

## **62<sup>nd</sup> Annual General Meeting of TVS Holdings Limited**

**August 8, 2024**

- **Moderator:**
- Good afternoon to all. Ninety-two number of shareholders are attending the meeting. Request Chairman to convene the meeting.
- **Mr Venu Srinivasan – Chairman, TVS Holdings Limited:**
- Good afternoon, ladies and gentlemen. I am Venu Srinivasan, Chairman of the Company and also chairman of the CSR committee. I call the meeting to order since the requisite quorum is present. I request the prayer to be played, after which the meeting will continue.
- *Prayer was played.*
- **Moderator:**
- Kindly request Chairman Sir to read out the statutory requirement for this meeting.
- **Mr Venu Srinivasan – Chairman, TVS Holdings Limited:**
- In compliance with the circulars issued by the Ministry of Corporate Affairs and SEBI, this AGM is being conducted/convened through video conferencing and we have engaged NSDL for this purpose. Soft copy of register of directors and key managerial personnel and their shareholdings, register of contracts, register of members and debenture holders are accessible on the Company's website during the continuance of the AGM. As per the guidelines, the Company has sent the annual report to its shareholders through email and hard copies of the annual reports were sent to those shareholders who requested for the same. Shareholders participating in the AGM who have not cast their votes earlier through e-voting can exercise their votes by using the link provided on the NSDL website.
- Now I request the directors to introduce themselves to the members.
- **Moderator:**
- Mr Sudarshan Venu, Managing Director.
- **Mr Sudarshan Venu – Managing Director, TVS Holdings Limited:**
- I'm Sudarshan Venu, Managing Director of the Company.

- **Moderator:**
- Thank you, sir. Mr K Gopala Desikan, Director and Group CFO.
- **Mr Gopala Desikan – Director & Group CFO, TVS Holdings Limited:**
- I'm Gopala Desikan, Director and Group CFO.
- **Moderator:**
- Thank you sir. Mr. C R Dua, Independent Director.
- **Mr C R Dua – Independent Director, TVS Holdings Limited:**
- I'm C R Dua, Independent Director of the Company.
- **Moderator:**
- Mr R Gopalan, Non-Executive Director.
- **Mr R Gopalan – Non-executive Director, TVS Holdings Limited:**
- Hello, this is R Gopalan and I am a Director of the Company.
- **Moderator:**
- Mr. Anuj Shah, Independent Director.
- **Mr. Anuj Shah – Independent Director, TVS Holdings Limited:**
- Good afternoon. I'm an Independent Director of the Company and I'm also the Chairman of the Stakeholders Relationship Committee.
- **Moderator:**
- Thank you, sir. Ms Sasikala Varadachari, Independent Director.
- **Ms. Sasikala Varadachari – Independent Director, TVS Holdings Limited:**
- Namaste. I'm Sasikala, Independent Director of the Company. Thank you.
- **Moderator:**
- Thank you, madam. Mr Timm Tiller, independent director.
- **Mr. Timm Tiller – Independent Director, TVS Holdings Limited:**
- Good afternoon to all. I'm an Independent Director of the Company.

- **Moderator:**
- Kindly request chairman to continue the proceedings.
- **Mr. Venu Srinivasan – Chairman, TVS Holdings Limited:**
- Notice of the meeting has already been circulated to the shareholders. The statutory auditor's report and secretarial audit report to the shareholders are already available with you and both the reports are free from any qualifications, observations or other remarks.
- Ladies and gentlemen, good afternoon. I have great pleasure welcoming you all to the 62<sup>nd</sup> annual general meeting of the Company. As done over the last few years, we are holding the AGM virtually through video conferencing. During the last year, the composite scheme of arrangement, *inter alia*, covering demerger of the manufacturing division of the Company has taken effect. Post giving effect to the scheme, the Company has primarily investments in subsidiaries and consequently has obtained registration as a core investment company from the Reserve Bank of India. After the transition to being a core investment company, the Company will focus on investments and management of its subsidiary companies. It can now explore various sectors and diversify its portfolio to look at new business opportunities. The company's revenue would comprise mainly of dividend income from its investments.
- Let me share some key highlights of the Indian economy and updates about the Company. On the economic front, India remains the fastest growing economy in the world with GDP at 8.2% growth in FY 2024 compared to 7% in 2023. Robust economic demand, growth in manufacturing and services, strong private investment activity coupled with government's focus on infrastructure and economic development has supported this upward trend in the country's growth rate. IMF recently has revised the 2025 projection to 7% growth and kept 2026 unchanged at 6.5%. The Monetary Policy Committee of RBI has also revised its GDP growth rate for 2025 to 7.2% from the earlier 7%.
- In this context, it gives me great pleasure to share with you the Company's performance highlights for the year ended March 31, 2024.
  - As you're aware from the results, the Company has continued to perform well during the financial year. TVS Holdings reported a consolidated revenue of Rs. 40,000 crores in 2024, up by 19.6% from Rs. 33,690 crores in 2023.
  - During the year, auto components, automotive vehicles and parts business comprised 85% of the total revenues, while the balance 15% came from financial services.
  - The consolidated profit after tax also witnessed a robust growth of 35% from Rs. 1,333 crores last year to Rs. 1,782 crores in FY24.

- Based on the recommendations of the Board at the meeting held on March 21<sup>st</sup>, the Company has paid an interim dividend of Rs. 94 per share with a payout ratio of 56%.
  - As of the 3<sup>rd</sup> May 2024, Emerald Haven Realty Limited has become a wholly owned subsidiary of the company. It is the real estate business of the group operating in Chennai and Bangalore.
  - Home Credit Finance - the Board has also approved the acquisition of this NBFC. This NBFC acquisition is subject to approvals from both the Reserve Bank of India and the Competition Commission of India. This Company is engaged in the business of providing unsecured loans and is one of the leading players in consumer finance and personal loan segments with assets under management of Rs. 5,535 crores as of the 31<sup>st</sup> March '24.
- The Company's investments are diversified in sectors such as automobile, real estate, financial services and information technology.
  - Let me now come to the performance of the two wheeler and three wheeler business. The Indian market, domestic market, for two wheelers was at 18 million units last year, reflecting a growth of 13%. Electric vehicles reported a significant growth of 30% last year. In 2025, a growth of around 7 to 10% is expected on the back of strong economic indicators, good rainfall and better domestic sales. The launch of CSG powered two wheelers and buoyant premium segment will also add to this growth. New model launches and gradual improvement in export volumes pointed better prospects for the industry. In three wheelers, the domestic industry has registered a healthy growth of 42% and export sales on the other hand shrunk by 18% and has remained much lower than the pre Covid export levels of five lakhs.
  - Coming to the performance highlights of TVS Motor Company, during 2024, TVS surpassed the 4 million two wheeler mark and reported EV sales of 0.2 million i.e. 40 lakhs and 2 lakhs. Total sales volume witnessed a growth of 14% from 37 lakhs to 42 lakhs in the year under review. On the revenue front, the Company reported 22% growth in consolidated income from Rs. 32,112 crores to Rs. 39,251 crores. Profit after tax increased from Rs. 1,309 crores to Rs. 1,779 crores, a significant increase of 36%.
  - Coming to the residential area real estate business, this business has witnessed strong recovery and has exceeded pre-Covid levels across all major cities. It continues to exhibit buoyant sales led by rising income levels and increase in home ownership.
  - Performance update of Emerald Haven – Emerald Haven operates in residential real estate segment in both Chennai and Bangalore markets. It has an area under development of 9.1 million sq. ft. of saleable area. We have already developed and handed over out of this 3 million sq. ft. Currently, we are developing another 4.9 million sq. ft. and a pipeline of future launches of 1.2 million sq. ft. During the year, Emerald Haven Realty has registered a sales booking of Rs. 1,331 crores growth of 43% over last year backed by strong sales across new launches. It has also achieved the highest ever collection of Rs. 1,280 crores last year. The Company is working on

various value engineering measures, control operating costs, manage fixed costs which will help in improving the performance of the Company. In 2024, Emerald Haven reported a consolidated revenue of Rs. 382 Crores compared to Rs. 73 Crores in 2023 and reported a profit after tax of Rs. 9.7 Crores. The Board at its meeting today approved the Q1 financial results for TVS Holdings with consolidated revenue of Rs. 10,483 crores and a consolidated profit after tax of Rs. 481 crores.

- I take this opportunity to thank all our stakeholders, shareholders, investors, customers, regulators, bankers, vendors for the continued support. I am also grateful to my colleagues on the Board for the valuable guidance. My appreciation and best wishes to our leadership team and the teams of all the group companies. Their commitment and unstinting effort are producing outstanding results. I also wish to acknowledge the dedication and continued drive to grow the Company to greater success. The Board of Directors join me in thanking you, our shareholders, for your continued confidence reposed in our Company. Thank you very much.
- The following ordinary resolutions are being considered in this AGM:-
  1. Adoption of both standalone and consolidated audited financial statements together with the director's report and the auditor's report for the year 2023-2024.
  2. Reappointment of Mr K Gopala Desikan as a director liable to retire by rotation.
  3. Ratification of the appointment of M/s. N C Rajagopal & Co. Chartered Accountants as statutory auditors of the Company to fill the casual vacancy effective 10<sup>th</sup> May '24 till the conclusion of this AGM.
  4. Appointment of M/s. N C Rajagopal & Co. Chartered Accountants as statutory auditors for the Company for a period of three consecutive years from this AGM.
- Shareholders who have registered themselves as speakers are requested to speak one by one. I further request Mr Sudarshan Venu, Managing Director to answer the questions. Thank you.
- **Moderator:**
- Sir, we have received the request from two shareholders as speaker shareholders. I will call the first speaker shareholder, Mr Manoj Kumar Gupta.
- **Mr Manoj Kumar Gupta – Shareholder:**
- Good afternoon respected Chairman, Board of Directors, fellow shareholders. My name is Manoj Kumar Gupta. I've joined this meeting from Calcutta. First of all, I thank you and your team for the excellent result of the Company and thanks to the Company Secretary and his team for help us to join this meeting through video call. Sir, I have one question. Why Home Credit India Finance Private Limited is required by TVS Holdings Limited and not by TVS Credit Services Limited, the NBFC subsidiary? Kindly

throw some highlight on this issue and I strongly support all the resolutions with the hope that we will get good return in coming time under your leadership. Thank you, sir.

- **Moderator:**

- Thank you, Mr Gupta. Now, I will request second speaker shareholder Mr J Abhishek.

- **Mr J Abhishek – Shareholder:**

- Sir, my name is Abhishek, shareholder of the Company. My DPI ID IN301637, client ID is 41359155. First of all, I congratulate the management on the eve of annual general body meeting, sir. Trust all is well with you and your family in this challenging situation. Our Company deserves much more respect than the current market cap after completing more than a decade of successful operations, profitability and becoming one of the strongest brand in the respective segment. Sir, I have only one question to ask in this annual general body meeting. What is the future plan of TVS Holdings Limited? I would like to know from you, sir.

- The Company is rewarding the minority shareholders in large numbers. We are really glad that the Company has rewarded and the Company has a very good corporate governance practice. I do appreciate that, sir. Nothing much more sir. I wish the company and the Board of Directors a great success and prosperity in the coming future. And thank you for giving the opportunity, sir. Hope to see you in the hybrid AGM next year. Thank you.

- **Moderator:**

- Thank you, Mr Abhishek.

- **Mr Sudarshan Venu – Managing Director, TVS Holdings Limited:**

- Thank you so much for your questions and all your interest and support in the Company over the recent years and also the past. I think to answer on home credit, TVS Holdings has certain unique cyber security capability and Home Credit is also in the midst of a turnaround while TVS Credit is a well-established Company. For the combination of these reasons, we have proposed pending RBI approval to buy Home Credit from TVS Holdings. I hope that answers the question. This is a core investment company and so we are now going forward bound by the rules of the core investment company and we also believe that our Emerald will continue to grow.

- **Moderator:**

- Thank you, sir. Request Chairman to continue the proceedings and conclude the meeting with the closing remarks.

- **Mr Venu Srinivasan – Chairman, TVS Holdings Limited:**
- I would like to thank all the shareholders for participating in the virtual AGM. The voting facility on the NSDL website will remain open upto 15 minutes from the conclusion of this meeting to enable shareholders to cast their vote by e-voting. The results of e-voting will be declared on or before 10<sup>th</sup> August 2024. The result will be made available on the websites of the Company, the Stock Exchanges and NSDL. That concludes the proceedings of the meeting and I thank you all for your participation and I declare the meeting closed. Thank you.

**End of Transcript**