

AGM – TVS Motor Company Limited

July 24, 2023

- **Moderator:**
- Good afternoon to all and I wish to inform the 61 number of shareholders are present and attending the meeting holding 24.27 crore shares constituting 52% of the share capital of the company. Now, I request Chairman to convene the meeting.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company:**
- Good afternoon, ladies and gentlemen. Also, a very warm welcome from my side and I want to thank you for your participation, your interest and your commitment to TVS. I, Professor Sir, Ralph Speth, Chairman of TVS will call the meeting to order now. The required quorum is present. So, let's start the meeting with the prayer, please.
- *Prayer was played.*
- **Moderator:**
- I request the Chairman to read out the statutory requirement for this meeting.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company:**
- Ladies and gentlemen, I have to inform you about the statutory requirements. Firstly, 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. TVS 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, these are all accessible on TVS 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 were sent as requested. Shareholders participating at the AGM who have not cast their votes earlier through the e-voting can exercise their votes by using the link provided on the NSDL website. Please do Sir. Notice of the meeting has already been circulated to the shareholders and last but not least, both the statutory auditor report and the secretarial auditor report are already available with you. Both reports are free. They are free from any qualifications, observations or other remarks. Next on the agenda is the introduction of the Directors.

- The moderator will call out the Directors name one by one. I would like to inform you that our Chairman Emeritus unfortunately cannot make it today, so please excuse him. So, let's start and yes Sudarshan, can you start please?
- Good afternoon. I'm Sudarshan Venu, Managing Director.
- **Moderator:**
- Thank you, Sir. Mr. K N Radhakrishnan.
- Good afternoon. I'm KNR, Director & CEO.
- **Moderator:**
- Thank you, Sir. Mr. C R Dua.
- Hello.
- **Moderator:**
- Thank you, Sir. Mr. R Gopalan.
- Afternoon. This is R Gopalan, Independent Director of the company and also Chairman of the Audit Committee.
- **Moderator:**
- Thank you. Ms. Lalita D. Gupte.
- Good afternoon. I'm Lalita D. Gupte, Independent Director.
- **Moderator:**
- Thank you. Mr. Kuok Meng Xiong.
- Good afternoon. I'm Kuok Meng Xiong, Independent Director.
- **Moderator:**
- Mr. H K Singh.
- I'm Hemant Krishan Singh, Independent Director of the company and also Chairman of the Stakeholders Relationship Committee.
- **Moderator:**
- Mr. B Sriram.
- Yeah. Good afternoon. This is B Sriram. I'm Independent Director of the company.
- **Moderator:**

- Dr. Lakshmi Venu.
- I'm Lakshmi Venu, Non-Executive Director.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company:**
- So, thank you. Thanks a lot. Now, I will provide you a comprehensive overview about TVS. So, good afternoon again, ladies and gentlemen. I have immense pleasure in welcoming you to the 31st Annual General Meeting of the TVS Motor Company. Many thanks. Many thanks for participating today. Thanks for your time. Thanks for your commitment. I want to take this opportunity to extend my sincere appreciation and gratitude for the relentless efforts rendered by you and our TVS team members and partners contributing towards our defined vision making TVS Motor Company, the strong, the advanced technology global player in this smart mobility sectors. Ladies and gentlemen, unfortunately, I have to start with very sad news. I share our profound grief on the sudden passing of Mr. T Kannan. As you know, Mr. Kannan served a very long time for generations as Director of the TVS Board. Mr. Kannan has guided TVS during tough time and he brought business perspective to all the issues and deliberations made at the board meetings. He always encouraged the teams. It's a great loss for all of us. His loss will be felt not only with us, but greatly by many in the industry, in education and electronic sectors, and I want to express my deep sympathy also on behalf of the Management Board. Thank you. Ladies and Gentlemen, TVS really anchored in very well-defined values said already generations ago by the founder our CE our Chairman Emeritus and our goal is to achieve sustainable profitable growth worldwide and we are doing this in a very predictable, consistent, and transparent way. Maybe you can say we're a little bit conservative called Old Style on that side and today, I will give you a review of the TVS performance in fiscal 23 and an outlook on the fiscal year 24. But before I dive in the TVS performance, I want to set the scene in providing you some relevant information about the economic conditions in 2023. India was open for business throughout the fiscal year and this revitalization of growth provided the much-needed momentum from the prolonged impact of Corona virus pandemic felt over the last two years. This kind of trajectory of the Indian economy outperformed global peers and this was made possible by an interplay of mainly 4 leaders. The active and prudent policy management by the government, inherent fundamentals of the Indian economy, the reliance on growth rivals like private consumption, capital formation, infrastructure, manufacturing, and/or services, and very importantly, by passionate, very well educated and resilient Indian people.
- Now Fiscal Year 23's history. Time is running and time is our competitive advantage. Earlier today, we published the figures of the quarter one fiscal 24 already. We all experience Crystal 23, and the most prominent experts and institution analyzed and published their findings against that background, I don't want to continue to talk about generic economic details, but rather focus on the business of TVS. In the vital steps toward digitizing the country's transportation sector, India launched the VAHAN 4.0 portal and the portal is a part of the government's Digital India initiative, which aims to transform India into a digitally empowered society and knowledge

economy. Managed by the Ministry of Road Transport and Highways and the National Informatics Centre, it has quickly become a reliable indicator of automotive retail trends and that's the reason why we use it and the portal documents the two-wheeler industry VAHAN registration growth of 16.1% in fiscal year 23 excluding Madhya Pradesh, Andhra Pradesh and Telangana and the growth year-on-year was not homogeneous, but characterized by a high seasonal amplitude. Quarter 1 +54.5% primarily driven by the low pandemic levels the year before in quarter one fiscal year 22. Quarter 2 declined -3.7% and then quarter 3 and quarter 4 saw growth rates of 13.5% and 10.7% respectively. The two-wheeler industry dispatch grew every and each quarter. In Q1 with a growth rate of 52.8% and this mirrors more or less advanced pattern followed by quarter two to quarter four with 11.7, 5.3%, 4.5% respectively. And overall, this correspondence to an annual growth rate of 15.5% or 15.5 million units compared to 13.4 million units in the last fiscal year.

- Ladies and gentlemen, the figures sound sensational high, but these very positive double-digit growth figures have to be assessed in context. The lesser level achieved is still below than 60 million units from fiscal year 15 and significantly lower than the industry height of 21.2 million units in fiscal year 2019. This juxtaposition reflects both the healthy growth momentum and the availability of ample headroom for future growth. The ICE scooter segment dispatch grew by 21.9%, so 4.86 million units were sold compared to 3.98 million units in fiscal year 22. This high demand resulted largely from increased economic activities and the reopening of schools, offices, and the urban centers post-pandemic and I have to say also from top end products. The ICE motorcycle segment dispatch grew by 13.9% over last year, but the category share fell. The category share fell from 66.98% to 65.8% and the subcategories developed differently. The economy motorcycle and moped segment showed muted demand. The potential customers were the most severely impacted. These customer segments are yet to fully recover from pandemic induced challenges, most notably depleted personal savings.
- The premium motorcycle segment declined in quarter one, especially impacted by semiconductor supply chain shortages. However, these challenges were mitigated and the segment rebounded to post the growth of 16.6% for the year. The commute motorcycle volume increased by 10.6%. The category share continued to be at the dominant 51% of the overall two-wheeler industry and this resilience in the sustaining this high category share is a clear indicator of the critical role played by the segment in meeting India's mobility needs. The growth was mainly driven by the executive subsegment which has greater skew to relatively affluent open customers as opposed to the economy segment and I think you want to know more about EV. EV last year saw a strong growth of the complete EV two-wheeler industry, 0.71 million, 7.18 lakh units were sold, translating to a growth of about two times over fiscal year 22 and the heightened consumer interest is driven by their alluring total cost of ownership. Digital First Technology propositions, the fame two and PLI support from the central government combined with state specific support that EVs offer. If consumers consider increasing fuel prices, EVs even more attractive. As electric mobility gains momentum in India and other countries, it will prompt disruptions and structural shifts in the automotive industry and you can see it

already, you can experience it in the industry around the world. For instance, in India, the penetration rate stood at 4.7% with an exit of 5.4% for quarter four 23 and growing fast. By the way, in other countries around the world that just give you an example of China, the EV penetration rate is already at 38%. TVS, at the real leading edge and TVS capitalized on these opportunities by investing continuously in EV technologies.

- Now let's turn to the international business. Over the last years, the pandemic impacts have played a major role in shaping the global economy. Many sectors have found themselves in difficulty and still struggling. Countries dependent on those sectors are now trying hard to go and to get back up again. Some African geographies with significant high TVS market share are challenged also very, very hard. The global geopolitical strife persisted unresolved. Tension areas increased. In response to strong inflationary pressure, advanced global economies tighten their monetary policies with consequent cascade impact felt on global markets especially on the economies of emerging and low-income countries. TVS, please be sure is entering new markets and launching more products in these areas. So, ladies and gentlemen, let's go to TVS. Let's present the TVS performance to you in fiscal year 23. I can make it brief. I can make it in summary. In summary, TVS outperformed the industry in both in retail according to VAHAN registrations as I mentioned already, but also in this batch growth. So, TVS sold 3.5 million certify 5.12 lakh units of two-wheelers and .18 million units of three Wheelers. As a result, TVS can report records, a new record in turnover of ₹26,479 crore or \$3.29 billion, that's a plus of 27.2% and also a new record, a new record in profit on a PPT level. PPT we reported ₹2003 crore, \$249.15 million, that's an increase of plus 61.1%.
- In India, TVS sold 2.4 million units of ICE two-wheeler as compared to 2.03 million units in fiscal 22 +23% and 9 lakh unit motorcycles +28.7%. The Premium Motorcycles segment was affected drastically by semiconductor shortages as mentioned earlier in the year, but TVS really caught up. The TVS team outperformed. Many thanks for their agility, their flexibility and their creativity. It was really impressive to experience that unbelievable spirit. TVS, our premium product is in very high demand. The communal motorcycle segment sold 5.56 lakh units. That's a growth of 48% and TVS Raider was a primarily growth driver and Raider is now the flagship executive motorcycle in the market. In domestic Scooters, TVS sold 1.14 million units. That's a growth rate of 34.3%. Jupiter 125 attracted the customers most and Jupiter 125 are really in high demand. Internationally, as highlighted to the geopolitical, geo-economical, and pandemic resulting impacts, the markets were challenging. Against that background, TVS exported and sold 9.15 lakh two-wheelers, a decline of 16%, and 1.53 lakhs three Wheelers, a decline of 6% and that's a real decline. In comparison, TVS managed to realize the storm relatively moderately, but please be assured, we don't take it as an excuse. On the contrary, the teams are really working hard. About parts and accessories, I only have positive things to say. The parts and accessory business is evolving. Customers trust our service and like the product portfolio and assortments. So, the revenue grew by 14% from ₹2,368 core or \$317.83 million to ₹2,700 crore, \$336.48 million.

- EV business. In fiscal 23, TVS sold 97,000 units of EV two-wheelers. In fiscal 22, please think about it, TVS just sold 1,032 units and this ramp up, this ramp up of from 1000 units to nearly 100,000 units is really impressive against the background of the scenarios I have mentioned, but also introducing latest technology and iQube is the winning product in the market. It's a compelling combination of high energy efficiency, latest technology, attractive design combined with the well-known TVS quality and reliability DNA, which really attracts customers. Given all these kinds of cells and marketing figures, I want to pose some key financial indicators. Profit before tax of ₹2003 crore or \$249.15 million, up from ₹1,213 crore or \$162.81 million. I mentioned the figures already. So, that brings me to profit after tax. Profit after tax increased to ₹1,491 crore, that's \$185.47 million from ₹894 crore or \$119.99 million. The operating EBITDA margin became double digit. First time EBITDA grew from 9.4% to 10.1%, very consistently, a very solid improvement and so the share price increased more than 75% from ₹628 or \$7.66 to ₹1113 or \$13.57 in March 23. It has an absolute increase of 77.2%. TVS paid an interim dividend of ₹5 per share, 500% on 475,087,140 equity shares of ₹1 each and the TVS stocks have been upgraded from midcap to large cap by the Association of Mutual Fund in India, AMFI in its semiannual classification of stocks; isn't that impressive, ladies and gentlemen?
- Now, ladies and gentlemen you know, TVS is led by a very experienced team and the TVS team is also leading the transition into smart mobility and with very well selected acquisitions, DVS is strengthening its capabilities further and during the last year, we acquired therefore on the very 1st of April, 2022, a 70% stake in EBCO Limited UK. EBCO is focused on the rapidly expanding British e-bike market by a tailored product portfolio. Just for your info, a well-known privately owned Bavaria bicycle brand holds the remaining 70% and this partnership creates as you can imagine interesting new opportunities. On the 15th of October of 22, TVS acquired a 48.27% stake in DriveX Mobility, which is engaged in selling, trading, distributing preowned two-wheelers in India and on the 2nd February of 2023, TVS acquired a 19.6% stake in ION Mobility Private Limited, Singapore had taken automotive OEM startup which aims to create and deliver aspirational and sustainable mobility and energy solutions to customers and to make it clear, it's our intention to develop the dynamics of the startups further independently, but also simultaneously, of course, we want to use these potentials and gain additional values in our core business. Norton Motorcycle and Co Limited UK. Norton is now delivering first bikes to the customers in UK, the new state-of-the-art facility in Solihull closed to Birmingham, is ramping up and the sales and marketing strategy including mixed distribution channel has been aligned and first dealers are selling the Norton products. The future product plan is very well defined. Norton will offer premium products for various segments globally.
- Swiss E-Mobility Group. During 2023, TVS acquired a majority stake in the Swiss E-Mobility Group and its subsidiaries. The trademark rights of Cilo, Simple were also taken over. The SMG Group reported a revenue of \$69.5 million mainly out of Switzerland so far and our plan is to set up additional dealerships and at the same time expand into Europe. The SMG acquisition offers TVS the opportunity to expand

the core product range and in the adjacent segments with electric bicycles including E-Kick scooters and E-Cargo bikes, which are in very much in the trends and also go international, so expand into Europe.

- Ladies and gentlemen, you can imagine that I am as an engineer, I'm keen on informing you about advanced technologies and innovations. TVS has been and will be the forerunner in delivering and developing cutting edge technologies and deploying features which are highly regarded by its target customers and in this spirit many first industry and first in class features were introduced and I just want to highlight some, hope you share my enthusiasm. With Infosys, TVS leverages its artificial intelligence, digital and data analytics capabilities to improve both the operations as well as the products across TVS Motor and its subsidiaries. Smart-X Connect, a connected technology with voice assist is the first in the industry feature implemented already in some of our products. Always connected, always connected is a mantra we are following and always Connected supports the customer in many ways like on navigation, digital document storage, and/or obtain SOS alerts in case of emergencies. So, you see it's a very, very interesting technology and quite clear add-on technologies like Alexa skills were introduced in addition.
- Another first in the industry feature provides exciting technology customizable ride modes for powertrain, chassis, and breaking ABS systems and the system was deployed in the Apache series already, so customers can choose an option to adjust their vehicle character according to the road, weather condition, and/or their mood. Thin-Film-Transistor and Hybrid LTD cluster features may incorporate to provide best in class user experience for navigation, connectivity, and entertainment. Customers really like this kind of latest technology and justice to mention another issue, the latest addition is a smart helmet solution with Bluetooth connectivity and meshed intercom. Customers can connect up to 20 devices. It also offers active noise cancellation and Voice Assistant for calls and music and this Smart helmet seamlessly connects to our Smart-X Connect application both of which are also first in the industry features and our touring and racing enthusiasts, they are really thrilled by this kind of new technology. The TVS iQube has been designed to provide an immersive experience to screw the commuters and our journey towards this responsible smart electrification is inspired by three fundamental principles to our customers. The power of choice for range connected capabilities, charges, and defined specification and attributes. A complete Peace of Mind around vehicle safety by adhering to latest norms and overall simplicity of operation, including a convenient purchasing journey and our electric scooters are loaded with a variety of features that make an everyday commute very reliable and even more delightful. TVS offers distinguished, sophisticated features like smart conversation with AI Companion like hey TVS, good morning TVS. In addition, the iQube brings to the customer best in industry value proposition by excelling in all key parameters such as best WMTC Range and highest energy efficiency and fastest acceleration. What a package! So, you see TVS is going the famous step extra to create desirable top products in every category and to delight our customer. As a testament to our continuous efforts to foster a culture of innovation, the company was recognized as a top Indian company organization for designs filing, registration, and

commercialization at the National IP Awards Forum in both fiscal year 21 and fiscal year 22. You will also see more of this kind of innovation to come very soon. TVS also won the WIPO IP Enterprises Trophy for patents and commercialization in India.

- Ladies and gentlemen, TVS really believes that community building through immersive consumer experiences will be crucial in moving the needle for the premium two-wheeler category and these consumer trends and developments have placed greater demands on our engineering and manufacturing functions to innovate, incorporate the latest technologies, raise the bar on aesthetics and design, and deliver an overall experience that is safer, more intuitive, unique, and exciting and in consequence, we are building premium cells and service experience centers for our customers across 500 dealership in domestic and international markets. So, TVS takes care. We also take care about our customers post-purchase. We are engaging with our customers and some examples to name, the Apache owners' group has grown the size of 300,000, one of the largest in India. The running cult community gives customers access to rights, meetups, and racing experiences, extending their overall ownership experience beyond the motorcycle and build out of TVS raising and developed on the track to record philosophy, the TVS Apache has a strong heritage. It has democratized raising and setting a benchmark with the best in class performance segment, first technology, and unique design and as you know, raising is the strongest pillar for reliability and safety is all our motorcycles are tested by our races on the racetrack and as a consequence, as you can imagine TVS pushed the limits again. So, just the name two. The TVS Apache RR 310 Asia OMC race bike achieves the top speed of 215.9 kilometer per hour, breaking the top speed record at the Chang circuit in Thailand and Suzuka circuit in Japan and TVS Apache RR 310 also created an Indian National Endurance, Peter Ricotta completing 3,657.92 kilometers in 24 hours with an average speed of 152 kilometers per hour and a top speed of 173 kilometers per hour. TVS Apache also has started the Apache Racing Experience GP Championship. It will be organized across 20 cities, making it the ultimate racing championship in the country.
- Overall, concerning products. We are busy and we are really delivering and TVS new products were very well received by customers, experts, the media, and the trade. Let me present a few significant new products of the last year. Ronin, Ronin was launched in July 22 to cater to the requirements of an unscripted new age rider. It has been a category builder. Modern retro and refuses to be slotted into any existing genre and the Stereotype. Apache RTR 160-180 was refreshed with new striking design elements and technologies in line with its racing DNA. In addition, the Special Edition RTR 160 4V is introduced. Raider, Raider is Indians most award-winning 125CC motorcycle. Raider 125 has continuously lived up to its promise of delivering exceptional performance, sporty design, and thereby a heavy drive that we have seen in the film. Ntorq XT has revolutionized the segment by not just serving as a means of transportation, but a technological marvel that has changed the way of people, right with its Smart-X Connect connectivity platform, it has set a new comfort standard in the segment. Jupiter is highly desirable. The overall package convinces custom. The classic derivative was added. IQ was already launched in January 2020 and iQube has been loaded for its dependable

performance, reliable range, and silent, comfortable riding experience and the iQube portfolio was expanded by two derivatives. The reaction was really overwhelming and as you have heard, the cells and service network has been expanded to 130 plus towns and 230 plus dealers across India. You'll see there's a lot of headroom and last but not least on the product side, I would like to mention the TVS HLX one of the well accepted and most like motorcycle products of TVS also especially in market, it was of refreshed again. In summary, one can say the TVS strives to offer the custom of the best possible attractive product substance and valuable services. TVS is investing in the future. TVS is investing for the customers, but we are not only investing intensively in technology and products, we are also committed to support the society. TVS envisions to be a partner in the transformation of rural communities by empowering people to achieve sustainable development through the Srinivasan Services Trust. TVS aims to take the SST model of empowerment and transformational change to over 20,000 villages in India, so that they become sustainable and self-reliant and we will reach this goal by partnering with the government and other organizations working together to create a prosperous rural community and the impact of our model of transformation has been recognized across multiple forums and platforms leading to increased interest among other corporates to partner with SST. So, last year big multinational corporations and real global players supported SSTs work in Tamil Nadu and Maharashtra directly. Others adopted the SST integrated approach. SST has provided process and knowledge support and I only can tell you it's an honor to work for a company with such a commitment set up by our CE.

- Ladies and gentlemen, I would now like to share our initiatives and vision for sustainable future with you. We are the first Indian two-wheeler and three-wheeler manufacturer to be part of the United Nations Global Compact. UNGC demonstrating our commitment towards upholding human rights, labor standards, environmental protection, and anti-corruption practices. Our certification on the social accountability standards ISO 8000 occupational health and safety standard, ISO 45001 and environment management standard is a 14001 highlighting the integration of social, ethical environmental factors in the business activities ensuring well-being of employees and the society. We really understand the pressing needs to mitigate climate risks. Our stretches and actions are aligned with the UN SDG's, the United Nations Sustainable Development Goals to effectively address climate related challenges. Our focus is on the following goals. Firstly, water conservation. Water conservation to minimize the wastage ensuring a sustainable water future. Secondly, extensive adoption of renewable energy. So, we have an 88% contribution of renewable energy to our operations already. Certainly, top sustainable practices across our value chains to reduce environmental foot print as one example. We have recycled 494 tons of postconsumer plastic waste across India. We really believe in the circular economy, as our parents and grandparents showed us and we have aimed to significantly reduce carbon emissions in operations as well as in our products. Embracing Smart mobility electric vehicles is one of the actions. Last, but no least, preserving biodiversity and ecosystems. On World Environmental Day in 22, we planted 50 different variety of rare endangered and threatened the IT plants species at our Hosur facility. We want to conserve a nature of the natural world,

protecting the vital ecosystems for future generations. As we move forward, our resolve to drive change and to make a positive impact on the world remains unshakeable. We will continue to push the boundaries of what is possible. Setting new benchmark for environmental sustainability and inspiring others to follow in our footsteps. Ladies and gentlemen, it's an honor to report also that TVS received significant awards and recognition in many areas during the last year. The TVS iQube S won the prestigious Green Two-Wheeler of the Year award from Aldaco India. TVS Ronin one important awards from Top Gear Bike India and Turbocharged India. It is the Bike of the Year in its category, a testament of the fantastic value it offers to the customers. TVS Raider 125 also won three significant awards including Bike of the Year in its category also and TVS Jupiter 125 won the Scooter of the Year award in its category at the 1st edition of the Faster India Awards. Isn't it fascinated? But also, even one thing more TVS had achieved Brand of the Year. TVS is brand of the UN in the two-wheeler category by the author and Best Brands of 2022 in the 5th edition of The Economic Times Best Brands Conclave and the TVS Design Studio won the Indians Best Design awards. Good design is expensive. We want to make the difference we Invest and they know the Artificial Intelligent team of TVS won a significant award for best use of AI in retail at the Global Artificial Intelligence Summit and Awards in 2022. The team has innovated a machine learning process to improve fundamental sales and marketing challenges.

- Gentlemen, excellent in human capital development is paramount and TVS has always put people on its development at the forefront. There's a small formula for me business is people and in the last few years there has been an even greater push to induct different technical and management programs for our employees as the business world continues to evolve rapidly especially in the almost virtual business space, we are now having to operate in. Executive education plays a vital role. Lifelong learning is important and so we encourage hundreds of our managers to further learning and education like master's degrees and PhD programs in many subjects and we offer academic programs at some of the best universities globally in the UK, in the Netherlands, in Germany, Sweden, and in Singapore. Closer home, our engineers and managers have pursued masters and doctoral programs in major IITs, IIMs and IASCs and as a testament to our continuous effort to make TVS an exciting, contemporary, safe, and inclusive place to work for employees, TVS have been recognized as a great place to work for inclusive practices by GPTW India and it's an important recognition for the company as it sets a direction for sustaining this syncretic culture as envisioned in our long-term vision. TVS also won the Best Companies for Women in India award from After India and Best Employer for Persons with Disabilities award from the respective associations and quite clear we'll strengthen the leadership team. TVS is led, as you know, by an outstanding experienced leadership team and to create a strong bench to strengthen our reputation and to explore new horizons, the TVS leadership team has integrated top talents in many areas and vice versa. Business is people, is highlighted.
- That's a core business of TVS but now let's also inform you about subsidiaries. Firstly, PT TVS, Indonesia recorded sales of 19,049 units of 3-wheelers. That's growth of 70%

and 88,089 units of 2-wheelers. That's a growth of 2% and the growth in sales numbers coupled with the effective management of fixed cost enabled PT TVS to achieve an EBITDA of \$8.3 million. That's a 7.9% turnover versus turnover as against \$5.3 million last year. So PT TVS has posted an Operating PBT of \$5.6 million for the full year.

- Secondly, I want to inform you about the TVS Credit Services Limited. TVS CS is a non-banking finance company catering to financing of retail focused products such as 2-wheelers, used cars, used and new tractors, used commercial vehicles, consumer durables, digital finance products and personal loans. During the year, Fiscal '23, the assets under management are around Rs.20,602 crores or \$2.56 billion as against Rs.13,911 crores \$1.86 billion during the previous year. That's a growth of 48%. Total income increased to Rs.4160 crores or \$517.47 million from Rs.2755 crores or \$369.77 million. That's an increase of 51%. The Profit Before Tax after the exceptional items stood at Rs.511 crores or \$63.56 million as against Rs.151 crores or \$20.27 million during the previous year. That's an increase of 238%. What a success!
- Outlook. I wanted to give you also a brief outlook and as we step into Fiscal '24 TVS really remains, maintains its cautiously optimistic view in India. For Fiscal '24, TBT is expected to be around 5.5% by various sources and despite the difference in the specific forecast they almost common agreement is that India's TBT growth will remain highest among major economies. And I'm convinced, I'm absolutely convinced, that India can benefit from major shifts in their geopolitical, geo economical, and social landscape. India can accelerate for the better of the people in many ways. The TVS performance will be based on and dependent of the underlying socioeconomic fundamentals with active policy management. Some of the key drivers are pick up in urban discretionary consumption demand especially on services including travel, tourism and hospitality, improvement of consumer sentiment as indicated by RBIs Consumer Confidence survey, the moderation of global growth, oil prices, the introduction of tax reforms leading to higher consumption driven by the availability of increased disposable income, improved investment climate and shift from agriculture to industry. Business is people, again, and young and passionate people, well-educated will make a huge difference. And so the expansion of capital expenditure combined with a reduction in Fiscal deficit can create a platform for higher growth with lower future liabilities and the lift in the consumption cycle is tied to broad based pickup in economic activities supported by a focus on investment by the Indian government.
- The rural economy continues to be slow which significantly impacts to the growth trajectory of the economy. El Nino arriving earlier and the effect in monsoon may lead to a weaker performance of the rural agricultural sector impacting the already weakened rural demand. Hence, the pressure on domestic moped and the economy motorcycle segments may continue. However, the TVS experts are really positive. They are positive about the performance of the premium motorcycle and scooter segment due to improved urban demand.

- Internationally, key export markets of TVSM are impacted by Forex shortages, inflation, high interest rates, et cetera in the backdrop of existing geopolitical strives. But against that backdrop, TVS expects that the export of 2 billion is likely to see a gradual recovery over the weak performance in Fiscal Year '23. The African market is expected to improve moderately but at least to come back again in a positive way. So, that gives us hope that we also will become more powerful in the African markets and additional expansion programs in Latin Asian and the Middle East will add further moment.
- And TVS has set up a dedicated EV team to rapidly transform into electrification, ramp up the direct and indirect product pipelines and to offer our Indian tested, most reliable products also internationally. TVS will launch desirable new products with latest and I say really latest technologies in electric, electronic architectures and with high energy efficiencies. Our team is determined to deliver additional values for our customers. As you know, TVS is leading the way to smarter EV mobility; smarter EV mobility and so also to improve the living conditions of the society. In addition, with the strategic association with BMW Motorrad, TVS will be working jointly on design and development of E-vehicles for the global markets.
- With the above factors and backed by its strong product lineup, unwavering focus on customer, quality and cost TVS is confident for the Fiscal Year '24. And you see it, Q1 earlier today, TVS has reported a bright start by posting Q1 domestic 2-wheeler sales growth of 22.6% already. By the way, against the growth of the industry of 10.4%. The Q1 EBITDA and the Q1 profit figures grew again. It was a brilliant start and TVS continues to have a sustainable, profitable growth trajectory. But now, let's also focus the teams on this quarters and the next quarters to come.
- Ladies and gentlemen, in concluding, I hope you got a comprehensive overview about TVS and the Board of Director join me in thanking you, our shareholders, for your continued confidence reposed to TVS. I want also to express our grateful thanks to our customers, bankers, financial institutions, dealers and suppliers and partners for their continued cooperation and invaluable support. And, again, many, many thanks to all of our employees contributing this passion and really a very well valued commitment. Altogether we can make TVS so much stronger. Many thanks. So, that concludes my overview and, ladies and gentlemen, I hope that I could convince you of the positive spirit and inner power of TVS.
- And now let's focus on the ordinary resolutions being considered in this AGM.
 1. Firstly, the adoption of both the standalone and consolidated audited financial statements together with the Director's report and Auditor's report for the year 2022 and 2023.
 2. Secondly, the reappointment of Mr. Sudarshan Venu as a Director liable to retire by rotation.

3. Thirdly, the appointment of M/s Sundaram & Srinivasan Chartered Accountants as Statutory Auditors of TVS for a period of five years.
 4. Four, ratifying the remuneration payable to M/s CS Adawadkar & Co., Cost Auditor for the Fiscal Year 2023 and 2024.
 5. And last but not least, my re-appointment as a Director liable to retire also by rotation.
- Ladies and gentlemen, now the Q&A session is going to start. Shareholders who have registered themselves as speakers are requested to speak one by one. The moderator will call all of you. Overall, 8 shareholders want to speak. So, let's begin. Let's begin with the first speaker. Dear, Raja Prakash, please take over.
 - **Moderator:**
 - Yes. I will call shareholders name, speaker shareholders name, one by one. I will request the shareholders to keep their question short in the interest of time of all concerned. First speaker, Mr. K.P. Venkata Ramakrishnan. Yes, Mr. Ramakrishnan.
 - **Mr. K.P. Venkata Ramakrishnan – Shareholder:**
 - Good afternoon, one and all. I'm K.P. Venkata Ramakrishnan, shareholder of TVS Motor. My hearty congratulations to the management for the excellent results delivered for the FY22-23. I am happy to witness an upsurge in the stock price to 45% and the profit growth to 26% in the last 10 year tenure. I have a few questions to the management. Number one, what is the outlook of the EV industry? Number two, with the recent reduction in the firm incentives, do you see any major disruption in the segment? Number three, could you please elaborate on the EV related capabilities of TVS Motor? Thank you.
 - **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company:**
 - Thank you.
 - **Moderator:**
 - Thank you. Now, I call the second speaker, Mr. Praful Chavda.
 - **Mr. Praful Chavda – Shareholder:**

- Chairman sir, Board of Directors this is Praful Chavda from Hyderabad. Chairman Sir covered many points. Good speech, good explanation, Chairman Sir. Very good, Sir. Chairman Sir, thank you Sir.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company:**
- Thank you.
- **Mr. Praful Chavda – Shareholder:**
- TVS Motor Company celebrate the promised milestone of the achieve 50 million vehicles in the road. Very good, Sir. Very good, Sir. Sir, in last year's AGM also I said this company will be good. I noted that Earning Per Share last year was Rs.18 and this year it is Rs.31. If we see all the aspects like you even gave more dividend. Book value is Rs.127 and last year it was Rs.101. So, company has delivered a good performance in all the aspects and I would like to thank the Director, the employees and the dealers of the company. Sir, I want to tell you that I ride electronic vehicle, EV, and when I ride 15-20 kilometers many people come and ask me 'How is this vehicle?' means people wish to buy. In India, in all the states only 2% vehicles are EV. Not many EVs are there. People think about the problems that might occur in this vehicle, how to ride, what will happen if it stops midway. So, I believe that in your publicity you should talk more about the services that consumers will get good service, if vehicle breakdown midway then within 15-20 minutes or within 1 hour they will come and repair the vehicle and give to you at your home. Here if 2-wheeler breakdown happens, there are service options available everywhere like within half a kilometers we can find a mechanic but we can't find EV mechanic, we can't find EV parts. So, firstly ensure to the customers that they won't face this problem and that way the sale of vehicles will double up, Sir. I believe that you have to assure us that if vehicle breakdown happens it would be taken care of and that will be good, Sir. Sir, weight of the lithium battery is more, so reduce the battery weight and if you keep provision of 2 batteries in EV that would be good. We will get 2 chargers, 2 batteries also and in case of any problem the customer can use the spare battery. You are coming with good 3-wheelers, Sir, and in near future will you enter 4-wheeler market as well? Will EV 4-wheeler be launched? Sir, you have shared photographs of many vehicles, Small Elephant vehicle of TVS. Poor people and middle class people who don't have money and who ride cycles, they think they will buy TVS and they can take their good on it for sales and business and earn money but you didn't share that photograph. Sir, next time along with the photograph if you share the details about the production number of this vehicle, the sales number, production per year and sales per year that will be good for the customers to know which vehicle sells the most. TVS logo is very famous and even my 3-year old kid recognizes and says 'This is TVS vehicle'. He knows ABCD and so he can read TVS but he can't read names of other vehicles. TVS he is able to read correctly. So, our logo is awesome. Many shareholders are there to speak after me, so I won't speak much. Still I want to ask one thing, next time do tell us what is the

sale state-wise and tell us 'Sales is more in this state and sales is less in this state'.
Thank you, Sir.

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

– Thank you.

– **Moderator:**

– Thank you, Mr. Chavda. Mr. Jawahar Chandrashekhar. Yes, Mr. Chandrashekhar, you can speak now.

– **Mr. Jawahar Chandrashekhar – Shareholder:**

– Thank you. Thank you for giving me this opportunity. First of all, I like to thank the Chairman, Chairman Emeritus, MD, all the Board members and the Managers of the company for the excellent performance of the company resulting in a very good increase of the share value benefiting all the shareholders. Thank you again. After going through the Annual Report, I would like to ask only one question. The only question I would like to put forward is, what is the reason for the reduction in export sales during the year? And what is the long term outlook of the company? And what other strategies are planned for improving the export sales? That is my question. Thank you.

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

– Thank you.

– **Moderator:**

– Thank you, Sir. Mr. Manoj Kumar Gupta. Yes, Mr. Gupta.

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

– Hello? Hello? Good afternoon, respected Chairman, Board of Directors, fellow shareholders. My name is Manoj Kumar Gupta. I'm equity shareholders of TVS. I have joined this meeting from Calcutta. Sir, first of all, I thanks to you for a very lengthy and visionary speech, which has covered several things in your one hour speech. But that speech has given a very good picture of the company for the future, for the employees and the investors. Your speech has covered several things and I feel proud to be a part of TVS, of our Founder Shri. Venu Srinivasan Sir. He's a

visionary man and I have a great respect and regard for him and his family who has done a lot of things for the community and society and thanks to the Company Secretary and his team to help us this meeting through VC and I especially thank Mr. Raja Prakash who always take care of these small investors, they call us before AGM and help us to join this meeting.

- Sir, what's your future plan for the next 2 to 3 years with CapEx? And when our share price will be more than Rs.2000 under your legacy? And because the investor has invested for ABCD, A for Appreciation, B for the bonus, C for convertible debenture and D for dividend.

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

- Yeah.

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

- So, everything when we will? And what's your plan for electric vehicles? Now our government, our visionary Prime Minister is focusing and giving importance to launch electric vehicle, so what's your plan in that regard? Just now Mr. Praful Chavda has said there is some problem but when I go to Chhattisgarh, Madhya Pradesh, Orissa I find only TVS Scooty. Everyone is using the TVS. Name TVS is very popular in that region, especially in Chhattisgarh. Every student, every people use TVS Scooty. So, it's a good sign and we feel proud when we find so many people are using TVS.

- And, Sir, just try to spread the wings of Electric Vehicles distributors in the country and TVS motor parts distributors. Sometimes they find some problem to get the parts, if any part. So, the dealer says 'Okay, you wait. I will arrange within three days, four days'. So, such type of things should be arranged that the distributorship should be increased. And, Sir, try to think about to give some discount to the students, the young generation that they can get attracted to TVS. If they studying in the higher education, 12th and Graduation college, so they if they buy they want to buy the TVS Motor Scooty, so you should consider on the student discount.

- And, Sir, CSR, I will not say a single word about the CSR. And, Sir, have you any plans to launch the Divyang Scooty for the Divyang/handicapped people? Now our Prime Minister is insisting to the Motor Vehicle Industry that we try to launch some such type of Scooty or cycles that Divyang can run that on the road without any problem. So, you should also consider at a nominal price with a discount. Sir, how you face a challenge of shortage of semiconductor? Industry is facing a lot of problem due to the shortage of semiconductor. In your speech, you have mentioned some words, so what's your view in that regard?

- And last but not least, how you will reward to the shareholders? Because 11 years back the company has issued a bonus, so when the next bonus will come to the shareholders? Do not issue the equity bonus, issue the Bonus Debenture like Sundaram Clayton. Issue the Bonus Debenture. That will not increase the equity burden on the company issue. The Bonus Debenture at a coupon of 8%, 6.5% for three years. Try to consider.
- And once again, thanks to you and your team and Mr. Raja Prakash for who has helped us to join this meeting through VC and we feel proud to be a part of TVS. Thank you, Sir.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company:**
- I have to say, thank you very much. Not answering the question but please be convinced that we will convey your best wishes to the CE. Thanks a lot.
- **Mr. Manoj Kumar Gupta – Shareholder:**
- Thank you.
- **Moderator:**
- Mr. B. Ravichandran.
- **Mr. B. Ravichandran – Shareholder:**
- Hello?
- **Moderator:**
- Yes, Mr. Ravichandran, you can speak.
- **Mr. B. Ravichandran – Shareholder:**
- Yeah. Good evening to one and all. Firstly, please accept my congratulations on your good performance. The TVS Motor has been performing well year after year but shareholders seem to be, you know, disappointed. I'll come to that in the end. See, I have seven points to make. One, is on the road conditions. See, you manufacture vehicles but you need good roads for the vehicles to ply. I'm sure Chennaiites will understand, so is the case in many other cities. Are there any discussions with the government on the road conditions? With e-commerce expanding, 2-wheelers are

becoming a must and so are the 3-wheelers, so any discussions with the government on the road conditions?

- Second point is, everybody is switching to EV and so EV is going to bring about climate change but any discussions at the apex level on the EV waste disposal? So, that you may like to clarify.
- Third point is, see consolidated PAT is lower than the standalone PAT. This I'm seeing it year after year. So, it looks like, you know, the standalone entity is cross subsidizing the performance of the subsidiaries. So, is there any timeline to end this anomaly? You may like to highlight.
- Then on the dividend front, see, I've been a shareholder since, you know, there was a company called Lakshmi Auto Components Limited, which was a subsidiary of Suzuki Limited; the erstwhile company. When it got merged into Suzuki, I was allotted shares and then I subsequently TVS proper shares, so I continue. So, I'm a shareholder since '2004. But being a shareholder for 19 years, I should have received at least two bonuses. But the last bonus that was given was in '2010, thereafter no word on the bonus. And dividend front also, company, see last year you made a 30 plus EPS but your payout is just Rs.5. It's less than 20%. Year-on-year this is the same story. At least in good years you should splurge, you should make shareholders happy. See, today people are investing at Rs.1300 plus, if you consider Rs.5, it is hardly...it is less than 0.5% of their investment. Company doesn't have any, you know, connection with the share market price movements but at least there must be some commitment to reward the shareholders because based on the performance only people are investing at higher levels. So, there must be some commitment from the company to reward the shareholders at higher levels. This is my request.
- And one question on the accounts. See, 'Miscellaneous Expenses' under 'Other Expenses' category, it has increased from Rs.616 crores to Rs.877 crores. So, there are no details and because of the regulatory requirements you have to club out so many things into one and report it as 'Other Expenses'. You may like to clarify on this.
- That's all my questions.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company:**
- Sorry, you wanted to ask 7 questions.
- **Mr. B. Ravichandran – Shareholder:**
- If any of questions are not answered...

- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company:**
- At the moment you only have raised 6. Do we miss something?
- **Mr. B. Ravichandran – Shareholder:**
- No, I clubbed two into one. Actually, I have 7...6 is the correct number.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company:**
- Okay, then it's good. Thank you very much for your questions. Thank you very much.
- **Mr. B. Ravichandran – Shareholder:**
- Thank you and wish you all the best.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company:**
- Thank you.
- **Mr. B. Ravichandran – Shareholder:**
- Wish you all the best for a better performance in future years also. Thank you.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company:**
- Thank you, we really need it. So, the next one.
- **Moderator:**
- Mr. Bimal Krishna Sakar. Yes, Mr. Sakar, you can speak now.
- **Mr. Bimal Krishna Sakar – Shareholder:**
- Hello. Yes. Very good afternoon, Sir.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company:**

- Good afternoon.
- **Mr. Bimal Krishna Sakar – Shareholder:**
 - I, Bimal Krishna Sakar, equity shareholder of the company joining from my residence Kolkata. Respected Chairman Professor Sir R.D. Speth and other dignitaries, Company Secretary, shareholders present in the VC. At first, thanks to the Chairman for excellent and valuable presentation regarding national and international scenario and regarding performance of the company. Sir, very, very thank you. Sir, thanks to Company Secretary and secretarial department for sending AGM notice, Annual Report, link for joining AGM well in advance. Sir, Company Secretary is an express and good manner. Secretary department is keeping good relation with the shareholder. Thank you. Sir, Raja Prakash ji is excellent and maintains good relation with the shareholders. Sir, he's really good and he maintains good relations with us and so many thanks to him also.
 - Sir, now I come to the performance of the company. Despite of the geopolitical turbulence, persisted unresolved and economical challenges in India our company is making profit year after year. Sir, 2-wheeler sale increased 35.30 lakhs unit. Last year it was 31.38. Thanks. Revenue from operation grown up Rs.31,973.99 crores as compared to last year which was Rs.24,355.31 crores. This financial year, our company has achieved significant financial results. Sir, excellent. Significant, Profit after tax increased by 73.02%. Sir, many, many thanks management team and Chairman also. The company's new product launches has been well received by the customer and export and trade. Very good, Sir.
 - Sir, my question is, 2-wheeler exports reduced. 0.91 million and it was last year 1.09 million. 3-wheeler exports also reduced. Sir, what is the reason? Please explain. Sir, our CSR committee, many, many thanks to the CSR committee for excellent performance. Sir, company has been successfully driving positive change in rural communities in the areas- health, education, environment and economic empowerment through its CSR arm - The Srinivasan Services Trust. That's really a good thing. Sir, CSR obligation under Section 135 (5) is Rs.18.61 crores, spent Rs.19 crores. Sir, very good. Sir, I request one suggestion to stand by the helping the specially abled person through CSR activities. Sir, please see specially abled person through CSR activities.
 - Sir, I fully support the Annual Report and voted in favor of the resolutions through E-voting system. Sir, I pray to God for good health of you Chairman and management team, Company Secretary, all the employees of the company and shareholders present in the VC. Sir, thank you all for patient hearing. Over to you, Sir. Thank you very much, Chairman Sir. Very, very thank you for your results.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company:**

- Thank you very much for all the things you told.
- **Mr. Bimal Krishna Sakar – Shareholder:**
- Excellent results, over significant. I am honest with you, Sir. Thank you. Thank you very much.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company:**
- By the way, all the thanks should go to the operational teams. The Chairmans are not involved in this kind of progress. So, let's continue please.
- **Moderator:**
- Mr. T.S. Rajagopalan Yes, Sir, you can speak now.
- **Mr. T.S. Rajagopalan – Shareholder:**
- Good evening, Chairman. An excellent speech giving a full overview of the company for the past financial year as well as for the current year covering almost every aspect of the company. Well, basically, the turnover and the Profit Before Tax has increased significantly and TVS Motor company no longer is a domestic company. It is an international global company. Therefore, incremental margin will be a much better method of evaluating the performance of the company. Incremental margin is calculated by the percentage of increase in the profit on the percentage increase in the turnover. For TVSM, the turnover has gone from Rs.26,479 crores from Rs.20,809 crores, which is increase of about Rs.5670 crores. Same way, Profit Before Tax also has gone up by 794 which means the incremental margin is 14% and in absolute terms i.e. the margin for the year 22-23 has been, as you said, it is a double digit 10.5% which is what this company was getting sometime in the year '97, '98 and '99. I think they're back to those periods on much larger volumes and with much the better product portfolios. Same way, last year comparing '21-'22 versus '20-'21, the incremental margin was only 12.9% and there's also a significant growth of 1.1% which is a hell a lot of growth as far as the profit is concerned. This is as far the moral business is concerned.
- The second significant achievement as far as the business is concerned is the incremental book value of the shares. Book value of the share has gone from 101.5 to 127.3, which means a growth of almost 25.8% and incrementally it has grown by about 25.4%. So, it is a phenomenal increase. And these two are the real important guidelines as far as the real performance of the company leave alone the other things. And as you had mentioned, it is heartening to note that TVS Motor EV has

been recognized as the Green Scooter of the year by Autocar, which is a significant achievement within a short span of time of the new product launch.

- The only one clarification or the only one some sort of thing that I would like to get it from you is, EV is a new business as far as the company is concerned. ICE has been the business and it has been there for a long period of time. Certainly there will be some penetration of the EV into the ICE and, obviously, the company would have so far quantified the impact of EV on the ICE. If only we can know something on the domestic front as well as international front, it will be very good.
- I think that's all I have to say. I really congratulate the Chairman, the Board of Directors and all others who have worked very hard in reaching this performance. Thank you so much for the opportunity. Thanks.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company:**
- Thank you very much also from our side and now let's continue with the very last speaker.
- **Moderator:**
- Mr. J. Abhishek. Yes, Mr. Abhishek. Mr. Abhishek...
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company:**
- You are on mute probably.
- **Mr. J. Abhishek – Shareholder:**
- Hello? Sir. Can you hear me, Sir? Am I audible, Sir?
- **Moderator:**
- Yes.
- **Mr. J. Abhishek – Shareholder:**
- Sir, my name is Abhishek, shareholder of the company. My DP ID IN301637 and client ID is 41359155. Sir, first of all, I congratulate the management on the eve of 31st Annual General Body Meeting. Sir, trust all is well with you and your family. In this challenging situation our company deserves much more respect than the current

market cap after completing more than a decade of successful operations, profitable dividend history and becoming one of the strongest brand in our respective segment. Sir, then I would like to know what are the steps being taken by the management to reduce the other expenses, legal, professional charges, other expenses? What steps are being taken, kindly enlighten us on that, Sir? And what is the relationship with BMW? And when is the EV product from that series is going to be expected by the company, Sir? Kindly enlighten investor fraternity on that. And what is the revenue being generated from the EV series during in the '2022-2023. Kindly give us some insights on that, Sir.

- And nothing much to ask, Sir. I thank the Company Secretary and their entire team for sending us the link well in advance and making this 31st Annual General Body Meeting a grand success. I wish the company and the Board of Directors a great success and prosperity in the coming future. Hope to see you in the physical AGM next year, Sir. Thank you very much, Sir.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company:**
- Would be great. Thanks a lot. Would be great to see you. Thanks a lot for your comments.
- Dear ladies and gentlemen, all registered speakers have expressed their thoughts now and raised their questions. We want to make sure that you hear the answers directly by the respective responsible operational leaders. So, the Managing Director, Mr. Sudarshan Venu, will take over now. Dear, Sudarshan.
- **Mr. Sudarshan Venu - Managing Director, TVS Motor Company:**
- Thank you, Chairman.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company:**
- Thank you. Over to you, please.
- **Mr. Sudarshan Venu - Managing Director, TVS Motor Company:**
- Thank you, Chairman. Good afternoon to you and to the fellow Directors and fellow shareholders. It's really a pleasure to be with all of you. Thank you so much for many of your detailed questions, analysis and thoughts. We really value them and I will try to bucket them into a few clusters and answer them.

- I will start with EV. I think that is one of the most important areas for the company. It is an area in which we have been investing significantly. You are also beginning to see the results where we have crossed the 1 lakhs sales milestone for iQube. Exports of iQube to Nepal have already begun and we are developing a full range of products in 5-25 kilowatts 2-wheelers and 3-wheelers and also electric bicycles. Some of these products will also launch this year including the E 3-Wheeler and one or two other products. We believe that while after the reduction in subsidy there has been some temporary slowdown in registrations, demand is now back and EV as a segment will continue to grow structurally from now onwards. The penetration of EVs has increased in this year and we do believe that over the next three years we expect over 20%-25% of EV penetration. Given the huge consumer demand in India and the growing population and demographics, we believe there will be growth of the EV segments hugely but also growth in the ICE segment and the company will launch attractive new products in both segments of the market. Coming back to EV, our partnership with BMW is continuing on program and I will request Mr. Radhakrishnan to mention something about that in a minute. We are also expanding access to chargers through our partnerships with GOBP, Tata Power, Kazam and CESL through the TVS iQube mobile app and there are over 2000 charging points already enabled. We have also partnered with Zomato, since you mentioned about e-commerce, to deploy over 10,000 TVS electric scooters and also discussing with Swiggy, Amazon and Rapido.
- Regarding exports, I think, this is certainly an area where the global economic slowdown and inflation has impacted many of the markets in which we were leading to slowdown in the past financial year. However, with inflation under control and demand improving, we do believe and are beginning to see a recovery in these markets. TVS is also launching new products in some of these markets and focusing on expanding into other new markets as well.
- KNR, do you want to add on the BMW before I move on?
- **Mr. K.N. Radhakrishnan - Director & CEO, TVS Motor Company:**
- Good evening, everyone. The BMW association, this is the 10th year we have completed and it's a milestone here. There are more than 140,000 customers globally who are delighted with the 300-series, which we have partnered with BMW. Specifically on the EV side, earlier this month BMW unveiled their latest EV product, which is CE 02, a new kind of mobility that provides great riding fun for youngsters in the urban environment. This product platform was designed, developed and manufactured by TVS for the worldwide sales working jointly with BMW. The sales of this vehicle will start sometime from '2024. Yes, Sudarshan.
- **Mr. Sudarshan Venu - Managing Director, TVS Motor Company:**

- I'm just going in order of sequence of the points made by the speakers. Some of you had requested and also mentioned about ABCD. We will certainly place your request for dividend, bonus shares and debentures before the Board for their consideration.
- Regarding handicapped vehicles, we are supplying vehicles for handicapped people in conjunction with various state governments and we'll also look further at your proposal to start doing this directly.
- Regarding a question made on road conditions, I think road conditions are improving in India. Government has made huge investments behind building roads and improving infrastructure and this should further enable the sales of vehicles and also higher power vehicles which we are seeing and, of course, importantly improve economic productivity of the country.
- A point was also made on waste disposal of EV is important for the circular economy and this is the point we will definitely take up as well.
- Regarding the subsidiaries. I think, different subsidiaries are in different phases of their growth. If you look at TVS Credit compared to the investment that has been made by the company, you have already seen a valuation at a substantial multiple at which we have announced the deal with Premji Invest. Indonesia has also been turned around and is producing profits now. As far as Norton and SEMG are concerned, we believe that we see a very promising opportunity for Norton brand and also for electric bicycles and we will invest and you will start seeing the results for that in the future as well.
- I think, Chairman, this broadly covers some of the answers to the broad questions raised. I'll hand it back to you now. Thank you.
- **Professor Sir Ralf Dieter Speth - Chairman, TVS Motor Company:**
- Thank you very much. Dear ladies and gentlemen, the Managing Director, Mr. Sudarshan Venu, as well as Mr. KNR, the Director & CEO, replied to the questions. If we missed something, please don't hesitate to talk to us also directly. We are happy to take your questions and we'll answer everyone. I would like to ask and also talk directly to Raja Prakash who will take care about all this kind of process/information.
- So, given that, I guess, we have now more or less covered all the items of the agenda and thus I want to conclude the 31st Annual General Meeting. Again, I want to thank all of you, all the shareholders, for participating today, spending your time with us and I wanted to give you really a comprehensive overview.
- Now, the voting facility on the NSDL website will remain open up to 15 minutes from the conclusion of this meeting to enable you, the shareholders, to cast your vote through E-voting. The results of the E-voting will be declared on or before the 26th of

July, 2023 and the declared results will be made available also on the websites of TVS, stock exchanges and NSDL.

- And, so, ladies and gentlemen, that concludes officially the proceedings of this AGM. I declare the meeting as closed and, again, I just want to thank you. I want to thank you but I also want to especially thank the operational team, the leaders and everyone here and each manager or worker, everybody who works with such a passion and commitment for TVS. We are a strong team and you wait, you will see further improvements, you will see interesting products coming up in the future. So, thanks again. All the very best. Take care. Goodbye.

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