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.

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.



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

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

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.

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

Laying the groundwork for electric growth

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

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

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

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

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

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

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.

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



MOTORCYCLES

TVS Apache
RR 310



TVS Apache
RTR 310



TVS Apache
RTR 160 4V/200 4V



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

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.

TVS Apache RTX 300

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



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 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



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



MOTORCYCLES

MOTORCYCLES

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 Jupiter 125 DT SXC

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



TVS Raider iGO

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



TVS Jupiter 110 Stardust Black Edition

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



TVS NTORQ 150

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



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



Refreshed

TVS XL 100

Introduced alloy wheels, a digital speedometer and updated styling



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 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 iQube 3.1 kWh

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



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

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.

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

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





The TVS Care advantage

OUR CARE DELIVERS
WHAT YOUR HEART DESIRES

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.

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



Map not to scale and for representation purpose only

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

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.

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.

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.



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.

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.



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

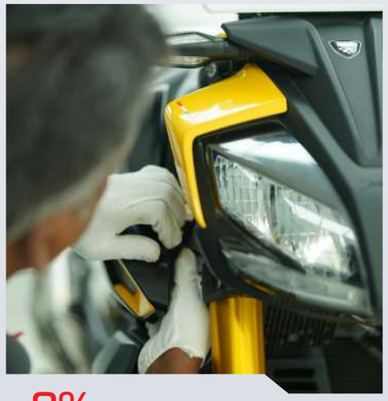
Projected market for India's two-wheeler industry by 2031

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



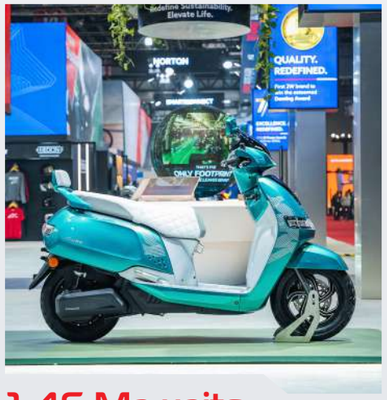
1.83 Mn units

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

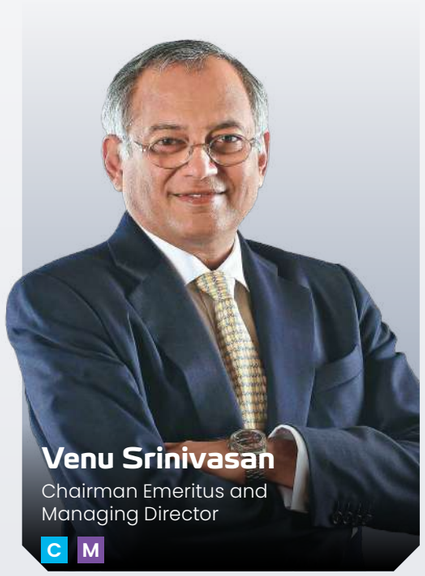
Committees

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

C Chairman
M Member



Sudarshan Venu
Chairman and Managing Director
M M M M



Venu Srinivasan
Chairman Emeritus and Managing Director
C M



Vijay Sankar
Independent Director
C M



Ravindran Shanmugam
Independent Director



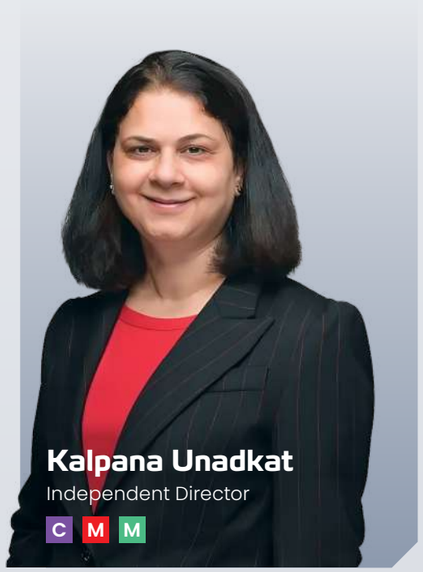
K N Radhakrishnan
Director and CEO
M M



Shailesh Haribhakti
Independent Director
C



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

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.

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%

FY26	47,270
FY25	36,251
FY24	31,776

PAT (₹ Cr)

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

3,615 — Y-o-Y 37%

FY26	3,615
FY25	2,634
FY24	2,083

Sales volume (Mn)

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

5.89 — Y-o-Y 24%

FY26	5.89
FY25	4.74
FY24	4.19

PAT margin (%)

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

7.6 — Y-o-Y change 30bps

FY26	7.6
FY25	7.3
FY24	6.6

EBITDA (₹ Cr)

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

6,079 — Y-o-Y 37%

FY26	6,079
FY25	4,450
FY24	3,514

Earnings per share (₹)

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

76.09 — Y-o-Y 37%

FY26	76.09
FY25	55.44
FY24	43.84

EBITDA margin (%)

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

12.9 — Y-o-Y change 60bps

FY26	12.9
FY25	12.3
FY24	11.1

Dividend per share (₹)

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

12 — Y-o-Y 20%

FY26	12
FY25	10
FY24	8

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

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.



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.

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.

Resurgence with global intent



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

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.



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.

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.

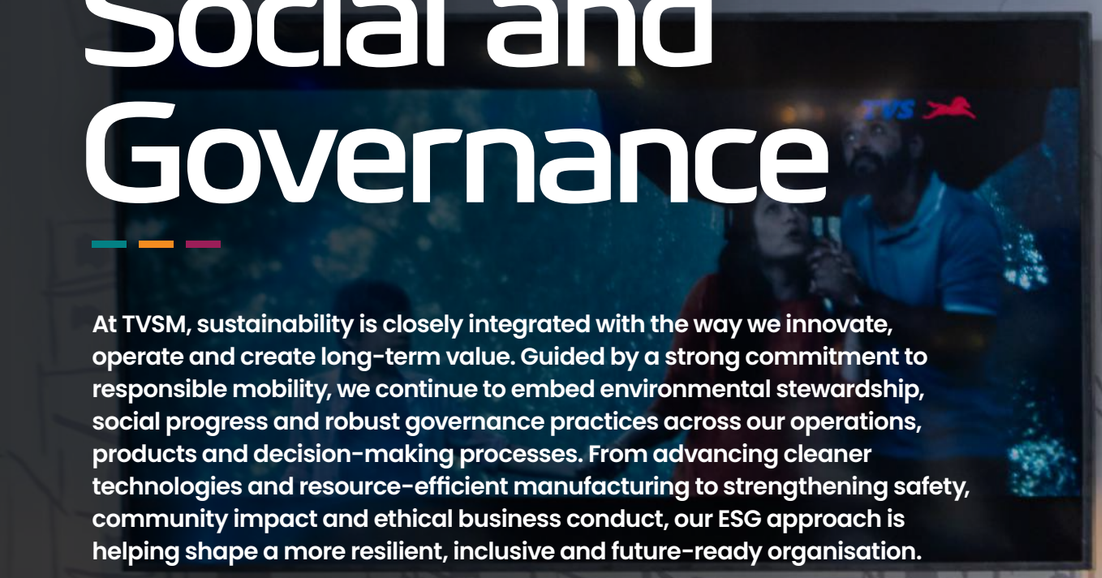
₹631 crore

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**

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

Material topics

Climate change and decarbonisation | Water stewardship | Biodiversity

SDGs impacted



2 Exciting and Safe Mobility Solutions

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

Material topics

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

SDGs impacted



Key achievements of the year

- 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

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

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

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

Material topics

Corporate governance | Integrated risk management | Suppliers

SDGs impacted



5 Embracing the Digital Future

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

Material topics

Cybersecurity | Data protection

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



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.

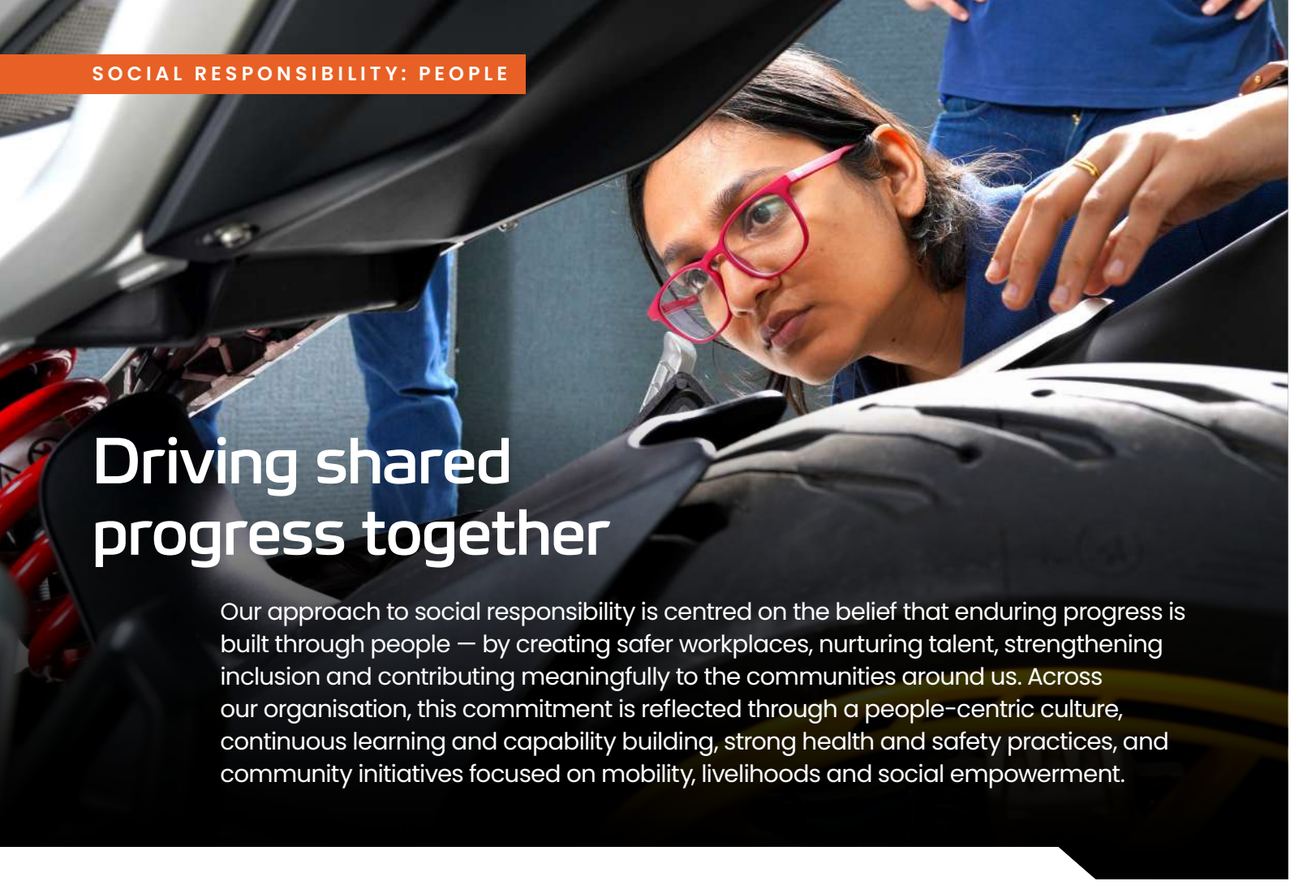
Further strengthening its life cycle approach, the Company conducted **Life Cycle Assessments (LCAs)** for four products:

- 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

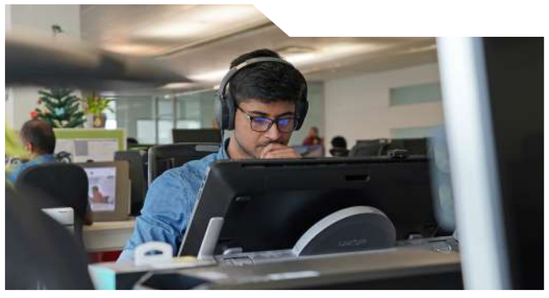
Talent acquisition, retention, and management

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.



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

***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*

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

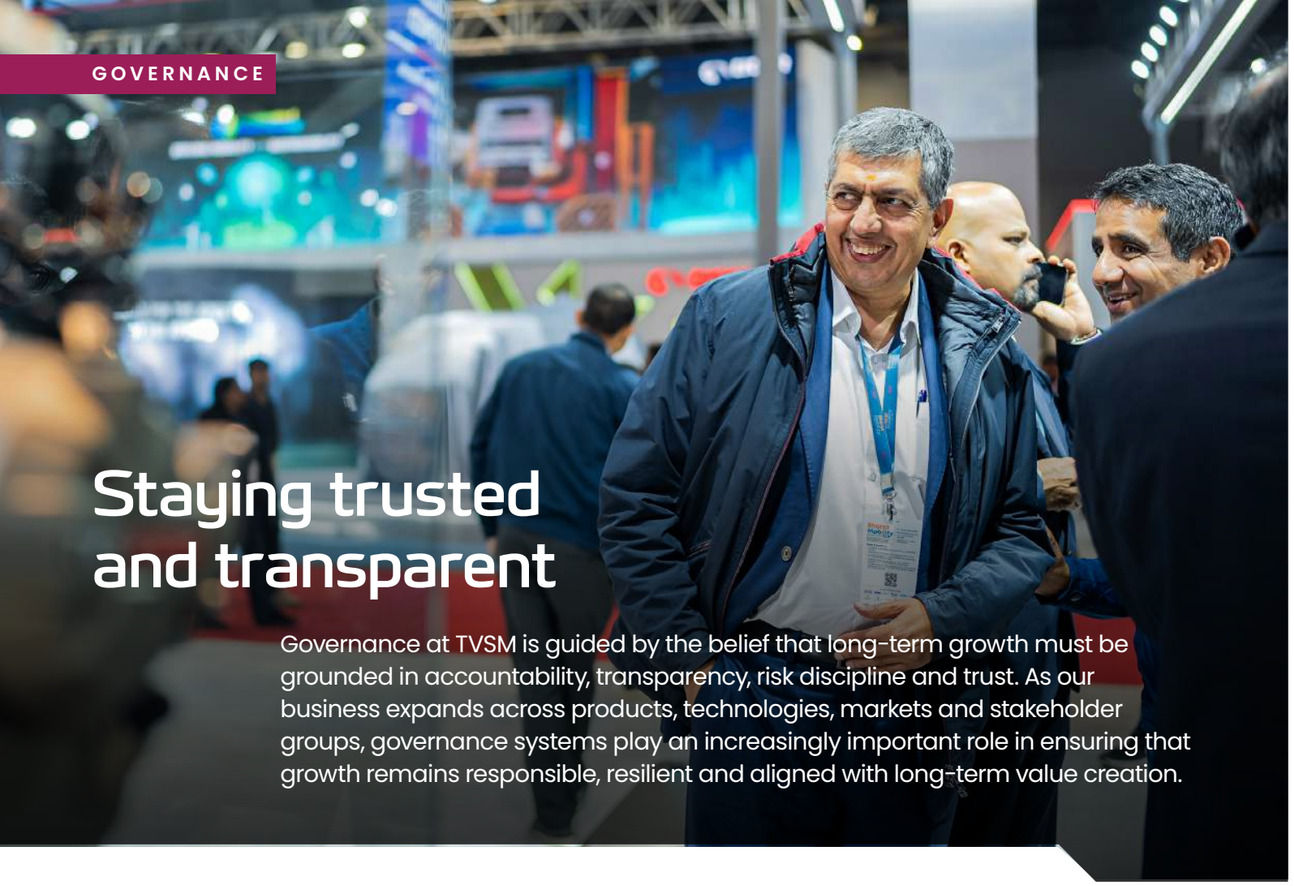


In Madavamedu village, Pudupattinam Panchayat, Sirkazhi block, Mayiladuthurai district, Tamil Nadu, the local anganwadi has been transformed from a neglected and unsafe space into a vibrant centre of learning and care for young children.

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

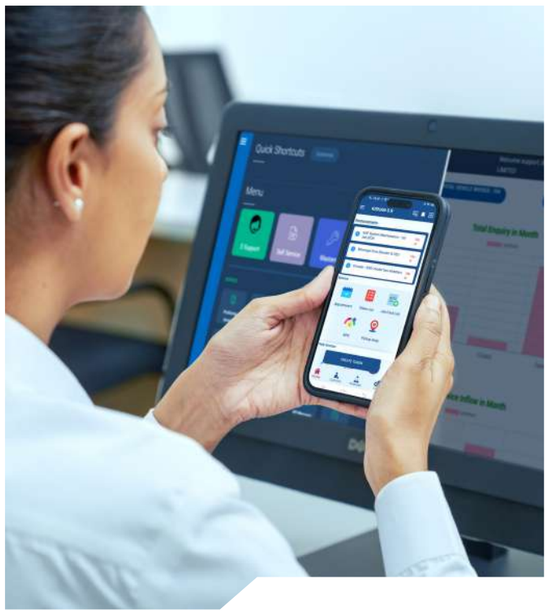
TVSM continues to strengthen its smart mobility ecosystem through connected platforms, predictive maintenance systems, telematics, battery management intelligence and digitally enabled riding experiences across products launched and refreshed during FY 2025-26, including the TVS Orbiter range, TVS X, 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	

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



2. General Overview

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

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.

3. Industry Performance in FY 2025-26

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.

3.1. 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 2024-25

7% Full Year Growth Percentage

H1	9%
H2	6%

FY 2023-24

10% Full Year Growth Percentage

H1	8%
H2	11%

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.





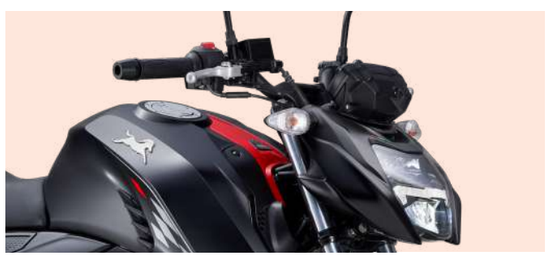
TVS Apache RTR 160 4V & 200 4V (TFT Variants)

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.

34 litres boot space — Practical features in TVS Orbiter



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.

≥ 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.

7. Operations Review





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.

7.1. 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.

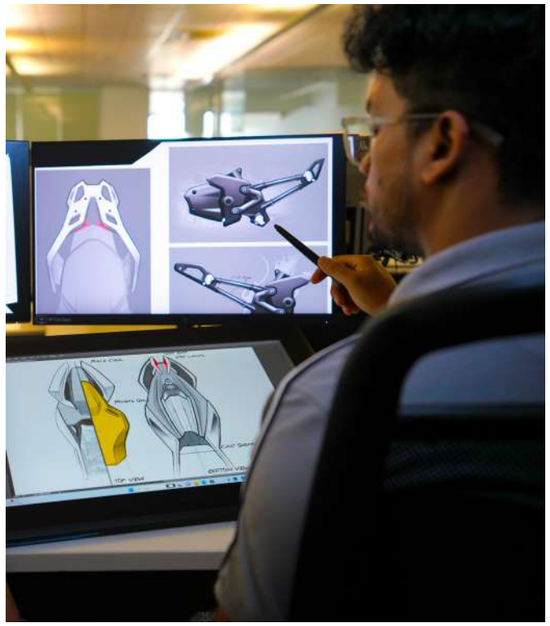
- **Global Engineering & Design Capabilities:** The Company strengthened its global R&D footprint with the establishment of a Global Centre of Excellence (CoE) for Design and Engineering in Bologna, Italy, following the acquisition of Engines Engineering S.p.A. The CoE significantly enhanced capabilities 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.

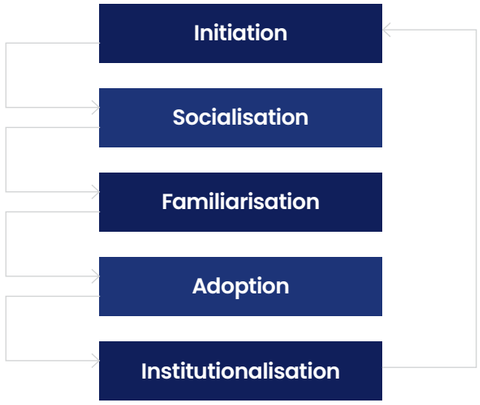
During the year, the Company implemented physical and mental wellness initiatives under its My Health Index (MHI) programme, including preventive health screenings, counselling support and hands-on wellness interventions, resulting in a ~40% shift of employees from at-risk to optimal health zones across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

1	**Name of the Director (M/s.)**	**Designation**	**Ratio to Median Remuneration**	**% increase / (Decrease) in remuneration**
	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
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.

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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	-	-
(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.

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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.

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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)			
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)			FY 2024-25 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	NA	0	0	NA
Advertising						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.
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.
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

(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.

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;

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	INE494B01023
Non-Convertible Redeemable Preference Shares (NCRPS) listed with NSE and BSE	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, 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.
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

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			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

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		4,903.52		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

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 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 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 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
- 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 As at 31-03-2026	No. of shares / units As at 31-03-2025	Face Value	Currency	₹ in crores As at 31-03-2026	₹ in crores 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 As at 31-03-2026	No. of shares / units As at 31-03-2025	Face Value (in ₹)
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 As at 31-03-2026	No. of shares / units As at 31-03-2025	Face Value	Currency	₹ in crores As at 31-03-2026	₹ in crores 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 31-03-2026	Fair value as at 31-03-2025	Significant unobservable input	Probability weighted range for the year ended 31-03-2026	Probability weighted range for the year ended 31-03-2025	Sensitivity
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 Carrying amount	31-03-2026 Fair value	31-03-2025 Carrying amount	31-03-2025 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

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

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DIN: 02599393

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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

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

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Chennai
13th May 2026

K GOPALA DESIKAN
Chief Financial Officer

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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 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)	Inlconiq 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 31-03-2025
(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**

₹ 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

K GOPALA DESIKAN
Chief Financial Officer

K S SRINIVASAN
Company Secretary

S USHA
Partner
Membership No.: 211785

Chennai
13th May 2026

Notes to the Consolidated Financial Statements (Contd.)

Annexure

Form AOC-I

Statement containing salient features of the financial statement of subsidiaries / associate companies.
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part A - Subsidiaries

Information in respect of each subsidiary

₹ 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;
	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:

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