0.11
Additions	-	-	-	-		-	-	-
Sub-total	0.02	0.00	0.02	0.04		0.09	0.01	0.11
Sales / deletion	-	-	-	-		-	-	-
Total	0.02	0.00	0.02	0.04		0.09	0.01	0.11
Depreciation / Amortisation								
Upto 31-03-2025	0.01	0.00	0.02	0.03		0.05	0.01	0.06
For the year	0.01	-	0.00	0.01		0.01	0.00	0.02
Sub-total	0.01	0.00	0.02	0.04		0.07	0.01	0.08
Withdrawn on assets sold / deleted	-	-	-	-		-	-	-
Total	0.01	0.00	0.02	0.04		0.07	0.01	0.08
Carrying value								
As at 31-03-2026	0.00	0.00	0.00	0.00		0.03	0.00	0.03

1 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS AS AT 31.03.2026 - (continued)

Rupees in crores

Description	Property, Plant & Equipment					Intangible Assets		
	Plant & equipments	Furniture and fixtures	Office Equipment	Total		Website	Trade marks	Total
Cost of assets								
Gross carrying value as at 01-04-2025	0.16	0.03	0.21	0.40		0.99	0.15	1.14
Additions	-	-	-	-		-	-	-
Foreign Currency translation reserve difference	0.03	0.01	0.03	0.07		0.16	0.02	0.19
Sales / deletion	-	-	-	-		-	-	-
Sub-total	0.19	0.04	0.24	0.47		1.16	0.17	1.33
Total	0.19	0.04	0.25	0.47		1.16	0.17	1.33
Depreciation / Amortisation								
Upto 31-03-2025	0.11	0.03	0.20	0.34		0.54	0.11	0.65
For the year	0.06	-	0.00	0.06		0.16	0.02	0.18
Foreign Currency translation reserve difference	0.02	0.01	0.04	0.07		0.11	0.02	0.14
Withdrawn on assets sold / deleted	-	-	-			-	-	-
Sub-total	0.19	0.04	0.25	0.47		0.82	0.15	0.97
Total	0.19	0.04	0.25	0.47		0.82	0.15	0.97
Carrying value								
As at 31-03-2026	0.00	0.00	0.00	0.00		0.34	0.02	0.36

Notes on accounts - *(continued)*

	As at 31-03-2026	
	GBP in Mn.	Rupees in crores
2 Inventories		
Stock in trade	0.18	2.23
	0.18	2.23
3 Trade Receivables		
Unsecured, considered good	0.43	5.41
	0.43	5.41
4 Cash and Cash Equivalents		
Balances with banks in current accounts	0.28	3.46
	0.28	3.46
5 Other Current Assets		
Prepaid expenses	0.02	0.31
	0.02	0.31
6 Equity Share Capital		
Issued, subscribed and fully paid up:		
3145 Ordinary shares of GBP 1 each	-	0.03
	-	0.03
7 Other Equity		
Retained earnings	(5.48)	(58.70)
Capital reserve	6.31	73.19
Foreign currency translation reserve	-	(4.15)
	0.83	10.34
8 Trade Payables		
Dues to Micro and Small Enterprises**	-	-
Dues to enterprises other than Micro and Small Enterprises	0.09	1.14
	0.09	1.14

** 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	0.20	0.26
		0.19
	0.02	0.26

	For the Year Ended 31-03-2026	
	GBP in Mn.	Rupees in crores
10 REVENUE FROM OPERATIONS		
Sale of Product	1.09	12.95
	1.09	12.95
11 OTHER INCOME		
Other non operating income	0.11	1.29
	0.11	1.29
12 EMPLOYEE BENEFITS EXPENSE		
Salaries, wages and bonus	0.43	5.07
Pension Cost	0.01	0.10
Social Security Cost	-	-
	0.44	5.17
13 FINANCE COST		
Finance cost	0.08	0.89
	0.08	0.89
14 DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on property plant and equipment	0.01	0.07
Amortisation on intangible assets	0.02	0.18
	0.03	0.25
15 OTHER EXPENSES		
(a) Bank Charges	-	0.05
(b) Rent	0.01	0.06
(c) Insurance	0.06	0.76
(d) Advertisement and Publicity	0.05	0.60
(e) Miscellaneous expenses	0.33	4.12
	0.45	5.59

TVS MOTOR GMBH, GERMANY

BALANCE SHEET

in EUROs

Particulars	As at 31.03.2026	As at 31.03.2025
ASSETS		
Non-current assets		
Property, plant and equipment	2,93,472.98	7,72,798.49
Exhibition models	28,894.23	4,79,755.30
Other intangible assets	21,69,089.31	24,77,201.51
Less : Accumulated Depreciation	-	-10,04,230.01
Total		
Financial assets		
i. Investments	-	-
ii. Other financial assets	-	-
Other non-current assets	-	-
Total non-current assets	**24,91,456.52**	**27,25,525.29**
Current assets		
Financial assets		
i. Trade receivables	8,53,863.07	7,48,874.55
ii. Cash and cash equivalents	4,82,140.26	4,78,687.70
iii. Bank balances other than (ii) above	-	-
iv. Investments	-	-
v. Other financial assets	-	
Current tax assets (Net)	-	-
Other current assets	1,09,092.65	12,12,992.12
Total current assets	**14,45,095.98**	**24,40,554.37**
Total Assets	**39,36,552.50**	**51,66,079.66**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	59,25,000.00	59,25,000.00
Share capital Pending Allotment	-	-
Other equity	-21,86,726.45	-20,56,721.88
Total equity	**37,38,273.55**	**38,68,278.12**
Liabilities		
Non-current liabilities		
Financial liabilities		
i. Borrowings	-	-
ii. Lease liability	-	-
iii. Other financial liabilities	-	-
Provisions Non current	-	-
Deferred tax liabilities (Net)		
Total non-current liabilities	**-**	
Current liabilities		
Financial liabilities		
i. Borrowings	-	-
ii. Lease liability	-	-
iii. Trade payables	1,45,428.36	1,51,389.72
iv. Other financial liabilities	-2,770.60	8,26,189.08
Other current liabilities	31,858.53	96,503.38
Current tax liability	-	49.6
Provisions	23,762.66	2,23,669.75
Total current liabilities	**1,98,278.95**	**12,97,801.53**
Total liabilities	**1,98,278.95**	**12,97,801.53**
Total equity and liabilities	**39,36,552.50**	**51,66,079.66**

STATEMENT OF PROFIT AND LOSS

in EURO

	Particulars	Year ended 31.03.2026	Year ended 31.03.2025
I	**Income**		
	Revenue from operations	42,51,900.74	31,69,253.56
	Other income	62,426.37	17,186.53
	Total income	**43,14,327.11**	**31,86,440.09**
II	**Expenses**		
	Cost of materials & Services consumed	38,510.74	1,09,867.89
	and Stock-in-Trade	-	-
	Employee benefit expenses	16,53,332.99	9,52,173.78
	Finance costs	-	-
	Depreciation and amortisation expense	4,70,427.37	4,83,886.17
	Other expenses	19,47,237.77	16,15,850.97
	Total expenses	**41,09,508.87**	**31,61,778.81**
III	**Profit before exceptional items and tax (I- II)**	**2,04,818.24**	**24,661.28**
IV	Exceptional items - income / (expense)	**–**	**–**
V	**Profit before tax (III +IV)**	**2,04,818.24**	**24,661.28**
VI	Income tax expense	42,111	410
	Current tax	-	-
	Deferred tax charge/(credit)	-	-
VII	**Profit for the year (V-VI)**	**1,62,707.05**	**24,251.31**
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)**	**1,62,707.05**	**24,251.31**

RE-STATED ACCOUNTS OF
CELERITY MOTOR GMBH

TVS MOTOR GMBH, GERMANY

BALANCE SHEET AS AT 31ST MARCH 2026

	Notes	Euro in Mn.	Rupees in crores
ASSETS			
Non-current assets			
Property, plant and equipment	1	0.32	3.51
Other intangible assets	1	2.17	23.64
		2.49	**27.15**
Current assets			-
Financial assets			-
i. Trade receivables	2	0.85	9.32
ii. Cash and cash equivalents	3	0.48	5.26
Other current assets	4	0.11	1.19
		1.44	**15.77**
Total assets		3.93	42.92
EQUITY AND LIABILITIES			
Equity			
Equity share capital	5	5.93	53.25
Other equity	6	(2.20)	(12.49)
		3.73	40.76
Liabilities			
Current liabilities			
Financial liabilities			
Other financial liabilities		0.17	1.81
Other Current Liabilities		0.03	0.35
		0.20	2.16
Total liabilities		0.20	2.16
Total equity and liabilities		3.93	35.41

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2026

		Notes	Euro in Mn.	Rupees in crores
I	Revenue from operations	7	4.27	43.80
II	Other income		-	-
III	Total Income (I +II)		4.27	28.92
IV	Expenses:			
	Cost of material consumed		0.04	0.39
	Employee benefits expense	8	1.65	16.95
	Depreciation and amortisation expense	9	0.47	4.82
	Other expenses	10	1.91	19.55
	Total expenses		**4.07**	**41.71**
V	**Profit before exceptional items (III - IV)**		0.02	2.09
VI	Exceptional items		-	-
VII	**Profit before tax (V+ VI)**		**0.20**	**2.09**
VIII	Tax expense			
	i) Current tax		0.04	0.43
	ii) Deferred tax		-	-
	Total Tax expense		**004**	**0.43**
IX	**Profit for the year (VII - VIII)**		**0.16**	**1.66**
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		-	-
	Other comprehensive income for the year, net of tax		**-**	**6.12**
			-	**6.12**
XI	**Total Comprehensive Income (IX + X)**		**0.16**	**7.78**
XII	Earnings per equity share (Face value of Euro 1/- each)			
	Basic & Diluted earnings per share (in Euro / in rupees)		6.47	664.00

TVS MOTOR GMBH, GERMANY

Notes on Accounts

1.PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS AS AT 31.03.2026

Euro in Mn.

Description	PROPERTY, PLAN & EQUIPMENT							OTHER INTANGIBLE		
	Leasehold Improvements	Plant & Equipment (Tools)	Furniture & Fixtures	Office Equipment	Vehicles	Exhibition Models	Total	Computer software	Goodwill	Total
Cost of assets										
Gross carrying value as at 01-04-2025	0.01	0.20	0.02	0.16	0.14	0.09	0.62	0.01	3.23	3.24
Additions	-	-	-	0.01	0.11	-	0.13	0.01	-	0.01
Sub-total	**0.01**	**0.20**	**0.02**	**0.18**	**0.25**	**0.09**	**0.74**	**0.02**	**3.23**	**3.25**
Sales / deletion	-	-	-	-	-	-	-	-	-	-
Total	**0.01**	**0.20**	**0.02**	**0.18**	**0.25**	**0.09**	**0.74**	**0.02**	**3.23**	**3.25**
Depreciation / Amortisation										
Upto 31-03-2025	0.00	0.15	0.00	0.09	0.01	0.04	0.29	0.00	0.73	0.74
For the year	0.00	0.05	0.00	0.04	0.01	0.02	0.13	0.00	0.34	0.34
Sub-total	**0.00**	**0.20**	**0.00**	**0.13**	**0.03**	**0.06**	**0.42**	**0.00**	**1.07**	**1.08**
Withdrawn on assets sold / deleted	-	-	-	-	-	-	-	-	-	-
TOTAL	**0.00**	**0.20**	**0.00**	**0.13**	**0.03**	**0.06**	**0.42**	**0.00**	**1.07**	**1.08**
Carrying value As at 31-03-2026	0.01	0.00	0.01	0.04	0.23	0.03	0.32	0.02	2.15	2.17

Description	PROPERTY, PLAN & EQUIPMENT							OTHER INTANGIBLE		
	Leasehold Improvements	Plant & Equipment (Tools)	Furniture & Fixtures	Office Equipment	Vehicles	Exhibition Models	Total	Computer software	Goodwill	Total
Cost of assets										
Gross carrying value as at 01-04-2025	0.10	2.21	0.17	1.82	1.54	1.00	6.85	0.10	35.74	35.84
Additions	-	-	-	0.13	1.25	-	1.38	0.10	-	0.10
Sub-total	**(0.00)**	**(0.03)**	**(0.00)**	**(0.03)**	**(0.02)**	**(0.02)**	**(0.11)**	**(0.00)**	**(0.55)**	**(0.55)**
Sales / deletion	-	-	-	-	-	-	-	-	-	-
Total	**0.10**	**2.18**	**0.16**	**1.92**	**2.77**	**0.98**	**8.12**	**0.20**	**35.19**	**35.39**
Depreciation / Amortisation										
Upto 31-03-2025	0.00	1.61	0.02	1.01	0.14	0.43	3.21	4.68	4.68	9.36
For the year	0.00	0.54	0.01	0.41	0.14	0.22	1.31	0.03	3.11	3.14
Sub-total	**0.00**	**0.03**	**0.00**	**0.03**	**0.01**	**0.01**	**0.08**	**(4.67)**	**3.92**	**(0.75)**
Withdrawn on assets sold / deleted	-	-	-	-	-	-	-	-	-	-
TOTAL	**0.01**	**2.18**	**0.03**	**1.45**	**0.28**	**0.67**	**4.61**	**0.04**	**11.71**	**11.75**
Carrying value As at 31-03-2026	0.09	-	0.14	0.48	2.49	0.31	3.51	0.16	23.48	23.64

Notes on accounts - *(continued)*

		As at 31-03-2026	
		SGD in Mn.	Rupees in crores
2	TRADE RECEIVABLES		
	Unsecured, considered good	0.85	9.32
		0.85	9.32
3	CASH AND CASH EQUIVALENTS		
	Balances with banks in current accounts	0.48	5.26
		0.48	5.26
4	OTHER CURRENT ASSETS		
	Others	0.11	1.19
		0.11	1.19
5	EQUITY SHARE CAPITAL		
	Issued, subscribed and fully paid up:		
	25000 Ordinary shares of 1 Euro each	5.93	53.25
		5.93	53.25
6	OTHER EQUITY		
	Retained earnings	(2.20)	(19.31)
	Foreign currency translation reserve	-	6.82
		(2.20)	(12.49)
7	REVENUE FROM OPERATIONS		
	Revenue	4.25	43.59
	Other operating revenue	0.02	0.21
		4.27	43.80

		For tl	-2026
		SGD	crores
8	EMPLOYEE BENEFITS EXPENSE		
	Salaries, wages and bonus	1.41	14.47
	Contribution to provident and other funds	0.24	2.48
		1.65	16.95
9	DEPRECIATION AND AMORTISATION EXPENSE		
	Depreciation on property plant and equipment	0.13	1.31
	Amortisation on Intangible assets	0.34	3.51
		0.47	4.82
10	OTHER EXPENSES		
	(a) Rent	0.05	0.55
	(b) Advertisement	0.45	4.63
	(c) Gas, electricity, water	0.02	0.19
	(d) Other operating expenses	0.12	1.24
	(e) Loss on sale of assets	0.01	0.11
	(f) Travelling expenses	0.13	1.36
	(g) Vehicle usage & other insurance	0.10	1.01
	(h) Others	1.03	10.46
		1.91	19.55

Balance Sheet as at 31st March 2026

S No	Particulars	Notes	As at 31-03-2026	In AED As at 31-03-2025
I	**ASSETS**			
	Non-current assets:			
	Property, plant and equipment	4	18,14,31,430	18,14,31,430
	Capital work-in-progress	4	84,65,824	17,62,800
	Loans and advances	6	2,60,81,875	-
	Other receivables	7	11,63,221	-
	Total non-current assets		**21,71,42,350**	**18,31,94,230**
	Current assets:			
	Cash and Cash equivalents	5	10,24,208	72,03,759
	Other receivables	-	40,000	
	Total current assets		10,24,208	72,43,759
	Total assets		**21,81,66,558**	**19,04,37,989**
II	**EQUITY & LIABILITIES**			
	Shareholder's equity:			
	Share capital	2	21,82,90,039	9,20,00,000
	Retained earnings	8	(5,01,676)	(22,61,961)
	Shareholder's equity		**21,77,88,363**	**8,97,38,039**
	Current liabilities:			
	Loans and borrowings	9	-	9,91,57,500
	Other payables	10	3,78,195	15,42,450
	Total liabilities		**3,78,195**	**10,06,99,950**
	Total Shareholder's equity and liabilities		**21,81,66,558**	**19,04,37,989**
	Financial liabilities			

Statement of profit and loss for the period ended 31st March 2026

In AED

		Notes	Year Ended 31-03-2026	27.06.2024 (Date of Incorporation) to 31-03-2025
	Income			
I	Revenue from Operations	-	-	
II	Other income	11	**12,42,034**	**70,778**
III	**Total Income**		**12,42,034**	**70,778**
IV	**Expenses**			
	General and administrative expense	12	**(7,07,662)**	**(7,90,289)**
	Finance costs	13	**(10,36,047)**	**(15,42,450)**
	Total Expenses		**(17,43,710)**	**(23,32,739)**
	Loss before tax		**(5,01,676)**	**(22,61,961)**
	Tax Expense			
	Corporate tax		**-**	**-**
	Loss after tax		**(5,01,676)**	**(22,61,961)**
	Other comprensive income		**-**	**(22,61,961.81)**
	Total comprehensive loss for the period		**(5,01,676)**	**(22,61,961)**

The accompanying notes form an integral part of these financial statements.
The Report of the Auditors is set out on pages 1 to 3.

Statement of Changes in Shareholder's Equity 31st March 2026

In AED

	Share capital	Retained earnings	Shareholder's equity	Total
Changes in Shareholder's Equity:				
Paid up Share Capital	9,20,00,000	-	9,20,00,000	9,20,00,000
Total comprehensive loss for the period	-	(22,61,961)	(22,61,961)	(22,61,961)
As at March 31, 2025	**9,20,00,000**	**(22,61,961)**	**8,97,38,039**	**8,97,38,039**
Share Capital issued during the year	12,85,52,000	-	12,85,52,000	12,85,52,000
Total comprehensive loss for the period	-	(5,01,676)	(5,01,676)	(5,01,676)
As at March 31, 2026	**22,05,52,000**	**(27,63,637)**	**21,77,88,363**	**21,77,88,363**
Total No. of Shares	2,20,552			
Value Per Share	1,000		-	-
Share Capital in AED	**22,05,52,000**			

Notes to the Financial Statements

	Land
	In AED
4. Property, plant and equipment	
Opening	**18,14,31,430**
Cost	
Additions during the period	-
Transfer from Capital work in progress	-
As at March 31, 2026	**18,14,31,430**
Accumulated depreciation	
Depreciation for the period	-
As at March 31, 2026	**–**
Net book value	
As at March 31, 2026	**18,14,31,430**

	AED
Capital work-in-progress	
Building	
Opening	**17,62,800**
Additions during the period	**67,03,024**
As at March 31, 2026	**84,65,824**

Notes to the Financial Statements *(continued)*

5. Cash and Cash equivalents	As at 31-03-2026	As at 31-03-2025
	AED	AED
Balances with banks	10,24,208	72,03,759
	10,24,208	72,03,759

6.. Other receivables	As at 31-03-2026	As at 31-03-2025
	AED	AED
Deposit	-	40,000
	-	40,000

7.. Loans and Advances	As at 31-03-2026	As at 31-03-2025
	AED	AED
Loan to related party	2,60,81,875	-
	2,60,81,875	-

8. Other receivables - Non Current	As at 31-03-2026	As at 31-03-2025
	AED	AED
Deposit	10,000	-
Loan to related party	11,53,221	-
	11,63,221	-

9. Retained earnings	As at 31-03-2026	As at 31-03-2025
	AED	AED
Retained earnings	(5,01,676)	(22,61,961)
Closing balance	(5,01,676)	(22,61,961)

10. Loans and borrowings	As at 31-03-2026	As at 31-03-2025
	AED	AED
	-	9,91,57,500
Closing balance	-	9,91,57,500

The above loan carries 7% interest per annum which is unsecured and repayable on demand..

11. Other payables	As at 31-03-2026	As at 31-03-2025
	AED	AED
Interest payable on borrowing from related party (refer note 17)	-	15,42,450
Other payables	3,78,195	-
	3,78,195	15,42,450

Notes to the Financial Statements *(continued)*

12. Other income	As at 31-03-2026	As at 31-03-2025
	AED	AED
Interest from fixed deposit	88,813	70,778
Interest receivable	11,53,221	-
	12,42,034	70,778

13. General and administrative expense	As at 31-03-2026	As at 31-03-2025
	AED	AED
Legal and professional fees	3,56,604	6,89,011
Bank charges	10,430	3,194
Foreign Currency exchange loss	95,104	76,259
Miscellaneous	2,45,525	21,825
	7,07,662	7,90,289

14. Finance costs	As at 31-03-2026	As at 31-03-2025
	AED	AED
Interest on loan	10,36,047	15,42,450
	10,36,047	15,42,450

RE-STATED ACCOUNTS OF
TVS MOTOR COMPANY DMCC

BALANCE SHEET AS AT 31ST MARCH 2026

	Notes	AED in Mn.	Rupees in crores
ASSETS			
Non-current assets			
Property, plant and equipment	1	181.43	468.50
Capital work-in-progress		8.47	21.86
Financial Assets			
Other Financial Assets		0.01	0.03
		189.91	490.39
Current assets			
Financial assets			
i. Cash and cash equivalents	2	1.02	2.64
ii. Other financial assets	3	27.24	70.33
		28.26	72.97
Total assets		**218.17**	**563.36**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	4	220.55	510.68
Other equity	5	(2.76)	51.70
		217.79	562.38
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	6	0.38	0.98
		0.38	0.98
Total liabilities		0.38	0.98
Total equity and liabilities		**218.17**	**563.36**

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2026

		Notes	AED in Mn.	Rupees in crores
I	Revenue from operations		-	-
II	Other income	7	1.24	2.99
III	**Total Income (I +II)**		**1.24**	**2.99**
IV	Expenses:			
	Finance costs	8	1.04	2.49
	Other expenses	9	0.70	1.71
	Total expenses		**1.74**	**4.20**
V	**Profit before exceptional items (III - IV)**		**(0.50)**	**(1.21)**
VI	Exceptional items		-	-
VII	**Profit before tax (V+ VI)**		**(0.50)**	**(1.21)**
VIII	Tax expense			
	i. Current tax		-	-
	ii. Deferred tax		-	-
	Total Tax expense		**-**	**-**
IX	**Profit for the year (VII - VIII)**		**(0.50)**	**(1.21)**
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		-	54.88
	Other comprehensive income for the year, net of tax		**-**	**54.88**
XI	**Total Comprehensive Income (IX + X)**		**(0.50)**	**53.67**
XII	Earnings per equity share (Face value of AED 1000 each)			
	Basic & Diluted earnings per share (in AED 1000 each)		(2.27)	(54.86)

Notes on accounts - (continued)

1 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS AED in Mn.
AS AT 31.03.2026

Description	Property, Plant & Equipment	
	Land	Total
	11	12
Cost of assets		
Gross carrying value as at 01-04-2025	-	-
Additions	181.43	-
Sub-total	**181.43**	**-**
Sales / deletion	-	-
Total	**181.43**	**-**
Depreciation / Amortisation		
Upto 31-03-2025	-	-
For the year	-	-
Sub-total	**-**	**-**
Withdrawn on assets sold / deleted	-	-
Total	**-**	**-**
Carrying value		
As at 31-03-2026	181.43	-

1 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS Rupees in crores
AS AT 31.03.2026 - (continued)

Description	Property, Plant & Equipment	
	Land	Total
	11	12
Cost of assets		
Gross carrying value as at 01-04-2025	-	-
Additions	468.50	-
Foreign Currency translation reserve difference	-	-
Sales / deletion	-	-
Sub-total	**468.50**	**-**
Total	**468.50**	**-**
Depreciation / Amortisation		
Upto 31-03-2025	-	-
For the year	-	-
Foreign Currency translation reserve difference	-	-
Withdrawn on assets sold / deleted	-	-
Sub-total	**-**	**-**
Total	**-**	**-**
Carrying value		
As at 31-03-2026	468.50	-

Notes on accounts - (continued)

		AED in Mn.	Rupees in crores
		As at 31-03-2026	
2	Cash and Cash Equivalents		
	Balances with banks	1.02	2.64
		1.02	2.64
3	Other Financial Assets		
	Loans and advances - Related Parties	27.24	70.33
		27.24	70.33
4	Equity Share Capital		
	Issued, subscribed and fully paid up:		
	2,20,552 Ordinary shares of AED 1000 each	220.55	510.68
		220.55	510.68
5	Other Equity		
	Retained earnings	(2.76)	(6.43)
	Foreign currency translation reserve	-	58.13
		(2.76)	51.70
6	Trade Payables		
	Current		
	Dues to Micro and Small Enterprises**	-	-
	Dues to enterprises other than Micro and Small Enterprises	0.38	0.98
		0.38	0.98

** 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.

		AED in Mn.	Rupees in crores
		As at 31-03-2026	
7	Other Income		
	Interest on Deposits	1.24	2.99
		1.24	2.99
8	Finance Cost		
	Interest expenses	1.04	2.49
		1.04	2.49
9	Other Expenses		
	(a) Bank Charges	0.01	0.03
	(b) Consultancy Charges	0.07	0.17
	(c) Repairs - plant and equipment	0.13	0.31
	(d) Audit fees	0.04	0.10
	(e) Power and Fuel	0.12	0.28
	(f) Foreign exchange loss (Net)	0.10	0.24
	(g) Miscellaneous expenses	0.23	0.58
		0.70	1.71

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 2025/2026 amounts to a loss of USD 167,479 (2024/2025: a loss of USD 182,471).

Summary of activities

The main activities of the Company consist of holding and financing activities.

BALANCE SHEET AS AT 31 MARCH 2026

(After appropriation of result)

	31 March 2026		31 March 2025	
	USD	USD	USD	USD
ASSETS				
Fixed assets				
Financial fixed assets	3,754,748		3,754,748	
		3,754,748		3,754,748
			10,466	
Current assets				
Receivables and prepayments	-		10,466	
Cash and cash equivalents	818		664	
		818		11,130
		3,755,566		3,765,878
		383,911		214,736
		3,765,878		3,779,175
EQUITY & LIABILITIES				
Equity				
Paid up share capital				
	25,905,109		24,366,303	
Other reserves	(22,690,621)		(20,984,336)	
		3,214,488		3,381,967
Current liabilities	541,078		383,911	
		541,078		383,911
		3,755,566		3,765,878

PROFIT AND LOSS ACCOUNT FOR THE PERIOD 1 APRIL 2024 UP TO AND INCLUDING 31 MARCH 2026

	31 March 2026		31 March 2025	
	USD	USD	USD	USD
General expenses	153,650		168,349	
Total general expenses		**153,650**		**168,349**
Operational result (loss)		**(153,650)**		**(153,650)**
Interest expense and similar	10,170		9,221	
Result on foreign currency translations	3,659		4,901	
Financial result (loss)		**(13,829)**		**(14,122)**
Result before taxation (loss)		**(167,479)**		**(182,471)**
Corporation tax				
Result after taxation (loss)		**(167,479)**		**(182,471)**

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 part of a Group, which is in scope of Pillar 2 tax (P2T). The Company is not the P2T reporting entity. The Group does not charge out P2T cost.

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.

LIABILITIES

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 2026**
	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	16.13

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 1.14980 (2024/2025: 1.0815). The conversion result for the year 2025/2026 of (USD 1,538,806) is carried directly to other reserves.

Other reserves	**31 Mar 2025**
	USD
Balance as at 31 March 2025	(20,984,336)
Share capital revaluation	(1,538,806))
Loss for the year	(167,479)
Movement	(1,706,285)
Balance as at 31 March 2025	**(22,690,621)**

Proposed appropriation of result for the financial year 2025/2026

The board of directors proposes that the result for the financial year 2025/2026 amounting to a loss of USD 167,479 should be transferred to the other reserves. This proposal has been incorporated in the financial statements.

Notes to the balance sheet as at 31 March 2025

Current liabilities	**31 Mar 2026**	**31 Mar 2025**
	USD	**USD**
Trade payables	23,017	6,477
Other payables	2,365	1,819
Other payables group	203,852	77,598
Bank overdraft	-	1,838
Loan payable to group company	286,235	281,113
Interest payable to group company	25,609	15,066
	541,078	383,911

Trade Payables ageing schedule

Particulars	Outstanding for following periods from due date of payment		
	Not due	<1 Yr.	Total
(i) MSME			
(ii) Others		23,017	23,017
(iii) Disputed dues – MSME			
(iv) Disputed dues – Others			
		23,017	23,017
Accrued Expense			2,365
Total Trade payable		23,017	25,382

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	286,235	100%

Loan payable to group company

The amounts payable to group company TVS Motor (Singapore) Pte Limited as at 31 March 2026 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 2026, the outstanding loan balance is USD 86,235 (EUR 75,000) and the interest due is USD 9,599 (EUR 8,348).

(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 2026, the outstanding loan balance is USD 100,000 and the interest due is USD 9,450.

(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 2026, the outstanding loan balance is USD 100,000 and the interest due is USD 6,560.

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 2026	31 Mar 2025
	USD	USD
The Finance expenses consists of:		
Interest expenses and similar expenses		
Interest expense on loan	10,170	9,221
	10,170	**9,221**
General expenses		
Management fee	11,179	13,668
Domiciliation fee	5,256	2,633
Legal fees	25,852	4,693
Administrative fees	101,162	132,866
Bank charges	4,076	6,640
Tax advisory fees	2,599	(2,074)
Other advisory fees	3,526	-
Other expenses	–	-
	153,650	**168,349**
Result on foreign currency translations		
Currency exchange loss	3,659	4,901
	3,659	**4,901**

EBIT

The Earnings Before Interest and Taxation (EBIT) for the current financial year amounts to a loss of USD 153,650 (2024: loss of USD 168,349).

Average number of employees

The Company had no employees during the year under review (2024/2025: none).

Board of directors

K.N. Radhakrishnan
Director

IQ EQ Management (Netherlands) B.V.
Director

Amsterdam, 23 April 2026

RE-STATED ACCOUNTS OF
TVS MOTOR COMPANY (EUROPE) B.V.

TVS MOTOR COMPANY (EUROPE) B.V.

BALANCE SHEET AS AT 31 MARCH 2026

	Notes	USD in Mn.	Rupees in crores
ASSETS			
Non-current assets			
Non-current investments	1	3.75	25.78
		3.75	25.78
Current assets			
Financial assets			
Cash and cash equivalents	2	-	0.01
		-	0.01
Total Assets		3.77	19.61
EQUITY AND LIABILITIES			
Equity			
Equity share capital	3	25.91	105.51
Other equity	4	(22.70)	(84.84)
		3.21	20.67
Liabilities			
Non-Current liabilities			
Financial liabilities			
Borrowings	5	0.29	2.71
		0.29	2.71
Current liabilities			
Financial liabilities			
a. Total outstanding dues of micro and small enterprises		0.25	2.41
b. Total outstanding dues of other than (a) (a) above			
		0.25	2.41
Total liabilities		0.54	5.12
Total equity and liabilities		3.75	25.79

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2026

		Notes	USD in Mn.	Rupees in crores
I	Revenue from operations		-	-
II	Other income		-	-
III	Total Income (I +II)		-	-
IV	Expenses:			
	Finance costs	7	0.01	0.09
	Other expenses	8	0.16	1.39
	Total expenses		0.17	1.48
V	Profit before exceptional items (III - IV)		(0.17)	(1.48)
VI	Exceptional items		-	-
VII	Profit before tax (V+ VI)		(0.17)	(1.48)
VIII	Tax expense			
	i. Current tax		-	-
	ii. Deferred tax		-	-
	Total Tax expense		-	-
IX	Profit for the year (VII - VIII)		(0.17)	(1.48)
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		-	(0.44)
	Other comprehensive income for the year, net of tax		-	(0.44)
XI	Total Comprehensive Income (IX + X)		(0.17)	(1.92)
XII	Earnings per equity share (Face value of EUR 100/- each)			
	Basic & Diluted earnings per share (in USD / in rupees)		(0.75)	(65.69)

Notes on Accounts

		As at 31-03-2026	
		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	25.78
		3.75	25.78
2	Cash And Cash Equivalents		
	Balances with banks in current accounts	-	0.01
		-	0.01
3	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	25.91	105.51
		25.91	105.51
4	Other Equity		
	Retained earnings	(22.70)	(96.15)
	Foreign currency translation reserve	-	11.31
		(22.70)	(84.84)
5	Financial Liabilities - Borrowings (Non Current)		
	Loan from Holding	0.29	2.71
		0.29	2.71
6	Trade Payables		
	Dues to Micro and Small Enterprises**	-	-
	Dues to enterprises other than Micro and Small Enterprises	0.25	2.41
		0.25	2.41

** 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.

Independent Auditors' Report

No. 00397/2.1460/AU.1/04/0849-1/1/V/2026

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, 2026, 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, 2026, 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 realistic alternative but to do so.

Those charged with governance are 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 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

Elisabeth Imelda, S.E., M.Ak., CPA
Public Accountant License No. AP.0849

May 11, 2026

STATEMENT OF FINANCIAL POSITION
MARCH 31, 2026

	Notes	March 31, 2026	March 31, 2025
		Rp	Rp
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	72,133,633,645	69,204,667,401
Trade accounts receivable	6		
Related parties	26	229,388,542,855	88,461,944,485
Third parties - net		420,726,239,001	821,414,110,487
Other accounts receivable	7		
Related parties	26	10,764,709,619	27,717,610,040
Third parties - net		246,526,528,955	82,068,662,805
Inventories	8	506,386,468,106	369,923,774,493
Prepaid taxes	9	466,920,592,276	270,188,472,470
Advances to suppliers	10	29,190,547,327	26,385,376,577
Other current assets		8,320,054,353	6,966,146,199
Total Current Assets		1,990,357,316,137	1,688,468,964,957
NON-CURRENT ASSETS			
Deferred tax assets - net	25	32,327,522,525	7,142,701,539
Property, plant, and equipment - net	11	480,981,558,124	473,080,596,483
Right-of-use assets - net		13,983,256,586	15,450,525,273
Security deposits		9,594,954,052	2,030,009,832
Other intangible asset	12	114,718,518,887	-
Total Non-current Assets		651,605,810,174	497,703,833,127
TOTAL ASSETS		2,641,963,126,311	2,186,172,798,084

See accompanying notes to financial statements which are an integral part of the financial statements.

STATEMENT OF FINANCIAL POSITION
MARCH 31, 2026 *(Continued)*

	Notes	March 31, 2026	March 31, 2025
		Rp	Rp
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Bank loans	13	8,49,40,28,37,903	6,42,13,02,07,250
Trade accounts payable	14		93,28,38,06,440
Related party	26	4,62,51,13,17,172	5,93,31,66,64,180
Third parties		1,10,87,46,13,431	93,28,38,06,440
Other accounts payable			
Related parties	26	1,56,40,32,18,246	25,05,50,56,963
Third parties		15,42,16,63,125	16,46,23,68,927
Taxes payable	16	3,22,97,63,106	4,66,29,79,740
Accrued expenses	17	1,01,03,75,54,591	1,23,00,74,40,428
Deposit from customers		20,28,11,12,689	1,21,23,42,344
Contract liabilities	22	17,12,19,16,883	17,47,87,22,524
Current maturity of long-term lease liabilities		7,94,12,93,242	5,77,72,08,700
Total Current Liabilities		17,44,22,52,90,388	15,22,38,67,97,496
NON-CURRENT LIABILITIES			
Long-term lease liabilities - net of current maturity		1,86,59,63,259	5,57,10,96,958
Post-employment benefits obligation	18	31,08,53,79,000	26,92,17,59,000
Total Non-current Liabilities		32,95,13,42,259	32,49,28,55,958
TOTAL LIABILITIES		17,77,17,66,32,647	15,54,87,96,53,454
EQUITY			
Capital stock - Rp 97,400 (USD 10) par value per share			
Authorized - 25,000,000 shares at March 31, 2026 (March 31, 2025: 17,500,000 shares)			
Subscribed and paid-up - 17,791,187 shares at March 31, 2026 (March 31, 2025: 16,791,187 shares)	19	1,732,861,613,800	1,635,461,613,800
Foreign exchange rate difference on paid-in capital	20	285,102,517,840	216,192,517,840
Revaluation surplus	21	276,495,214,244	276,495,214,244
Other comprehensive income		11,335,314,560	12,303,776,600
Accumulated deficit		(1,441,008,166,780)	(1,509,159,977,854)
TOTAL EQUITY		864,786,493,664	631,293,144,630
TOTAL LIABILITIES AND EQUITY		2,641,963,126,311	2,186,172,798,084

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, 2026

	Notes	2026	2025
		Rp	Rp
SALES	22,26	26,05,46,55,14,168	17,30,96,09,07,099
COST OF GOODS SOLD	23,26	(21,70,51,95,80,309)	(14,73,75,59,14,839)
GROSS PROFIT		4,34,94,59,33,859	2,57,20,49,92,260
Marketing expenses	24	(69,39,88,71,874)	(27,75,37,78,097)
General and administrative expenses	24,27	(2,32,90,79,32,058)	(1,26,76,30,91,472)
Finance cost		(42,78,24,89,797)	(2,42,99,61,917)
Interest income		19,98,76,400	20,57,21,942
Gain (loss) on sale of property, plant and equipment	11	35,82,92,986	-2,82,50,255
Loss on foreign exchange - net		(7,01,70,05,875)	(16,15,60,16,201)
Other gains (losses) - net		22,62,75,462	(1,58,57,61,015)
PROFIT BEFORE TAX		83,62,40,79,103	42,69,38,55,245
INCOME TAX EXPENSE	25	(15,47,22,68,029)	(3,47,70,10,425)
PROFIT FOR THE YEAR		68,15,18,11,074	39,21,68,44,820
OTHER COMPREHENSIVE (LOSS) INCOME			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefits obligation	18	(1,24,16,18,000)	79,46,43,000
Related tax expense	25	27,31,55,960	(17,48,21,460)
Total other comprehensive (loss) income, net of tax		(96,84,62,040)	61,98,21,540
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		67,18,33,49,034	39,83,66,66,360

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, 2026

	Note	Capital stock	Foreign exchange rate difference on paid-in capital	Revaluation surplus	Other comprehensive income: Remeasurement of defined benefits obligation	Accumulated deficit	Total equity
		Rp	Rp	Rp	Rp	Rp	Rp
Balance as of April 1, 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
Profit for the year		-	-	-	-	68,151,811,074	68,151,811,074
Issuance of additional share capital	18,19	97,400,000,000	68,910,000,000	-	-	-	166,310,000,000
Other comprehensive loss, net of tax		-	-	-	(968,462,040)	-	(968,462,040)
Balance as of March 31, 2026		1,732,861,613,800	285,102,517,840	276,495,214,244	11,335,314,560	(1,441,008,166,780)	864,786,493,664

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, 2026

	Note	2026	2025
		Rp	Rp
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax per statement of profit or loss and other comprehensive income		83,624,079,103	42,693,855,245
Adjustments for:			
Depreciation of property, plant and equipment and right-of-use assets		29,115,017,307	19,758,677,423
(Gain) loss on sale and disposal of property, plant and equipment	11	(358,292,986)	28,250,255
Provision for post-employment benefits	18	6,935,159,000	5,273,951,000
Allowance for inventory obsolescence	6	10,072,260,515	10,377,361,782
Interest and finance charges		35,652,767,849	37,434,573,623
Interest income		(199,876,400)	(205,721,942)
Net unrealized loss on foreign exchange		11,925,977,200	7,350,480,799
Operating cash flows before changes in working capital		176,767,091,588	122,711,428,185
Changes in working capital:			
Trade accounts receivable		258,320,959,466	50,554,328,400
Other accounts receivable		(220,895,764,532)	(13,005,464,770)
Inventories		(146,534,954,128)	46,881,622,690
Prepaid taxes		(188,266,449,379)	(131,983,716,880)
Advances to suppliers		(2,805,170,750)	(9,925,242,094)
Other current assets		(1,352,593,086)	(521,042,191)
Other intangible asset		(114,718,518,887)	-
Trade accounts payable		(108,907,270,883)	(107,668,811,866)
Other accounts payable		131,308,278,726	10,004,824,142
Taxes payable		(1,433,216,634)	275,673,231
Accrued expenses		(22,363,647,954)	73,760,945,901
Deposit from customers		19,068,770,345	(994,136,097)
Contract liabilities		(356,805,641)	(223,387,515)
Net cash from operations		(222,169,291,749)	39,867,021,136
Refund of corporate income tax		1,725,771,230	-
Employee benefits paid	9	(4,013,157,000)	(762,640,000)
Income tax paid	18	(50,575,374,712)	(931,504,543)
Net Cash (Used in) Provided by Operating Activities		(275,032,052,231)	38,172,876,593
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions of property, plant and equipment	11,31	(31,957,678,317)	(69,999,433,378)
Proceeds from sale of property, plant and equipment	11	1,993,282,096	-
Decrease in security deposits		(7,564,944,220)	(182,939,704)
Interest received		199,876,400	205,721,942
Net Cash Used in Investing Activities		(37,329,464,041)	(69,976,651,140)

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, 2026 (Continued)

	Note	2026	2025
		Rp	Rp
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of additional share capital	18,19	166,310,000,000	-
Proceeds from bank loans		3,458,327,292,773	3,335,888,038,136
Payments of bank loans		(3,266,566,732,997)	(3,281,623,370,301)
Payments of lease liabilities		(8,076,089,600)	(7,218,904,000)
Proceeds from loan from shareholder		(34,703,987,660)	(37,136,569,328)
Net Cash Provided by (Used in) Financing Activities		315,290,482,516	(21,796,805,493)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		2,928,966,244	(53,600,580,040)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		69,204,667,401	122,805,247,441
CASH AND CASH EQUIVALENTS AT END OF YEAR		72,133,633,645	69,204,667,401

See accompanying notes to financial statements which are an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS

March 31, 2026 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 with Notarial Deed No. 13 dated July 8, 2025 of Suhamad S.H., notary in Jakarta, related to the increase of authorized and subscribed and paid-up capital. The change was approved by the Ministry of Law and Human Rights of the Republic of Indonesia in his Decision Letter No. AHU-0044985.AH.01.02. Tahun 2025.

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 Sampoerna Strategic Square, Menara Selatan 17th Floor. As of March 31, 2026, the Company has 633 employees (2025: 557 employees) (unaudited).

The Company's management consists of the following:

President Commissioner	:	Kunnath Narayanan Radhakrishnan
Commissioners	:	Ramaswami Anandakrishnan
		Parthasarathi Gopalan
Director	:	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

During the current period, there were no new accounting standards or amendments to PSAK that are relevant to the Company's operations and effective for periods beginning on or after January 1, 2025.

b. Standard and Amendments/ Improvements to Standards Issued not yet Adopted

At the date of authorization of these financial statements, the following standards, interpretations, and amendments to PSAKs relevant to the Company were issued but not yet effective, with early application permitted.

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.

Effective for periods beginning on or after January 1, 2027

- PSAK 118 Presentation and Disclosures in Financial Statements.

Management does not expect that the adoption of the amendments and new standards listed above will have a material impact on the financial statements of the Company in future periods, except as indicated below.

PSAK 118 Presentation and Disclosures in Financial Statements

PSAK 118 replaces PSAK 201, carrying forward many of the requirements in PSAK 201 unchanged and complementing them with new requirements. In addition, some paragraphs from PSAK 201 have been moved to PSAK 208 and PSAK 107. Furthermore, there are minor amendments to PSAK 207.

PSAK 118 introduces new requirements to:

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, which is 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics 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.

The statement of cash flows is prepared using the indirect method with classifications of cash flows into operating, investing, and financing activities.

The Director has, 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, management continues 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.

Significant transactions with related parties are disclosed in the financial statements.

NOTES TO FINANCIAL STATEMENTS
March 31, 2026 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.

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.

As of March 31, 2026 and 2025, all of the Company's financial assets were classified as financial assets measured at amortized cost.

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.

The effective interest rate is the rate that exactly discounts estimated future cash receipts (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.

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 income 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 90 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 ECL

For financial assets, the ECL 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 determines 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.

The Company recognizes an impairment gain or loss in profit or loss with a corresponding adjustment to their carrying amount through a loss allowance account.

Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or 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

Financial liabilities at amortized cost

Financial liabilities, including trade and other payables, accrued expenses, 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 liabilities, 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 and time deposits 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 2026 and 2025.

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.

Estimated 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 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 the 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, 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.

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 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 Group assesses whether a contract is or contains a lease at the inception of the contract. The Group 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 Group 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.

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.

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 right-of-use assets reflects that 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. Other Intangible Assets

Expenditure on research activities is recognized as an expense in the period in which it is incurred. An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognized if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognized, development expenditure is charged to profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets acquired separately.

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 assets 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 receivable are disclosed in Note 6.

Employee Benefits

The determination of provision for employment benefits is dependent on selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions include among others, discount rate and salary increase rate. While it is believed that the Company's assumptions are appropriate and reasonable, significant differences in actual results or significant changes in assumptions may materially affect the Company's provision for employment benefits.

The carrying amounts of post-employment benefit obligations and the actuarial assumption are disclosed in Note 18.

5. CASH AND CASH EQUIVALENTS

	March 31, 2026	March 31, 2025
	Rp	Rp
Cash on hand		
Rupiah	49,930,90	49,930,90
US Dollar	59,152,803	139,438,894
Cash in banks		
Rupiah	15,793,714,904	16,031,822,936
US Dollar	50,240,916,013	50,293,856,881
Euro	1,831,499,048	1,689,617,790
Chinese Yuan	3,162,239,977	-
Time deposits		
Rupiah	1,000,000,000	1,000,000,000
Total	72,133,633,645	69,204,667,401
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, 2026	March 31, 2025
	Rp	Rp
a. By debtor		
Related parties (Note 26)		
TVS Motor (Singapore) Pte. Ltd, Philippines Branch	225,486,952,604	86,968,561,680
TVS Motor Company Limited, India	3,901,590,251	1,493,382,805
Subtotal	229,388,542,855	88,461,944,485
Third parties	426,980,926,551	857,251,707,310
Allowance for credit losses	(6,254,687,550)	(35,837,596,823)
Net	420,726,239,001	821,414,110,487
Total	650,114,781,856	909,876,054,972
b. By currency		
US Dollar	638,110,981,493	930,533,529,297
Rupiah	18,258,487,913	15,180,122,498
Subtotal	656,369,469,406	945,713,651,795
Allowance for credit losses	(6,254,687,550)	(35,837,596,823)
Total	650,114,781,856	909,876,054,972

As at April 1, 2024, trade receivables with customers amounted to Rp 952,459,281,522 (net of allowance for credit losses of Rp 35,837,596,823). The average credit period on sale of goods are 30 to 150 days in 2026 and 2025. 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, 2026 and for the year then ended *(Continued)*

ECL on trade accounts receivable using provision matrix - assessed collectively

	March 31, 2026							
		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	9.88%	12.97%	26.30%	55.50%	74.12%	79.23%	83.98%	
Estimated total gross carrying amount at default	10,100,959,084	2,119,488,165	494,013,750	1,264,664,912	1,123,774	24,401,968	4,917,496,586	18,922,148,239
Lifetime ECL	(998,136,204)	(274,861,156)	(129,935,150)	(701,915,106)	(832,905)	(19,334,000)	(4,129,673,029)	(6,254,687,550)
Total								12,667,460,689

	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

The movements in allowance for credit losses are as follows:

	March 31, 2026		
	Lifetime ECL - Not credit impaired		
	Assessed collectively	Assessed individually	Total
	Rp	Rp	Rp
Balance at beginning of year	4,985,941,979	-	4,985,941,979
Change in loss allowance	1,268,745,571	-	1,268,745,571
Balance at end of year	6,254,687,550	-	6,254,687,550

	March 31, 2025		
	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
Change in loss allowance	-	1,556,112,075	1,556,112,075
Amounts recovered	(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

For the year ended 31 March 2026, the trade account receivable balances from Global Automobile Traders FZCO, Philippines, amounting to Rp 95,160,800,000 (equivalent to USD 5,600,000) and Rp 117,251,700,000 (equivalent to USD 6,900,000) are supported by TVS Motor Company Limited, India, and TVS Motor (Singapore) Pte. Ltd., Philippines Branch, respectively. These entities have confirmed that they will ensure settlement of the receivable before 31 December 2026, thereby providing full assurance on the recoverability of the receivables. As such, management reclassified the amount to other receivables.

NOTES TO FINANCIAL STATEMENTS
March 31, 2026 and for the year then ended*(Continued)*

7. OTHER ACCOUNTS RECEIVABLE

	March 31, 2026	March 31, 2025
	Rp	Rp
Related parties (Note 26)		
TVS Motor Company Limited, India	10,764,709,619	25,835,398,372
TVS Digital Pte., Ltd	-	1,882,211,668
Subtotal	10,764,709,619	27,717,610,040
Third parties	362,611,738,228	8,206,862,805
Allowance for credit losses	(116,085,209,273)	-
Net	246,526,528,955	8,206,862,805
Total	257,291,238,574	35,924,472,845

Other accounts receivable from related parties represents service fees and claim for reimbursements in 2026 and 2025 (Note 26).

Balance at end of year	25,100,999,538	17,057,456,743

8. INVENTORIES

	March 31, 2026	March 31, 2025
	Rp	Rp
Finished goods	81,817,866,687	48,350,270,297
Materials, components and spare parts	434,720,184,670	344,743,985,879
Others	5,913,479,910	1,930,517,855
Total	522,451,531,267	395,204,774,031
Allowance for inventory obsolescence	(16,065,063,161)	(25,100,999,538)
Net	506,386,468,106	369,923,774,493

9. PREPAID TAXES

	March 31, 2026	March 31, 2025
	Rp	Rp
Prepaid value added tax	456,191,573,545	262,564,660,501
Claim for tax refund		
Income taxes - Article 28A (Note 25)		
Fiscal Year 2025 (March 2026) (Note 25)	8,293,627,569	-
Fiscal Year 2023 (March 2024)	869,243,347	869,243,347
Fiscal Year 2022 (March 2023)	632,847,893	1,628,688,893
Fiscal Year 2021 (March 2022)	-	5,125,879,729
Witholding taxes		
Fiscal Year 2021 (March 2022)	693,534,000	-
Value added tax		
Fiscal Year 2021 (March 2022)	239,765,922	-
Total	466,920,592,276	270,188,472,470

Corporate income tax - Fiscal Year 2022 (March 2023)

On April 22, 2025, the Directorate General of Taxes ("DGT") issued a Decision Letter on Preliminary Refund of Tax Overpayment ("SPPKPP") of corporate income tax for fiscal year 2022. The Company received a partial refund amounting to Rp 995,841,000 out of its total claim of Rp 1,628,688,893. The refund was received on May 5, 2025. As of the issuance date of these financial statements, the remaining claim is still under examination by the DGT as part of an ongoing tax audit.

Corporate income tax - Fiscal Year 2021 (March 2022)

On March 21, 2025, the 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. The Company accepted the SKPLB and the difference of Rp 8,479,002 was recorded as adjustment recognized relating to prior years' income tax in current year profit and loss. The Company received a refund of the overpayment amounting to Rp 729,930,230 on April 22, 2025, while the remaining balance of Rp 4,387,470,497 was offset against payments of various withholding taxes and value added tax.

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 submitted as an objection to the DGT and the remaining of Rp 1,156,585,690 has recorded by the Company as expense in prior year profit and loss. The Company paid the underpayment on May 19, 2025 and filed an objection on June 17, 2025.

On March 11, 2026, the DGT rejected the Company's objection. As of the date of issuance of the financial statements, the appeal is in the process of being submitted.

Value added tax - Fiscal Year 2021 (March 2022)

On March 21, 2025, the DGT issued an Underpayment Tax Assessment Letter ("SKPKB") of value added tax for period February 2022, stating that the Company has an underpayment amounting to Rp 239,765,922. The Company paid the underpayment on May 19, 2025 and filed an objection on June 17, 2025.

On March 11, 2026, the DGT rejected the Company's objection. As of the date of issuance of the financial statements, the appeal is in the process of being submitted.

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, 2026 and for the year then ended *(Continued)*

11. PROPERTY, PLANT AND EQUIPMENT

	April 1, 2025	Additions	Deductions	Reclassification	March 31 2026
	Rp	Rp	Rp	Rp	Rp
Revalued amount:					
Land	304,162,000,000	-	-	-	304,162,000,000
Cost:					
Buildings	107,460,212,606	1,229,161,175	-	5,727,452,673	114,416,826,454
Machinery and tools	172,175,495,072	11,559,708,695	(1,859,732,536)	3,803,666,712	185,679,137,943
Moulds and dies	122,274,679,423	11,250,500,863	-	-	133,525,180,286
Equipment and furnitures	17,629,002,836	3,266,819,384	(58,665,846)	-	20,837,156,374
Vehicles	1,521,050,532	4,291,249,000	-	-	5,812,299,532
Construction in progress	9,531,119,385	-	-	(9,531,119,385)	-
Total	734,753,559,854	31,597,439,117	(1,918,398,382)	-	764,432,600,589
Accumulated depreciation:					
Buildings	75,001,510,311	5,584,021,396	-	-	80,585,531,707
Machinery and tools	110,223,386,949	8,636,595,971	(224,743,426)	-	118,635,239,494
Moulds and dies	61,911,559,015	5,629,397,069	-	-	67,540,956,084
Equipment and furnitures	13,198,513,038	1,789,622,294	(58,665,846)	-	14,929,469,486
Vehicles	1,337,994,058	421,851,636	-	-	1,759,845,694
Total	261,672,963,371	22,061,488,366	(283,409,272)	-	283,451,042,465
Net carrying value	473,080,596,483				480,981,558,124

	April 1, 2024	Additions	Deductions		March 31, 2025
	Rp	Rp	Rp		Rp
Revalued amount:					
Land	304,162,000,000	-	-	-	-
Cost:					
Buildings	102,705,148,353	4,755,064,253	-	-	107,460,212,606
Machinery and tools 120,890,759,492	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
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
	-	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
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

NOTES TO FINANCIAL STATEMENTS
March 31, 2026 and for the year then ended *(Continued)*

Depreciation expense was allocated to the following:

	2026	2025
	Rp	Rp
Manufacturing cost	19,850,014,436	15,250,072,081
General and administrative expenses (Note 24)	2,211,473,930	1,446,940,855
Total	22,061,488,366	16,697,012,936

The Company owns land located in Karawang, Ciampel - Kutanegara, Jawa Barat, with a total area of 126,541 square meters as of March 31, 2026 and 2025, 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 was acquired legally and supported by sufficient evidence of ownership.

Effective April 1, 2013, the Company's land is measured at fair value. 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 and disposal of property, plant and equipment are as follows:

	2026	2025
	Rp	Rp
Proceeds from sale of property, plant and equipment	1,993,282,096	(28,250,255)
Net carrying value	(1,634,989,110)	(28,250,255)
Gain (loss) on sale and disposal of property, plant and equipment	358,292,986	(28,250,255)

12. OTHER INTANGIBLE ASSET

As of March 31, 2026, other intangible asset comprise capitalized product development expenditures related to electric vehicle projects currently under development. Such expenditures are capitalized when the criteria for recognition of development costs are met.

As the projects have not yet been completed and the assets are not available for use, no amortization has been recognized. Amortization will begin when the assets are available for use in accordance with their intended purpose.

13. BANK LOANS

	2026	2025
	Rp	Rp
Short-term bank loans		
Rupiah		
PT Bank DBS Indonesia	56,704,204,318	9,160,422,417
PT Bank Mizuho Indonesia	7,515,000,000	-
US Dollar		
MUFG Bank, Ltd., Jakarta Branch (USD 15,550,000 in 2026 and USD 15,550,000 in 2025)	264,241,150,000	257,943,400,000
Citibank, N.A. (USD 13,000,000 in 2026 and USD 11,587,220 in 2025)	220,909,000,000	192,208,805,360
Standard Chartered Bank Indonesia (USD 8,577,180 in 2026 and USD 5,599,355 in 2025)	145,752,019,740	92,882,100,740
PT Bank Mizuho Indonesia (USD 9,000,000 in 2026 and USD 4,000,000 in 2025)	152,937,000,000	66,352,000,000
PT Bank DBS Indonesia (USD 1,249,463 in 2025)	-	20,726,087,931
China Yuan		
PT Bank DBS Indonesia (CNH 547,291 in 2026 and CNH 1,252,802 in 2025)	1,344,463,845	2,857,390,802
Total	849,402,837,903	642,130,207,250

The amortized cost of the bank loans are as follows:

	2026	2025
	Rp	Rp
Bank loans	849,402,837,903	642,130,207,250
Accrued interest (Note 17)	3,962,223,943	3,987,124,910
Amortized cost	853,365,061,846	646,117,332,160

PT Bank DBS Indonesia

The Company obtained a Banking Facility Agreement from PT Bank DBS Indonesia, with the latest amendment dated November 26, 2025. Based on the agreement, the Company has obtained several banking facilities comprising uncommitted omnibus facilities with a maximum facility amount of up to USD 7,000,000 (or its equivalent in other currencies). The facilities include sub-facilities such as import letter of credit (L/C), purchase invoice financing, SKBDN export bill under letter of credit, and revolving loan credit.

The agreement is valid to August 31, 2026.

As of March 31, 2026, the outstanding loans comprise of:

- Indonesian Rupiah denominated purchase invoice financing with interest rate ranging from 6.33% - 7.86%
- Chinese Yuan denominated import letter of credit facilities

As of March 31, 2025, United States Dollar and Chinese Yuan denominated loan is comprise of import letter of credit.

As of March 31, 2026, the Company had complied with the terms and conditions required.

PT Bank Mizuho Indonesia

The Company obtained a Credit Facility Agreement from PT Bank Mizuho Indonesia, with the latest amendment dated December 19, 2025. Based on the agreement, the Company has obtained several banking facilities with a maximum facility amount of up to USD 10,000,000 (or its equivalent in other currencies). The facilities include sub-facilities such as letter of credit (L/C), account payable financing and bank guarantee.

The agreement is valid from December 20, 2025 to December 20, 2026.

As of March 31, 2026, the outstanding loans comprise of:

- Indonesian Rupiah denominated bank guarantee
- US Dollar denominated account payable financing with interest rate ranging from 5.00% to 5.92%

MUFG Bank, Ltd., Jakarta Branch

The Company obtained a Credit Facility Agreement from MUFG Bank, Ltd., Jakarta Branch, with the latest amendment dated December 30, 2025. Based on the agreement, the Company has obtained several banking facilities with a maximum facility amount of up to USD 18,000,000 (or its equivalent in other currencies). The facilities include sub-facilities such as short-term loan, SKBDN, LC import/local facilities, import settlement, invoice financing and payable financing.

The agreement is valid from December 31, 2025 to December 31, 2026.

As of March 31, 2026 and 2025, the outstanding loan for US Dollar denominated loans represents shortterm loan, with interest rate ranging at 4.65% - 5.59% (2025: ranging at 5.28% - 5.59%).

As of March 31, 2026, the Company had complied with the terms and conditions required.

Citibank, N.A.

The Company obtained a Credit Facility Agreement from Citibank, N.A, dated September 11, 2023. Based on the agreement, the Company has obtained several banking facilities with comprise of working capital loan for USD 15,000,000 and trade payables financing for USD 5,000,000.

Based on the agreement, the facilities shall be available for an initial period of one year commencing from the date of the agreement and availability period shall be automatically extended for successive one-year periods unless the Company notifies to end the agreement.

As of March 31, 2026 and 2025, the outstanding loan for US Dollar denominated loans represents working capital loan and trade payables financing with interest rate is ranging at 5.52% - 6.32% (2025:5.60% - 6.32%).

Standard Chartered Bank Indonesia

The Company obtained a Credit Facility Agreement from Standard Chartered Bank Indonesia, with the latest amendment dated November 4, 2025. Based on the agreement, the Company has obtained several banking facilities with a maximum facility amount of up to USD 10,000,000. The facilities include sub-facilities such as export invoice financing, import invoice financing, import letter of credit (L/C), credit bills negotiated, import loan and short-term loan.

The agreement is valid from November 4, 2025 to November 4, 2026.

As of March 31, 2026 and 2025, the outstanding loans comprise of:

- Short-term loan with interest rate ranging from ranging at 5.41% - 6.96% (2025: 6.93% - 6.95%)
- Letter of credit facilities

NOTES TO FINANCIAL STATEMENTS
March 31, 2026 and for the year then ended*(Continued)*

14. TRADE ACCOUNTS PAYABLE

	March 31, 2026	March 31, 2025
a. By creditors	Rp	Rp
Related party (Note 26)		
TVS Motor Company Limited India	462,511,317,172	593,316,664,180
Third parties	110,874,613,431	93,283,806,440
Total	573,385,930,603	686,600,470,620
b. By currency		
US Dollar	465,052,006,365	627,759,015,157
Rupiah	98,325,964,393	48,683,819,604
Chinese Yuan	10,007,959,845	10,134,802,859
India Rupee	-	22,833,000
Total	573,385,930,603	686,600,470,620

The average credit period on purchases of goods is 30 - 60 days in 2026 and 2025. No interest is charged on the outstanding balance.

15. OTHER ACCOUNTS PAYABLE

	March 31, 2026	March 31, 2025
	Rp	Rp
Related parties (Notes 26 and 27)		
TVS Motor (Singapore) Pte Ltd	129,577,299,133	-
TVS Motor Company Limited, India	22,482,816,587	25,055,056,963
TVS Holdings Limited	4,343,102,526	-
Subtotal	156,403,218,246	25,055,056,963
Third parties	15,421,663,125	16,462,368,927
Total	171,824,881,371	41,517,425,890

Other accounts payable to related parties represents management fees, information technology service roduct development related costs and trademark license fees.

16. TAXES PAYABLE

	March 31, 2026	March 31, 2025
	Rp	Rp
Income taxes		
Article 4(2) final	193,969,963	109,262,585
Article 21	1,033,219,246	1,442,884,322
Article 22	22,012,981	40,234,931
Article 23	945,291,436	128,833,477
Article 25	1,009,940,618	-
Article 26	25,328,862	25,328,862
Article 29 (Note 25)	-	2,916,435,563
Total	3,229,763,106	4,662,979,740

17. ACCRUED EXPENSES

	March 31, 2026	March 31, 2025
	Rp	Rp
Provision for sales and marketing	51,210,086,357	24,112,540,866
Research and development	12,780,207,922	10,263,205,428
Freight, storage and clearance	8,093,482,865	12,718,211,289
Repair and maintenance	6,536,463,484	1,824,698,120
Warranty expense	4,601,061,144	4,131,945,688
Supply and logistics	4,005,063,954	4,405,580,056
Interest (Note 13)	3,962,223,943	3,987,124,910
General and administration	3,803,023,334	4,432,373,755
Professional fees	922,000,000	2,476,000,000
Employee's social security	912,246,280	710,237,544
Management fee (Note 27)	49,764,000,000	-
Others	4,211,695,308	4,181,522,772
Total	101,037,554,591	123,007,440,428

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 642 employees in 2026 (2025: 550 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:

	2026	2025
	Rp	Rp
Current service cost:	5,150,597,000	3,781,465,000
Interest cost	1,784,562,000	1,492,486,000
Adjustment related to change in fix allowance	6,935,159,000	5,273,951,000
Components of defined benefits cost recognised in profit or loss		
Remeasurement on the net defined benefit obligation:		
Actuarial (gains) losses arising from changes in financial assumptions	568,987,000	(600,260,000)
Actuarial gains arising from experience adjustments	672,631,000	(194,383,000)
Components of defined benefit costs recognised in other comprehensive income	1,241,618,000	(794,643,000)
Total	8,176,777,000	4,479,308,000

Movements in the present value of the defined benefit obligations are as follows:

	2026	2025
	Rp	Rp
Balance at beginning of year	26,921,759,000	23,205,091,000
Component of defined benefit cost recognized in profit or loss	6,935,159,000	5,273,951,000
Component of defined benefit cost recognized in other comprehensive income	1,241,618,000	(794,643,000)
Benefits payment	(4,013,157,000)	(762,640,000)
Balance at end of year	31,085,379,000	26,921,759,000

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:

	2026	2025
Discount rate per annum	7.00%	7.20%
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 IV (2019)
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 IV (2019)

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 28,773,012,000 (increase to Rp 33,724,294,000) (2025: decrease to Rp 25,011,319,000 (increase to Rp 29,099,942,000)).
- 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, 2026 is 15.26 years (March 31, 2025: 14.38 years).

19. CAPITAL STOCK

	March 31, 2026		
Name of Stockholders	Ordinary Shares	Percentage of Ownership	Total Capital Stock
		%	Rp
TVS Motor Company Limited, India	9,597,000	51%	934,747,800,000
TVS Motor (Singapore) Pte., Limited	5,324,187	30%	518,575,813,800
TVS Motor Company (Europe) B.V.	2,870,000	16%	279,538,000,000
Total	17,791,187	100%	1,732,861,613,800

	March 31, 2025		
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

Based on the Notarial Deed No. 13 dated July 8, 2025, from Suhamad, S.H., notary in Jakarta, the shareholders:

- Approve to increase the authorized capital of the Company from originally USD 175,000,000 or equivalent to Rp 1,704,500,000,000, consist of 17,500,000 shares to become USD 250,000,000 or equivalent to Rp 2,435,000,000,000, consist of 25,000,000 shares.
- Approve to increase the subscribed and paid-up capital of the Company from originally USD 167,911,870 or equivalent to Rp 1,635,461,613,800, consist of 16,791,187 shares to become USD 177,911,870 or equivalent to Rp 1,732,861,613,800, consist of 17,791,187 shares.
- Agreed that a total of 1,000,000 shares have been fully subscribed by TVS Motor Company Limited, India.

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. SALES

Customer		
Related parties (Note 26)		
TVS Motor (Singapore) Pte. Ltd, Philippines Branch	352,604,613,219	99,796,417,170
TVS Motor Company Limited, India	263,560,241	801,810,812
Third parties	2,252,597,340,708	1,630,362,679,117
Total	2,605,465,514,168	1,730,960,907,099
Type of goods		
Sale of vehicles	2,541,554,925,009	1,639,982,476,000
Sale of spare parts	63,910,589,159	89,394,970,907
Sale of battery	-	1,583,460,192
Total	2,605,465,514,168	1,730,960,907,099
Geographical markets	Current Year	Previous Year
Export	2,481,766,764,904	1,603,109,195,291
Domestic	123,698,749,264	127,851,711,808
Total	2,605,465,514,168	1,730,960,907,099

44% (2025: 45%) of the total purchases of raw materials and components were made from TVS Motor Company Limited, India, the ultimate holding company, in 2026 (Note 26).

Details of net sales to dealers representing more than 10% of the sales are as follows:

23. COST OF GOODS SOLD

	2026	2025
	Rp	Rp
Raw materials and components used	1,977,898,362,799	1,299,211,490,265
Direct labor	45,159,260,014	31,165,815,564
Overhead	180,929,553,886	154,656,758,124
Total manufacturing cost	2,203,987,176,699	1,485,034,063,953
Finished goods (Note 8)		
At beginning of year	48,350,270,297	37,072,121,183
At end of year	(81,817,866,687)	(48,350,270,297)
Cost of goods sold	2,170,519,580,309	1,473,755,914,839

44% (2025: 45%) of the total purchases of raw materials and components were made from TVS Motor Company Limited, India, the ultimate holding company, in 2026 (Note 26).**24.**

24. OPERATING EXPENSES

	2026	2025
	Rp	Rp
Marketing		
Advertising, media and market research	49,268,943,117	12,110,323,105
Sales promotion	16,707,959,972	13,283,249,521
Warranty	1,320,744,339	684,467,281
Free service charges	1,196,778,000	987,867,500
Others	904,446,446	687,870,690
Total	69,398,871,874	27,753,778,097

	2026	2025
	Rp	Rp
General and administrative		
Allowance for credit losses (Note 6)	86,502,300,000	-
Management fee (Note 27)	50,979,000,000	49,764,000,000
Salaries, allowances and benefits	37,832,443,054	34,551,467,455
Short term and low value leases	8,969,906,458	8,374,054,441
Depreciation of right-of-use assets	7,053,528,941	3,061,664,487
Training and development	5,627,712,758	5,427,296,683
Taxes, permit and license	5,582,388,481	62,815,849
Travel and transportation	4,919,449,353	4,479,009,668
Consultancy fees	4,841,189,541	7,550,811,313
Product research	4,532,235,543	1,419,702,998
Data processing (Note 27)	3,935,333,611	2,444,280,164
Insurance	2,913,248,837	2,746,158,389
Office supplies and postage	2,429,215,743	1,639,173,981
Depreciation of property, plant and equipment (Note 11)	2,211,473,930	1,446,940,855
Professional fees	1,292,498,022	1,519,998,985
Others	3,286,007,786	2,275,716,204
Total	232,907,932,058	126,763,091,472

25. INCOME TAX

Income tax expense (benefit) of the Company consists of the following:

	2026	2025
	Rp	Rp
Current tax	42,266,075,575	3,847,940,106
Adjustment of prior year corporate income tax	(1,882,142,520)	-
Deferred tax	(24,911,665,026)	(370,929,681)
Total tax expense	15,472,268,029	3,477,010,425

Current tax

Reconciliation between profit before tax per statements of profit or loss and other comprehensive income and fiscal profit is as follows:

	2026	2025
	Rp	Rp
Profit before tax per statements of profit or loss and other comprehensive income	83,624,079,103	42,693,855,245
Temporary differences		
Provision for credit losses	86,502,300,000	-
Accrued expenses	27,566,660,947	1,681,921,104
Depreciation of property, plant and equipment	(2,400,299,578)	(82,286,818)
Depreciation of right-of-use assets	5,807,932,508	846,800,963
Lease Liabilities	(7,164,414,848)	(4,760,000,000)
Employee benefits	2,922,662,000	4,510,651,000
Total	113,234,841,029	2,197,086,249
Non-deductible expenses (non-taxable income)		
Provision for inventory obsolescence	(9,035,936,377)	10,377,361,782
Employee welfare	1,836,176,659	2,413,005,498
Tax expenses	2,413,160,076	3,856,099,590
Interest income already subjected to final tax	(199,876,400)	(205,721,942)
Others	246,081,251	259,516,742
Total	(4,740,394,791)	16,700,261,670
Fiscal profit before fiscal loss carryforward	192,118,525,341	61,591,203,164
Fiscal loss carryforward - net of expired portion	-	(44,100,566,318)
Total taxable income	192,118,525,341	17,490,636,846
Current tax	42,266,075,575	3,847,940,106
Less: Prepaid taxes		
Art 22	41,470,237,582	931,504,543
Art 25	9,089,465,562	-
(Over) Under payment current tax	(8,293,627,569)	2,916,435,563

Deferred Tax

The detail of the Company's deferred tax assets is as follows:

	April 1, 2024	(Charged) credited to profit or loss for the year	Credited to other comprehensive income	Adjustment to deferred tax	March 31, 2025	(Charged) credited to profit or loss for the year	Credited to other comprehensive income	March 31, 2026
	Rp	Rp	Rp	Rp	Rp	Rp	Rp	Rp
Deferred tax asset (liabilities)								
Allowance for credit losses	7,884,271,301	-	-	-	7,884,271,301	19,030,506,000	-	26,914,777,301
Accrued expenses	5,843,764,399	370,022,643	-	-	6,213,787,042	6,064,665,408	-	12,278,452,450
Property, plant and equipment	(11,886,562,402)	(18,103,100)	-	(141,664,130)	(12,046,329,632)	(528,065,907)	-	(12,574,395,539)
Right of Used Asset	-	186,296,212	-	29,234,836	215,531,048	1,277,745,152	-	1,493,276,200
Lease Liabilities	-	(1,047,200,000)	-	-	(1,047,200,000)	(1,576,171,267)	-	(2,623,371,267)
Post-employment benefits obligation	5,105,120,020	992,343,220	(174,821,460)	-	5,922,641,780	642,985,640	273,155,960	6,838,783,380
Deferred tax asset - net	6,946,593,318	483,358,975	(174,821,460)	(112,429,294)	7,142,701,539	24,911,665,026	273,155,960	32,327,522,525

A reconciliation between the tax expense (benefit) and the amounts computed by applying the effective tax rates to profit before tax is as follows:

	2026	2025
	Rp	Rp
Profit before tax per statements of profit or loss and other comprehensive income	83,624,079,103	42,693,855,245
Tax expense at effective tax rates	18,397,297,403	9,392,648,154
Tax effect of non-deductible expenses (non-taxable income)	(1,042,886,854)	3,674,057,567
Adjustment of prior year corporate income tax	(1,882,142,520)	-
Utilized fiscal loss in current year	-	(9,702,124,590)
Others	-	112,429,294
Tax expense	15,472,268,029	3,477,010,425

NOTES TO FINANCIAL STATEMENTS
March 31, 2026 and for the year then ended*(Continued)*

26. NATURE OF RELATIONSHIP AND TRANSACTIONS WITH RELATED PARTIES

Nature of Relationship

a. TVS Holding Limited ("TVS Holding") is the ultimate parent entity.

b. TVS Motor Company Limited, India ("TVS India") is the shareholder of the Company and intermediate parent entity.

c. TVS Motor Company (Europe) B.V. ("TVS Europe") and TVS Motor (Singapore) Pte., Limited ("TVS Singapore"), are shareholders of the Company.

d. Related party which conforms to the criteria on Note 3d is TVS Digital Pte., Ltd and TVS Motor (Singapore) Pte. Ltd, 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 3,463,956,800 in 2026 (2025: Rp 5,807,288,526).

b. Sales to related parties accounted for 13.54 % in 2026 (2025: 5.81%), of the total sales. At reporting date, the receivables for these sales were presented as trade accounts receivable which constituted 8.68% of the total assets as of March 31, 2026 (2025: 4.05%).

c. Purchases from a related party constituted 44 % in 2026 (2025: 45%) 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 26.03% of the total liabilities as of March 31, 2026 (2025: 38.16%).

d. The Company entered into non-trade transactions with certain related parties as described in Notes 7 and 15.

27. SIGNIFICANT CONTRACTS AND AGREEMENTS

a. On April 1, 2022, the Company entered into a License and Technical Assistance Agreement with TVS Motor Company Limited (TVS India). Under this agreement, the Company obtained the rights to use industrial property rights and technical information for the manufacture, assembly, sale, and servicing of TVS-branded two-wheelers, three-wheelers, and electric powertrain products. The Company is required to pay a royalty of 2% of the net ex-factory price of each product and part sold, with royalty payments commencing only when combined monthly production exceeds 20,000 units. The agreement is valid for five years from the effective date. Royalty payables outstanding at the reporting date were recognized as other accounts payable to related parties.

b. On November 6, 2023, the Company entered into a Service Agreement with TVS Motor (Singapore) Pte. Ltd. (TVS Singapore). Under the agreement, TVS Singapore provides consulting services relating to finance, digitalization strategy and implementation, manpower planning, recruitment, quality control, export strategy, general management, and mergers and acquisitions. The Company pays a fixed service fee of USD 3,000,000 per year. The agreement remains effective unless terminated by mutual consent of both parties. Outstanding service fee payables at the reporting date were presented as other accounts payable to related parties.

c. On June 16, 2025, the Company and TVS India entered into a Memorandum of Understanding covering the period from April 1, 2025 to March 31, 2026. Under the arrangement, the Company is entitled to receive a service fee for each three-wheeled vehicle sold by TVS India in the Cambodia region. Service fee income amounted to Rp 588,807,450 in 2026, compared with Rp 517,492,250 in 2025. As of the issuance date of the financial statements, the agreement was in the process of being renewed. Receivables arising from this arrangement were recognized as other accounts receivable from related parties.

d. On April 1, 2025, the Company entered into a Trademark License Agreement with TVS Holding. The agreement grants the Company the right to use TVS trademarks in its business operations in exchange for a royalty payment of 0.35% of sales generated from products bearing the licensed trademarks. The agreement is effective for a period of ten years from the commencement date. Royalty payables outstanding at the reporting date were recognized as other accounts payable to related parties.

e. On April 1, 2025, the Company, TVS India, and TVS Singapore entered into an Electric Two-Wheeler Product Development, Design and Technical Expertise Agreement. Under the agreement, TVS India and TVS Singapore provide technical, engineering, and research and development services to support the N828 Project, including product development, validation, and launch readiness activities for the M1-S electric two-wheeler. The Company reimburses all project-related costs, including employee costs, travel expenses, and other directly attributable expenditures, together with a 5% markup. The agreement remains effective until completion of project activities up to the start of production. Costs incurred under the arrangement are capitalized as product development costs, while related payables are presented as other accounts payable to related parties.

f. On March 11, 2025, the Company entered into an Asset Transfer Agreement with PT Industri Ion Mobilitas, a third party. The transaction was formalized through Notarial Deed No. 51 dated March 27, 2025, executed by Ardy Putra, S.H., M.Kn., a notary in Jakarta. Under the agreement, the Company acquired property and equipment with a total value of Rp 12,446,249,998 from PT Industri Ion Mobilitas.

28. FINANCIAL INSTRUMENTS, FINANCIAL RISK AND CAPITAL RISK MANAGEMENT

a. Categories and Classes of Financial Instruments

	March 31, 2026		March 31, 2025	
	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	72,028,369,942	-	69,015,298,507	-
Trade accounts receivable				
Related parties	229,388,542,855	-	88,461,944,485	-
Third parties - net	420,726,239,001	-	821,414,110,487	-
Other accounts receivable				
Related parties	10,764,709,619	-	27,717,610,040	-
Third parties - net	246,526,528,955	-	8,206,862,805	-
Other current assets	4,308,630,005	-	4,071,452,170	-
Security deposits	9,594,954,052	-	2,030,009,832	-
Financial liabilities				
Bank loans	-	849,402,837,903	-	642,130,207,250
Trade accounts payable				
Related party	-	462,511,317,172	-	593,316,664,180
Third parties	-	110,874,613,431	-	93,283,806,440
Other accounts payable				
Related party	-	156,403,218,246	-	25,055,056,963
Third parties	-	15,421,663,125	-	16,462,368,927
Accrued expenses	-	120,135,125,788	-	123,007,440,428
Loan from shareholder	-	-	-	31,706,000,000
Deposit from customers	-	20,281,112,689	-	1,212,342,344
Total	993,337,974,429	1,735,029,888,354	1,020,917,288,326	1,494,467,886,532

NOTES TO FINANCIAL STATEMENTS
March 31, 2026 and for the year then ended*(Continued)*

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 2026, if interest rate had been 50 basis points (2025: 50 basis points) higher (lower) and the other variables held constant, the Company's profit after tax would decrease (increase) by Rp 424,701,419 (2025: Rp 321,065,104).

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, 2026 and 2025 is detailed in Note 28.

The following table details the Company's sensitivity to a 4 % (2025: 4%) decrease in the Rupiah against U.S Dollar. 4 % in 2026 (2025: 4%) 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 2026 (2025: 4%). A negative number below indicates an increase in profit where the U.S. Dollar weakening 4% against the relevant currency. For a 4% 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	
	2026	2025
	Rp	Rp
Net profit for the year	3,003,700,614	1,613,660,208

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.

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, 2026					
Cash in banks and cash equivalent (Note 5)	Performing	12-month ECL	72,028,369,942	-	72,028,369,942
Trade accounts receivable (Note 6)	(i)	Lifetime ECL (simplified approach)	656,369,469,406	(6,254,687,550)	650,114,781,856
Other accounts receivable	Performing	12-month ECL	373,376,447,847	(116,085,209,273)	257,291,238,574
Other current assets	Performing	12-month ECL	4,308,630,005	-	4,308,630,005
Security deposits	Performing	12-month ECL	9,594,954,052	-	9,594,954,052
				(122,339,896,823)	

	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	69,015,297,607	-	69,015,297,607
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	4,071,452,170	-	4,071,452,170
Security deposits	Performing	12-month ECL	2,030,009,832	-	2,030,009,832
				(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's short, 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, 2026				
	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	-	462,511,317,172	-	-	462,511,317,172
Third parties	-	110,874,613,431	-	-	110,874,613,431
Other accounts payable					
Related parties	-	156,403,218,246	-	-	156,403,218,246
Third parties	-	15,421,663,125	-	-	15,421,663,125
Accrued expense	-	120,135,125,788	-	-	120,135,125,788
Variable interest rate instruments					
Bank loans	4.65% - 7.86%	853,365,061,846	-	-	853,365,061,846
Lease liabilities	4.87% - 12.86%	7,941,293,241	186,596,325	-	8,127,889,566
Total		**1,726,652,292,849**	**186,596,325**	**-**	**1,726,838,889,174**

	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	5.28% - 6.95%	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

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 shortterm 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 13) 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 2025.

29. 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, 2025	Financing cash flows	Non-cash transaction changes	March 31, 2026
	Rp	Rp	Rp	Rp
Bank loans	642,130,207,250	191,760,559,776	15,512,070,877	849,402,837,903
Lease liabilities	11,348,305,658	(8,076,089,600)	6,535,040,443	9,807,256,501
	653,478,512,908	183,684,470,176	22,047,111,320	859,210,094,404

	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

30. SUPPLEMENTAL DISCLOSURES ON NON-CASH ACTIVITIES

	2026	2025
	Rp	Rp
Acquisition of property and equipment through incurrence payable	-	360,239,200

31. MANAGEMENT'S RESPONSIBILITY AND APPROVAL OF FINANCIAL STATEMENTS

The preparation and fair presentation of the financial statements on pages 1 to 41 were the responsibilities of the management and were approved by Director and authorized for issuance on May 11, 2026.

RE-STATED ACCOUNTS OF
PT. TVS MOTOR COMPANY INDONESIA

PT. TVS MOTOR COMPANY INDONESIA

BALANCE SHEET AS AT 31ST MARCH 2026

	Notes	IDR in Mn.	Rupees in crores
ASSETS			
Non-current assets			
Property, plant and equipment	1	4,80,981.56	268.15
Right of use asset	1	13,983.26	7.80
Other Intangible Assets		1,14,718.52	63.96
Other Non Current Assets	2	9,594.95	5.35
Deferred tax Assets		32,327.52	18.02
		6,51,605.81	363.28
Current assets			
Inventories	3	5,06,386.47	282.31
Financial assets			
i. Trade receivables	4	9,07,406.02	505.87
ii. Cash and cash equivalents	5	72,133.63	40.22
Current tax assets (Net)		10,489.25	5.85
Other current assets	6	4,93,941.93	275.37
		19,90,357.30	1,109.62
Total assets		26,41,963.11	1,472.90
EQUITY AND LIABILITIES			
Equity			
Equity share capital	7	17,32,861.61	994.29
Other equity	8	(8,68,075.12)	(512.17)
		8,64,786.49	482.12
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease Liabilities		1,865.96	1.04
Provisions	9	31,085.38	17.33
		32,492.86	18.37
Current liabilities			
Financial liabilities			
i. Borrowings	10	8,49,402.83	473.54
ii. Lease Liabilities		7,941.29	4.43
iii. Trade payables	11		
a. Total outstanding dues of micro and small enterprises		-	-
b. Total outstanding dues other than (iii) (a) above		7,45,210.81	415.45
iv. Other financial liabilities	12	20,281.11	11.31
Current tax liabilities		3,229.76	1.80
Other current liabilities	13	1,18,159.48	65.88
		17,44,225.28	972.41
Total liabilities		17,77,176.62	990.78
Total equity and liabilities		26,41,963.11	1,472.90

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2026

		Notes	IDR in Mn.	Rupees in crores
I	Revenue from operations	14	26,05,465.51	1,386.86
II	Other income	15	784.45	0.23
III	Total Income (I +II)		26,06,249.96	1,387.09
IV	Expenses:			
	Cost of material consumed	16	21,45,067.98	1,142.73
	Changes in inventories of finished goods, stock-in -trade and work-in-progress	16	25,451.60	12.61
	Employee benefits expense	17	30,692.79	16.34
	Finance costs	18	42,782.49	22.77
	Depreciation and amortisation expense	19	9,265.00	4.93
	Other expenses	20	2,69,366.02	143.45
	Total expenses		25,22,625.88	1,342.83
V	Profit before exceptional items,(III - IV)		83,624.08	44.26
VI	Exceptional items		-	-
VII	Profit before tax (V+ VI)		83,624.08	44.26
VIII	Tax expense			
	i. Current tax		15,472.27	8.24
	ii. Deferred tax		-	-
	Total Tax expense		15,472.27	8.24
IX	Profit for the year (VII - VIII)		68,151.81	36.02
X	Other Comprehensive Income			
	A. Items that will not be reclassified to profit or loss			
	i. Remeasurements of post employment benefit obligations		(1,241.62)	(0.66)
	ii. Income tax relating to the above items		273.16	0.15
	B. Items that will be reclassified to profit or loss			
	Foreign currency translation adjustments		-	33.25
	Other comprehensive income for the year, net of tax		(968.46)	32.74
XI	Total Comprehensive Income (IX+X)		67,183.35	68.76
XII	Earnings per equity share (Face value of IDR.97,400/- each)			
	Basic & Diluted earnings per share (in IDR / in rupees)		3,830.65	20.25

Notes to Accounts

1 Property, Plant & Equipment as at 31.03.2026 — IDR in Millions

Description	Property, Plant & Equipment						
	Land	Buildings	Plant & equipment	Vehicles	Office Eqipments	Right of use asset	Total
Cost of assets							
Gross carrying value as at 01-04-2025	3,04,162.00	1,07,460.21	2,94,450.17	1,521.05	17,629.00	22,549.43	7,47,771.87
Additions	-	6,956.61	26,613.88	4,291.25	3,266.82	5,586.26	46,714.82
Sub-total	3,04,162.00	1,14,416.83	3,21,064.05	5,812.30	20,895.82	28,135.70	7,94,486.70
Sales / deletion	-	-	1,859.73	-	58.67	-	1,918.40
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 31-03-2025	-	75,001.51	1,72,134.95	1,337.99	13,198.51	7,098.91	2,68,771.87
For the year	-	5,584.02	14,265.99	421.85	1,789.62	7,053.53	29,115.02
Sub-total	-	80,585.53	1,86,400.94	1,759.85	14,988.14	14,152.44	2,97,886.89
Withdrawn on assets sold / deleted	-	-	224.74	-	58.67	-	283.41
Total	-	80,585.53	1,86,176.20	1,759.85	14,929.47	14,152.44	2,97,603.48
Carrying value							
As at 31-03-2026	3,04,162.00	33,831.29	1,33,028.12	4,052.45	5,907.69	13,983.26	4,94,964.82

1 Property, Plant & Equipment as at 31.03.2026 - (Continued) — Rupees in crores

Description	Property, Plant & Equipment						
	Land	Buildings	Plant & equipment	Vehicles	Office Equipments	Right of use asset	Total
Cost of assets							
Gross carrying value as at 01-04-2025	156.64	55.34	151.64	0.78	9.08	11.61	385.10
Additions	-	3.88	14.84	2.39	1.82	3.11	26.04
Foreign Currency translation reserve difference	12.93	4.57	12.51	0.06	0.75	0.96	31.78
Sales / deletion	-	-	1.04	-	0.03	-	1.07
Total	169.57	63.79	177.96	3.24	11.62	15.69	441.86
Depreciation / Amortisation							
Upto 31-03-2025	-	38.63	88.65	0.69	6.80	3.66	138.42
For the year	-	2.97	7.59	0.22	0.95	3.75	15.50
Foreign Currency translation reserve difference	-	3.33	7.67	0.07	0.60	0.48	12.15
Withdrawn on assets sold / deleted	-	-	0.12	-	0.03	-	0.15
Total	-	44.93	103.79	0.98	8.32	7.89	165.91
Carrying value							
As at 31-03-2026	169.57	18.86	74.16	2.26	3.29	7.80	275.95

Notes on accounts - *(continued)*

		IDR in Mn.	Rupees in crores
		As at 31-03-2026	
2	Other Non-Current Assets		
	Advances other than capital advances:		
	Deposits made	9,594.95	5.35
		9,594.95	5.35
3	Inventories		
	Raw materials and components	4,94,765.95	275.83
	Finished goods	11,620.52	6.48
		5,06,386.47	282.31
4	Trade Receivables		
	Secured, considered good		
	Unsecured, considered good	9,07,406.02	505.87
		9,07,406.02	505.87
	Less : Loss allowance	-	-
		9,07,406.02	505.87
5	Cash and Cash Equivalents		
	Balances with banks in current accounts	72,028.37	40.16
	Cash on hand	105.26	0.06
		72,133.63	40.22
6	Other Current Assets		
	Vendor advance	29,190.55	16.27
	VAT receivable	4,56,431.34	254.46
	Others	8,320.04	4.64
		4,93,941.93	275.37
7	Equity Share Capital		
	Authorised, issued, subscribed and fully paid up:		
	Authorised:		
	25,000,000 Ordinary shares of IDR.97,400 each	24,35,000.00	1,397.17
	Issued, subscribed and fully paid up:		
	17,791,187 Ordinary shares of IDR.97,400 each	17,32,861.61	994.29
		17,32,861.61	994.29

		IDR in Mn.	Rupees in crores
		As at 31-03-2025	
8	Other Equity		
	Revaluation reserve	2,76,495.21	142.40
	OCI	11,335.32	5.84
	Retained earnings	(14,41,008.16)	(756.17)
	Foreign currency translation reserve	2,85,102.52	95.76
		(8,68,075.12)	(512.17)
9	Non - Current Liabilities - Provisions		
	Provision for employee benefits - Pension	31,085.38	17.33
		31,085.38	17.33
10	Financial Liabilities - Borrowings (Current)		
	Borrowings repayable on demand from banks		
	Secured	5,85,161.68	326.23
	Unsecured	2,64,241.15	147.31
		8,49,402.83	473.54
11	Trade Payables		
	Dues to Micro and Small Enterprises **		
	Dues to enterprises other than Micro and Small Enterprises	7,45,210.81	415.45
		7,45,210.81	415.45

** 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	20,281.11	11.31
		20,281.11	11.31
13	Other Current Liabilities		
	Accrued expenses	1,01,037.55	56.33
	Advance received from customers	17,121.93	9.55
		1,18,159.48	65.88

Notes on accounts - *(continued)*

			IDR in Mn.	Rupees in crores
			For the year ended 31-03-2025	
14	Revenue from Operations			
	Sale of products		26,05,465.51	1,386.86
			26,05,465.51	1,386.86
15	Other Income			
	Interest income		199.88	0.11
	Other non-operating income		584.57	0.12
			784.45	0.23
16	Material Cost			
	Cost of Materials Consumed			
	Opening stock of raw materials and components		3,31,390.80	170.67
	Add: Purchases		23,08,443.13	1,247.89
			26,39,833.93	1,418.56
	Less: Closing stock of raw materials and components		4,94,765.95	275.83
	Consumption of raw materials and components		21,45,067.98	1,142.73
	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		11,620.52	6.48
		(B)	11,620.52	6.48
		(A)-(B)	25,451.60	12.61
17	Employee Benefits Expense			
	Salaries, wages and bonus		30,692.79	16.34
			30,692.79	16.34

		IDR in Mn. For the year ended 31-03-2025	Rupees in crores For the year ended 31-03-2025
18	Finance Cost		
	Interest	42,782.49	22.77
		42,782.49	22.77
19	Depreciation and Amortisation Expense		
	Depreciation on property plant and equipment	2,211.47	1.18
	Depreciation on right of use asset	7,053.53	3.75
		9,265.00	4.93
20	Other Expenses		
	(a) Advertisement and publicity	69,398.87	36.94
	(b) Repairs & Maintenance	804.17	0.30
	(c) Insurance	2,913.25	1.55
	(d) Rates and taxes (excluding taxes on income)	5,582.39	2.97
	(e) Audit fees	1,292.50	0.69
	(f) Transportation Charges	4,919.45	2.62
	(g) Training & Development	5,627.71	3.00
	(h) Foreign exchange loss	7,017.01	3.74
	(i) Miscellaneous expenses	1,71,810.67	91.64
		2,69,366.02	143.45