

## **32<sup>nd</sup> Annual General Meeting of TVS Motor Company Limited**

**August 6, 2024**

- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company Limited:**
- Good afternoon ladies and gentlemen, dear shareholders. It gives me a real pleasure to welcome you all to the 32<sup>nd</sup> Annual General Meeting of your company. I, Professor Sir Ralf Dieter Speth, Chairman of the company call the meeting to order and the requisite quorum is present. To begin with, let me thank you for the confidence reposed and the support extended to the company around the year. Now let us start the meeting with prayer.
- *Prayer was played.*
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company Limited:**
- Ladies and gentlemen, now I will present to you the planned schedule of today's AGM.
  - o First, we're going to start with the statutory requirements and admin information for the meeting.
  - o Second, the introduction of the Board of Directors.
  - o Third, the chairman's speech.
  - o Fourth, the four resolutions to be approved by the shareholders.
  - o Fifth, the queries from speaker shareholders and management's response, or the Q&A session.
  - o And last but not least, the official conclusion.
- So, let me start with the first point - statutory requirements.
- In compliance with the circulars issued by the Ministry of Corporate Affairs and Securities Exchange Board of India, this AGM is being convened through Video Conferencing and has engaged National Securities Depository Limited (NSDL) for this purpose. The Company, being one of the Top 100 listed Companies, is providing one-way live webcast of the proceedings of the AGM.

- Soft copy of Register of Directors and Key Managerial Personnel and their shareholdings, Register of Contracts, Register of Members and Debenture holders are accessible on the Company's website during the continuance of the AGM.
- As per the guidelines, the Company has sent annual report to its shareholders through e-mail. Hard copies of the Annual Reports were sent to those shareholders who requested for the same.
- Shareholders participating at the AGM, who have not cast their votes earlier through e-voting, can exercise their votes by using the link provided on the NSDL website.
- In addition, I want to inform you: You have surely already seen it, here for the sake of completeness:
- Notice of the meeting has already been circulated to the shareholders.
- Both, the Statutory auditors report and the secretarial audit report to the shareholders are already available with you. Both reports are free from any qualifications / observations or other remarks
- This brings me to the second point of today's agenda - the introduction of the Board. Excused today are Dr. Lakshmi Venu and Mr. Kuok Meng Xiong. This year, we have invited three new independent directors to the Board; outstanding personalities and the best in their field. And I'm now pleased to introduce you to the members of the Board. May I request the Directors to introduce themselves. And, may I ask Mr. Venu Srinivasan, our Chairman Emeritus and Managing Director to start, please.
- **Mr. Venu Srinivasan – Chairman Emeritus & Managing Director, TVS Motor Company Limited:**
- Good afternoon, ladies and gentlemen. I thank you and welcome you all to our AGM. I'm Venu Srinivasan, Chairman Emeritus and Managing Director. I would also like to inform the shareholders that I'm Chairman of the Corporate Social Responsibility Committee. Thank you.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company Limited:**
- Thank you. Sudarshan, please.
- **Mr. Sudarshan Venu – Managing Director, TVS Motor Company Limited:**
- Good afternoon, ladies and gentlemen. Welcome to the AGM. I'm Sudarshan Venu, Managing Director.

- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company Limited:**
- KNR
- **Mr. K N Radhakrishnan – Director & CEO, TVS Motor Company Limited:**
- Good afternoon, ladies and gentlemen. I am KN Radhakrishnan, Director and CEO of the company. Welcome to our AGM.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company Limited:**
- Okay, thanks. And now let's go to Mr. Shailesh Haribakthi - Independent Director.
- **Mr. Shailesh Haribakthi – Independent Director, TVS Motor Company Limited:**
- Good afternoon.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company Limited:**
- Just wanted to introduce you that you are the Chairman also of the Shailesh Haribakthi & Associate Chartered Accountants firm and I can only welcome you. Your extensive knowledge and expertise in accounting and auditing is more than excellent, sir. And over to you.
- **Mr. Shailesh Haribakthi – Independent Director, TVS Motor Company Limited:**
- Thank you very much, dear Chairman Sir. Ladies and gentlemen, most welcome to this fantastically convened AGM. I'm Shailesh Haribakthi and I'm serving as the Chairman of the Audit Committee. Thank you.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company Limited:**
- Thank you. Dr. Deepali Pant Joshi is an independent director. Dr. Deepali Pant Joshi is the former Executive Director of the Reserve bank of India. And she brings a wealth of experience in banking and finance. May I hand over to you?
- **Dr. Deepali Pant Joshi – Independent Director, TVS Motor Company Limited:**
- Thank you, Dr. Speth. *Namaskar, Vannakkam* to our annual general meeting. I am also the Chairperson of the Stakeholder and Relationship Committee of your company. Thank you.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company Limited:**
- Thanks a lot. Mr. Vijay Sankar is an independent director. Vijay is Non-Executive Chairman of Chemplast Sanmar Limited. Vijay has a proven track record of success in business and entrepreneurship.

- **Mr. Vijay Sankar – Independent Director, TVS Motor Company Limited:**
- Thank you Chairman for that kind introduction. Good afternoon to all the shareholders. I'm an Independent Director of TVS Motor. And I'm also the Chairman of the Nomination and Remuneration Committee. Thank you.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company Limited:**
- Thank you. Mr. Sriram, please.
- **Mr. B. Sriram – Independent Director, TVS Motor Company Limited:**
- Good afternoon to all of you and welcome to the AGM. My name is B Sriram. I'm an Independent Director of your company. And I'm also the Chairman of the Risk Management Committee. Thank you.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company Limited:**
- Thank you, sir. Many thanks dear Directors for the brief intro. And I want to take the opportunity to thank you all for your passion. Your passion and engagement, your commitment throughout the year. And with that I can only highlight that TVSM is a very good and outstanding team.
- Now let's come to the third topic - Chairman delivery speech.
- Dear ladies and gentlemen, dear shareholders, at this point I can go straight into the reporting without very long preliminaries. First, again, I take this opportunity to extend my sincere appreciation and gratitude for the relentless efforts rendered by you, the passionate TVS team and our partners contributing towards our defined vision - making TVS THE strong advanced technology and global player in the smart mobility sectors.
- And you know, my small formula of success business is people. So dear Directors, once again a warm welcome. Now during the year on the review, Mrs. Lalita D. Gupte, Mr. C R Dua and Mr. H K Singh have completed their terms of independent directors and Mr. R Gopalan has resigned from the Board. Aside from that, Mr. Kuok Meng Xiong and Dr. Lakshmi Venu have informed us of their decision to step down from the Board, effective closure of this AGM. And on behalf of TVSM, once again I really sincerely express my thanks for their invaluable cooperation, longstanding contribution, dedication and commitment to the company. Many thanks.
- Ladies and gentlemen, if you define business as people wider, in a future oriented direction and context, you will certainly support our initiatives to develop and prepare the youth - the next generations. And in 2023, the year which marked the birth centenary of T S Srinivasan, the founder of TVS Motor Company, TVS created a very special scheme. We have established the TVS Cheema Scholarship and this scholarship in his name will

provide financial support to around 500 talented engineering students each year. TVS takes care and TVS promotes talent.

- **Great Place to Work with:**

- And in that context, I'm really very happy to note that TVSM has won many recognitions, especially in prioritizing workplace diversity. For example as a great place to work in manufacturing - top 50, the best company for women in India and received the prestigious Helen Keller Award for commitment for creating equal opportunities for persons with disabilities and the Bronze Award for the best overall corporate university at the 2023 Global Council of Corporate Universities Awards in France. Overall, I think you see the TVS engagement in building a future reckoned, diverse and multicultural workforce to strengthen the bench. TVS is offering a great, inspiring atmosphere to work.
- Ladies and gentlemen, you know, TVSM, as it always was highlighted in the film, already has got a very special DNA. TVSM is committed to top tier product quality and services anchored in the philosophy of total quality management and introduced and developed by Venu Srinivasan – our CE. Process and product excellence, this culture, this spur is a result of fine tuning the very smallest steps over generations and this ensures that every TVSM product delivers exceptional reliability and performance. The TVS quality, this DNA is very well known in the market. Our customers value quality. This outstanding product quality is best and absolutely neutrally judged by J.D Power. J.D Power, the famous American company that compares and evaluates many customer products worldwide and J.D Power divides the Indian two wheeler markets in ten categories and in 2024, TVSM won in seven out of ten categories. And I don't know any automotive company, let alone a motorcycle brand, that has ever received such a stunning quality certificate. And over and above, J. D Power awarded the TVSM products in their appeal study for being the most appealing and desirable ones in the economy, executive and premium segments. And these results are so unique that I have to and please allow me to express my special thanks to Sudarshan Venu, the Managing Director and the CEO, KNR and the entire TVS team and our partners. You see, TVS lives quality, the spirit is exceptional and TVS makes a real difference.
- Now, ladies and gentlemen, you are certainly interested in the substantial performance of your company and today I will provide to you both - a review of performance in fiscal 24 and an outlook for the fiscal 25. And I want to set the scene in providing you some brief relevant information about the economic conditions in fiscal 24, first India then international. India - India continued to outperform other economies amidst global uncertainties and this was evidenced by a GDP growth of more than 8% in the first three quarters in fiscal 24. Active and prudent management of fiscal and monetary macro policies by the government and by RBI helped to achieve this growth supported by the inherent fundamentals of the economy, the reliance on multiple growth drivers and, passionate and resilient Indians. Therefore the two-wheeler Indian internal combustion engine, so the ICE industry experienced growth retail by 8.7% and wholesale by 12.8%, up

to 17.5 million units compared to 15.5 million units in the last fiscal year. This however should be also put in relation. The industry is yet to reach its highest ever volume of 21.2 million recorded in the fiscal year 19. So the two-wheeler industry, but especially TVSM with its solid product range has a lot of room for further improvement.

- TVSM reported sales of 3.85 million units, the highest record ever, a growth rate of 18.6% and it is important to know it has profitable growth across all segments. Motorcycles 1.22 million sales - an increase year-on-year of 34.4% driven by 0.4 million in premium and here, TVS Apache is leading and 2.82 million in commuter, TVS Rider drives the executive section. And the scooters overall 1.45 million sales, an increase year-on-year of 16.5%. Here TVS Jupiter is really in high demand.
- Let's move to EV. TVSM is leading in the EV business based on the most advanced and reliable electric/electronic architectures and components. Fiscal year 24 saw industrial retail of 0.93 million units up from 0.71 million - a 32% growth year-on-year and the average penetration of EV two-wheelers for the year stood at 5.4% with an exit of 6.8% for Quarter 4. TVSM retailed 0.18 million EVs for the year. That's over 100% growth. We expanded the iQube portfolio, we expanded the network and our EVs are now available in more than 700 selected and specially trained dealerships. The heightened customer interest in EVs is driven by the alluring total cost of ownership, digital - first, technology propositions and the support from the national or regional governments. And, not to be underestimated, we recognize that the mind-set of sustainable smart mobility is increasingly coming to the fore. TVSM is proactively therefore, investing in concerted strategies to support the government's vision of accelerated EV adoption.
- Now let's transition to the three wheeler ICE and EVs in India and in transition of the three wheeler India developed...we first look again at industrial statistics. Retail has exhibited robust growth year-on-year plus 44% from an average of around 29,000 units to 42,000 units per month. Wholesale has grown by 41% and some interesting developments in that area. The small passenger segment grew by 47%. The cargo segment experienced strong demand for last mile delivery and e-commerce applications. And the adoption of electric vehicles in the L3 and L5 segment in the overall three wheeler industry has increased to 55% and in L5, the L5 EV segment, this segment has increased sales from around 30,000 units in fiscal 23 to more than 1 lakh units in fiscal 24. That's a growth of 235%. TVSM retail 20,791 three-wheelers in fiscal 24, a year-on-year growth rate of 29.3%, primarily driven by TVS King and TVSM sees enormous opportunities. Additional products are in development. TVS knows what to do.
- Ladies and gentlemen, let's turn to the international business. Over the last years the geopolitical strife persisted unresolved, tension areas increased. The pandemic impacts have played a major role and in response to strong inflationary pressure, advanced global economies tightened their monetary policies with consequent cascade impact felt on global markets, especially on the economies of emerging and low income countries. Countries exposed are now trying hard to get back up again and some African geographies

with significant TVSM market share, are particularly affected. Against that background, the industry exports of two-wheelers declined by 6.9%. Volume overall in fiscal 24 3.5 million units. TVSM exported 0.89 million two-wheelers and 0.13 three-wheelers. Globally, we lost market share attributed to the topics mentioned above. However, the IB team also opened new markets very successfully. The direction is profitable growth.

- Now, ladies and gentlemen, based on the solid product portfolio and record sales performance, TVSM achieved also financial records. Year-on-year revenue of Rs. 31,925 crore, up from Rs. 26,479 crore. That's in US Dollars 3.85 billion, up from \$3.29 billion. Profit before tax of Rs. 2,781 crore, up from Rs. 2,003 crore and that's in dollar again, \$335 million, up from \$249 million. Profit after tax of Rs. 2,083 crores, up from Rs. 1,491 crore and in US dollars 251 million, up from \$185 million. EBITDA grew steadily from 10.1 to 11.1%.
- Based on these outstanding operational performances, I would like to highlight the increase in your earnings contribution. TVSM paid an interim dividend of Rs. 8 per share, that is 800%, and TVSM shall issue 4 bonus preference shares of face value of Rs. 10 each fully paid up for every one equity share of Re. 1, subject to the approval of the stock exchanges and the Hon'ble National Company Law Tribunal. The share price increased from Rs. 1,113, that's USD 13.34, to Rs. 2,313 per share, which is USD 27.71 in March '24. Absolute increase of 107.8%. Impressive, isn't it?
- Looking ahead now with very well selected acquisitions, TVSM has invested and strengthened its future capabilities and opportunities further. During the year under review, TVSM acquired an additional stake of 25% in Swiss e-mobility group AG (SEMG), and the trademarks and the trademark rights of Cilo and Simpel is a bike brands were also taken over. The SEMG acquisition offers TVSM the opportunity to expand the core product range, extend into adjacent segments with electric bicycles including e-kick scooters and e-cargo bikes. SEMG Group reported a revenue of USD 76.6 million, mainly out of Switzerland. And in addition, TVSM subscribed a 28.57% stake in Indian Foundation for Quality Management (IFQM), by way of newly issued shares. IFQM, a not-for-profit company, aims to bridge a significant gap in quality and perception of Indian-made goods. Made in India must become available globally. In addition, TVSM acquired another stake of 9.4 in Ion Mobility Private Limited, Ion Mobility, by way of subscription of shares. TVSM holds now 25.64% of the paid-up share capital, and Ion Mobility a tech and automotive OEM startup, aims to create and deliver as aspirational and sustainable mobility and energy solutions. And TVSM acquired further 24% in Killwatt GmbH. TVSM holds now 49% of the paid-up share capital.
- Norton, a motorcycle company. The investment in Norton will put Norton now in an ideal place to go international, including India. Norton will be launching six new models, premium products in the next three years. The new state-of-the-art operations facility in Solihull in the UK is ramping up. The sales and marketing strategy, including mixed distribution channels, has been aligned. And now Norton is delivering first bike to the customers in the UK already.

- Overall, TVSM sees strategic opportunities in many areas. The eyes are open. The strategy 2030 is defined the plans clear and the execution is on the way. We all know first steps require increased effort, and it's the intention to independently foster the dynamics of the startups and simultaneously use these potentials and values for our core business.
- Ladies and gentlemen, I think it's important, TVSM intensifies innovations. And TVSM has been and will continue to be the forerunner in developing cutting-edge technologies. Many first in industry, first-in-class features were introduced in this year.
- I just want to highlight some on the new TVSM Apache RTR 310 - Race tuned dynamic stability control, climate control seats, five ride modes, cruise control, dynamic head and tail lamps, five-inch TFT cluster with multiple connectivity, TVSM and bi-directional quick shifter. The SmartXconnect, a connection technology with voice assist, first in the industry, now implemented already in Apache, Intel, iQube and Jupiter. Or, the smart helmet, again first in the industry and seamlessly connects to our SmartXconnect application. The iQube, with the best in industry value proposition by excelling in all key parameters such as best WMTC range and highest energy efficiency and fastest acceleration. Isn't that a really compelling combination?
- TVS iQube has been designed to provide an immersive experience, offering three fundamental principles for our customers - the power of choice for range, connected capabilities, charges and defined specification and attributes. The complete peace of mind around vehicle safety by adhering to latest norms and overall, the simplicity of operations including a convenient purchase journey. And now with additional features like a larger under seat storage, voice assist and Alexa skill sense.
- In Dubai, the company launched its new flagship electric two-wheeler, the TVS X. TVS X bears testimony to the company's global ambitions. It brings design, performance and connected technology like no other product available on the market right now. And with many industry first structures and features, TVS X is a demonstration of cutting-edge technological innovation.
- The Apache RTR 310 refines two-wheel acceleration with its impressive plan of power, agility and design. RTR 310 is poised to captivate motorcycle enthusiasts and adrenaline aficionados around the world.
- Another innovation, TVS Ronin with a special edition. TVS Raider SSE, India's most award-winning 125cc motorcycle, launched as India's first Marvel-themed motorcycle. Or TVS Jupiter 125 SmartXconnect with segment-leading technology in the Bluetooth and TFT digital cluster, which enhances the riding experience. And TVS Neo AMI 125, the company launched for this project across Africa. It is aimed at fulfilling evolving commuting needs by offering customers more than 70 exciting new features. And TVS HLX 150 F. This vehicle is now available in 50 countries across Latin America, Africa and Asia. This model was further enhanced with a powerful yet very efficient EcoThrust engine, added safety features and a superior suspension system. And all of these new TVSM innovation and

new products were very well received by customers, experts, media and the trade. And I think this brief overview is enough to demonstrate that TVSM is going the famous step extra for the customer. TVS offers the customers desirable attractive products and valuable services. TVS is investing in the future.

- And ladies and gentlemen, we want to bring new customers, no question. But we're also looking at our customer base. We value loyalty. And to drive this forward, we are building premium sales and service experiences centres for our customers across 600 plus dealerships in domestic and international markets. TVSM takes care of the customers, also post-purchase. And so, we are engaging with our customers in many ways. For example, the Apache Owners' Group has developed an illustrious exclusive cycle. The RONIN CuLT community gives customers access to rides, meetups and racing experiences, extending their overall ownership experience beyond the motorcycle.
- And by the way, our contact with racing is one strong pillar for reliability and safety. All our motorcycles are tested by professional racers on the racetrack. And TVS Racing pushed the limits again. TVS Racing rider Harith Noah made history by becoming the first Indian to win the Dakar Rally 2 class race in 2024. The rally in the Saudi Arabian desert is considered one of the toughest races in the world. And TVSM launched the Electric One Make Championship, an exclusive format of racing on the electric TVS Apache RTE race motorcycles that have been developed solely for these championships.

And dear ladies and gentlemen, based on this customer delight, the brand trust and innovative power of the product, TVSM has won many awards this year. Just to highlight some:

- TVSM brand overall - Best Two-Wheeler Manufacturer of the Year and the Most Trusted Brand of the Year for Two-Wheelers,
- For the TVSM products - TVS raider – Best Bike Variant of the Year.
- For the TVS Apache RTR 310 – Readers' Choice Bike of the Year, Bike of the Year upto 350cc, Viewers' Choice Bike of the Year and Technology of the Year.
- TVS X - Viewer's Choice Electric Scooter of the Year, The Two-Wheeler EV of the Year @ Jagran Hi-Tech Award.
- TVS iQube S @ Autocar India Awards – Green Two-Wheeler of the Year
- For the TVS management, dear Chairman Emeritus, Venu Srinivasan was awarded as Outstanding Institution Builder at the 13th Managing India Awards, and in addition has received the Lifetime Achievement Award by EY.
- The Managing Director - Sudarshan Venu, was recognized as the Next-Gen Leader. An award in the second edition of Moneycontrol's Indian Family Businesses.

- Last but not least, it was a special honour for TVSM to showcase a suite of made-in-India and made-for-the-world mobility solutions to the Hon'ble Prime Minister of India at Bharat Mobility Global Export 2024.
- Ladies and gentlemen, we are not only investing intensively in technologies and products, we are also committed to support the society. It's our purpose. TVSM envisions to be a partner in the transition and in the transformation of rural communities by empowering people to achieve sustainable development through the Srinivasan Services Trust (SST). TVSM aims to take the SST model of empowerment and transformational change to over 20,000 villages in India, so they become sustainable and self-reliant. SST will reach this goal by partnering with the government and other organizations working with us. SST has already empowered over 60,000 women by organizing them into self-help groups and implemented over 350 water conservation projects including distilling tanks and irrigation channels, and has repaired and renovated over 2,600 pieces of rural government infrastructure. I'm deeply impressed by the work of SST. The Srinivasan Services Trust is the benchmark.
- And ladies and gentlemen, in this context, Environmental, Social and Governance, the new word ESG, these considerations are increasingly pertinent for TVSM, influencing our long-term viability, reputation, regulatory compliance and financial health. TVSM has always acted according to what is now called ESG principles, closed-loop processes. And embracing ESG principles help us mitigate potential environmental impacts, foster social goodwill and ensure robust corporate governance, crucial for competitiveness, compliance and meeting global stakeholder demands. Furthermore, robust ESG practices can drive operational efficiencies and innovate product development. ESG is not only a moral imperative, but also a strategic moat for long-term growth and success. And therefore, I really would like to share our vision and initiative for a sustainable future.
- First, environmental stewardship. We commit to minimizing our environmental footprint through innovative solution, resource conservation and the transition to cleaner energy sources. Secondly, social progress. We empower employees, foster diversity and inclusion and contribute to the well-being of the communities where we operate. And thirdly, governance excellence. Upholding ethical standards, transparency, accountability and responsible decision-making across our complete value chain. And TVS is leading, achieving renewable power contribution of 93% in overall share of power, avoiding more than 58,000 tons of CO<sub>2</sub> equivalents, reducing specific water consumption by over 10%, continuing efforts towards biodiversity preservation. We are home to 900 plus flora and fauna. Planting rare, endangered and threatened plant species was a part of celebration on World Environmental Day in 2023. And TVS got recognition for this work for the renewable energy 100% program. The company won the fourth Indian Green Energy Award in 2023 for the Indian Federation of Green Energy and won the second place as the Highest Outstanding Green Energy User in India for the industrial and commercial sector.

- But now, ladies and gentlemen, I also want to give you and provide you a complete overview, and we'll turn to the subsidiaries.
- Firstly, PT. TVS Indonesia – PT. TVS Indonesia reported two-wheeler sales of 1.1 lakh units and three-wheeler cells of 0.8 lakh units, resulting in an operational EBIT of USD 8 million.
- TVS Credit Service Limited - Year on year, the overall disbursement registered at Rs. 25,018 crore, that's USD 3.01 billion, as compared to Rs. 21,652 crore, which is USD 2.69 billion. That's a plus of 16%. And the book size grew by 26%, and it's presently around 25,900 crores. The total income grew by 40% to Rs. 5,796 crores. And profit before tax grew by 49% to Rs. 763 crores versus RS. 512 crores during the previous year.
- Ladies and gentlemen, that concludes the Performance Report of '24. So, let's turn to the outlook.
- And as we step more and more into fiscal '25, TVSM maintains this cautiously optimistic view. India GDP is expected to be around 7% by various sources. India is making steady progress towards becoming one of the largest economies in the world. It's a young, intelligent, thriving workforce. The nation is well-positioned to leverage its advantages. And I'm also convinced that India can benefit from major shifts in the geopolitical, geo-economics, environmental and social landscape. India can go its own way. India can overtake.
- TVSM expects the two-wheeler industry will continue to grow on the back of strong economic indicators, including normal rainfall and uptick in rural demand. Our focus on EVs as one of our future growth enablers fits perfectly with our 2030 vision. EVs represent a commitment to sustainable innovation, addressing environmental concerns, while meeting customers' demands for energy-efficient transportation solutions. To realize our vision, it is essential to align technological advancement with the strategic infrastructure development and proactively collaboration between academia, industry and government. And you can be assured TVSM is focused.
- Internationally, against the already mentioned global challenges, TVSM expects that the export of two-wheelers is likely to see a gradual recovery after the weak performance in fiscal year '24. The African market improvement will be supported by a moderation in inflation due to easing of monetary tightening globally. Expansion programs in LATAM, ASEAN and Middle East will add further momentum. TVSM is strategically expanding its international presence by strengthening its distribution network across the world. In fiscal '24, the company announced its entry into the European markets through a distribution partnership. The variety of EV and ICE products has been homologated in the meantime. TVSM is ready to start now. In addition, together with and in fine coordination with BMW Motorrad, TVSM will be working on the design and development of additional new vehicles for the global markets because they are perfect and backed by a strong product lineup, unwavering focus on consumer delights, quality and design. TVSM is confident for the fiscal year 25.

- TVSM has reported a bright start into the year already. Posting a Q1 2-wheeler domestic sales grows at 15pc. TVSM continues to have a sustainable, profitable growth trajectory. Q1 was a brilliant start. Now the TVSM team is already focused on the next quarters to come. Ladies and gentlemen, in conclusion, I hope you got a comprehensive overview about TVSM. TVSM is really gearing up for exciting times ahead, as we transition to a high tech, global and smart mobility company. TVSM does have the ability to delight customers, also delight the new age customers and the company is in very good hands. TVSM is led by an outstanding experience leadership team and I can only tell you that the remarkable, profitable growth in the past few years has been made possible by the dynamic, experienced leadership team headed by Mr. Sudarshan Venu as MD, Mr. K.N Radhakrishnan as Director and CEO. Under their visionary leadership, TVSM has fostered a passionate, motivated aligned team, dedicated employees, partners and stakeholders working towards one goal. And all their hard work of the stakeholders are putting in is leading to significant value creation.
- Again, I thank everyone for their contribution and commitment and I want to express grateful thanks to our customers, to our dealer partners and service and sales, our suppliers, bankers and financial institutions for their continued co-operation and invaluable support. Explicitly, many thanks especially to all our employees for contributing with passion and commitment on every and each date. Our people deliver highest quality for our customers. And now the Board of Directors join me in thanking you all, our shareholders for your continued confidence posed in TVSM. All together, we make TVSM strong. Many thanks.
- With that, I am going to the agenda item no.4 – Resolutions to be approved by the shareholders. The following ordinary resolutions are being considered in this AGM.
  1. Firstly, the adoption of both standalone and consolidated audited financial statements together with the Director’s report and the Auditor’s Report of the Company for the year 2023-24.
  2. Secondly, the re-appointment of Mr. K.N. Radhakrishnan, as the Director liable to retire by rotation.
  3. Thirdly, not filling up the vacancy caused by the retirement of Dr. Lakshmi Venu, as a Director who doesn’t offer herself for re-appointment; and
  4. Fourth, ratifying the remuneration payable to M/s. C.S Adawadkar & Co., Cost Auditors for the fiscal financial year 2024-25.
- Let’s come to the voting. The voting facility on the NSDL website will remain open for 15 minutes from the conclusion of this meeting to enable the shareholders to cast their vote through e-voting. The results of e-voting will be declared on or before the 8<sup>th</sup> of August 2024. The declared result will be made available on the website of the company, stock exchanges and NSDL. Ladies and gentlemen, this brings me to agenda item no.5, Queries from speaker shareholders and management’s response for the Q&A session. Shareholders, who have registered themselves as speakers are requested to speak one

by one and the moderator, Mr. Raja Prakash will call you all one by one. Mr. Prakash, please take over.

– **Moderator:**

- Thank you Sir. We have received request from 14 shareholders. I will call the names one by one and the shareholders are requested to keep their questions short in the interest of time of all concerned. Now, I will request speaker no.1, Mr. Bimal Krishna Sarkar. Yes, Mr. Sarkar?

– **Mr. Bimal Sarkar – Shareholder:**

- Very good afternoon! Sir, I am Bimal Krishna Sarkar, joining from my residence in Kolkata. Respected Chairman, other dignitaries, Company Secretary, shareholders present in the VC meeting. At first, I thank the Chairman for a valuable and excellent presentation regarding performance of the company. Thanks to the Company Secretary K.S Srinivasan, share department Raja Prakash for sending AGM notice and hard copy of the annual report at once and excellent investor service and keeping good relations with the shareholders. Thank you Sir. Sir, annual report is colourful and informative. Now I come to the financial performances. Sir, inspite of geo-political turbulences and tension which is still going on and economic challenges, our company TVS Motors is making profit year after year. Revenue from operation increased by 22.42, EBITDA increased significant increase, PAT by 35.82, during the year 1778.54 cr., last year it was 1309.46 cr. Thanks Chairman and your team for making brilliant, significant financial result.
- Sir, question no.1 – export has been declining continuously for the last 2 years. What is the long term outlook and what other trajectories are taken or planned for improving the export share? Sir, as per Section 135, sub para 5, CSR obligation 26.39 cr. Total spent 30cr. Excess spent is 3.61cr. CSR activities are, CSR committee reaches 2500 villages and 16 lakh people are benefitted from it. Sir, woman empowerment – 6000 women enrolment in SHGC – Self Help Group, CSR committee encouraged women to be a part of the Self Help Group, so that they can earn money and avail themselves of loan and have support groups. Sir, thanks to the CSR Committee for excellent performance.
- I fully support the annual report and I pray to God for good health to you Chairman and your team, Company Secretary and Secretarial department and entire employees of the company. Thanking you for patient hearing. Over to you Sir. Thank you Sir.
- **Professor Sir Ralf Dieter Speth – Chairman, TVS Motor Company Limited:**
- Thank you very much. Let's continue. We will answer all the questions afterwards.

- **Moderator:**
- Now I will request Mr. T.R Sankaran. Yes, Mr. Sankaran. You are on mute Mr. Shankaran.
- **Mr. T.R Shankaran – Shareholder:**
- Is it ok now?
- **Moderator:**
- Ya.
- **Professor Sir Ralf Dieter Speth – Chairman, TVS Motor Company Limited:**
- Can you speak up a little bit please?
- **Mr. T.R Sankaran – Shareholder:**
- My name is T.R Sankaran. My client ID no. is 30163140595356. I am joining from Chennai. Good afternoon to all the members in the forum. Sir, congratulations to the management for first connected vehicle NTQR2 in the past. My question is, what are the plans going forward in bringing out such technology driven vehicles? That's all.
- **Professor Sir Ralf Dieter Speth – Chairman, TVS Motor Company Limited:**
- Good, thank you. Does it cover everything? So let's continue to the 3<sup>rd</sup> speaker please.
- **Moderator:**
- Yes. Mrs. H.S Patel. Mrs. Patel, can you hear us?
- **Ms. H.S Patel – Shareholder:**
- Hello? Am I audible?
- **Moderator:**
- Yes, we can hear you now. You have to put your video on.
- **Ms. H.S Patel – Shareholder:**
- No, I don't want my video on. I am only on my audio Sir.

- **Professor Sir Ralf Dieter Speth – Chairman, TVS Motor Company Limited:**

- We can hear you.

- **Ms. H.S Patel – Shareholder:**

- Thank you. ya. Respected Sir, Chairman Sir Professor Ralf Speth, Venu Srinivasan Chairman Emeritus, Managing Director, all other Directors on the Board, our favorite Mr. Hari Bhakti ji, namaskar to you. I am thankful to our CFO and CS, Mr. Gopalan Desikan and Mr. Srinivasan for sending me the annual report on time and above all, I am really very much thankful to Mr. Raja Prakash who has always been very helpful, very humble gentleman, very unassuming and he is always on his toes to help the shareholders. I wish you all the best Mr. Raj Prakash. I am very much thankful for the help that you have rendered to us. I am also thankful to Mr. Sathyan. Sir, the company has done very excellent job as far as this year is concerned. The profit, the revenue, the income, the EPS have all gone up. Inventory level is just a little high, if it can be controlled. Sir, I would like a little more information on this NCRPS and in what way it is different from bonus. Simple bonus could be allotted to us. However, there must be some good way also for the company to allot us NCRPS. If you can throw some more light on this Non-Convertible Redeemable Preferential Shares and in what way, it will be more useful to us as shareholders because it is non-convertible. Sir, your this year 1<sup>st</sup> quarter results are also excellent. Profit has gone up, revenue has gone up. The company is doing an excellent job. I am very grateful first to all the employees of TVS, who has done very hard work to give us an excellent result along with the management team. Sir, I also congratulate the company for winning various award and applauds. I congratulate TVS for the, for winning the one of the toughest Desert Race and all other awards. CSR activities are also excellent of the company. I have full confidence on the Board and all the employees and I am sure, your hard work along with intelligence will continue to give us good results even in the coming years. Sir, I have one little request. as I am a lady, please I request TVS Management and you Sir, Ralf Sir, please come out with some scooters for ladies, especially with very simple driving. It will be very easy for us to start, a button press start and not so high speed and very comfortable to drive, especially only for ladies. Please do come out with it. It's my humble request. I also request all the employees and the management team to do me this favor. It will not be a favour only to me. It will be a favor to all the Indian women of our country, a special type of scooter for heavy traffic in Bombay, in metro cities, if the company can help us out. Simple starts, simple drive, easy to drive, please. that's my only request. I have no other questions. I have full confidence in the management of the company. Thank you very much for giving me an opportunity to speak through this VC. I am sitting in Bombay in my house and I am talking to you all. Thank you very much and I wish the company all the very best. Thank you Sir Ralf. All the best to you!

- **Professor Sir Ralf Dieter Speth – Chairman, TVS Motor Company Limited:**
- Madam, thanks a lot. Thanks a lot. We have noted all your requests. Next one please?
- **Moderator:**
- Mr. Praful Chavda please. Yes Mr. Chavda? Can you hear us?
- **Mr. Praful Chavda – Shareholder:**
- Sir, Board of Directors and my fellow shareholders. Chairman Sir, your company's 2 speakers have spoken very well and Madam has also spoken very well regarding the benefits of ladies scooters. Ladies will love it a lot. So I want to ask you, how and where are the 5 best showrooms present in India and in the world? TVS has big showrooms. Can you tell me about it?
- **Moderator:**
- Thank you for the question. We will note down all the questions and answer them all together in the end.
- **Mr. Praful Chavda – Shareholder:**
- Yes, yes, yes, no problem Sir. First and foremost, I want to say that the scooty that you have made for the poor XL, it is also called Chota Hathi, it is the best Sir. I will give it the best award in the world. It's the best. When a poor man or a middle class man wants to buy a 2-Wheeler on his own, he will first buy that vehicle. The farmers in the village who do farming and those who do labour work in the shops, must be riding this vehicle. Chota Hathi, Chota Elephant, Small Elephant but it can lift so much of weight and can go anywhere. It is very good. Sir, I had gone to Jagannath Puri off late. Then I went to Varanasi, Ayodhya, Mathura, Haridwar and Ujjain. In all these places, I saw heavy 3-Wheelers. There are many benefits in 3 wheelers. Most of the middle class people take it on rent for Rs.400-500, ride it for 12hrs., earn money. They don't need any maintenance. There is no money spent on petrol. So when will you get into the 3-wheeler segment? 3 wheelers have become very important in India's different places for pilgrimage. So please tell me about it. Today only, our Minister Mr. Nitin Gadkari has said that vehicles will run on ethanol. They will run on petrol and ethanol. So in the 2-wheeler segment also, will there be vehicles which will run on ethanol? The machinery that we have now, will you make engines which will work on ethanol? Will you make it 2 in 1? Please tell me about it. Sir, right now Olympics are on. Many people win gold medals, win silver medals, so for the publicity of the company, whoever wins must be given a 2-wheeler as a reward and we must tell them that we are doing this much on behalf of our company. Our 2 wheelers cost 1-1.5 lakhs. Definitely we are not going to win 100 medals but the little players of

India who win medals, they should be given a vehicle free, so that will be very good. I am very happy with the Secretarial department. Company Secretary and his department maintain good PR and they are investor friendly. So I thank them a lot for that. Thank you Sir.

– **Professor Sir Ralf Dieter Speth – Chairman, TVS Motor Company Limited:**

– Thank you gentleman! Let's go to the next one.

– **Moderator:**

– Mr. K.T Venkat Ramakrishnan.

– **Mr. K.T Venkat Ramakrishnan – Shareholder:**

– Good afternoon Chairman, Managing Director and other dignitaries. This is Venkat Ramakrishnan, shareholder from Chennai. I have a few questions Chairman. Why non-convertible redeemable preference shares are issued instead of keeping the funds for supporting and expanding plans of TVS Motor? No.2, what is the present status of bonus redeemable preference shares? When will we as a shareholder get money and what will be the treatment in our hands? Thank you.

– **Professor Sir Ralf Dieter Speth – Chairman, TVS Motor Company Limited:**

– Thanks a lot. Next one?

– **Moderator:**

– Mr. V. Ravichandran. Mr. V. Ravichandran?

– **Mr. V. Ravichandran – Shareholder:**

– Am I audible?

– **Moderator:**

– Yes Sir.

– **Professor Sir Ralf Dieter Speth – Chairman, TVS Motor Company Limited:**

– We can hear you.

– **Mr. V. Ravichandran – Shareholder:**

- Ya, good evening Chairman and to all those who are present in the AGM. See, my first point is, consistently I am seeing, I sent a mail requesting for a printed copy of the annual report. No response. I follow-up 2 times, 3 times and I have no clue whether I am going to get a copy or whether I am going to join. Last year also it happened and this year also it happened. So I don't know, if the Company Secretary is so busy, you can create a new email address for every AGM. Some junior fellow can be given the responsibility of taking care of the shareholders. I don't know. It is really disgusting. 2 days' back only I got the annual report after following up. Mr. Raja Prakash was kind enough to co-ordinate and send me the annual report. But it is really disgusting. A company like TVS Motors with so much of corporate governance and all, I didn't expect this from this company.

– **Professor Sir Ralf Dieter Speth – Chairman, TVS Motor Company Limited:**

- Thank you for your information. We will work on our processes.

– **Mr. V. Ravichandran – Shareholder:**

- Ok. If he is getting too many mails from so many people, new email ID can be created for this purpose exclusively. So, my first point is, see, most of the points are all backlog of previous year only. My first point is on the road conditions. You know, any discussion is being undertaken with the government? Because road, you know, for your vehicles to ply, you need good roads. Reasonably good roads. I'm not saying high, high, high standard roads. So, last year I asked about this and I was given the response that central government is investing in highways. I'm talking about city roads. The likes of Swiggy's and Zomato's they don't ply on the highways. They run their vehicles on the city roads. So, if you don't take this up someday some inventor will find a flying object which will replace the 2-wheelers totally and you will be out of the business. So, please give a response. If you've not taking up any discussion with the government, that also you can provide as a response.
- My second point is on the EV disposal, EV waste disposal. This also I asked last year but no response was given. It was given a convenient pass.
- My third point is on the bonus. Bonus share was given more than a decade ago. The company has been making good profit and gradually they are increasing the dividend but the bonus has not come. At least 2:1 bonus can be given. See, the share price has gone up from ₹300 level to ₹2500 level today. So, people who are buying today, they're not even getting one-third of 1% as a dividend yield. That is the status. So, I request the management to consider at least 2:1 bonus.
- My fourth point is cross subsidization. Consolidated revenue and profit if you compare with the standalone, there is enormous cross subsidization. See, for the current year the

incremental revenue in the consolidated P&L is ₹7369 crores, which has resulted in a loss of ₹397 crores. Incremental revenue of ₹7369 crores gives a loss of ₹397 crores. Last year also 5596 was the incremental revenue but the loss was ₹162 crores. It has actually gone up this year. So, the result of all this is being borne by the standalone shareholders. This has been consistently happening. See, I'm a shareholder for 20 years. In April'2004 I became a shareholder and I'm continuing. I've increased my holdings only during this period but I'm not seeing the dividend deal being even reasonable. So, I would like you to give some timeline for ending this cross subsidization.

– **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company Limited:**

– Sure. Thanks a lot.

– **Mr. Ravichandran V. – Shareholder:**

– Last point. See, the dividend, again, your EPS last year was 31.38 whereas you paid only ₹5 as dividend and this year it was 43 point something and you paid only ₹8. At least in good years you can give dividend magnanimously. In bad years, shareholders will definitely understand but in good years at least keep the shareholders happy.

– Thank you, Sir, and wish you good performance in coming years and wish you all the best. Thank you.

– **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company Limited:**

– Thanks a lot. Let's continue, please.

– **Moderator:**

– Mr. J. Abhishek. Yes, Mr. Abhishek.

– **Mr. J. Abhishek – Shareholder:**

– Yes, Sir. Can you hear me? Am I audible, Sir?

– **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company Limited:**

– Yes, we can hear you and see you. Thanks a lot.

– **Mr. J. Abhishek – Shareholder:**

– Sir, my name is Abhishek, shareholder of the company. First of all, I congratulate the management on the eve of 32<sup>nd</sup> Annual General Body Meeting and trust all is well with

you and your family. In this challenging situation our company deserves much more respect than the current market cap after completing more than a decade of operations, profitability, dividend history and becoming one of the strongest brands in the respective segment. Sir, we can see that the company has outperformed during the year and we can see the excellent performance in the way of EPS 43.84, Return on Equity is 26.94, which is really excellent. And after 2010 the shareholders are very eagerly waiting for a bonus issue, Sir, but till date the management has not considered. Hope that the management will consider in this profitable year a good bonus, a liberal bonus to the investor fraternity.

- And how do you see penetration for EV business after reduction of incentives by the government? I would like to know from you, Sir.
- And what steps have been taken by the management to reduce the other expenses, legal professional charges and the audit fee?
- Then, kindly trying to consider the hybrid AGMs in the years to come, Sir, because more number of shareholders are not able to join because of the digital challenges in the virtual platform. So, if you can consider hybrid AGMs in the years to come, more number of shareholders can join you in the meeting and you can get the valuable points, suggestions, ideas that will be helpful for the management in future.
- And the company has really a good corporate governance like this, Sir. We do appreciate the management for that and hope that the management will take all the questions in the right spirit and continue to reward the minority shadows in large numbers in the years to come.
- Nothing much to ask, Sir. I wish the company and the Board of Directors a great success and prosperity in the coming future. And thank you for giving me the opportunity, Sir. Hope to see you in the hybrid AGM next year. Thank you very much.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company Limited:**
- Thank you. Thank you very much. And let's continue, please.
- **Moderator:**
- Ms. Sushmita Sarkar. Yes, Ms. Sarkar, can you hear us? Ms. Sushmita Sarkar?
- **Ms. Sushmita Sarkar – Shareholder:**
- Yes, can you hear me?

- **Moderator:**
- Yes, Ma'am.
- **Ms. Sushmita Sarkar – Shareholder:**
- Am I audible?
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company Limited:**
- Yes.
- **Ms. Sushmita Sarkar – Shareholder:**
- Yeah. Okay, thank you so much. Yeah. So, good afternoon, everyone. I would like to extend my gratitude to our Chairman for his outstanding leadership and for presenting the highlights of the company's performance over the past years. And I also want to acknowledge the Company Secretary, K.S. Srinivasan, for his exceptional work in investor relations and maintaining positive communication with the shareholders.
- Just I have one question like what strategies does the company have in place to navigate current market challenges and ensure sustainable growth in the company's coming years?
- And your continued support is invaluable to us and thank you so much for allowing me to the opportunity to speak. Thank you.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company Limited:**
- Madam, thanks a lot. Then let's continue.
- **Moderator:**
- Ms. Vasudha. Yes, Ms. Vasudha Dakwe, can you hear us?
- **Ms. Vasudha Dakwe – Shareholder:**
- Yes, Sir. Can you hear me?
- **Moderator:**
- Yes, Ma'am.

- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company Limited:**
- Yes, very well.
- **Ms. Vasudha Dakwe – Shareholder:**
- Yes. Thank you, Sir. Very good evening, respected Chairman Sir, Board of Directors and my fellow shareholders. Myself Vasudha from Thane. I would like to congratulate our company’s secretarial team for sending me the soft copy of the report as well as the hard copy of the report well in advance, which itself is clear and transparent. Opening speech given by the Chairperson is also very informative and excellent.
- I would like to ask, do we manufacturing hard components as well as soft components in our tyres business?
- With this, I support all the resolutions. Thank you very much and wish the company all the best for coming financial year and my best wishes for coming all the festivals during the month of Shravan and Bhadrapada - Ganpati, Dusshera, Diwali. Thank you, Sir.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company Limited:**
- Madam, thanks a lot. Let's continue, please.
- **Moderator:**
- Mr. Ravi Kumar Naredi. Mr. Ravi Kumar Naredi? Mr. Ravi Kumar Naredi? Sir, we will go to the next speaker.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company Limited:**
- Let's go to the next one, please.
- **Moderator:**
- Mr. Ramesh Shankar Gola. Mr. Ramesh Shankar Gola?
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company Limited:**
- So, then let's continue, please.
- **Moderator:**
- Mr. Mehul J. Shah. Yes, Mr. Mehul J. Shah.

- **Mr. Mehul J. Shah – Shareholder:**

- Hi. Good afternoon, everyone. First of all, let me just congratulate the entire management for the commendable performance during the last year, which I feel is very, very successful because we had many launches, product launches and also which enabled the company to deliver consistent good performances.

- As I heard, one of the shareholder saying, I am a shareholder of the company for the last 20-25 years and I've seen the company grow from where it is today. So, hearty congratulations for having the market capitalization crossing 1 lakh crores. I also wish the management all success to continue the good performance and reward the shareholders with further increase in market capitalization. Hope that the company has a very good year and clear plans to make significant progress in performance in future years. What are the plans of the company in for the future? Thank you.

- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company Limited:**

- Thanks a lot. So, let's go to Number 12.

- **Moderator:**

- Mr. Manoj Kumar Gupta. Yes, Mr. Gupta.

- **Mr. Manoj Kumar Gupta – Shareholder:**

- Hello? Yeah, hello. Good afternoon, respected Chairman, Board of Directors, fellow shareholders. My name is Manoj Kumar Gupta. I'm a shareholder of TVS Motor Company Limited. First of all, thanks to you and your team, entire team of management for the excellent result of the company for the FY23-24. And my thanks to the Company Secretary and his team to help us to join this meeting through VC. And, Sir, we would like to congratulate Shri. Venu Srinivasan on his involvement in the CSR activities. And we are able to really see the impact of such activities through a comprehensive coverage in the Annual Report. Do you have any new plans? And, Sir, thanks to you for launching new products in last year. And, Sir, what about your future plan for the Electric Vehicle? Kindly throw some highlight.

- Once again, my thanks to your company secretarial entire team to help us to join this meeting through VC, Sir. Convey our best wishes to our Chairman Emeritus. We wish to God for his healthy and prosperous long life to achieve his goals in coming time. Thank you, Sir.

- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company Limited:**
- Thanks a lot. Now, let's go to the next.
- **Moderator:**
- Last speaker, Sir, Mr. T.S. Rajagopalan. Yes, Mr. Rajagopalan, can you hear us?
- **Mr. T.S. Rajagopalan – Shareholder:**
- Yeah, good evening. My name is T.S. Rajagopalan from Chennai. I hold 1000 equity shares of the company. As one of the fellow shareholders have informed the Annual Report is also colorful and shiny like the company and the opening statements by Chairman and the Managing Director are clearly of the top stuff and top class and it's very good and it is appealing. It also gives very clear roadmap for the future and the way in which the company is proceeding to go.
- Now coming to the financials, Chairman has explained very clearly about the growth and other things. The turnover has gone by 20.5%. The Profit Before Tax has gone by 38.8%. International benchmark of incremental margin is also about 14.3, which for an OE company is really good. And as far as the shareholders are concerned, the Earnings Per Share has also grown up 28.4% i.e., from 31.38% to 43.84%. According to me the ROCE and RONW, which are 31.4 and 30.2, are I think the highest in the history of the company. The ROCE being 31.4% really indicates that the fixed costs of the company are very well recovered by the company with the more and more products are getting added towards cash cow probably. And the dividend payout ratio, which has been increased from 5 to 8, which means 15.9%. in 2013 and it has moved to 18.2%. Really excellent and top class performance.
- And as the chairman mentioned, more and more focus is being given to EV segment compared to Internal Combustion Engines, which is what the today market and the country and the global requirements. The only thing is the margins of EV segment is not as good or as high as that of ICE. Therefore, some focus or probably that will be one of the focus areas for the company because more and more revenue is coming over from EV segment. Therefore, the focus area have to be turned towards that.
- I think the first quarter has been done very well, as informed the Chairman, and wishing the company more success in the future period to come. Thank you so much.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company Limited:**
- Thanks a lot. So, with that, I guess the Q&A session can be more or less closed in a way. First of all, I sincerely thank you for the active participation of all the speaker shareholders

in raising really relevant, actual questions relating EV, future plans and quite clear the financials and bonuses. And as every year I would like to ask Sudarshan Venu, the Managing Director, to answer these questions please.

– **Mr. Sudarshan Venu – Managing Director, TVS Motor Company Limited:**

- Thank you, Chairman. I am very thankful to all the shareholders for taking so much interest in the company and for asking many insightful questions. Given the extensive participation and the various questions, I will try to answer them in as a bunch.
- The first is regarding technology. I think technology is something which has always been core to TVS. We are one of the largest generators of intellectual property and number of patents filed in India. Starting with the connected scooter, which was mentioned by one of our shareholders, we have built a very strong technology roadmap and we continue to keep investing behind this. The recent RTR 310 shows our capability in terms of cruise control, cornering ABS and some additional new features beyond what was done at Ntorq and every model as you go forward will continue to have more such features. The software group in TVS has also been strengthened and more and more of the vehicle software and control systems in EVs and ICEs as well is coming from in-house development.
- Regarding ethanol; I think regarding Ethanol, we were the first to launch Ethanol based 2-wheeler. We definitely believe there is an opportunity here and some other countries as well. CNG is a big focus as far as 3-wheelers. EV, of course, continues to be front and center of our priorities going forward in terms of newer energy vehicles and in terms of embracing the future. We are making very strong investments and you will see more launches in terms of an electric 3-wheeler and another more affordable yet stylish and aspirational electric scooter later this year as well. I think all this shows our commitment to EV and investments behind it.
- Some questions have been raised by you around margins. When some of the subsidies have been reduced, a lot of this reduction has been absorbed by TVS through aggressive cost reduction efforts. Yes, there is some pressure on margins compared to ICE and we do believe that with the discounting and competitive intensity in the market this will continue for a period of time. TVS has robust cash flows and strong performance of the business as a whole, especially the cash flows from the ICE business, and we will continue to invest behind EV, which we believe is strategic to our future, and continue to grow fast and grow ahead of the market.
- Regarding bonus shares and NCRPS, I think the Board after much deliberation has taken a view that NCRPS is a good way to reward shareholders and that is why while some of you may have some comments about the dividend payout, we will take this in mind for the next payout. But it is keeping such thoughts in mind that the company has returned over 2000 crores through the NCRPS. We also will examine other options from time to

time. And to your question on why it has been paid. It is believed because the company is generating a good, surplus cash flow and the balance sheet is robust and that is why this decision has been taken.

- On a lighter note, we will definitely look at an idea of a product for women or a product which everyone can use which may delight women. Product ideas are always welcome. This is a product and customer driven company and we will always look at new opportunities to create exciting, aspirational yet sustainable and safe products. Thank you very much.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company Limited:**
- Yeah, Sudarshan, thanks a lot for answering the questions in a direct and structured way. Dear shareholders, in case of any questions left unanswered or any further questions or details you want to know, please get in touch with the Company Secretary for providing the necessary information.
- So, thanks again. And that brings me more or less to the official close of this AGM. Again, I really want to thank all the shareholders for participating in the virtual AGM. And before closing the meeting, I would like to thank all the shareholders for your continued support and your faith in the company and especially its management and we shall endeavor to scale newer profitable highs as we continue on our journey ahead. TVSM will transform the quality of life of people across the world by really providing mobility solutions that are exciting, responsible, sustainable and safe and quite clear also easy to use and also especially some mobility for women. TVS, the team really knows where to go to.
- Again, I thank you all for your participation and I wish you all the best and look forward to welcoming you again next year. I hereby officially declare the 32<sup>nd</sup> AGM of TVS Motor as concluded and closed. Thanks a lot. Looking forward to see you next year. Thank you. Bye.

**End of Transcript**