Independent Auditors' Report

for the year ended 31st march 2026

To the members of TVS Motor Company Limited

Report on the Audit of Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of TVS Motor Company Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"),and its associates, which comprise the consolidated Balance Sheet as at March 31, 2026, and the consolidated statement of Profit and Loss,(including Other Comprehensive Income), the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated Ind AS financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting standards prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rule, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates as at March 31, 2026, and its consolidated profit, its consolidated total comprehensive income, its consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements" section of our report. We are independent of the Group and its associates in accordance with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters section below, other than the unaudited financial statements/ financial information as certified by the management and referred to in Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter Principal Audit Procedures

Key Audit Matter	Principal Audit Procedures
1. Carrying Value of Goodwill Management has obtained a valuation report of the Cash Generating Unit, wherein valuers have arrived at a fair value, based on weighted average of the Discounted Cash Flow Method and Comparable Companies Multiples Method.	Management has obtained a valuation report of the Cash Generating Unit, wherein valuers have arrived at a fair value, based on weighted average of the Discounted Cash Flow Method and Comparable Companies Multiples Method. We gained an understanding of the key assumptions used to forecast the cash flows and the discount rates applied Weighted Average Cost of Capital (WACC) as well as the Comparable Companies considered in arriving at the fair value. We consider that the management conclusions concerning the absence of impairment in the goodwill are adequately supported and consistent with the information currently available.

Key Audit Matter Principal Audit Procedures	
Key Audit Matter	**Principal Audit Procedures**
2. Government Grants Government has announced various Grants to manufacturers of automobiles. The company in turn is availing the said grants on fulfilling the conditions attached to that. Recognition of government grants has been considered a key audit matter due to the materiality of the amounts involved and the significant management judgement required in assessing compliance with the conditions for grant eligibility. The management periodically reviews, during the year, compliance of relevant conditions attached to each grant whether there is a reasonable assurance that the grants will be received, in order to determine the timing and amounts of grants to be recognized in the financial statements.	Determined the appropriateness of the accounting policy for government grants as per the relevant accounting standard; Examined the Company's key internal financial controls over recognition of government grants with regard to its design and implementation. Tested the operating effectiveness of such controls for the transactions selected. Verified documents, on sample basis, submitted to the various government authorities relating to the grants received and receivable and checked the compliance of conditions attached to the respective grants. Considered the basis of management's judgement towards fulfilment of conditions attached to the grants and evaluated the reasonable assurance that grants will be received. Reviewed the appropriateness of the disclosures made in accordance with the relevant accounting standards.
3. Investments The Company has significant investments in its subsidiaries and associates. Management reviews regularly whether there are any indicators of impairment of the investments by reference to the requirements under Ind AS 36 "Impairment of Assets". For investments where impairment indicators exist, significant judgments are required to determine the key assumptions used in the valuation model and methodology, such as revenue growth, discount rates, etc. Considering, the impairment assessment which involves significant assumptions and judgement of the management and the same has been considered as key audit matter.	Obtained and read the valuation report used by the management for determining the fair value ('recoverable amount') of its material investments. Considered the independence, competence and objectivity of the management specialist involved in determination of valuation. Tested the fair value of the investment as mentioned in the valuation report to the carrying value in books. Made inquiries with management to understand key drivers of the cash flow forecasts, discount rates, etc. Assessed the disclosures made in the financial statements regarding such investments to comply with the requirements of Standards.
4. Intangible assets under development The Company has various internally generated intangible projects under development. Initial recognition of the development expenditure under these projects is based on assessing each project in relation to specific recognition criteria that needs to be met for capitalisation. In addition, the management also assess indication of impairment of the carrying value of assets which requires management judgment and assumptions as affected by future market or economic developments. Due to the materiality of the assets under development recognised and the level of management judgement involved, initial recognition and measurement of internally generated intangible assets under development has been considered as a key audit matter.	Our audit procedures included but were not limited to the following: Assessed whether the Company's Internally generated intangible assets-research and development expenditure accounting policy is in compliance with Ind AS 38 "Intangible Assets". We assessed the design, implementation and operating effectiveness over management process of identifying and capitalising the development expenditure in accordance with the accounting principles of capitalisation of expenditure on internally generated intangible assets as per Ind AS 38 such as technical feasibility of the project, intention and ability to complete the intangible asset, ability to use or sell the asset, generation of future economic benefits and the ability to measure costs reliably. We performed test of details of development expenditure capitalised by reviewing the key assumptions including the authorisation of the stage of the project in the development phase, the accuracy of costs included and assessing the useful economic life attributed to the asset. In addition, we considered whether any indicators of impairment were present by understanding the business rationale for projects.
5. Evaluation of Uncertain Direct tax and Indirect Tax positions The Company has material uncertain tax positions, including matters under dispute relating to Excise, Customs Duty, Value Added Tax (Indirect Taxes) and Income Tax (Direct Tax). These matters involve significant judgment to determine the possible outcome of these disputes.	We obtained details of demands relating to Direct Tax and indirect tax, for the year ended 31st March 2026. We considered legal precedence and other rulings, obtained external opinions and discussed with company's internal legal team in evaluating management's position on these uncertain tax positions. Satisfied ourselves that it is not probable that an outflow of economic benefits will be required and disclosed such obligation as a contingent liability.

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Key Audit Matter Principal Audit Procedures

Key Audit Matter	Principal Audit Procedures
6. Impairment Loss Allowance (as carried in TVS Credit Services Limited ("TVSCS")- Subsidiary) Management's judgements in the calculation of impairment allowances have significant impact on the financial statements (TVSCS). The estimates regarding impairment allowances are complex and require a significant degree of judgement, which increased with implementation of Expected Credit Loss ("ECL") approach as required by Ind AS 109 relating to "Financial instruments". Management is required to determine the expected credit loss that may occur over either a 12-month period or the remaining life of an asset, depending on the categorisation of the individual asset. The key areas of judgement include: 1. Categorisation of loans in Stage 1, 2 and 3 based on identifi cation of: (a) exposures with significant increase in credit risk since their origination and (b) individually impaired / default exposures. 2. Techniques used to determine Loss Given Default ('LGD') and Probability of Default ('PD') to calculate an ECL based on experience. 3. The impact of different future macroeconomic conditions in the determination of ECL. These judgements required the models to be reassessed including the impact of Covid-19 Pandemic to measure the ECL. Management has made several interpretations and assumptions when designing and implementing models that are compliant with the standard. The accuracy of data flows and the implementation of related controls is critical for the integrity of the estimated impairment provisions. Given the significance of judgements and the high complexity related particularly to the calculation of ECL we considered this area as a Key Audit Matter.	We obtained an understanding of management's assessment of impairment of loans and advances including the Ind AS109 implementation process, internal rating model, impairment allowance policy and ECL modelling methodology. We assessed the design and implementation and tested the operating effectiveness of controls over the modelling process including governance over monitoring of the model and approval of key assumptions. We also verified the key judgements and assumptions relating to the macro-economic scenarios including the impact of Covid-19 Pandemic and the associated probability weights. We also assessed the approach of the Company for categorisation of the loans in various stages reflecting the inherent risk in the respective loans. For a sample of financial assets, we tested the correctness of Staging, reasonableness of PD, accuracy of LGD and ECL computation. We have also verified the compliance of circulars issued by Reserve Bank of India from time to time during the year on this subject. As a result of the above audit procedures, no material differences were noted. We confirm the adequacy of disclosures made in the financial statements.
7. IT Systems and Controls (as carried in TVS Credit Services Limited ("TVSCS")- Subsidiary) The Company's key financial accounting and reporting processes are highly dependent on the automated controls in information systems, Any control lapses, Validation failures, incorrect input data and wrong extraction of data may result in the financial accounting and reporting records being misstated.	We tested a sample of key controls operating over the information technology in relation to financial accounting and reporting systems, including system access and system change management, program development and computer operations. We tested the design and operating effectiveness of key controls over user access management which includes granting access right, new user creation, removal of user rights and preventative controls designed to enforce segregation of duties. We have focused on user access management, change management, segregation of duties, system reconciliation controls and system application controls over key financial accounting and reporting systems. Reliance was also placed on the System Audit report of the Company. Based on our review no material weakness was found in the IT Systems and Controls.

Information other than the Consolidated Ind AS Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report (Financial Highlights, Board's Report, Management Discussion and Analysis and Report on Corporate Governance) but does not include the consolidated Ind AS financial statements and our auditors' report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Ind AS Financial Statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in term of the requirements of the Act, that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and consolidated Changes in Equity of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As a part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We are also:

- Identify and assess the risk of material misstatement of consolidated Ind AS financial statements, whether due to fraud or error, design, and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis of our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusions, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing

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our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated Ind AS financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may significantly doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision, and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current periods and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The consolidated Ind AS financial statement include the audited financial statements of 12 subsidiaries, whose Ind AS financial statement reflect total asset of ₹ 45,706.91 crores as at 31st March 2026 and total revenues of ₹ 9,428.25 Crores, total net profit after tax of ₹ 49.63 Crores and total comprehensive income of ₹ 306.38Crores, for the year ended 31st March 2026 and cash outflow of ₹ 263.28 crores for the period from 1st April 2025 to 31st March 2026. This financial Statement have been audited by other auditor's whose report has been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and one associate, is based solely on the report of the other auditors.

The consolidated annual Ind AS financial Statement include the audited Ind AS financial Statement of 1 subsidiary which have been audited us, whose Ind AS financial Statement reflect total asset of ₹ 0.01 crores as at 31st March 2026 and total revenue of NIL and total net profit after tax of ₹ NIL and total comprehensive income of ₹ NIL for the year ended 31st March 2026 and cash inflow of ₹ 0.01 crores for the period from 1st April 2025 to 31st March 2026 as considered in the consolidated Ind AS audited financial Statement.

The consolidated annual Ind AS financial Statement include the unaudited Ind AS financial Statement of 9 subsidiaries which have not been audited by their auditors and are based solely on management certified accounts, whose Ind AS financial Statement reflect total asset of ₹ 1,510.97 crores as at 31st March 2026 and total revenue of ₹ 749.45 Crores and total net loss after tax of ₹ 401.47 crores and total comprehensive Loss of ₹ 305.16 Crores for the year ended 31st March 2026 and cash outflow of ₹ 1.66 crores for the period from 1st April 2025 to 31st March 2026 as considered in the consolidated Ind AS audited financial Statement. The consolidated Ind AS audited financial Statement also include the Group's share of net loss after tax of ₹ 41.27 Crores and total comprehensive Loss of ₹ 41.35 Crores for the year ended 31st March 2026, as considered in the consolidated Ind AS audited financial Statement, in respect of 3 associates based on their financial statement which have not been audited by their auditors and are based solely on management certified accounts.

The financial information of subsidiaries and associates located outside India have been prepared in accordance with accounting principles generally accepted in their respective countries. The Holding Company's Management has converted this financial information from accounting principles generally accepted in their respective countries, to Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. We have audited these conversion adjustments made by the Parent Company's Management. Our opinion in so far as it relates to such subsidiaries and associates located outside India is based on the aforesaid conversion adjustments report prepared by the Parent Company's Management.

This financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion, on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to this associate, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, this financial statement / financial information is not material to the Group.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO" or "the Order") issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013, and based on the CARO reports issued by us and by the auditors of the respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements, except for the instances detailed below. It is further clarified that clause references reported below relate to factual disclosures required under the Order and do not constitute qualifications or adverse remarks in the CARO reports of the respective auditors:

S. No	Name of the Entity	Relationship	Clause number	Nature of Reporting
1	TVS Credit Services Limited	Subsidiary	(iii)(c) & (iii)(d)	Repayment Schedule and Overdue Loans & Recovery Efforts
2	DriveX Mobility Private Limited	Subsidiary	(xvii)	Cash Losses Incurred

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

   d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2026, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and its associate companies, incorporated in India, none of the directors of the Group companies, its associate companies incorporated in India is disqualified as on 31st March, 2026, from being appointed as a director in terms of Section 164(2) of the Act.

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f. With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure.

g. (i) The remuneration paid / provided by the group and its associates to the directors during the year is in accordance with the Section 197 read with Schedule V of the Act.

(ii) This clause is not applicable to the overseas subsidiary companies and associate companies incorporated outside India.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group (refer note no. 44).

ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, and required to be transferred, to the Investor Education Protection Fund by the Group, its associates incorporated in India.

iv. a) The respective Managements of the Company, its subsidiaries and associates which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and associates respectively that, to the best of their knowledge and belief, other than as disclosed in the notes to accounts (refer note no 46 (viii) , no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries or associates to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries and associates ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. This clause is not applicable to company incorporated outside India.

b) The respective Managements of the Company its subsidiaries and associates which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and associates respectively that, to the best of their knowledge and belief, other than as disclosed in the notes to accounts (refer note no 46 (ix) no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries and associates from any person(s) or entity(ies), including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries or associates shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. This clause is not applicable to the companies incorporated outside India.

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The dividends declared and paid during the year by the Group, are in accordance with Section 123 of the Companies Act 2013.

vi. Based on our examination, which included test checks, and that performed by the respective auditors of the group and associates and which are companies incorporated in India whose financial statements have been audited under the Act the Group and associates have used accounting software for maintaining books of account for the financial year ended 31st March 2026 which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of performing the procedures, we, and the respective auditors of such group and its associates, did not notice any instance of the audit trail feature being tampered with. In our opinion, the Group & its Associates have preserved the audit trail as per the statutory requirements for record retention as specified under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014.

The reporting requirement under this clause is not applicable to subsidiary companies and associate companies incorporated outside India.

For **Sundaram and Srinivasan**
Chartered Accountants
Firm Registration No. 004207S

S. USHA
Partner
Membership No.: 211785
UDIN: 26211785GUZMBH9794

Place: Chennai
Date: 13th May 2026

Annexure

to Independent Auditors' Report - 31st March 2026

To the members of TVS Motor Company Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2026, we have audited the internal financial controls over financial reporting of TVS Motor Company Ltd ("the Holding Company"), the subsidiary companies and its associate companies incorporated in India.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary companies and its associates, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisation of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion the Holding Company, its subsidiary companies and its associates, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to 7 subsidiary companies which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statement in so far as it relates to 1 subsidiary company which is company incorporated in India, is based on report issued by us of such companies incorporated in India.

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to 1 associate companies, which are companies incorporated in India, is based on the management certificate of such companies incorporated in India.

The reporting under section 143(3)(i) of the Act is not applicable to 9 subsidiary companies and 2 associate companies, which are companies incorporated outside India.

Our opinion is not modified in respect of this matter.

For **Sundaram and Srinivasan**
Chartered Accountants
Firm Registration No. 004207S

S. USHA
Partner
Membership No.: 211785
UDIN: 26211785GUZMBH9794

Place: Chennai
Date: 13th May 2026

Balance Sheet

as at 31st March 2026

₹ in crores

	Notes	As at 31-03-2026	As at 31-03-2025
ASSETS			
Non-current assets			
Property, plant and equipment	2	6,050.09	5,488.74
Capital work-in-progress	2	973.55	663.78
Investment properties	3	145.65	141.38
Goodwill on consolidation		731.43	731.43
Other intangible assets	2	1,706.78	1,282.90
Intangible assets under development		1,098.67	801.67
Financial assets			
i. Investments	4	519.41	564.94
ii. Loans (receivable from financing activity)	5	12,298.73	11,206.99
iii. Other financial assets	6	124.07	160.24
Investments accounted using equity method	7	107.23	167.13
Non-current tax assets (Net)		9.02	12.55
Deferred tax assets	8	574.46	495.91
Other non-current assets	9	692.10	235.00
		25,031.19	**21,952.66**
Current assets			
Inventories	10	2,459.20	2,416.58
Financial assets			
i. Investments	4	520.00	515.31
ii. Trade receivables	11	2,654.13	1,716.75
iii. Loans (receivable from financing activity)	5	17,988.44	15,093.48
iv. Cash and cash equivalents	12	3,926.45	4,115.00
v. Bank balances other than (iv) above	13	574.67	271.24
vi. Other financial assets	14	507.42	325.96
Right of Use Assets held for surrender		466.96	-
Other current assets	15	2,372.16	1,529.93
		31,469.43	**25,984.25**
Total assets		**56,500.62**	**47,936.91**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	47.51	47.51
Other equity	17	9,516.74	8,455.87
Equity attributable to owners		**9,564.25**	**8,503.38**
Non-controlling interest		1,148.61	938.89
		10,712.86	**9,442.27**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	18	12,486.26	13,932.68
ii. Lease Liabilities		499.46	751.83
Provisions	19	354.86	322.57
Deferred tax liabilities (Net)	20	355.00	286.02
Other non-current liabilities		24.50	28.00
		13,720.08	**15,321.10**
Current liabilities			
Financial liabilities			
i. Borrowings	21	19,137.67	13,683.08
ii. Lease Liabilities		667.62	241.12
iii. Trade payables	22		
a. Total outstanding dues of micro and small enterprises		131.12	45.51
b. Total outstanding dues of other than (iii) (a) above		9,703.16	7,515.75
iv. Other financial liabilities	23	922.31	400.39
Provisions	19	241.54	218.27
Current tax liabilities		145.65	39.80
Other current liabilities	24	1,118.61	1,029.62
		32,067.68	**23,173.54**
Total liabilities		**45,787.76**	**38,494.64**
Total equity and liabilities		**56,500.62**	**47,936.91**
Material accounting policies	1		

See the accompanying notes to the financial statements

SUDARSHAN VENU
Chairman & Managing Director
DIN: 03601690

K N RADHAKRISHNAN
Director & Chief Executive Officer
DIN: 02599393

As per our report annexed
For **Sundaram & Srinivasan**
Chartered Accountants
Firm Regn. No. 004207S

Chennai
13th May 2026

K GOPALA DESIKAN
Chief Financial Officer

K S SRINIVASAN
Company Secretary

S USHA
Partner
Membership No.: 211785

Statement of Profit and Loss

for the year ended 31st March 2026

₹ in crores

		Notes	Year ended 31-03-2026	Year ended 31-03-2025
I	Revenue from operations	25	56,069.52	44,089.01
II	Other income	26	22.01	69.56
III	**Total Income (I +II)**		**56,091.53**	**44,158.57**
IV	Expenses:			
	Cost of material consumed	27	33,270.05	25,968.44
	Purchase of stock in trade	27	1,230.66	834.62
	Changes in inventories of finished goods, Stock-in -trade and work-in-progress	27	379.05	(79.22)
	Employee benefits expense	28	4,391.61	3,580.88
	Finance costs	29	2,229.82	2,093.25
	Depreciation and amortisation expense	30	1,272.64	1,045.56
	Other expenses	31	8,404.82	7,135.57
	Total expenses		**51,178.65**	**40,579.10**
V	**Profit before exceptional items, share of net profit / (loss) from associates and tax (III - IV)**		**4,912.88**	**3,579.47**
VI	Share of net profit / (loss) from associates using equity method		(41.06)	(74.12)
VII	**Profit before exceptional items and tax (V + VI)**		**4,871.82**	**3,505.35**
VIII	Exceptional items	50	(50.08)	-
IX	**Profit before tax from continuing operations (VII + VIII)**		**4,821.74**	**3,505.35**
X	Tax expense	32		
	i) Current tax		1,620.38	1,190.17
	ii) Deferred tax		14.93	(34.72)
	Total Tax expense from continuing operations (i+ii)		**1,635.31**	**1,155.45**
XI	**Profit for the year from continuing operations (IX - X)**		**3,186.43**	**2,349.90**
XII	**Profit before tax from discontinued operations**		**-**	**22.49**
XIII	Tax expense	32		
	i) Current tax		-	2.63
	ii) Deferred tax		-	(10.05)
	Total Tax expense from discontinued operations (i+ii)		**-**	**(7.42)**
XIV	**Profit for the year from discontinued operations (XII - XIII)**		**-**	**29.91**
XV	**Profit for the year (XI + XIV)**		**3,186.43**	**2,379.81**
XVI	(Profit) / Loss attributable to non-controlling Interest		(168.10)	(144.25)
XVII	**Profit for the year attributable to owners (XV+ XVI)**		**3,018.33**	**2,235.56**
XVIII	Other comprehensive income			
	A. Items that will not be reclassified to profit or loss:			
	Remeasurements of post employment benefit obligations		26.39	(4.35)
	Change in fair value of equity instruments		153.49	23.27
	Share of other comprehensive income of an associate		(0.08)	-
	Income tax relating to these items		(9.62)	(1.78)
	B. Items that will be reclassified to profit or loss:			
	Fair value changes on cash flow hedges		0.06	(3.29)
	Foreign currency translation adjustments		336.01	33.55
	Income tax relating to these items		0.66	(0.18)
	Other comprehensive income for the year, net of tax		**506.91**	**47.22**
XIX	Other comprehensive income attributable to non-controlling interest		1.10	(2.85)
XX	**Other comprehensive income attributable to owners (XVIII - XIX)**		**505.81**	**50.07**
XXI	**Total comprehensive income attributable to owners (XVII +XX)**		**3,524.14**	**2,285.63**
XXII	Earnings per equity share (Face value of Re.1/- each)	42		
	Basic & Diluted earnings per share (in ₹)			
	Continuing operations		63.53	46.42
	Discontinued operations		-	0.63
	Continuing operations and discontinued operations		63.53	47.05
	Material accounting policies	1		

See the accompanying notes to the financial statements

SUDARSHAN VENU
Chairman & Managing Director
DIN: 03601690

K N RADHAKRISHNAN
Director & Chief Executive Officer
DIN: 02599393

As per our report annexed
For **Sundaram & Srinivasan**
Chartered Accountants
Firm Regn. No. 004207S

Chennai
13th May 2026

K GOPALA DESIKAN
Chief Financial Officer

K S SRINIVASAN
Company Secretary

S USHA
Partner
Membership No.: 211785

Statement of Changes in Equity

a Equity Share Capital

	₹ in crores
As at 01-04-2024	**47.51**
Changes in Equity Share capital due to prior period errors	-
Restated balance as at 01-04-2024	47.51
Changes in equity share capital during the year	-
As at 31-03-2025	**47.51**
Changes in Equity Share capital due to prior period errors	-
Restated balance as at 01-04-2025	47.51
Changes in equity share capital during the year	-
As at 31-03-2026	**47.51**

b Other Equity

₹ in crores

Particulars	Reserves & Surplus				Other Reserves					Non Controlling Interest	Total
	General reserve	Capital reserve	Statutory Reserve	Retained earnings	Equity Instruments Fair Valued through Other Comprehensive Income	Foreign currency translation reserve	Hedging reserve	Treasury shares	Share Based Payment Reserve		
Balance as at 01-04-2024	**876.24**	**6.51**	**297.96**	**5,529.36**	**(6.97)**	**36.19**	**(3.29)**	**-**	**-**	**727.60**	**7,463.60**
Add : Profit for the year 2024-25	-	-	-	2,235.56	-	-	-	-	-	144.25	2,379.81
Add : Other comprehensive income for the year 2024-25 (net of tax)	-	-	-	(1.67)	20.31	33.55	(2.12)	-	-	(2.85)	47.22
Add: Reclassification to Statutory reserve from retained earning	-	-	153.45	(153.45)	-	-	-	-	-	-	-
Add : Recognition of share based payments to employees	-	-	-	-	-	-	-	-	0.27	-	0.27
Less : Treasury shares held by ESOP Trust	-	-	-	-	-	-	-	62.46	-	-	62.46
<u>Transaction in capacity of owners</u>											
Add : Transactions with non-controlling interest	-	-	-	(28.48)	-	-	-	-	-	69.89	41.41
Less : Distribution to shareholders											
2024-25 Interim dividend	-	-	-	475.09	-	-	-	-	-	-	475.09
Balance as at 31-03-2025	**876.24**	**6.51**	**451.41**	**7,106.23**	**13.34**	**69.74**	**(5.41)**	**(62.46)**	**0.27**	**938.89**	**9,394.76**
Add : Profit for the year 2025-26	-	-	-	3,018.33	-	-	-	-	-	168.10	3,186.43
Add/(Less) : Issue of 6% Non-Convertible redeemable preference shares (NCRPS) during the year	(865.64)	-	-	(1,034.71)	-	-	-	-	-	-	(1,900.35)
Add : Other comprehensive income for the year 2025-2026 (net of tax)	-	-	-	21.25	149.85	336.01	(1.23)	-	-	1.10	506.98
Add : Share of OCI of an associate (net of tax)	-	-	-	-	(0.07)	-	-	-	-	-	(0.07)
Add : Reversal of Tax on OCI on account of sale of equity instruments measured at FVTOCI	-	-	-	-	1.91	-	-	-	-	-	1.91
Add/(Less) : Transfer on account of Sale of Equity instruments measured at FVTOCI (net of tax)	-	-	-	178.02	(178.02)	-	-	-	-	-	-
Less : Capital reserves on acquisition of new subsidiary	-	11.48	-	-	-	-	-	-	-	-	11.48
Add : Reclassification to statutory reserve from retained earning	-	-	182.77	(182.77)	-	-	-	-	-	-	-
Add : Recognition of share based payments to employees	-	-	-	-	-	-	-	-	0.69	-	0.69
Less : Treasury shares held by ESOP Trust	-	-	-	-	-	-	-	(34.44)	-	-	(34.44)
<u>Transaction in capacity of owners</u>											
Add/(Less) : Transactions with non-controlling interest	-	-	-	(41.34)	-	-	-	-	-	40.52	(0.82)
Less : Distribution to shareholders:											
2025-26 Interim dividend	-	-	-	570.10	-	-	-	-	-	-	570.10
Balance as at 31-03-2026	**10.60**	**17.99**	**634.18**	**8,494.91**	**(12.99)**	**405.75**	**(6.64)**	**(28.02)**	**0.96**	**1,148.61**	**10,665.35**

Nature and purpose of Other Reserves

1. General reserve is available for distribution to share holders.

Particulars	₹ in crores
i. On shares forfeited (₹ 55,200)	-
ii. On surplus arising out of amalgamation	6.51
iii. On surplus arising out of Business Combination	11.48
	17.99

3. Statutory reserve has been created pursuant to section 45 - IC of the RBI Act,1934. Owners portion of Statutory Reserve created in subsidiary shown above after becoming subsidiary.

4. Hedging Reserve - Refer Note 34(D)

   It represents the effective portion of the fair value of forward/option contracts designated as cashflow hedge.

5. FVTOCI Reserve

   The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income.

   These changes are accumulated within the FVTOCI reserve within equity.

6. Treasury Shares

   The Treasury shares of the parent company are held by the TVSM Employees Stock Option Trust (ESOP Trust) under the TVS Motor Company Employee Stock Option Plan implemented to its eligible employees. The equity shares of the parent company have been acquired and held by ESOP Trust, to be transferred to employees upon the exercise of their stock options.

7. Share Based Payment Reserve

   Share based payment reserve is created as required by Ind AS 102 'Share Based Payments' on the employee stock option scheme operated by the subsidiary company for its employees.

See the accompanying notes to the financial statements

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K N RADHAKRISHNAN
Director & Chief Executive Officer
DIN: 02599393

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Chartered Accountants
Firm Regn. No. 004207S

Chennai
13th May 2026

K GOPALA DESIKAN
Chief Financial Officer

K S SRINIVASAN
Company Secretary

S USHA
Partner
Membership No.: 211785

Cash Flow Statement

for the year ended 31st March 2026

₹ in crores

		Year ended 31-03-2026		Year ended 31-03-2025	
A.	**Cash flow from operating activities:**				
	Profit before tax				
	From Continuing Operations		4,821.74		3,505.35
	From Discontinued Operations		-		22.49
	Add:				
	Depreciation and amortisation for the year	1,272.64		1,045.56	
	(Profit)/Loss on sale of property, plant and equipment (Net)	(14.97)		(9.15)	
	(Gain)/Loss on fair valuation of investments (Net)	87.83		78.27	
	(Gain)/Loss on sale of investments (Net)	(2.09)		(1.02)	
	(Gain)/Loss on sale of Associate	(2.54)		(95.14)	
	(Gain)/Loss on lease preclosure	0.03		(0.07)	
	Unrealised exchange (gain) / loss	(63.31)		9.95	
	Net (profit)/ loss from associates using equity method	41.06		74.12	
	Interest income	(41.86)		(27.16)	
	Finance cost [excluding relatable to financial enterprise]	308.69		229.93	
	Share based payment expense	19.66		33.08	
	Provisions	80.04		99.67	
			1,685.18		**1,438.04**
	Operating profit before working capital changes		**6,506.92**		**4,965.88**
	Adjustments for:				
	Loans given by a financial enterprise (Net)	(3,986.70)		(828.66)	
	Trade receivables	(874.76)		110.50	
	Inventories	(42.62)		(168.18)	
	Other current assets	(842.23)		(330.64)	
	Other financial assets	(467.81)		(324.92)	
	Trade payables	2,273.67		923.94	
	Other financial liabilities	484.25		140.69	
	Other current liabilities	104.49		125.43	
	Other non - current assets	336.89		35.53	
			(3,014.82)		(316.31)
	Cash generated from operations		3,492.10		4,649.57
	Direct taxes paid		(1,625.51)		(1,146.65)
	Net cash from operating activities	**(A)**	**1,866.59**		**3,502.92**
B.	**Cash flow from investing activities:**				
	Purchase of property, plant and equipment, intangible assets, capital work-in-progress, intangibles under development, net of capital advances	(3,235.08)		(2,478.06)	
	Proceeds from sale of property, plant and equipment	88.89		19.00	
	Purchase of investments	(186.77)		(424.13)	
	Purchase of Investments in associates/Subsidiaries	(4.04)		(98.49)	
	Sale of Investments in subsidiaries/Associates	-		4.15	
	Sale / redemption of investments	332.93		56.32	
	Sale / redemption of mutual funds (net)	2.09		-	
	Purchase of investment property	(4.27)		(3.68)	
	Interest received	41.78		25.93	
			(2,964.47)		(2,898.96)
	Net cash from / (used in) investing activities	**(B)**	**(2,964.47)**		**(2,898.96)**

₹ in crores

		Year ended 31-03-2026		Year ended 31-03-2025
C.	**Cash flow from financing activities :**			
	Borrowings:			
	Non-current borrowings availed / (repaid)	(1,447.54)		1,301.85
	Current borrowings availed / (repaid)	3,555.65		1,025.78
	Finance cost paid	(249.17)		(406.54)
	Contribution from non-controlling Interest	28.48		42.74
	Changes in treasury shares by ESOP trust	6.08		(95.27)
	Lease liabilities paid	(414.07)		(238.23)
	Dividend	(570.10)		(475.09)
			909.33	**1,155.24**
	Net cash from / (used in) financing activities	**(C)**	**909.33**	**1,155.24**
	Total (A)+(B)+(C)		**(188.55)**	**1,759.20**
	Cash and cash equivalents at the beginning of the year		4,115.00	2,355.80
	Cash and cash equivalents at the end of the year (Refer note no. 12)		3,926.45	4,115.00
D.	**Net increase/(decrease) in cash and cash equivalents**		**(188.55)**	**1,759.20**

Note : The above statement of cash flow is prepared using indirect method.

Change in liability arising from financing activities:

₹ in crores

Particulars	As at 31-03-2025	Cash flow	Foreign exchange movement	Outgoing subsidiary	Amortisation	As at 31-03-2026
Non-current borrowings	13,932.68	(1,447.54)	-	-	1.12	12,486.26
Current borrowings (Excluding NCRPS)	13,683.08	3,555.65	-	-	-	17,238.73

Non-cash investing activities:

₹ in crores

Particulars	2025-26	2024-25
Acquisition of right-of-use assets	625.78	737.81

SUDARSHAN VENU
Chairman & Managing Director
DIN: 03601690

K N RADHAKRISHNAN
Director & Chief Executive Officer
DIN: 02599393

As per our report annexed
For **Sundaram & Srinivasan**
Chartered Accountants
Firm Regn. No. 004207S

Chennai
13th May 2026

K GOPALA DESIKAN
Chief Financial Officer

K S SRINIVASAN
Company Secretary

S USHA
Partner
Membership No.: 211785

Notes to the Consolidated Financial Statements

1 MATERIAL ACCOUNTING POLICIES

The accounting policies mentioned herein are relating to the consolidated financial statements of TVS Motor Company Limited and its subsidiaries and associates.

a) Brief description of the Group

TVS Motor Company Limited (the Company) is a public limited company, incorporated and domiciled in India whose shares are publicly traded. The registered office is located at "Chaitanya", No. 12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600006, Tamil Nadu, India. The Company together with its subsidiaries and associates (collectively referred to as the "Group") operate in a wide range of activities such as manufacturing of automotive vehicles, spare parts & accessories thereof, and financial services.

b) Basis of preparation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statement has been prepared on the historical cost convention under accrual basis of accounting except for certain assets and liabilities (as per the accounting policy below), which have been measured at fair value.

These financial statements for the year ended 31st March 2026 have been approved and authorised for issue by the Board of Directors at its meeting held on 13th May 2026.

Principles of Consolidation

Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests (if any) in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet, respectively.

Associates

Associates are all entities over which the group has significant influence but not control or joint control. (This is generally the case where the group holds between 20% and 50% of the voting rights). Investments in associates are accounted for using the equity method of accounting after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an investment accounted under equity method equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of investees accounted under equity method have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of investments accounted under equity method are tested for impairment in accordance with the policy described in note 1(k) below.

Notes to the Consolidated Financial Statements (Contd.)

The subsidiary companies and associates considered in consolidated financial statements are:

Sl. No.	Name of the Company	Country of incorporation	Proportion of ownership (interest/voting power -%)		Reporting date
			2025-26	2024-25	
1	**Subsidiary Companies:**				
a.	TVS Motor Company Europe B.V. Amsterdam	Netherlands	100%	100%	31-03-2026
b.	PT. TVS Motor Company Indonesia, Jakarta	Indonesia	53.94% direct holding, 29.93% by (c) and 16.13% by (a)	51.20% direct holding, 31.71% by (c) and 17.09% by (a)	31-03-2026
c.	TVS Motor Singapore Pte. Limited, Singapore	Singapore	100%	100%	31-03-2026
d.	TVS Motor Services Limited, Chennai	India	100%	100%	31-03-2026
e.	TVS Credit Services Limited, Bengaluru	India	80.76 % direct holding and 0.42% by (d)	80.69 % direct holding and 0.43% by (d)	31-03-2026
f.	Harita ARC Services Private Limited, Chennai	India	100% by (e)	100% by (e)	31-03-2026
g.	Harita Two Wheeler Mall Private Limited, Chennai	India	100% by (e)	100% by (e)	31-03-2026
h.	TVS Housing Finance Private Limited, Chennai	India	100% by (e)	100% by (e)	31-03-2026
i.	The Norton Motorcycle Co. Limited, London	United Kingdom	100% by (c)	100% by (c)	31-03-2026
j.	Norton Motorcycle Private Limited, Chennai	India	100% by (i)	-	31-03-2026
k.	Norton USA LLC, Delaware	USA	100% by (i)	-	31-03-2026
l.	TVS Digital Pte Limited, Singapore	Singapore	100% by (c)	100% by (c)	31-03-2026
m.	TVS EBike Company AG (Formerly known as Swiss E-Mobility Group)	Switzerland	100% by (c)	100% by (c)	31-03-2026
n.	EGO Movement Deutschland GmbH, Germany	Germany	100% by (m)	100% by (m)	31-03-2026
o.	TVS Electric Mobility Ltd, Chennai	India	100%	100%	31-03-2026
p.	TVS EBike Company GmBH Germany, Nuremberg (Formerly known as Colag E-Mobility GmbH)	Germany	100% by (m)	100% by (m)	31-03-2026
q.	TVS EBike Company Limited, Warwickshire, England (Formerly known as EBCO Limited)	United Kingdom	100% by (c)	70% by (c)	31-03-2026
r.	TVS Motor GmbH, Germany (Formerly known as Celerity Motor GmBH)	Germany	100% by (c)	100% by (c)	31-03-2026
s.	DriveX Mobility private Limited, Coimbatore	India	92.21%	89.40%	31-03-2026
t.	TVS Motor Company DMCC, Dubai	UAE	100%	100%	31-03-2026
u.	Swiss E-mobility group (österreich) Gmbh, Austria	Austria	100% by (m)	100% by (m)	31-03-2026
v.	Engines Engineering S.p.A, Castenaso.	Italy	100% by (c)	-	31-03-2026
2.	**Associate Companies:**				
aa.	Ultraviolette Automotive Private Limited, Bengaluru	India	24.92%	29.33%	31-03-2026
ab.	Predictronics Corporation	USA	23.49% by (l)	23.49% by (l)	31-03-2026
ac.	Altizon Inc (up to 23.01.2026)	USA	-	20.0% by (l)	31-03-2026
ad.	Killwatt Gmbh	Germany	49% by (c)	49% by (c)	31-03-2026

Notes to the Consolidated Financial Statements (Contd.)

c) Use of estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future period. The estimates and underlying assumptions are reviewed on an ongoing basis.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

d) Significant Estimates and judgments

The areas involving critical estimates or judgments are:

i) Estimation of useful life of Property, Plant and Equipment - Refer Note 1(f) and 1(g).

ii) Estimation of fair value of unlisted securities - (Refer Note 33).

iii) Estimation of impairment of goodwill. (Refer Note 37)

iv) Defined benefit obligation - (Refer Note 39).

v) Estimation of provision (Refer Note 43).

vi) Estimation and evaluation of provisions and contingencies relating to tax litigations (Refer Note 44(a))

e) Revenue recognition

Sale of automotive vehicles, spare parts and accessories

Revenue is recognised when the performance obligations are satisfied and the control of the goods is transferred, being when the goods are delivered as per the relevant terms of the contract at which point in time, the Group has a right to payment for the goods, customer has possession and legal title to the goods, customer bears significant risk and rewards of ownership and the customer has accepted the goods or the Group has objective evidence that all criteria for acceptance have been satisfied.

Payment for the sale is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component.

The Group's contracts with customers does not provide for any right to returns, refunds or similar obligations. The Group's obligation to repair or replace faulty products under standard warranty terms is recognised as a provision (Refer Note 43).

Sale of services

The Group also earns revenue from providing Technical, IT services and Royalty on usage of Group's technical knowhow. In respect of Technical, IT services, the revenue is recognised on a time proportion basis as the customer simultaneously receives and consumes the benefits as the obligations are performed. Payment for the services provided are received as per the credit terms agreed with the customers. The credit period is generally short term, and thus there is no significant financing component.

In respect of Royalty, the performance obligation is, to provide the right-to-use the Group's technical knowhow by the customers, for which usage-based royalty is charged. Payment for the services provided is received as per the credit terms as agreed with the customers. The credit period is generally short term, and thus there is no significant financing component.

Revenue from financing

Interest income for loans [other than Purchase of Originally Credit Impaired (POCI)] is recognised using the Effective Interest Rate (EIR) method.

For financial assets that are not "POCI" but have subsequently become credit-impaired (or 'stage-3'), for which interest revenue is calculated by applying the effective interest rate to their amortised cost (i.e. net of the expected credit loss provision).

Income in the nature of overdue interest, and bounce charges are recognized on realization, due to uncertainty of collection.

Warranty Obligations

The Company provides warranties for products sold as per terms of the contract with ultimate customers. These warranties are considered as assurance type warranties and are accounted for under Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets.

Notes to the Consolidated Financial Statements (Contd.)

Significant judgements

There are no significant judgements made by the Group in determining the timing of satisfaction of performance obligation. It is determined as per the terms of the contract. In case of multiple performance obligations, the Group uses the adjusted market assessment approach to allocate the transaction price between multiple performance obligations. If a discount is granted, the same is adjusted against the transaction price of the contract.

f) Property, Plant and Equipment

Property, plant and equipment (including land, building, furniture, fixtures, vehicles, etc.) are held for use in the production or supply of goods or services, or for administrative purposes. Freehold Land is carried at historical cost. All other items of Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation / amortisation and impairment, if any. Such assets are classified to the appropriate categories of property, plant and equipment when completed and ready for its intend use. Cost includes purchase price, taxes and duties, labour cost and directly attributable overheads incurred upto the date the asset is ready for its intended use. However, cost excludes Goods and Services Tax to the extent credit of the duty or tax is availed of.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised as profit or loss with in other income /expenses.

g) Depreciation and amortisation

i) Depreciation on property, plant and equipment is charged over the estimated useful life of the asset or part of the asset (after considering double/ triple shift) as evaluated by a Chartered Engineer, on straight line method, in accordance with Part A of Schedule II to the Companies Act, 2013.

ii) Keeping in mind the rigorous and periodic maintenance programme followed by the Group, the estimated useful life of the property, plant and equipment as assessed by the Chartered Engineer and followed by the Group is given below:

Description	Years
Factory building and other buildings	5 to 61
Plant and machinery	4 to 29
Electrical equipment	15
Furniture and fixtures	4 to 10
Computers and information systems	3 to 4
Material handling equipment	5
Mobile phone	2
Vehicles	3 to 6

iii) Tools and dies are generally depreciated based on quantity of components manufactured, subject to a maximum of 5 years. Tools and dies used for low volume models are depreciated over a period of 9 years

iv) Residual values and useful lives are reviewed, and adjusted, if appropriate, for each reporting period.

v) On property, plant and equipment added / disposed of during the year, depreciation is charged on pro-rata basis from the date of addition / till the date of disposal.

vi) Depreciation in respect of property, plant and equipment costing less than Rs. 10,000/- is provided at 100%.

h) Investment properties

Property that is held for long term rental yields or for capital appreciation or both, and that is not occupied by the group is classified as investment property. Investment Property is measured initially at its cost including related transaction cost where applicable, borrowing cost. Subsequent expenditure is capitalised to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item is measured reliably.

i) Intangible assets

Goodwill

Goodwill on acquisition of business is included in intangible assets. Goodwill is not amortised but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might

Notes to the Consolidated Financial Statements (Contd.)

be impaired, and is carried at cost less accumulated impairment losses, if any. Goodwill is allocated to the cash generating units for the purpose of impairment testing. The allocation is made to those cash generating units or group of cash generating units that are expected to benefit from the business combination in which the goodwill arose. The units or group of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the cash generating units.

Other intangible assets

Intangible assets acquired separately:

Intangible assets with finite useful lives that are acquired separately and the estimated useful life is more than one year, is capitalised and carried at cost less accumulated amortisation and accumulated impairment losses.

Internally-generated intangible assets - research and development expenditure:

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from development phase of internal project is recognised, if and only if, the conditions under the Ind AS 38 – Intangible Asset, are fulfilled. If the conditions are not fulfilled the same is recognised in profit and loss in the period in which it is incurred.

The intangible assets are amortised on straight line basis over its useful life, viz., 2 years in the case of software, 8 years in case of acquired brand and trademark and 6 to 10 years in the case of Design, Development and Technical knowhow.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and is recognised as profit or loss with in other income /expenses.

j) Loans (receivable from financing activity)

The Loans (receivable from financing activity) are stated at the contract value plus transaction costs less origination income that are directly attributable to the acquisition of the loan. Interest income is recognised using the Effective Interest Rate (EIR) method. Loans are stated at carrying value less impairment loss.

k) Impairment of Non-financial Assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

l) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are prepared in INR and all values are rounded off to nearest crore.

(ii) Transactions and balances

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.

i) Foreign currency monetary assets and liabilities such as cash, receivables, payables, etc., are translated at year end exchange rates.

ii) Non-monetary items denominated in foreign currency such as investments, Property, Plant and Equipment, etc., are valued at the exchange rate prevailing on the date of transaction. Non-monetary investments measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on account of such translation is recognized in OCI or Profit and Loss in line with the designation of the respective item.

Notes to the Consolidated Financial Statements (Contd.)

iii) Exchange differences arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency in the following manner:

a) assets and liabilities are translated at the closing rate at the date of that balance sheet;

b) income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

c) all resulting exchange differences are recognised in other comprehensive income.

m) Hedge accounting

Derivatives are initially recognised at fair value on the date when a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

- hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedges), or
- hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges), or
- hedges of a net investment in a foreign operation (net investment hedges).

The Group documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative financial instruments used for hedging purposes are disclosed in Note 33. Movements in the hedging reserve in shareholders' equity are shown in Note 34. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

The effective portion of changes in the fair value of derivatives that is designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in statement of profit and loss.

When forward contracts are used to hedge forecasted transactions, the Group generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in other comprehensive income in cash flow hedging reserve within equity. In some cases, the entity may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit and loss in the periods when the hedged item affects profit and loss (for example, when the forecast sale that is hedged takes place).

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecasted transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to the statement of profit and loss.

Notes to the Consolidated Financial Statements (Contd.)

n) Inventories

Inventories are valued at the lower of cost and net realisable value.

i) Cost of raw materials, components, stores and spares are ascertained on a moving average basis.

ii) Cost of finished goods and work-in-progress comprise of direct materials, direct labour and an appropriate proportion of variable and fixed overhead, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory includes cost of purchase and other cost incurred in bringing the inventories to the current location after deducting rebates and discounts. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Materials and supplies held for use in production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost. Slow and non-moving material, obsolescence, defective inventories are duly provided for.

iii) Provision for slow and Obsolete inventory:

The company has a policy for identifying slow/ non-moving inventory. Based on the policy value inventory is provided for obsolescence based on ageing.

o) Employee benefits

i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii) Other long term obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are, therefore, measured at the present value of the expected future payments to be made in respect of services provided by employee upto the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii) Post-employment obligation

The Group operates the following post-employment schemes:

a) Defined benefit plans such as gratuity for its eligible employees, pension plan for its eligible senior managers; and

b) Defined contribution plans such as provident fund.

Pension and gratuity obligation

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually at the end of each reporting period by Actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the Government Bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income (net-off deferred tax). They are included in

Notes to the Consolidated Financial Statements (Contd.)

retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit and loss as past service cost.

Provident fund

The eligible employees of the Group are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Group make monthly contributions at a specified percentage of the covered employees' salary. The provident fund contributions are made to an irrevocable trust set up by the Company or to the Regional Provident Fund Commissioner. Where irrevocable trust exists, the Group is generally liable for contributions and any shortfall in the fund assets based on the Government specified minimum rates of return. The Group recognises such contributions and shortfall, if any, as an expense in the year in which it is incurred.

(iv) Bonus plans

The Group recognises a liability and an expense for bonuses. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

p) Taxes on income

Tax expense comprises of current and deferred taxes. The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit and loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred Tax liabilities are recognized for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to Income Taxes levied by the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Where the Group is entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure (the Research and Development or other investment allowances), the Group accounts for such allowances as tax credits, which means that the allowances reduce income tax payable and current tax expense. A deferred tax asset is recognised for unclaimed tax credits that are carried forward.

Notes to the Consolidated Financial Statements (Contd.)

q) Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants receivable as compensation for expenses or financial support are recognized in profit and loss of the period in which it becomes available.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit and loss on a straight-line basis over the expected lives of the related assets.

The benefit of a government loan at a below market-rate of interest is treated as government grant and is measured as the difference between proceeds received and fair value of the loan.

In case of waiver of duty under EPCG licence, such grant is considered as revenue grant and recognized in statement of profit and loss on based on positive evidence of completion of export obligation as approved by Regulatory Authorities.

r) Dividends

Dividends are recognised in profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of dividend can be reliably measured.

s) Provisions and contingent liabilities

i) Provision

A provision is recorded when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated. When products are sold, the estimated liability for product warranties is recorded based on technical evaluation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses.

ii) Contingent liabilities

Wherever there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (b) the amount of the obligation cannot be measured with sufficient reliability, are considered as contingent liabilities. Show cause notices are not considered as Contingent Liabilities unless converted into demand.

iii) Warranty

Provision is made for estimated warranty claims in respect of vehicles sold which are still under warranty at the end of the reporting period. These claims are expected to be settled from the next financial year. Management estimates the provision based on historical warranty claim information; and any recent trends that may suggest future claims could differ from historic and the dues which are payable within 12 Months is classified as current and others are non-current.

t) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker.

The Company's Chief Operating Decision Maker (CODM) examines Risks and Rewards of the entity's performance and allocates the resources aligning with the Company's strategy.

The Company identified operations from which significant risks and rewards are derived in two verticals viz (a) Automotive Vehicles & Parts and related investments and (b) Investment held in Financial services.

Profit /Loss of the Financial services vertical represents dividend, interest, profit / (Loss) on fair valuation / sale of investments.

The Investments of the Company in TVS Credit Services Limited and TVS Motor Services Limited and other non strategic companies categorized as Financial services.

Notes to the Consolidated Financial Statements (Contd.)

u) Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of buildings for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, the respective Company:

- where possible, uses recent third-party financing received by the Company as a starting point, adjusted to reflect changes in financing conditions since third party financing was received,
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company which does not have recent third-party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

The Group if exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the lease liability for each period. The carrying amount of lease liability is reduced by net lease payments (i.e., lease payments net off finance cost).

Variable lease payments are recognised in profit and loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit and loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

v) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Notes to the Consolidated Financial Statements (Contd.)

w) Trade receivables

Trade receivables are measured at their transaction price on initial recognition, unless it contains a significant financing component or pricing adjustments embedded in the contract in which cases, it is recognised at fair value. Trade receivables are held with the objective of collecting the contractual cash flows and therefore are subsequently measured at amortised cost less allowance for expected credit loss.

x) Contract liabilities

A contract liability is the obligation to transfer goods to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the consideration is received. Contract liabilities are recognised as revenue when the Group performs under the contract.

y) Investments and Other financial assets

i) Classification

The Group classifies its financial assets in the following categories:

- Those to be measured subsequently at fair value [either through Fair Value Through Other Comprehensive Income (FVTOCI), or Fair Value Through Profit and Loss (FVTPL)], and
- Those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flow.

ii) Measurement

At Initial recognition, the Group measures a financial asset at its fair value plus transaction cost (in the case of a financial asset not a FVTPL) that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit and loss.

Debt Instruments:

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments.

- **Amortised Cost:**

  Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Fair value through other comprehensive income:**

  Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss.

- **Fair Value through profit or loss:**

  Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognised in profit or loss and presented in the statement of profit and loss in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments:

The Group subsequently measures all its investments in equity at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit and loss.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately.

Where the Group elects to measure fair value through profit and loss, changes in the fair value of such financial assets are recognised in the statement of profit and loss.

Notes to the Consolidated Financial Statements (Contd.)

iii) Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been significant increase in credit risk. Note no. 34 and Note no. 35 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected credit losses to be recognised from initial recognition of the receivables.

For loans given by financial enterprise the impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 35 details how the Group determines whether there has been a significant increase in credit risk.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

iv) Derecognition of financial assets

A financial asset is derecognised only when:

a) the Group has transferred the rights to receive cash flows from the financial asset or

b) the Group retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized, if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

v) Income recognition

Interest Income:

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying value of a financial asset. While calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options), but does not consider the expected credit losses.

z) Financial Liabilities

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included under 'Finance costs'.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit and loss.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Notes to the Consolidated Financial Statements (Contd.)

aa) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

ab) Current and Non-current classification

The Group presents assets and liabilities in the balance sheet based on current / non-current classification.

Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. In respect of other assets, it is treated as current when it is:

- expected to be realized or intended to be sold or consumed in the normal operating cycle
- held primarily for the purpose of trading
- expected to be realized within twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- it is expected to be settled in the normal operating cycle
- it is held primarily for the purpose of trading
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle for all entities within the group other than real estate. The normal operating cycle in respect of operation relating to real estate project depends on signing of agreement, size of the project, phasing of the project, type of development, project complexities, approvals needed and realisation of project into cash and cash equivalents and range from 3 to 7 years. Accordingly, assets and liabilities have been classified into current and non-current based on operating cycle.

ac) Earnings Per Share (EPS)

Basic earnings per share is computed by dividing the profit after tax (attributable to the owners) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

ad) Treasury Shares

The Company has created an ESOP Trust (the 'Trust') for providing share-based payment to its employees. The Company uses the Trust as a vehicle for distributing shares to employees under the Employee Stock Option Scheme. The Trust purchases shares of the Company from the market for giving shares to employees. The Company treats Trust as its extension and shares held by the Trust are treated as treasury shares.

Own equity instruments that are re-acquired (treasury shares) are recognised at cost and deducted from other equity. As and when treasury shares are transferred to employees on exercise after satisfaction of the vesting conditions, the balance lying in "Treasury share reserve" is transferred to "Retained earnings".

ae) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

The Group has applied the following Ind AS pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Second Amendment Rules, 2025 with effect from 1st April 2025:

Notes to the Consolidated Financial Statements (Contd.)

(i) Ind AS 7 – Statement of Cash Flows and Ind AS 107 – Financial Instruments: Disclosures: The amendment requires disclosure of the effects of supplier finance arrangements on the Group's liabilities, cash flows and exposure to liquidity risk. The Group has assessed the impact of such arrangements on the Consolidated Financial Statements and has provided requisite disclosures in accordance with the amendments. These amendments do no have any other impact on the Consolidated Financial Statements.

(ii) Ind AS 1 – Presentation of Financial Statements: The amendments primarily impacts classification of liabilities. In accordance with the amendments, the requirement of classification of a liability as non-current based on the existence of a right to defer settlement for at least 12 months after the reporting date has been revised to require that such right must exist, with substance, at the end of the reporting period. The amendments also require assessment of compliance with covenants for the purpose of classification of liabilities, along with enhanced disclosures. The Group has assessed the impact of these amendments and has applied the revised requirements for classification of liabilities as current or non-current including compliance with covenants, where applicable. These amendments do not have any other impact on the Consolidated Financial Statements.

(iii) Ind AS 12 – Income Taxes: The amendment requires disclosure of Pillar Two Income taxes arising pursuant to the introduction of model rules for global minimum tax published by the Organisation for Economic Co-operation and Development ('OECD'). The Group has adopted the requirements pertaining to recognition and disclosure of current and deferred taxes related to income taxes arising on applying the model rules issued by OECD. There is immaterial impact of the amendment on the Consolidated Financial Statements.

Notes to the Consolidated Financial Statements (Contd.)

2 Property, Plant & Equipment and Other Intangible Assets as at 31st March 2026

₹ in crores

Description	Property, Plant & Equipment								Other Intangible			
	Land	Buildings	Plant & equipment	Furniture & fixtures	Vehicles	Office equipment	Right of Use Asset	Total	Software	Design Development	Trade Mark	Total
	1	2	3	4	5	6	7	8	9	10	11	12
Gross carrying value as at 01-04-2025	1,046.32	1,251.52	6,013.55	298.20	390.25	428.95	1,486.46	10,915.25	532.43	1,202.97	644.92	2,380.32
Acquired in business combination	12.30	25.58	1.65	0.56	1.47	1.20	-	42.76	0.22	2.49	0.07	2.78
Additions	176.60	195.38	589.22	111.88	182.08	107.66	625.78	1,988.60	136.33	555.25	0.58	692.16
Foreign exchange translation reserve adjustments	56.34	13.11	17.65	4.23	5.46	1.92	90.11	188.82	31.37	32.85	62.42	126.64
Sub-total	**1,291.56**	**1,485.59**	**6,622.07**	**414.87**	**579.26**	**539.73**	**2,202.35**	**13,135.43**	**700.35**	**1,793.56**	**707.99**	**3,201.90**
Sales / deletion	64.53	6.29	95.38	7.65	4.61	18.45	236.15	433.06	8.62	2.37	0.68	11.67
Total	**1,227.03**	**1,479.30**	**6,526.69**	**407.22**	**574.65**	**521.28**	**1,966.20**	**12,702.37**	**691.73**	**1,791.19**	**707.31**	**3,190.23**
Depreciation / Amortisation												
Upto 1-04-2025	-	462.93	3,905.28	170.67	91.89	306.12	489.62	5,426.51	300.71	595.07	201.64	1,097.42
For the year	-	58.36	434.39	42.83	59.73	74.08	243.92	913.31	107.86	165.09	86.38	359.33
Foreign exchange translation reserve adjustments	-	6.50	15.26	(0.22)	1.96	3.04	19.86	46.40	13.00	6.14	15.08	34.22
Sub-total	**-**	**527.79**	**4,354.93**	**213.28**	**153.58**	**383.24**	**753.40**	**6,386.22**	**421.57**	**766.30**	**303.10**	**1,490.97**
Withdrawn on assets sold / deleted	-	0.40	85.40	6.28	3.68	16.42	88.72	200.90	4.99	2.32	0.21	7.52
Total	**-**	**527.39**	**4,269.53**	**207.00**	**149.90**	**366.82**	**664.68**	**6,185.32**	**416.58**	**763.98**	**302.89**	**1,483.45**
Reclassify to Right of Use Assets held for surrender	-	-	-	-	-	-	466.96	466.96	-	-	-	-
Net Carrying value As at 31-03-2026	1,227.03	951.91	2,257.16	200.22	424.75	154.46	834.56	6,050.09	275.15	1,027.21	404.42	1,706.78

a) Cost of buildings includes ₹30.99 crores pertaining to buildings constructed on leasehold lands.

b) Land includes lease hold land of ₹0.51 Crores, whose ownership is transferrable at the end of the lease term.

c) Borrowing cost capitalised during the year - Nil

Capital work-in-progress (at cost) as at 31-03-2026

₹ in crores

(a) Building	420.96
(b) Plant & equipment	552.59
Total	**973.55**

Ageing of Capital work-in-progress as at 31-03-2026

₹ in crores

Particulars	Amount in Capital work-in-progress for a period of				
	<1 Year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	724.88	149.05	73.62	26.00	973.55

Ageing of Intangible assets under development as at 31-03-2026

₹ in crores

Particulars	Amount in Intangible assets under development for a period of				
	<1 Year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	568.85	398.06	121.58	10.18	1,098.67

Capital work-in-progress and intangible asset under development

There is no capital work in progress and intangible asset under development whose completion is overdue or has exceeded its cost compared to its original plan.

Notes to the Consolidated Financial Statements (Contd.)

2 Property, Plant & Equipment and Other Intangible Assets as at 31st March 2025

₹ in crores

Description	Property, Plant & Equipment								Other Intangible			
	Land	Buildings	Plant & equipment	Furniture & fixtures	Vehicles	Office equipment	Right of Use Asset	Total	Software	Design Development	Trade Mark	Total
	1	2	3	4	5	6	7	8	9	10	11	12
Cost of assets												
Gross carrying value as at 01-04-2024	562.92	1,264.20	5,682.63	238.17	120.69	359.11	1,164.07	9,391.79	291.19	830.80	512.28	1,634.27
Acquired in business combination	-	-	1.10	3.17	0.01	1.15	7.54	12.97	2.35	-	-	2.35
Additions	488.83	38.34	651.44	65.36	281.45	84.30	739.24	2,348.96	232.39	366.37	105.62	704.38
Foreign exchange translation reserve adjustments	(2.22)	1.88	3.10	3.57	0.56	0.46	12.45	19.80	6.50	5.80	27.02	39.32
Sub-total	**1,049.53**	**1,304.42**	**6,338.27**	**310.27**	**402.71**	**445.02**	**1,923.30**	**11,773.52**	**532.43**	**1,202.97**	**644.92**	**2,380.32**
Sales / deletion	3.21	52.90	324.72	12.07	12.46	16.07	436.84	858.27	-	-	-	-
Total	**1,046.32**	**1,251.52**	**6,013.55**	**298.20**	**390.25**	**428.95**	**1,486.46**	**10,915.25**	**532.43**	**1,202.97**	**644.92**	**2,380.32**
Depreciation / Amortisation												
Upto 31-03-2024	-	434.76	3,716.61	139.98	68.38	255.52	482.42	5,097.67	211.96	440.00	120.38	772.34
For the year	-	40.78	377.96	33.87	34.26	64.62	196.92	748.41	73.94	153.35	69.86	297.15
Foreign exchange translation reserve adjustments	-	(0.07)	1.17	2.87	(0.55)	0.33	4.95	8.70	14.81	1.72	11.40	27.93
Sub-total	**-**	**475.47**	**4,095.74**	**176.72**	**102.09**	**320.47**	**684.29**	**5,854.78**	**300.71**	**595.07**	**201.64**	**1,097.42**
Withdrawn on assets sold / deleted	-	12.54	190.46	6.05	10.20	14.35	194.67	428.27	-	-	-	-
Total	**-**	**462.93**	**3,905.28**	**170.67**	**91.89**	**306.12**	**489.62**	**5,426.51**	**300.71**	**595.07**	**201.64**	**1,097.42**
Net Carrying value As at 31-03-2025	1,046.32	788.59	2,108.27	127.53	298.36	122.83	996.84	5,488.74	231.72	607.90	443.28	1,282.90

a) Cost of buildings includes ₹ 30.99 crores pertaining to buildings constructed on leasehold lands.

b) Land includes lease hold land of ₹ 0.51 Crores, whose ownership is transferrable at the end of the lease term.

c) Borrowing cost capitalised during the year - Nil

Capital work-in-progress (at cost) as at 31-03-2025

₹ in crores

(a) Building	304.63
(b) Plant & equipment	359.15
Total	**663.78**

Ageing of Capital work-in-progress as at 31-03-2025

₹ in crores

Particulars	Amount in Capital work-in-progress for a period of				
	<1 Year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	514.51	111.56	16.90	20.81	663.78

Ageing of Intangible assets under development as at 31-03-2025

₹ in crores

Particulars	Amount in Capital work-in-progress for a period of				
	<1 Year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	507.82	229.81	27.51	36.53	801.67

Capital work-in-progress and intangible asset under development

There is no capital work in progress and intangible asset under development whose completion is overdue or has exceeded its cost compared to its original plan.

Notes to the Consolidated Financial Statements (Contd.)

3 Investment Properties

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Gross carrying amount	141.38	137.70
Additions	4.27	3.68
Deletions	-	-
Closing gross carrying amount (A)	**145.65**	**141.38**
Opening accumulated depreciation	-	
Additions	-	-
Deletions	-	-
Closing accumulated depreciation (B)	**-**	**-**
Total investment properties (A)-(B)	**145.65**	**141.38**

4 Investment

4A Non Current Investment

Sl. No.	Particulars		No. of shares / units		Face Value	Currency	₹ in crores	
			As at 31-03-2026	As at 31-03-2025			As at 31-03-2026	As at 31-03-2025
(1)	(2)		(3)	(4)	(5)	(6)	(7)	(8)
(a)	**Investment in Equity Instruments :**							
	Fair valued through OCI:							
	Quoted :							
	(i)	Ucal Fuel Systems Limited, Chennai	91,760	91,760	10.00	INR	0.74	1.20
	(ii)	Indie Semiconductor Inc., USA (face value 0.01 cent)	24,008	-	0.0001	USD	0.65	-
	Unquoted :							
	(iii)	Green Infra BTV Limited, New Delhi	32,50,000	32,50,000	10.00	INR	2.20	2.04
	(iv)	TVS Lanka (Private) Limited, Colombo	50,00,000	50,00,000	10.00	LKR	27.83	16.99
	(v)	Green Infra Wind Power Projects Limited, New Delhi	1,11,600	1,11,600	10.00	INR	0.08	0.08
	(vi)	Green Infra Wind Power Generation Limited, New Delhi	2,16,000	2,16,000	10.00	INR	0.20	0.19
	(vii)	Condivision Solutions Pvt. Limited, Bengaluru	6,760	6,760	10.00	INR	-	-
	(viii)	Mulanur Renewable Energy Pvt. Limited, Chennai	15,000	15,000	10.00	INR	0.02	0.02
	(ix)	PHI Research Pvt. Limited, Chennai	3,50,000	3,50,000	10.00	INR	3.36	3.36
	(x)	Atria Wind Power Bijapur 1 Limited, Bengaluru	1,01,217	1,01,217	10.00	INR	2.00	2.00
	(xi)	Altizon Systems Private Limited, Pune	10	10	10.00	INR	0.01	0.01
	(xii)	Roppen Transportation Services Private Limited, Hyderabad	-	10	1.00	INR	-	0.05
	(xiii)	Roppen Transportation Services Private Limited, Hyderabad$	-	23,985	10.00	INR	-	125.84
	(xiv)	Green Infra Wind Energy Generation Limited, Gurugram	23,45,000	23,45,000	10.00	INR	2.35	2.35
	(xv)	Eight Innovate Fund, Mumbai	80,000	60,000	1,000.00	INR	12.14	5.38
	(xvi)	ARC Ride Limited., UK	575	575	0.01	GBP	9.49	8.73
	(xvii)	Atria Wind Power (Basavana Bagewadi), Bengaluru	47,000	47,000	100.00	INR	0.91	0.91
	(xviii)	Indian Foundation for Quality Management, Bengaluru	2,50,00,000	2,50,00,000	10.00	INR	-	25.00
	(xix)	Altizon Inc., USA ^ (face value 0.001 cent)	8,06,429	-	0.00001	USD	34.28	-
	Total value of Equity Instruments (a)						**96.26**	**194.15**

Notes to the Consolidated Financial Statements (Contd.)

Sl. No.	Particulars		No. of shares / units		Face Value	Currency	₹ in crores	
			As at 31-03-2026	As at 31-03-2025			As at 31-03-2026	As at 31-03-2025
(1)	(2)		(3)	(4)	(5)	(6)	(7)	(8)
(b)	**Investments in Preference Shares:**							
	Unquoted :							
	Fair valued through OCI:							
	(i)	Mottu Holdings Ltd., Brazil	3,26,064	3,26,064	0.001	USD	132.77	119.00
	(ii)	Quadrant Esports Ltd., UK	12,547	12,547	0.001	Euro	1.18	1.07
	(iii)	Pinnacle Engines Inc., USA (face value 0.01 cent)	24,09,638	24,09,638	0.0001	USD	-	-
	(iv)	Axiom Research Labs Private Limited, Delhi	82	82	10.00	INR	-	-
	(v)	Scienaptic Systems Inc., USA	8,29,773	22,73,941	3.20	USD	25.18	61.91
	(vi)	Commeasure Pte Ltd, Singapore	78,703	78,703	86.15	SGD	49.85	43.20
	Total value of Preference shares (b)						**208.98**	**225.18**
(c)	**Investment in Debt Instruments:**							
	Unquoted :							
	Valued at Amortised Cost :							
	Pension Funds / Others							
	(i)	ICICI Prudential Life Insurance Group Superannuation Fund, Mumbai				INR	6.85	6.95
	(ii)	Life Insurance Corporation Pension Policy, Mumbai				INR	21.58	22.36
	(iii)	Stemford Energy Private Limited	20,00,000	-	100.00	INR	5.17	-
	(iv)	Hyper Grocers Private Limited	25	25	1,00,000.00	INR	0.25	0.25
	(v)	SEC - Securities and Exchange Commission Bonds				USD	0.01	0.07
	Fair Valued through Profit and Loss :							
	(vi)	DAT Bike, Singapore				USD	4.74	4.27
	(vii)	Zapata Group B.V, Singapore				Euro	56.54	48.64
	(viii)	Vianai Systems,Inc, USA				USD	9.48	8.54
	(ix)	Aegis Rider Ag,Switzerland				USD	28.45	17.10
	Total value of Debt instruments (c)						**133.07**	**108.18**
(d)	**Other non-current Investments :**							
	Unquoted:							
	Fair valued through OCI:							
	(i)	Autotech Fund I L.P., USA				USD	33.96	37.43
	(ii)	Investment Portfolio GF 2023 LP., USA				USD	5.56	-
	(iii)	Inlconiq Strategic Partners VII-B. L.P., USA				USD	8.19	-
	(iv)	Private Equity Portfolio GF 2023 LP., USA				USD	0.76	-
	(v)	Venture Capital Portfolio GF 2023 LP., USA				USD	3.60	-
	(vi)	ACV Capital III L.P., USA				USD	15.25	-
	(vii)	Secondary Portfolio GF 2023 LP., USA				USD	6.84	-
	(viii)	Other portfolio investments., USA				USD	4.40	-
	(ix)	P.A.C. - CAPITAL ACCUMULATION PLAN, Italy				Euro	2.51	-
	(x)	B.C.C. FELSINEA, Italy				Euro	0.03	-
	Total value of Other Non-Current Investments (d)						**81.10**	**37.43**
	Total (a) + (b) + (c) + (d)						**519.41**	**564.94**
	Aggregate amount of quoted investments and market value thereof						1.39	1.20
	Aggregate amount of unquoted investments						518.02	563.74
	Total						**519.41**	**564.94**

All Investments are fully paid up.

$Preference shares in the nature of equity instruments

^Reclassified from investment in Associates to Non current Investments as on 31st March 2026

Notes to the Consolidated Financial Statements (Contd.)

4B Current Investments

Sl. No.	Particulars	No. of shares / units		Face Value	Currency	₹ in crores	
		As at 31-03-2026	As at 31-03-2025			As at 31-03-2026	As at 31-03-2026
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
(a)	**Investment in Equity Instruments Fair valued through Profit or Loss:**						
	Quoted :						
	(i) TVS Supply Chain Solutions Limited, Madurai	2,53,95,032	1,92,72,200	1.00	INR	231.02	233.19
(b)	**Investment in Debt Instruments :**						
	Unquoted:						
	Valued at Amortised Cost :						
	(i) Investment in Government securities				INR	288.98	282.12
	Total					**520.00**	**515.31**
	Aggregate amount of quoted and non-quoted investments					520.00	515.31
	Total					**520.00**	**515.31**

All investments are fully paid up.

5 Loans (Receivable From Financing Activity)

₹ in crores

Particulars	As at 31-03-2026		As at 31-03-2025	
	Current	Non-current	Current	Non-current
Secured:				
Automobile financing				
Considered good	14,834.87	10,174.43	12,078.39	9,145.69
Considered doubtful	481.28	214.68	480.56	214.06
Less: Loss allowance				
Provision for expected credit loss (Refer Note 35)	(428.64)	(302.01)	(369.76)	(296.95)
Unsecured:				
Financing (Others)				
Considered good	2,946.13	2,276.79	2,776.00	2,211.82
Considered doubtful	39.52	21.84	65.65	23.00
Less: Loss allowance				
Provision for expected credit loss (Refer Note 35)	(110.83)	(87.00)	(119.34)	(92.26)
Unsecured:				
Trade advance and term loan				
Considered good	227.66	-	183.57	1.63
Considered doubtful	0.52	-	0.68	-
Less: Loss allowance				
Provision for expected credit loss (Refer Note 35)	(2.07)	-	(2.27)	-
	17,988.44	**12,298.73**	**15,093.48**	**11,206.99**

Notes to the Consolidated Financial Statements (Contd.)

6 Other Financial Assets - Non-Current

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Deposits	91.92	127.42
Loans given to employees	5.26	4.82
Other bank balances (Bank deposit)	2.39	-
Claim receivable	24.50	28.00
	124.07	**160.24**

7 Investments Accounted Using Equity Method

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Ultraviolette Automotive Private Limited, Bengaluru	7.29	7.29
[14,85,000 (last year - 14,85,000) Equity shares]		
Ultraviolette Automotive Private Limited, Bengaluru	14.92	56.20
[12,31,600 (last year - 12,31,600) Preference shares]		
Predictronics Corp, USA	17.25	17.37
[24,827 (last year - 24,827) Equity shares]		
Altizon Inc., USA^	-	22.59
[8,06,429 (last year - 8,06,429) Equity shares]		
Killwatt, GmbH	67.77	63.68
[24,500 (last year - 24500) Equity shares]		
	107.23	**167.13**

^Ceased to be associate as on 31st March 2026

8. Deferred Tax Assets

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
The balance comprises temporary differences attributable to:		
- Depreciation	12.87	6.68
- tax on employee benefit expenses	30.74	18.68
- tax on expected credit losses provision	263.83	244.94
- tax on investment property	13.53	14.72
- tax on carried forward loss	44.54	65.92
- tax on others	226.18	155.48
Total deferred tax assets (A)	**591.69**	**506.42**
Deferred tax liability on other items (B)	**17.23**	**10.51**
Net deferred tax assest (A)-(B)	**574.46**	**495.91**

Notes to the Consolidated Financial Statements (Contd.)

Movement in deferred tax :

₹ in crores

Particulars	Depreciation	Others	Total
As at 31-03-2024			**394.28**
Charged / (Credited):			
- to profit or loss	(1.80)	80.97	79.17
- to subsidiaries incumbent deferred tax assets	-	15.12	15.12
- to foreign currency translation	-	2.17	2.17
- to other comprehensive income	-	5.17	5.17
As at 31-03-2025			**495.91**
Charged / (Credited):			
- to profit or loss	(6.19)	55.01	48.82
- to foreign currency translation	-	31.55	31.55
- to other comprehensive income	-	(1.82)	(1.82)
As at 31-03-2026			**574.46**

9 Other Non-Current Assets

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Capital advances	632.70	215.67
Advances other than capital advances:		
Prepaid expenses	18.96	5.71
Deposits made	40.44	13.62
	692.10	**235.00**

10 Inventories

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Raw materials and components	1,127.65	971.25
Goods-in-transit - Raw materials and components	298.37	132.47
Work-in-progress	75.24	50.80
Finished goods	254.94	680.28
Stock-in-trade	505.03	483.18
Stores and spares	197.97	98.60
	2,459.20	**2,416.58**

11 Trade Receivables

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Secured, considered good	12.64	21.37
Unsecured, considered good*	2,641.49	1,695.38
Receivables which have significant increase in credit risk	40.56	43.70
	2,694.69	**1,760.45**
Less: Loss allowance	40.56	43.70
	2,654.13	**1,716.75**

**Include balance with related parties [Refer Note 41(d)(i)].*

Notes to the Consolidated Financial Statements (Contd.)

Ageing for trade receivable as on 31.03.2026

₹ in crores

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	142.26	2,077.19	220.99	6.71	195.87	11.11	2,654.13
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	7.01	4.24	6.21	1.70	21.40	40.56
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	**142.26**	**2,084.20**	**225.23**	**28.47**	**121.86**	**32.51**	**2,694.69**

Ageing for trade receivable as on 31.03.2025

₹ in crores

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	81.25	1,126.88	179.70	307.08	5.53	16.31	1,716.75
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	2.41	6.55	2.42	6.72	1.66	23.94	43.70
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	**83.66**	**1,133.43**	**182.12**	**313.80**	**7.19**	**40.25**	**1,760.45**

12 Cash and Cash Equivalents

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Balances with banks	3,907.74	4,076.47
Cash on hand	2.03	2.90
Cash equivalents:		
Deposits with maturity of less than three month from the date of deposit.	16.68	35.63
	3,926.45	**4,115.00**
Cash and cash equivalents for the purpose of cash flow statement	**3,926.45**	**4,115.00**

Notes to the Consolidated Financial Statements (Contd.)

13 Other Bank Balances

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Earmarked balances with banks^	573.79	264.66
Deposits with maturity of more than three month and less than one year from the date of deposit	0.88	6.58
	574.67	**271.24**

^Includes balances towards unpaid dividend

14 Other Financial Assets - Current

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Unsecured, considered good :		
- Employee advances	26.45	21.85
- Other bank balances (Bank deposit)	18.12	2.09
- Security deposits	92.51	48.64
- Claims receivable	149.73	31.68
- Loans and advances - Non Related Parties	54.03	142.91
- Interest accrued on Fixed deposit	0.17	0.09
- Receivable towards sale of fixed assets	62.98	62.97
- Hedge asset (net)	103.43	15.73
	507.42	**325.96**

15 Other Current Assets

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Balances with tax authorities	1,109.06	682.41
Prepaid expense	186.30	175.56
Vendor advance*	311.13	199.53
Trade deposits	1.92	5.06
Incentive receivable from Government	750.15	468.13
Employee benefit assets (Refer Note 39)	18.57	11.88
Others	13.06	19.75
	2,390.19	**1,562.32**
Less: loss allowance	18.03	32.39
	2,372.16	**1,529.93**

**Balances include balance with related parties [Refer Note 41(d)(i)].*

Notes to the Consolidated Financial Statements (Contd.)

16 Share Capital

(a) Details of authorised, issued and subscribed share capital

(i) Equity Share Capital

Authorised, issued, subscribed and fully paid up

Particulars	As at 31-03-2026		As at 31-03-2025	
	Number	₹ in crores	Number	₹ in crores
Authorised:				
Equity shares of Re.1/- each	50,00,00,000	50.00	50,00,00,000	50.00
Issued, subscribed and fully paid up:				
Equity shares of Re.1/- each	47,50,87,114	47.51	47,50,87,114	47.51
	47,50,87,114	**47.51**	**47,50,87,114**	**47.51**

(ii) Preference Share Capital

Particulars	As at 31-03-2026		As at 31-03-2025	
	Number	₹ in crores	Number	₹ in crores
Authorised:				
Preference shares of ₹ 10/- each	2,00,00,00,000	2,000.00	-	-
Issued, subscribed and fully paid up:				
6% Cumulative Non-Convertible redeemable preference shares of ₹ 10/- each (NCRPS)	1,90,03,48,456	1,900.35	-	-
	1,90,03,48,456	**1,900.35**	**-**	**-**

(b) Reconciliation of equity shares outstanding at the beginning and at the end of the year

(i) Equity Share Capital

Particulars	As at 31-03-2026		As at 31-03-2025	
	Number	₹ in crores	Number	₹ in crores
Shares outstanding at the beginning of the year	47,50,87,114	47.51	47,50,87,114	47.51
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	**47,50,87,114**	**47.51**	**47,50,87,114**	**47.51**

(ii) Preference Share Capital

Particulars	As at 31-03-2026		As at 31-03-2025	
	Number	₹ in crores	Number	₹ in crores
Shares outstanding at the beginning of the year	-	-	-	-
Shares issued during the year	1,90,03,48,456	1,900.35	-	-
Shares outstanding at the end of the year	1,90,03,48,456	1,900.35	-	-

Notes to the Consolidated Financial Statements (Contd.)

(c) (i) Rights and preferences attached to equity share:

Every shareholder is entitled to such rights as to attend and vote at the meeting of the shareholders, to receive dividends distributed and also has a right in the residual interest of the assets of the company. Every shareholder is also entitled to right of inspection of documents as provided in the Companies Act, 2013.

There are no restrictions attached to equity shares.

(ii) Rights and preferences attached to NCRPS share:

The NCRPS do not have voting rights other than in respect of matters directly affecting it. The NCRPS will be redeemed along with interest on 01st September, 2026.

(d) Shares held by holding company at the end of the year

Name of shareholder	Class of share	As at 31-03-2026		As at 31-03-2025	
		No. of shares held	% of holding	No. of shares held	% of holding
TVS Holdings Limited, Chennai (Holding Company)	Equity	23,87,82,786	50.26	23,87,82,786	50.26

Name of shareholder	Class of share	As at 31-03-2026		As at 31-03-2025	
		No. of shares held	% of holding	No. of shares held	% of holding
TVS Holdings Limited, Chennai (Holding Company)	Preference	95,51,31,144	50.26	-	-

(e) Shareholders holding more than five percent at the end of the year (other than (d))

Name of shareholder	Class of share	As at 31-03-2026		As at 31-03-2025	
		No. of shares held	% of holding	No. of shares held	% of holding
ICICI Prudential Mutual Fund	Equity	2,76,08,033	5.81	3,49,41,063	7.35

Name of shareholder	Class of share	As at 31-03-2026		As at 31-03-2025	
		No. of shares held	% of holding	No. of shares held	% of holding
ICICI Prudential Mutual Fund	Preference	16,37,88,001	8.62	-	-

(f) Shares held by Promoters at the end of the year 31.03.2026

Promoter name	Class of share	As at 31-03-2026		As at 31-03-2025		
		No. of shares held	% of holding	No. of shares held	% of holding	% change during the year
TVS Holdings Limited, Chennai (Holding Company)	Equity	23,87,82,786	50.26	23,87,82,786	50.26	-

Promoter name	Class of share	As at 31-03-2026		As at 31-03-2025		
		No. of shares held	% of holding	No. of shares held	% of holding	% change during the year
TVS Holdings Limited, Chennai (Holding Company)	Preference	95,51,31,144	50.26	-	-	-

Notes to the Consolidated Financial Statements (Contd.)

Shares held by Promoters at the end of the year 31.03.2025

Promoter name	Class of share	As at 31-03-2025		As at 31-03-2024		
		No. of shares held	% of holding	No. of shares held	% of holding	% change during the year
TVS Holdings Limited, Chennai (Holding Company)	Equity	23,87,82,786	50.26	23,87,82,786	50.26	-

Promoter name	Class of share	As at 31-03-2025		As at 31-03-2024		
		No. of shares held	% of holding	No. of shares held	% of holding	% change during the year
TVS Holdings Limited, Chennai (Holding Company)	Preference	-	-	-	-	-

17 Other Equity

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
General reserve	10.60	876.24
Capital reserve	17.99	6.51
Statutory reserve	634.18	451.41
Retained earnings	8,494.91	7,106.23
Other reserves	359.06	15.48
	9,516.74	**8,455.87**

18. Non Current Liabilities - Financial Liabilities - Borrowings

₹ in crores

Nature	Lenders	As at 31-03-2026	As at 31-03-2025	Status as at 31-03-2026			
				Interest Rate	Frequency	No. of Instalments Due	Maturity
Secured Borrowings:							
ECB Loan 1	Bank	331.42	300.30	7.77%	Bullet	1	Mar-2028
ECB Loan 2	Bank	285.62	-	7.50%	Bullet	1	May-2028
ECB Loan 3	Bank	331.84	-	7.59%	Bullet	1	Jun-2028
Term Loan 1	Bank	153.75	138.52	SOFR + 2.60% p.a	Quarterly	7	Dec-2027
Term Loan 2	Bank	-	13.64	-	-	-	Apr-2025
Term Loan 3	Bank	-	81.61	-	-	-	Jul-2025
Term Loan 4	Bank	-	99.99	-	-	-	Jul-2025
Term Loan 5	Bank	-	125.69	-	-	-	Jan-2026
Term Loan 6	Bank	31.42	125.66	7.25%	Quarterly	1	Apr-2026
Term Loan 7	Bank	-	209.67	-	-	-	Dec-2025
Term Loan 8	Bank	-	27.19	-	-	-	Jan-2026
Term Loan 9	Bank	-	20.13	-	-	-	Mar-2026
Term Loan 10	Bank	-	29.39	-	-	-	Mar-2026
Term Loan 11	Bank	-	39.99	-	-	-	Sep-2025
Term Loan 12	Bank	-	90.02	-	-	-	Oct-2025
Term Loan 13	Bank	176.69	317.88	7.10%	Quarterly	5	Jun-2027
Term Loan 14	Bank	58.86	105.89	7.10%	Quarterly	5	Jun-2027

Notes to the Consolidated Financial Statements (Contd.)

₹ in crores

Nature	Lenders	As at 31-03-2026	As at 31-03-2025	Status as at 31-03-2026			
				Interest Rate	Frequency	No. of Instalments Due	Maturity
Term Loan 15	Bank	144.86	241.35	7.10%	Quarterly	6	Sep-2027
Term Loan 16	Bank	125.59	251.25	7.15%	Quarterly	4	Mar-2027
Term Loan 17	Bank	31.38	62.84	5.95%	Quarterly	4	Mar-2027
Term Loan 18	Bank	38.46	69.23	5.85%	Quarterly	5	Jun-2027
Term Loan 19	Bank	154.27	278.05	5.47%	Quarterly	5	Jun-2027
Term Loan 20	Bank	-	219.44	-	-	-	Mar-2026
Term Loan 21	Bank	43.35	72.33	5.85%	Quarterly	6	Sep-2027
Term Loan 22	Bank	138.90	232.19	5.79%	Quarterly	6	Sep-2027
Term Loan 23	Bank	68.00	149.42	5.79%	Monthly	10	Jan-2027
Term Loan 24	Bank	162.33	255.44	5.97%	Quarterly	7	Dec-2027
Term Loan 25	Bank	92.74	178.58	5.97%	Monthly	13	Apr-2027
Term Loan 26	Bank	243.46	351.96	5.60%	Quarterly	9	May-2028
Term Loan 27	Bank	87.53	146.00	5.60%	Monthly	18	Sep-2027
Term Loan 28	Bank	46.15	76.92	6.45%	Monthly	18	Sep-2027
Term Loan 29	Bank	92.31	153.85	6.45%	Monthly	18	Sep-2027
Term Loan 30	Bank	45.82	76.92	6.45%	Monthly	18	Sep-2027
Term Loan 31	Bank	215.38	337.91	6.45%	Monthly	21	Dec-2027
Term Loan 32	Bank	50.18	150.66	6.61%	Quarterly	2	Jul-2026
Term Loan 33	Bank	112.50	262.50	6.55%	Quarterly	3	Dec-2026
Term Loan 34	Bank	75.28	175.56	6.48%	Quarterly	3	Oct-2026
Term Loan 35	Bank	92.33	164.71	6.68%	Quarterly	5	May-2027
Term Loan 36	Bank	181.80	411.92	7.00%	Quarterly	5	Apr-2027
Term Loan 37	Bank	-	249.99	-	-	-	Sep-2025
Term Loan 38	Bank	249.99	249.95	7.00%	Bullet	1	Jun-2026
Term Loan 39	Bank	299.95	299.92	7.10%	Bullet	1	Sep-2027
Term Loan 40	Bank	335.46	671.26	6.73%	Quarterly	4	Mar-2027
Term Loan 41	Bank	2,212.86	3,011.31	7.95%	Quarterly	11	Nov-2028
Term Loan 42	Bank	25.00	75.00	6.64%	Half Yearly	1	Aug-2026
Term Loan 43	Bank	131.26	206.27	7.80%	Quarterly	7	Dec-2027
Term Loan 44	Bank	174.99	291.73	7.80%	Quarterly	6	Sep-2027
Term Loan 45	Bank	75.02	124.95	7.80%	Quarterly	6	Sep-2027
Term Loan 46	Bank	16.65	33.30	7.80%	Quarterly	4	Mar-2027
Term Loan 47	Bank	50.00	100.00	7.80%	Quarterly	4	Mar-2027
Term Loan 48	Bank	319.75	532.92	6.83%	Quarterly	6	Oct-2027
Term Loan 49	Bank	72.88	99.39	6.95%	Quarterly	11	Dec-2028
Term Loan 50	Bank	400.18	400.36	8.10%	Bullet	1	May-2026
Term Loan 51	Bank	80.00	400.00	7.95%	Quarterly	1	Jun-2026
Term Loan 52	Bank	40.01	120.03	7.95%	Quarterly	2	Jul-2026
Term Loan 53	Bank	125.00	291.67	7.95%	Quarterly	3	Nov-2026
Term Loan 54	Bank	250.00	416.68	7.95%	Quarterly	6	Sep-2027
Term Loan 55	Bank	145.87	229.22	7.95%	Quarterly	7	Nov-2027
Term Loan 56	Bank	145.87	229.22	7.95%	Quarterly	7	Dec-2027
Term Loan 57	Bank	-	31.46	-	-	-	Apr-2025

Notes to the Consolidated Financial Statements (Contd.)

₹ in crores

Nature	Lenders	As at 31-03-2026	As at 31-03-2025	Status as at 31-03-2026			
				Interest Rate	Frequency	No. of Instalments Due	Maturity
Term Loan 58	Bank	-	167.72	-	-	-	Feb-2026
Term Loan 59	Bank	-	120.89	-	-	-	Sep-2025
Term Loan 60	Bank	-	80.83	-	-	-	Oct-2025
Term Loan 61	Bank	100.77	181.37	8.00%	Quarterly	5	Jun-2027
Term Loan 62	Bank	352.60	503.43	7.90%	Quarterly	7	Dec-2027
Term Loan 63	Bank	-	150.01	-	-	-	Dec-2025
Term Loan 64	Bank	136.35	245.44	7.75%	Quarterly	5	Jun-2027
Term Loan 65	Bank	163.67	272.79	7.75%	Quarterly	6	Jul-2027
Term Loan 66	Bank	218.23	363.72	7.75%	Quarterly	6	Aug-2027
Term Loan 67	Bank	318.18	500.02	7.05%	Quarterly	7	Dec-2027
Term Loan 68	Bank	363.71	500.11	7.05%	Quarterly	8	Mar-2028
Term Loan 69	Others	147.27	231.41	7.19%	Monthly	21	Dec-2027
Term Loan 70	Others	167.40	334.87	7.24%	Quarterly	4	Mar-2027
Term Loan 71	Others	209.25	376.78	6.90%	Quarterly	5	May-2027
Term Loan 72	Bank	146.67	-	6.95%	Quarterly	11	Dec-2028
Term Loan 73	Bank	146.67	-	6.95%	Quarterly	11	Dec-2028
Term Loan 74	Bank	230.51	-	5.30%	Quarterly	12	Feb-2029
Term Loan 75	Bank	230.66	-	5.30%	Quarterly	12	Mar-2029
Term Loan 76	Bank	249.80	-	5.30%	Quarterly	13	Jun-2029
Term Loan 77	Bank	75.86	-	7.00%	Monthly	15	Jun-2027
Term Loan 78	Bank	303.60	-	7.00%	Monthly	15	Jun-2027
Term Loan 79	Bank	750.10	-	7.25%	Monthly	36	Mar-2029
Term Loan 80	Bank	166.67	-	7.18%	Half Yearly	5	Sep-2028
Term Loan 81	Bank	70.60	-	5.47%	Monthly	7	Oct-2026
Term Loan 82	Bank	85.01	-	5.55%	Quarterly	11	Oct-2028
Term Loan 83	Bank	145.54	-	5.55%	Monthly	21	Dec-2027
Term Loan 84	Bank	127.52	-	5.55%	Quarterly	11	Oct-2028
Term Loan 85	Bank	38.11	-	5.55%	Monthly	22	Dec-2027
Term Loan 86	Bank	85.05	-	5.55%	Quarterly	11	Dec-2028
Term Loan 87	Bank	119.55	-	5.55%	Monthly	23	Feb-2028
Term Loan 88	Bank	216.56	-	5.55%	Monthly	25	Apr-2028
Term Loan 89	Bank	100.46	-	5.40%	Quarterly	13	May-2029
Term Loan 90	Bank	145.51	-	5.40%	Monthly	28	Jul-2028
Term Loan 91	Bank	349.71	-	7.00%	Quarterly	10	Oct-2028
Term Loan 92	Bank	225.80	-	7.08%	Quarterly	9	Apr-2028
Term Loan 93	Bank	126.85	-	5.60%	Quarterly	11	Oct-2028
Term Loan 94	Bank	350.14	-	7.12%	Bullet	1	May-2027
Term Loan 95	Bank	350.14	-	7.13%	Bullet	1	Jul-2027
Term Loan 96	Bank	300.12	-	7.09%	Bullet	1	Aug-2027
Term Loan 97	Bank	999.73	-	6.76%	Monthly	7	Dec-2026

Notes to the Consolidated Financial Statements (Contd.)

₹ in crores

Nature	Lenders	As at 31-03-2026	As at 31-03-2025	Status as at 31-03-2026			
				Interest Rate	Frequency	No. of Instalments Due	Maturity
Term Loan 98	Bank	428.61	-	7.00%	Monthly	18	Sep-2027
Soft Loan	State owned corporation -II	10.58	10.11	0.10%	Specific period	2	Apr-2030
Debentures	7.50% Secured Non Convertible Debenture	578.28	-	7.50%	Bullet	3	Jun-2028
Debentures	7.55% Secured Non Convertible Debenture	543.31	-	7.55%	Bullet	3	Sep-2028
Debentures	8.25% Secured Non Convertible Debenture	534.77	534.77	8.25%	Bullet	2	Dec-2027
Debentures	8.35% Secured Non Convertible Debenture	516.08	516.10	8.35%	Bullet	2	Oct-2027
Debentures	8.25% Secured Non Convertible Debenture	502.95	502.95	8.25%	Bullet	3	Mar-2028
Debentures	8.15% Secured Non Convertible Debenture	236.21	237.84	7.15%	Bullet	1	Jun-2026
Debentures	8.30% Secured Non Convertible Debenture	-	833.80	-	-	-	Sep-2025
Unsecured Borrowings:							
Term Loan 1	Bank	139.99	289.98	6.3%	Quarterly	4	Mar-2027
Term Loan 2	Bank	-	14.83	-	-	-	Mar-2026
Term Loan 3	Bank	-	15.16	-	-	-	Mar-2026
Term Loan 4	Others	-	11.62	-	-	-	Mar-2026
Term Loan 5	Bank	-	46.46	-	-	-	Mar-2026
Term Loan 6	Bank	20.92	104.17	Repo Rate plus Margin	Quarterly	2	Jul-2026
Term Loan 7	Bank	62.32	312.18	Repo Rate plus Margin	Quarterly	1	May-2026
Term Loan 8	Bank	200.00	300.00	Repo Rate plus Margin	Quarterly	8	Mar-2028
Term Loan 9	Bank	100.00	150.00	Repo Rate plus Margin	Quarterly	8	Mar-2028
Term Loan 10	Bank	119.98	150.00	Repo Rate plus Margin	Quarterly	16	Mar-2030
Term Loan 11	Bank	150.00	200.00	Repo Rate plus Margin	Quarterly	9	Apr-2028
Term Loan 12	Bank	400.00	-	Repo Rate plus Margin	Quarterly	12	Mar 2029
Term Loan 13	Bank	1.08	-	5.35%	Monthly	18	Sep-2027
Sales Tax Deferral	Others	31.46	47.18	Nil	Yearly	2	Jun-2027
Sub Debt	Others	512.18	512.29	9.30%	Bullet	1	Jun-2029

Notes to the Consolidated Financial Statements (Contd.)

₹ in crores

Nature	Lenders	As at 31-03-2026	As at 31-03-2025	Status as at 31-03-2026			
				Interest Rate	Frequency	No. of Instalments Due	Maturity
Sub Debt	Others	359.29	359.38	8.85%	Bullet	1	Jun-2027
Sub Debt	Others	324.77	324.00	9.50%	Bullet	1	Jan-2028
Sub Debt	Others	201.84	201.18	9.35%	Bullet	1	Aug-2028
Sub Debt	Others	157.56	157.63	9.38%	Bullet	1	Apr-2030
Sub Debt	Others	154.11	154.27	9.40%	Bullet	1	Jun-2026
Sub Debt	Others	151.14	151.33	9.40%	Bullet	1	Aug-2026
Sub Debt	Others	102.22	102.22	10.00%	Bullet	1	Jul-2026
Sub Debt	Others	101.82	101.90	8.85%	Bullet	1	Jun-2027
Sub Debt	Others	101.45	101.45	9.50%	Bullet	1	Jan-2028
Perpetual Debt	Others	103.58	103.57	11.50%	Bullet	1	Nov-2027
Debentures	Non Convertible Debentures - I	-	124.93	-	-	-	Mar-2026
Total non current borrowings		23,923.83	24,809.93				
Less: Current Maturities of non current borrowings		11,437.57	10,877.25				
Total non-current financial liabilities (Borrowings)		**12,486.26**	**13,932.68**				

Details of securities created:

- Term Loan 1 received from bank of ₹ 153.75 Crores is to be secured by a charge over the subsidiary's plant and machinery. At 31st March 2026, the subsidiary is in the process of creating this charge against the security.
- Term Loan and ECB loan received from Banks and Other Parties of ₹ 17,352 Crores inclusive of Current and Non-Current Dues (As at 31st March 2025: ₹ 18,000.10 Crores) is fully secured by exclusive floating charge against hypothecation of receivables under the financing activity of the Company.
- Soft loan - State owned corporation viz., SIPCOT - First charge on the specific plant and equipment and also secured by equitable mortgage created by way of deposit of title deeds of land.
- Non Convertible Debentures of ₹ 2,912 Crores inclusive of Current and Non-Current Dues (As at 31st March 2025: ₹ 2,625.46 Crores) is fully secured by exclusive floating charge against hypothecation of receivables under the financing activity of the Company.

19 Provisions

₹ in crores

Particulars	As at 31-03-2026		As at 31-03-2025	
	Current	Non-current	Current	Non-current
Provision for employee benefits:				
(a) Pension	67.31	154.35	59.38	160.49
(b) Leave salary	32.44	138.21	28.47	121.86
(c) Gratuity	-	15.83	1.11	2.49
Others:				
(a) Warranty	141.79	46.47	129.31	37.73
	241.54	**354.86**	**218.27**	**322.57**

Notes to the Consolidated Financial Statements (Contd.)

20 Deferred Tax Liabilities (Net)

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
The balance comprises temporary differences attributable to:		
- Depreciation	522.16	410.58
- Others	17.78	18.60
Total deferred tax liability (A)	**539.94**	**429.18**
Deferred tax asset consists of :		
- tax on employee benefit expenses	72.87	38.74
- tax on warranty provision	-	37.99
- tax on others	112.07	66.43
Total deferred tax assets (B)	**184.94**	**143.16**
Net deferred tax liability (A)-(B)	**355.00**	**286.02**

Movement in deferred tax :

₹ in crores

Particulars	Depreciation	Others	Total
As at 31-03-2024			**196.46**
Charged / (Credited):			
- to profit or loss	58.97	(22.91)	36.06
- to other comprehensive income	-	5.68	5.68
- to subsidiary acquisition	-	26.59	26.59
- relating to earlier year	-	21.23	21.23
As at 31-03-2025			**286.02**
Charged / (Credited):			
- to profit or loss	114.60	(50.85)	63.75
- to other comprehensive income	-	7.14	7.14
- Reversal of DTL relating to earlier years on account of sale of equity			
instruments measured at FVTOCI	-	(1.91)	(1.91)
As at 31-03-2026			**355.00**

21 Financial Liabilities - Borrowings - Current

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
6% Cumulative Non-Convertible Redeemable Preference shares (NCRPS)	1,898.94	-
Borrowings repayable on demand from banks		
Secured*	4,735.84	1,909.73
Unsecured	-	33.03
Short term loans:		
From banks :		
Secured	27.97	-
Unsecured	639.10	863.07
From others (unsecured)	398.25	-
Current Maturities of long term borrowings	11,437.57	10,877.25
	19,137.67	**13,683.08**

** Secured short term borrowings from banks are related to subsidiaries and details of securities created are as follows:*

a). Working capital demand loan and cash credit of ₹ 4,736 Crores (As at 31st March 2025 ₹ 1,792 Crores) is fully secured by exclusive floating charge against hypothecation of receivables under the financing activity of the Company.

b). Working capital demand loan and cash credit of Nil (As at 31st March 2025 ₹ 117.35 Crores) obtained are secured by hypothecation of receivables and inventories of the subsidiary, both present and future.

Notes to the Consolidated Financial Statements (Contd.)

22 Trade Payables

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Dues to Micro and Small Enterprises**	131.12	45.51
Dues to enterprises other than Micro and Small Enterprises#	9,703.16	7,515.75
	9,834.28	**7,561.26**

*** Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information received by the management. The entire closing balance represents the principal amount payable to these enterprises and there is no principal and interest, due thereon and remaining unpaid as at end of the year.*

#Balances include balances due to related parties [Refer Note 41(d)(ii)].

Ageing for trade payable as on 31.03.2026

₹ in crores

Particulars	Outstanding for following periods from due date of payment					
	Not due	<1 Yr.	1-2 years	2-3 years	More than 3 years	Total
(i) Micro and Small enterprises (MSME)	131.12	-	-	-	-	131.12
(ii) Others	4,574.46	2,053.36	89.02	1.96	43.31	6,762.11
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
Total (i) to (iv)	**4,705.58**	**2,053.36**	**89.02**	**1.96**	**43.31**	**6,893.23**
Accrued Expenses						2,941.05
Total						**9,834.28**

Ageing for trade payable as on 31.03.2025

₹ in crores

Particulars	Outstanding for following periods from due date of payment					
	Not due	<1 Yr.	1-2 years	2-3 years	More than 3 years	Total
(i) Micro and Small enterprises (MSME)	45.51	-	-	-	-	45.51
(ii) Others	3,698.24	1,910.14	34.82	19.52	26.56	5,689.28
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
Total (i) to (iv)	**3,743.75**	**1,910.14**	**34.82**	**19.52**	**26.56**	**5,734.79**
Accrued Expenses						1,826.47
Total						**7,561.26**

Supplier finance arrangement

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Carrying amount of trade payables that are part of a supplier finance arrangement	946.15	1,236.11
Of which suppliers have received payment	651.70	829.02

The Group has a supplier financing program with external financial institutions in respect of approved trade payables. Under these arrangements, participating suppliers may, at their discretion, elect to receive early payment on approved invoices from the finance providers, subject to the suppliers' separate agreements with such financial institutions. The Group's payment obligation to settle the full invoice amount with the finance providers arises on the contractual maturity date of the invoice. The supplier finance arrangements do not modify the contractual payment terms between the Group and its suppliers or result in an extension of payment terms, hence there is no effect on the Group's obligation to pay amounts due under the supplier contracts. The Group does not provide any collateral, guarantees, or other forms of security in connection with these arrangements.

Notes to the Consolidated Financial Statements (Contd.)

23 Other Financial Liabilities

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Interest accrued but not due on loans	67.07	9.71
Interest accrued and due on loans*	-	0.88
Trade deposits received	43.61	47.83
Unpaid dividends	573.23	215.14
(Not due for transfer to Investor Education and Protection Fund)		
Payables against capital goods	99.97	61.10
Hedge liability (Net)	71.82	14.57
Others	66.61	51.16
	922.31	**400.39**

**Subsidiary has made funds available with the banks and the same has been appropriated subsequently*

24 Other Current Liabilities

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Statutory dues	187.45	237.54
Employee related	485.83	370.36
Advance received from customers	433.12	394.01
Deferred income	12.21	27.71
	1,118.61	**1,029.62**

25 Revenue from Operations

₹ in crores

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
Revenue from Contract with Customers:		
i. Sale of products	47,570.87	36,794.88
ii. Sale of services	80.76	92.56
Interest income of financial enterprise	6,214.42	5,798.41
Other operating revenue#	2,203.47	1,403.16
	56,069.52	**44,089.01**

#Includes Government Grants of ₹ 973.62 crores (Last year ₹ 488.48 crores)

26 Other Income

₹ in crores

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
Interest income	41.86	27.16
Profit on sale of investment (Net)	2.09	1.02
Profit on sale of property,plant and equipment (Net)	14.97	9.15
(Loss)/Gain on valuation of investments Fair Valued through profit and loss (Net)	(87.83)	(78.27)
Gain on disposal of associate	2.54	95.14
Other non-operating income	48.38	15.36
	22.01	**69.56**

Notes to the Consolidated Financial Statements (Contd.)

27 Material Cost

₹ in crores

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
Cost of materials consumed		
Opening stock of raw materials and components	971.25	967.19
Add: Purchases	33,426.45	25,972.50
	34,397.70	**26,939.69**
Less: Closing stock of raw materials and components	1,127.65	971.25
	33,270.05	**25,968.44**
Purchases of stock-in-trade	**1,230.66**	**834.62**
Changes in inventories of finished goods, work-in-progress and stock-in-trade:		
Opening stock:		
Work-in-progress	50.80	54.64
Stock-in-trade	483.18	532.60
Finished goods	680.28	547.80
(A)	**1,214.26**	**1,135.04**
Closing stock:		
Work-in-progress	75.24	50.80
Stock-in-trade	505.03	483.18
Finished goods	254.94	680.28
(B)	**835.21**	**1,214.26**
(A)-(B)	**379.05**	**(79.22)**

28 Employee Benefits Expense

₹ in crores

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
Salaries, wages and bonus	3,781.15	3,071.09
Employee share-based payment expense	19.66	33.08
Contribution to provident and other funds	306.86	248.05
Staff welfare expenses	283.94	228.66
	4,391.61	**3,580.88**

29 Finance Costs

₹ in crores

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
Interest on borrowings	2,145.01	2,042.71
Other borrowing cost	6.68	7.79
Interest on lease liabilities	75.08	40.45
Exchange differences	3.05	2.30
	2,229.82	**2,093.25**

Notes to the Consolidated Financial Statements (Contd.)

30 Depreciation and Amortisation Expense

₹ in crores

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
Depreciation on property plant and equipment	669.39	551.49
Amortisation on right of use asset	243.92	196.92
Amortisation on intangible assets	359.33	297.15
	1,272.64	**1,045.56**

31 Other Expenses

₹ in crores

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
(a) Consumption of stores, spares and tools	63.77	55.94
(b) Power and fuel	141.84	118.63
(c) Repairs - buildings	60.27	46.33
(d) Repairs - plant and equipment	223.53	232.10
(e) Insurance	78.58	63.08
(f) Rates and taxes (excluding taxes on income)	36.88	42.27
(g) Audit fees	4.82	4.35
(h) Cost audit fees	0.08	0.08
(i) Packing and freight charges	668.75	592.12
(j) Advertisement and publicity	964.91	819.45
(k) Other marketing expenses	1,101.92	794.12
(l) Foreign exchange loss (Net)	13.41	12.65
(m) Loss allowance for expected credit losses relating to loans	1,156.59	1,295.33
(n) Corporate social responsibility expenditure	72.37	50.00
(o) Contributions to Electoral Trust / Bonds	-	13.00
(p) Miscellaneous expenses (under this head there is no expenditure which is in excess of 1% of revenue from operations or ₹ 10 lakh, whichever is higher)	3,817.10	2,996.12
	8,404.82	**7,135.57**

32 Tax Expense and Reconciliation

(a) Tax Expense

₹ in crores

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
Current tax:		
Current tax on profits for the year	1,620.38	1,192.80
(A)	**1,620.38**	**1,192.80**
Deferred tax:		
Decrease / (increase) in deferred tax assets	(95.83)	(80.83)
(Decrease) / increase in deferred tax liabilities	110.76	36.06
(B)	**14.93**	**(44.77)**
(A + B)	**1,635.31**	**1,148.03**

Notes to the Consolidated Financial Statements (Contd.)

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

₹ in crores

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
Profit before income tax expense	**4,821.74**	**3,527.84**
Tax expense at 25.168%	1,213.54	887.89
Add/(Less): Taxes impact on		
- Tax on income chargeable at lower rates	5.10	(32.97)
- Expenses not admissible for deduction	62.57	37.93
- Timing and Tax rate difference on subsidiaries losses	376.77	279.72
- Others	(22.67)	(24.54)
Tax expense	**1,635.31**	**1,148.03**

33 Fair Value Measurement

₹ in crores

Particulars	As at 31-03-2026			As at 31-03-2025		
	FVTPL$	FVTOCI*	Amortised cost	FVTPL$	FVTOCI*	Amortised cost
Financial assets						
Investments						
- Equity instruments	231.02	96.26	-	233.19	194.15	-
- Preference shares	-	208.98	-	-	225.18	-
- Other non current investments	-	81.10	-	-	37.43	-
- Debt Instruments	99.21	-	322.84	78.54	-	311.76
Trade receivables	-	-	2,654.13	-	-	1,716.75
Loans (receivable from financing activity)	-	-	30,287.17	-	-	26,300.47
Fixed deposit with banks	-	-	2.39	-	-	8.67
Cash and cash equivalents	-	-	3,926.45	-	-	4,115.00
Earmarked balances with banks	-	-	573.79	-	-	264.66
Derivative financial asset	-	103.43	-	-	15.73	-
Other financial assets	-	-	525.67	-	-	468.38
	330.23	**489.77**	**38,292.44**	**311.73**	**472.49**	**33,185.69**
Financial liabilities						
Borrowings	-	-	31,623.93	-	-	27,615.76
Trade payables	-	-	9,834.28	-	-	7,561.26
Derivative financial liability	-	71.82	-	-	14.57	-
Lease liability	-	-	1,167.08	-	-	992.95
Other financial liability	-	-	850.49	-	-	385.82
	-	**71.82**	**43,475.78**	**-**	**14.57**	**36,555.79**

**FVTPL - Fair Valued Through Profit and Loss FVTOCI - Fair Valued Through Other Comprehensive Income*

Notes to the Consolidated Financial Statements (Contd.)

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value and that are measured at amortised cost, for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements

₹ in crores

As at 31-03-2026	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Investments at FVTPL	4	231.02	-	99.21	330.23
Financial Investments at FVTOCI	4	1.39	81.10	303.85	386.34
Derivatives	6,14	-	103.43	-	103.43
		232.41	**184.53**	**403.06**	**820.00**
Financial liabilities					
Derivatives	23	-	71.82	-	71.82
		-	**71.82**	**-**	**71.82**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

₹ in crores

As at 31-03-2026	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Investments:					
Debt instruments	4	-	-	322.84	322.84
		-	**-**	**322.84**	**322.84**
Financial liabilities					
Borrowings	18,21	1,898.94	-	29,724.99	31,623.93
		1,898.94	**-**	**29,724.99**	**31,623.93**

Financial assets and liabilities measured at fair value - recurring fair value measurements

₹ in crores

As at 31-03-2025	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Investments at FVTPL	4	233.19	-	78.54	311.73
Financial Investments at FVTOCI	4	1.20	37.43	418.13	456.76
Derivatives	6,14	-	15.73	-	15.73
		234.39	**53.16**	**496.67**	**784.22**
Financial liabilities					
Derivatives	23	-	14.57	-	14.57
		-	**14.57**	**-**	**14.57**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

Notes to the Consolidated Financial Statements (Contd.)

₹ in crores

As at 31-03-2025	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Investments:					
Debt instruments	4	-	-	311.76	311.76
		-	**-**	**311.76**	**311.76**
Financial liabilities					
Borrowings	18,21	-	-	27,615.76	27,615.76
		-	**-**	**27,615.76**	**27,615.76**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the end of the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, preference shares and other non current investments included in level 3.

There are no transfers among three levels.

The Company's policy is to recognise transfers in and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Valuation technique used to determine fair value (Level 2)

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of interest rate swaps is calculated as the present value of estimated cash flows based on observable yield curves.
- the fair value of forward exchange contract and principal only swap is determined using forward exchange rate at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

(iii) Fair value measurements using significant unobservable inputs (level 3)

₹ in crores

Particulars	Unlisted Equity Shares	Unlisted Preference Shares	Debt Instruments	Total
As at 31-03-2024	**149.80**	**110.69**	**49.12**	**309.61**
Additions / (deletions)	22.99	114.49	29.42	166.90
Gains/(losses) recognised in other comprehensive income	20.16	-	-	20.16
As at 31-03-2025	**192.95**	**225.18**	**78.54**	**496.67**
Additions / (deletions)	(252.89)	(16.20)	20.67	(248.42)
Gains/(losses) recognised in other comprehensive income	154.81	-	-	154.81
As at 31-03-2026	**94.87**	**208.98**	**99.21**	**403.06**

Notes to the Consolidated Financial Statements (Contd.)

(iv) Valuation inputs and relationships to fair value

₹ in crores

Particulars	Fair value as at		Significant unobservable input	Probability weighted range for the year ended		Sensitivity
	31-03-2026	31-03-2025		31-03-2026	31-03-2025	
Preference Share	208.98	225.18	a) Earnings growth rate	1-3%	1-3%	Not significant
			b) Risk adjusted discount rate	8%	8%	
Debt Instrument	99.21	78.54	a) Earnings growth rate	1-3%	1-3%	Not significant
			b) Risk adjusted discount rate	8%	8%	
Unquoted Equity shares*	94.87	192.95	a) Earnings growth rate	1-3%	1-3%	Not significant
			b) Risk adjusted discount rate	8%	8%	

**Sensitivity is not significant*

(v) Valuation processes

Discount rates are determined using a capital asset pricing model to calculate a pretax rate that reflects current market assessments of the time value of money and the risk specific to the asset. Earnings growth factor of preference shares are based on cash flow projections of future earnings of the Company and unlisted equity securities are estimated based on market information for similar types of companies. Risk adjustments have been derived based on the market risk premium adjusted for companies relevant financial data.

(vi) Fair value of financial assets and liabilities measured at amortised cost

₹ in crores

Particulars	31-03-2026		31-03-2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Investments:				
Debt instruments	322.84	322.84	311.76	311.76
	322.84	**322.84**	**311.76**	**311.76**
Financial liabilities				
Borrowings	31,623.93	31,623.93	27,615.76	27,615.76
	31,623.93	**31,623.93**	**27,615.76**	**27,615.76**

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values for preference shares and other debt instruments were calculated based on cash flows discounted using a current lending rate, which approximates the carrying value. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs, including counterparty credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate, which approximates the carrying value. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Notes to the Consolidated Financial Statements (Contd.)

34 Financial Risk Management

The Group's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Risk Parameters and Mitigation
Credit risk	Cash, Cash equivalents and Trade receivables	Credit risk primarily arises from cash and cash equivalents, trade receivables and investments carried at amortised cost. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available, reasonable and supportive forward-looking information (more specifically described below) . In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due. A default on a financial asset is when the counterparty fails to make contractual payments within 60 days, when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.
	a. Cash and Cash Equivalents	Surplus cash is deposited only with banks / financial institutions with a high external credit rating.
	b. Domestic Trade Receivables	Domestic sales to the Dealers are based on advance payments received through banking channels or through inventory funding facilities availed by them from the banks. The Company extends limited credit to the dealers and such extension of credit is based on dealers' credit worthiness, ability to repay and past track record. The Company has extensive reporting and review system to constantly monitor the outstandings.
	c. Export Trade Receivables	The Company's export business is mostly based on Letters of credit. Export receivables are also covered through Insurance with ECGC Limited.
Liquidity risk	INR denominated borrowings [other than soft loans given by Govt. Authorities]	The company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans. The Company works out a detailed annual operating plans to assess the fund requirements - both short term and long term. Detailed month wise cash flow forecast is also carried out along with required sensitivities. Based on these factors adequate working capital credit limits are organised in advance. Company has pre-approved credit lines with various banks and these are constantly reviewed and approved by the Board. For long term fund requirements, Company targets various options such as rupee term loan, external commercial borrowing, debentures etc. The Company obtains a credit rating for the various borrowing facilities on annual basis. Company constantly monitors the free cash flow from operations to ensure that the borrowing is minimized.

Notes to the Consolidated Financial Statements (Contd.)

Risk	Exposure arising from	Risk Parameters and Mitigation
Market risk	(i) Foreign exchange	The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The Company has a forex management policy which is duly approved by the Board. The objective of the hedges when taken is to minimise the volatility of the INR cash flows of highly probable forecast transactions.
	a. Export trade receivables and Import Payables	The company has a forex management policy duly approved by the Board. The Company's policy is to hedge most of its net currency exposure. Company reviews the forex exposure on a regular basis and also reports its adherence to the Board on a quarterly basis. The recording and reporting requirements are strictly adhered.
	b. Foreign currency denominated borrowings	The Company has hedged its borrowings by covering the principal repayments.
	(ii) Interest rate Foreign currency denominated borrowings	The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. Company's policy is to maintain most of its borrowings at fixed rate using interest rate swaps to achieve this when necessary. The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(A) Credit risk (except Loans from financing activity covered under Note: 35)

Basis of recognition of expected credit loss provision

<table>
<tr><th>Rating</th><th>Category</th><th>Description of category</th><th>Investments</th><th>Loans and deposits</th><th>Trade receivables</th></tr>
<tr><td>1</td><td>High Quality assets, negligible credit risk</td><td>Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil.</td><td rowspan="3">12 month expected credit losses</td><td rowspan="3">12 month expected credit losses</td><td rowspan="5">Life time expected credit losses (simplified approach)</td></tr>
<tr><td>2</td><td>Quality assets, low credit risk</td><td>Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past.</td></tr>
<tr><td>3</td><td>Standard Assets, moderate credit risk</td><td>Assets where the probability of default is considered moderate and where the counter-party's capacity to meet the obligations is not strong.</td></tr>
<tr><td>4</td><td>Substandard Assets, relatively high credit risk</td><td>Assets where there has been a significant increase in credit risk since initial recognition.</td><td rowspan="2" colspan="2">Life time expected credit losses</td></tr>
<tr><td>5</td><td>Low quality assets, very high credit risk</td><td>Assets where there is a high probability of default. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 180 days past due.</td></tr>
<tr><td>6</td><td>Doubtful assets, credit impaired</td><td>Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.</td><td colspan="3">Asset is written off</td></tr>
</table>

Notes to the Consolidated Financial Statements (Contd.)

As at 31-03-2026

a) Expected credit loss for investments, loans and other financial assets

₹ in crores

Particulars	Internal rating	Asset/Asset group	Gross carrying amount	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit loss	2	Investments at amortised cost	322.84	0%	-	322.84
	1	Other financial assets	525.67	0%	-	525.67

b) Expected credit loss for trade receivables under simplified approach

₹ in crores

Particulars	0 to 180 days past due	More than 180 days past due	Total
Gross carrying amount	2,219.45	475.24	2,694.69
Expected loss rate	0%	7%	2%
Expected credit losses	7.01	33.55	40.56
Carrying amount of trade receivables	2,212.44	441.69	2,654.13

As at 31-03-2025

a) Expected credit loss for investments, loans and other financial assets

₹ in crores

Particulars	Internal rating	Asset/Asset group	Gross carrying amount	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit loss	2	Investments at amortised cost	311.76	0%	-	311.76
	1	Other financial assets	468.38	0%	-	468.38

b) Expected credit loss for trade receivables under simplified approach

₹ in crores

Particulars	0 to 180 days past due	More than 180 days past due	Total
Gross carrying amount	1,208.13	552.32	1,760.45
Expected loss rate	1%	6%	2%
Expected credit losses	8.96	34.74	43.70
Carrying amount of trade receivables	1,199.17	517.58	1,716.75

Reconciliation of loss allowance provision - Trade receivables

Particulars	₹ in crores
Loss allowance 01-04-2024	48.34
Changes in loss allowance	(4.64)
Loss allowance 31-03-2025	43.70
Changes in loss allowance	(3.14)
Loss allowance 31-03-2026	40.56

Notes to the Consolidated Financial Statements (Contd.)

(B) Liquidity risk

(i) Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Floating rate		
- Expiring within one year (bank overdraft and other facilities)	4,031.50	7,227.63
- Expiring beyond one year (bank loans)	-	-

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR except for the foreign subsidiaries and have an average maturity ranging from 30 to 180 days.

(ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

a) all non-derivative financial liabilities, and

b) net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

As at 31-03-2026

₹ in crores

Contractual Maturities of Financial Liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	4,959.21	5,116.25	10,348.68	13,237.47	-	33,661.61
Lease Liabilities	168.98	167.78	330.86	518.75	103.35	1,289.72
Trade payables	9,834.28	-	-	-	-	9,834.28
Other financial liabilities	850.49	-	-	-	-	850.49
Derivatives	71.82	-	-	-	-	71.82

As at 31-03-2025

₹ in crores

Contractual Maturities of Financial Liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	3,009.21	3,718.42	8,275.19	15,083.29	154.73	30,240.84
Lease Liabilities	61.50	63.09	116.53	755.19	36.80	1,033.11
Trade payables	7,561.26	-	-	-	-	7,561.26
Other financial liabilities	385.82	-	-	-	-	385.82
Derivatives	14.57	-	-	-	-	14.57

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Notes to the Consolidated Financial Statements (Contd.)

(C) Market risk

i) Foreign exchange risk

The company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

₹ in crores

Particulars	31-03-2026		31-03-2025	
Exposure in foreign currency	**USD**	**EUR**	**USD**	**EUR**
Financial assets				
Trade receivables	1,917.81	210.34	1,278.36	56.39
Investments	314.12	60.26	248.32	49.70
Derivative assets:				
Foreign exchange forward contracts				
Sell foreign currency	(1,276.61)	(202.23)	(711.31)	(40.45)
Financial liabilities				
Foreign currency loan	1,445.56	-	629.36	-
Trade payables	664.91	42.06	372.22	17.67
Derivative liabilities:				
Foreign exchange forward contracts				
Buy foreign currency	-	-	-	-
Principal swap				
Buy foreign currency	1,008.57	-	300.13	-

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and the impact on other components of equity arises from foreign forward exchange contracts designated as cash flow hedges.

₹ in crores

Particulars	Impact on profit after tax*		Impact on other components of equity*	
	As at 31-03-2026	**As at 31-03-2025**	**As at 31-03-2026**	**As at 31-03-2025**
USD sensitivity				
INR/USD increases by 10%	86.43	37.03	(82.08)	(45.46)
INR/USD decreases by 10%	(86.43)	(37.03)	82.08	45.46
SGD/USD increases by 10%	13.04	2.72	3.93	11.91
SGD/USD decreases by 10%	(13.04)	(2.72)	(3.93)	(11.91)
IDR/USD increases by 10%	(22.21)	1.89	-	-
IDR/USD decreases by 10%	22.21	(1.89)	-	-
EURO sensitivity				
INR/EURO increases by 10%	1.11	2.61	(13.36)	(2.73)
INR/EURO decreases by 10%	(1.11)	(2.61)	13.36	2.73
SGD/EURO increases by 10%	0.37	3.28	0.02	0.07
SGD/EURO decreases by 10%	(0.37)	(3.28)	(0.02)	(0.07)

*Holding all other variables constant.

Notes to the Consolidated Financial Statements (Contd.)

ii) Interest Rate risk

Domestic INR borrowings are based on fixed rate of interest. Normally for short term borrowings the marginal cost of lending rate of the bank is followed. Whenever, Company resorts to short term borrowing through Commercial Paper the rate of interest is fixed in advance. In respect of foreign currency borrowings for longer period the interest rates are covered through interest rate swaps (IRS).

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Variable rate borrowings	24,448.43	19,548.53
Fixed rate borrowings	7,178.66	8,074.13

₹ in crores

Sensitivity	Impact on profit after tax*	
	As at 31-03-2026	As at 31-03-2025
Increase in interest rates by 100 bps	(161.57)	(131.87)
Decrease in interest rates by 100 bps	161.57	131.87

iii) Price risk

The company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss. To manage its price risk from investments in equity securities, the Company diversifies its portfolio. The impact of the changes in price risk is not material.

(D) Impact of hedging activities

i) Disclosure of effects of hedge accounting on financial position

a) Disclosure of effects of hedge accounting on financial position as at 31-03-2026

₹ in crores

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Changes in fair value of hedging instrument	Changes in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities			
Cash flow hedge							
Foreign exchange forward contracts	1,478.84	-	-	71.82	Apr'26 to June'26	(71.82)	71.82
Foreign currency loan							-
Principal swap	-	1,008.57	-	-	Apr'26 to June'26	-	-
Interest rate swap	-	1,008.57	-	-		-	-

b) Disclosure of effects of hedge accounting on financial position as at 31-03-2025

₹ in crores

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Changes in fair value of hedging instrument since inception of hedge	Changes in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities			
Cash flow hedge							
Foreign exchange forward contracts, PCFC	751.76	-	15.73	14.57	Apr'25 to dec'25	1.16	(1.16)
Foreign currency loan							
Principal swap	-	300.13	-	-	Apr'25 to dec'25	-	-
Interest rate swap	-	300.13	-	-		-	-

Notes to the Consolidated Financial Statements (Contd.)

ii) Disclosure of effects of hedge accounting on financial performance :

a) Disclosure of effects of hedge accounting on financial performance for the year ended 31-03-2026

₹ in crores

Type of hedge	Change in the value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit and loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Foreign exchange risk/ POS/ IRS	(6.64)	-	(5.41)	Revenue and Borrowing cost

b) Disclosure of effects of hedge accounting on financial performance for the year ended 31-03-2025

₹ in crores

Type of hedge	Change in the value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit and loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Foreign exchange risk/ POS/ IRS	(5.41)	-	(3.29)	Revenue and Borrowing cost

35 Financial Risk Management Relating to Loan Receivable from financing activity

(A) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The exposure is continuously monitored to determine significant increase in credit risk. The Company monitors the credit assessment on a portfolio basis, assesses all credit exposures in excess of designated limits. The Company does a risk grading based upon the credit worthiness of the borrowers. All these factors are taken into consideration for computation of Expected Credit Loss (ECL).

Loans

The following table sets out information about credit quality of retail loan assets measured at amortised cost based on number of days past due information. The amount represents the gross carrying value of assets as on each reporting date.

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Gross Carrying value of Loans		
Stage-1 (Less than 30 Days)	29,567.77	25,068.40
Stage-2 (30-90 Days)#	892.13	1,329.68
Stage-3 (More than 90 Days)*	757.82	782.97
Total Gross Carrying value on Reporting Date	**31,217.72**	**27,181.05**

**Includes restructured contracts under Prudential Framework for Resolution of Stressed Assets vide circular RBI/2018-19/203 DBR.No.BP. BC.45/21.04.048/2018-19 dated 7th June 2019 irrespective of days past due on the reporting date.*

Other Financial Assets

Credit risk with respect to other financial assets are extremely low except "Other Financial Assets - Non Related Parties". Based on the credit assessment, the historical trend of low default is expected to continue. No provision for ECL has been created for Other financial Assets except full provision on "Other Financial Assets - Non Related Parties".

Notes to the Consolidated Financial Statements (Contd.)

Credit Quality

The Company has a comprehensive framework for monitoring credit quality of its retail and other loans based on days past due monitoring. Repayment by individual customers and portfolio is tracked regularly and required steps for recovery is taken through follow ups and legal recourse.

Inputs considered in the ECL model

In assessing the impairment of loans assets under ECL model, the loan assets have been segmented into three stages.

The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages relate to the recognition of expected credit losses and the calculation and presentation of interest revenue.

The Company categorises loan assets into stages based on the Days Past Due status:

- Stage 1: 30 Days Past Due
- Stage 2: 31-90 Days Past Due
- Stage 3: More than 90 Days Past Due

Assumptions considered in the ECL model

The financial services business has made the following assumptions in the ECL Model:

- "Loss given default" (LGD) is common for all three stages and is based on loss in past portfolio. Actual cash flows are discounted with average rate for arriving loss rate. EIR has been taken as discount rate for all loans

Estimation Technique

The financial services business has applied the following estimation technique in its ECL model :

- "Probability of default" (PD) is applied on Stage 1 and Stage 2 on portfolio basis and for Stage 3 PD is 100%.
- Probability of default for Stage 1 loan assets is calculated as average of historical trend from Stage 1 to Stage 3 in next 12 months.
- Probability of default for Stage 2 loan assets is calculated based on the lifetime PD as average of historical trend from Stage 2 to Stage 3 for the remaining tenor.
- Loss given default is calculated based on discounted actual cash flow on past portfolio in default along with reversals.

There is no change in estimation techniques or significant assumptions during the reporting period.

The financial services business considers a broad range of forward looking information with reference to external forecasts of economic parameters such as GDP growth, government borrowing, private consumption expenditure, policy interest rates, etc., as considered relevant so as to determine the impact of macroeconomic factors on the Company's ECL estimates. The internal estimates of PD, LGD rates used in the ECL model may not always capture all the characteristics of the market / external environment as at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably.

Assessment of significant increase in credit risk

When determining whether the risk of default has increased significantly since initial recognition, the Company considers both quantitative and qualitative information and analysis based on the business historical experience, including forward-looking information. The Company considers reasonable and supportable information that is relevant and available without undue cost and effort.

The financial services business uses the number of days past due to classify a financial instrument in low credit risk category and to determine significant increase in credit risk in retail. As a backstop, the Company considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due.

As at March 31, 2026, the outstanding exposure in respect of accounts restructured under the COVID-19 One-Time Resolution framework vide RBI circular dated August 6, 2020 and RBI/2021-22/31/DOR.STR.REC.11/21.04.048/2021-22 dated May 5, 2021 is Nil.

Notes to the Consolidated Financial Statements (Contd.)

The financial services business has classified all restructured accounts done under Prudential Framework for Resolution of Stressed Assets vide circular RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19 dated 7th June 2019 in Stage 3.

Definition of default

The financial services business considers a financial instrument is in default when the borrower becomes 90 days past due on its contractual payments. The Company considers loans under default as 'credit impaired' and classified as Stage-3 except for restructured contracts as disclosed above.

Impairment loss

The expected credit loss allowance provision is determined as follows:

₹ in crores

Particulars	Stage 1	Stage 2	Stage 3	Grand Total
Gross Balance as at March 31, 2026	29,567.77	892.13	757.82	31,217.72
Expected Credit Loss	336.05	184.38	410.12	930.55
Expected Credit Loss Rate	1.14%	20.67%	54.12%	2.98%
Net of Impairment Provision	29,231.72	707.75	347.70	30,287.17

₹ in crores

Particulars	Stage 1	Stage 2	Stage 3	Grand Total
Gross Balance as at March 31, 2025	25,068.40	1,329.68	782.97	27,181.05
Expected Credit Loss	210.70	244.71	425.17	880.58
Expected Credit Loss Rate	0.84%	18.40%	54.30%	3.24%
Net of Impairment Provision	24,857.70	1,084.97	357.80	26,300.47

Reconciliation of Expected Credit Loss

₹ in crores

Particulars	Stage 1	Stage 2	Stage 3	Grand Total
Balance as at March 31, 2024	**289.49**	**253.53**	**393.04**	**936.06**
Transfer from Stage 1	(19.07)	8.66	10.42	0.01
Transfer from Stage 2	13.19	(117.15)	103.96	-
Transfer from Stage 3	5.27	2.57	(7.84)	-
Loan that have derecognised during the period	(51.64)	(67.96)	(104.94)	(224.54)
New Loans originated during the year	91.52	47.32	50.74	189.58
Net Remeasurement of Loss Allowance	(118.06)	117.74	(20.21)	(20.53)
Balance as at March 31, 2025	**210.70**	**244.71**	**425.17**	**880.58**
Transfer from Stage 1	(13.77)	5.64	8.13	-
Transfer from Stage 2	10.74	(106.71)	95.97	-
Transfer from Stage 3	4.13	3.16	(7.29)	-
Loan that have derecognised during the period	(50.10)	(77.01)	(119.89)	(247.00)
New Loans originated during the year	194.07	33.74	32.05	259.86
Net Remeasurement of Loss Allowance	(19.72)	80.85	(24.02)	37.11
Balance as at March 31, 2026	**336.05**	**184.38**	**410.12**	**930.55**

Concentration of Credit Risk

The business manages concentration of risk primarily by geoghraphical region. The following details show the geographical concentrations of the loans at the year end:

₹ in crores

Particulars	March 31, 2026	March 31,2025
Carrying value		
Concentration by geographical region in India		
South	12,160.24	11,175.32
West	7,559.69	6,927.68
East	6,262.85	4,736.87
North	5,234.94	4,341.18
Total Loans as at reporting period	**31,217.72**	**27,181.05**

Notes to the Consolidated Financial Statements (Contd.)

36 Capital management

(a) Risk Management

The Company's objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders,and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).

The group's strategy is to maintain an optimum gearing ratio. The gearing ratios were as follows:

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Net debt	27,697.48	23,500.76
Total equity	9,564.25	8,503.38
Net debt to equity ratio	**2.90**	**2.76**

The company also monitors Interest coverage ratio :

Company's earnings before interest and taxes (EBIT) divided by Interest

The Company's strategy is to maintain an optimum interest coverage ratio. The Interest coverage ratio are as follows:

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
EBIT (before exceptional item)	3,843.21	2,668.31
Interest	216.54	185.87
Interest coverage ratio (times)	**17.75**	**14.36**

(b) Dividends

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
(i) Equity shares		
Interim dividends for the year ended 31-03-2026 of ₹ 12 (31-03-2025 of ₹ 10) per fully paid share	570.10	475.09
(iii) Dividends not recognised at the end of the reporting period	-	-

(c) Issuance of 6% Cumulative Non-Convertible redeemable preference shares of ₹ 10/- each (NCRPS)

During the year, the Group issued 6% NCRPS aggregating to 1900.35 crores, redeemable at par after 12 months from the date of allotment. The issuance is part of the Groups capital management framework to optimise capital structure and maintain financial flexibility.

Notes to the Consolidated Financial Statements (Contd.)

37 Business Combination

On 7th September 2017, the Company acquired 16,20,000 (81%) equity shares of M/s. TVS Motor Services Limited, Chennai. This would further strengthen the retail financing for the customers of the Company through its subsidiaries.

On 16th September 2021, 91,20,858 (80%) equity shares of The GO Corporation (The GO AG) and on 27th January 2022, 1,14,658 (75%) equity shares of Swiss E-Mobility Group (Holding) AG (SEMG) were acquired.

On 1st April 2022, 70 (70%) equity shares of TVS Ebike Company Limited, UK (formerly known as EBCO Limited, UK) were acquired. Further on 12th April 2022, (100%) equity shares of Alexand'Ro Edouard'O Passion Vélo Sàrl ("Passion Vélo"), Germany were acquired through TVS E-Bike Company AG (formerly known as Swiss E-Mobility Group (Holding) AG (SEMG)).

On 23rd December 2024, the Company has acquired further stake of 39.11% in the equity share capital in DriveX Mobility Private Limited, Coimbatore (DriveX) and thereby the Company's holding in DriveX has been increased to 87.38%; consequent to this acquisition, DriveX has become the subsidiary of the Company.

On 30th June 2025 The GO AG, Passion Vélo merged with SEMG and subsequently SEMG Holding has been renamed as TVS EBike Company AG.

Details of the purchase consideration and goodwill are follows:

₹ in crores

Particulars	TVS Motor Services	TVS E-Bike Company AG^	TVS Ebike Company Limited*	Drive-X	Total
Consideration transferred	1.62	644.02	11.64	97.69	754.97
Non-controlling interest in the acquired entity	136.05	54.40	(1.32)	0.38	189.50
Acquisition date fair value of previously held equity interest	0.38	-	-	120.55	120.93
Less : Net identifiable assets acquired	(48.06)	304.40	(4.40)	82.04	333.98
Goodwill on consolidation	**186.11**	**394.02**	**14.72**	**136.58**	**731.43**

The goodwill is attributable to the expected synergies on acquisition of the financial services business and e-personal mobility business.

Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in a business is allocated to the Group's cash generating units (CGU) or groups of CGUs expected to benefit from the synergies arising from the business combination.

Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rate on the basis of carrying amount of each asset in CGU. An impairment loss on goodwill is recognized in net profit in the Consolidated Statement of Profit and Loss and is not reversed in the subsequent period.

Company assessed impairment of goodwill based on the expected earnings growth of the acquired business.

**Formerly known as EBCO Limited UK*

^W.e.f 30th June 2025 The GO AG merged with SEMG and Further, SEMG Holding has been renamed as TVS EBike Company AG.

Notes to the Consolidated Financial Statements (Contd.)

38 Disclosure Pursuant to Ind As 103 " Business Combination" - Amalgamation of Sundaram Auto Components Limited with TVS Motor Company Limited

The National Company Law Tribunal, Chennai Bench, has approved the Scheme of Amalgamation of Sundaram Auto Components Limited ('SACL' or the 'Transferor Company') with TVS Motor Company Limited ('TVSM' or the 'Transferee Company') vide order dated 6th May 2026. The appointed date under the Scheme is 1st April 2025.

During the financial year 2024–25, SACL entered into a Business Transfer Agreement under which its Injection Moulding and Seating Business was transferred by way of a slump sale, following which SACL discontinued its operations. Consequently, with the objective of simplifying the group structure and consolidating assets and liabilities, it was decided to merge SACL with TVSM.

The Merger is accounted for under the Pooling of Interests method in accordance with Appendix C of Ind AS 103 Business Combinations of Entities under Common Control involving the following:

(i) All assets and liabilities have been recorded at their carrying values as appearing in the consolidated financial statements of the Company.

(ii) The reserves of the SACL have been preserved and recorded by the Company in the same form and at the same carrying amounts as appearing in the consolidated financial statements prior to the amalgamation. Any surplus or deficit arising after giving effect to the above adjustments has been transferred to Capital Reserve, which is disclosed separately with its nature and purpose.

(iii) Inter-company balances between the Company have been cancelled pursuant to the amalgamation.

(iv) Comparative financial information has been restated as if the amalgamation had occurred from the beginning of the comparative period

39 Employee Benefit Obligations

Defined benefit plans as per actuarial valuation

₹ in crores

Particulars	Funded Plan			Unfunded Plan
	Gratuity			Pension
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation
As at 01-04-2024	**272.84**	**(276.57)**	**(3.73)**	**181.44**
Current service cost	52.03	-	52.03	0.30
Interest expense/(income)	19.13	(18.49)	0.64	12.70
Total amount recognised in profit or loss	**71.16**	**(18.49)**	**52.67**	**13.00**
Remeasurements				
Return on plan assets, excluding amounts included in interest expense/(income)	-	(5.31)	(5.31)	-
(Gain)/loss from change in financial assumptions	7.14	-	7.14	11.94
Experience (gains)/losses	(9.42)	-	(9.42)	0.27
Total amount recognised in other comprehensive income	**(2.28)**	**(5.31)**	**(7.59)**	**12.21**
Employer contributions	-	(43.19)	(43.19)	-
Benefit payments	(28.72)	28.72	-	(6.62)
Transfer of asset and liabilities on account of slump sale	7.16	(6.69)	0.47	-
As at 31-03-2025	**305.84**	**(308.15)**	**(2.31)**	**200.03**
Current service cost	64.08	-	64.08	(4.80)
Past service cost	34.41	-	34.41	-
Interest expense/(income)	22.39	(21.12)	1.27	12.50
Liability recognised on acquisition of subsidiary	0.61	(0.85)	(0.23)	-
Total amount recognised in profit or loss	**121.49**	**(21.96)**	**99.53**	**7.70**

Notes to the Consolidated Financial Statements (Contd.)

₹ in crores

Particulars	Funded Plan			Unfunded Plan
	Gratuity			Pension
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation
Remeasurements				
Return on plan assets, excluding amounts included in interest expense/(income)	-	(0.98)	(0.98)	-
(Gain)/loss from change in financial assumptions	(24.67)	-	(24.67)	3.27
Experience (gains)/losses	(5.40)	-	(5.40)	0.72
Total amount recognised in other comprehensive income	**(30.07)**	**(0.98)**	**(31.05)**	**3.99**
Employer contributions	-	(68.92)	(68.92)	-
Benefit payments	(14.60)	14.60	-	(7.39)
As at 31-03-2026	**382.67**	**(385.41)**	**(2.73)**	**204.32**

Certain Companies in the group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees and have created an Employees' Group Gratuity Fund which has taken a Group Gratuity Assurance Scheme with the Life Insurance Corporation of India. Company's contributions are based on actuarial valuation arrived at the end of each year and charged to Statement of Profit and Loss.

The significant actuarial assumptions were as follows:

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Discount rate (Gratuity)	6.23% to 7.42%	6.34% to 6.67%
Discount rate (Pension)	5.75% to 6.23%	6.34% to 6.44%
Salary growth rate	5.5% to 8%	5.5% to 6%
Pre-retirement Mortality rate	IALM (2006-08) Ultimate	
Post retirement Mortality rate	LIC Ann (1996-98)	

Assumptions regarding future mortality for pension are set based on actuarial advice in accordance with published statistics and experience. These assumptions translate into an average life expectancy in years for a pensioner retiring at age 58.

(i) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

₹ in crores

	Impact on defined benefit obligation - Gratuity					
	Year ended					
	Change in assumption		Increase in assumption		Decrease in assumption	
	31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025
Discount rate	0.50%	0.50%	472.50	294.47	510.60	318.02
Salary growth rate	0.50%	0.50%	512.08	318.07	470.66	294.32
Mortality	5% & 10%	5.00%	490.77	305.85	490.67	305.78

₹ in crores

	Impact on defined benefit obligation - Pension					
	Year ended					
	Change in assumption		Increase in assumption		Decrease in assumption	
	31-03-2026	31-03-2025	31-03-2026	31-03-2025	31-03-2026	31-03-2025
Discount rate	1.00%	1.00%	185.67	181.54	226.33	221.88
Salary growth rate	1.00%	1.00%	224.64	222.98	184.55	180.41
Mortality	5.00%	5.00%	203.95	198.19	206.43	201.97

Notes to the Consolidated Financial Statements (Contd.)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

(ii) Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility: The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit.

Changes in bond: A decrease in bond yields will increase plan liabilities, although this will be partially offset by an yield increase in the value of the plans' bond holdings.

Inflation risks: In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.

Life expectancy: The pension obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

(iii) Defined contribution plans:

The Company's contribution to defined contribution plan i.e., provident fund of ₹ 121.04 crores (previous year ₹ 101.76 crores) has been recognised in the Statement of Profit and Loss.

40 Employee Stock Option Plan

(A) Parent - TVS Motor Company Employee Stock Option Plan

The Parent Company introduced TVS Motor Company Employee Stock Option Plan to provide equity-based incentives to the eligible employees of the Parent Company. The plan is administered by the Nomination and Remuneration Committee of the Parent Company through a Trust. A maximum of 11,87,717 options may be granted under the Plan. Each option granted under the plan entitles the holder to one equity share of the Parent Company at an exercise price, which is approved by the Nomination and Remuneration Committee (NRC). As per the plan, NRC grants options to the employees of the Parent Company. The vesting period of the option is one to ten years from the date of grant. Options granted under the Scheme can be exercised within a period of four years from the date of vesting. The Nomination and Remuneration Committee of the Company granted a further 1,27,027 stock options during the year under the TVS Motor Company Stock Option Plan (ESOP Plan 2024) comprising 28,337 options under Category I and 98,690 options under Category II.

As at 31st March 2026

Plan	No. of options granted	Grant Date	Vesting of options	No. of options outstanding	Expected life of options (years)	Weighted average fair value of the options at the grant date (₹)
ESOP 2024-Category 1	28,337	28th April 2025	100%	28,337	1.12	1,458.38
ESOP 2024-Category 2	98,690	28th April 2025	25%	98,690	1.12	1,573.71
			25%		2.12	
			25%		3.12	
			25%		4.12	

Notes to the Consolidated Financial Statements (Contd.)

As at 31st March 2025

Plan	No. of options granted	Grant Date	Vesting of options	No. of options outstanding	Expected life of options (years)	Weighted average fair value of the options at the grant date (₹)
ESOP 2024	3,51,000	4th July 2024	100%	3,51,000	1.12	1,263.66

Method used for accounting for share based payment plan

The fair value at grant date is determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. The key inputs used in Black-Scholes Model for calculating fair value of options under the scheme as on the date of grant are as follows:

Category 1

Grant Date	Weighted average fair value of the options at the grant date	Weighted average share price	Exercise Price	Expected Volatility	Expected life of options (years)	Dividend yield (%)	Risk-free interest rate (%)
28th April 2025	1,458.38	2,470.04	1,369.00	23.50%	1.12	0.44%	6.01%

Category 2

Grant Date	Weighted average fair value of the options at the grant date	Weighted average share price	Exercise Price	Expected Volatility	Expected life of options (years)	Dividend yield (%)	Risk-free interest rate (%)
28th April 2025	1,573.71	2,470.04	1,369.00	23.50%	1.12	0.44%	6.01%
				20.83%	2.12		6.13%
				21.52%	3.12		6.20%
				21.52%	4.12		6.20%

For the year ended 31st March 2026, the Company has accounted expense of ₹ 18.97 crores (31st March 2025: ₹ 32.81 crores) as employee benefits expense (Note No. 28) on the aforementioned employee stock option plan.

Movement in ESOP

Particulars	As at 31st March 2026		As at 31st March 2025	
	No of options	Weighted average fair value of the options at the grant date (₹ per share)	No of options	Weighted average fair value of the options at the grant date (₹ per share)
Outstanding at the beginning of the year	3,51,000	1,263.66	-	-
Granted during the year	-	-	3,51,000	-
Granted during the year- Category 1	28,337	1,458.38	-	1,263.66
Granted during the year- Category 2	98,690	1,573.71	-	-
Forfeited/ cancelled during the year	-	-	-	-
Exercised during the year	3,51,000	1,263.66	-	-
Outstanding at the end of the year	-	-	3,51,000	-
Outstanding at the end of the year- Category 1	28,337	1,458.38	-	1,263.66
Outstanding at the end of the year- Category 2	98,690	1,573.71	-	-
Exercisable at the end of the year	-	-	-	-

Notes to the Consolidated Financial Statements (Contd.)

(B) Subsidiary - TVS Credit Services Limited Employee Stock Option Plan

The Employee Stock Options Scheme titled "ESOP 2024" or "Plan" was approved by the shareholders of the TVS Credit Services Company through the special resolution passed on 11th November 2024. The Plan grants upto 5,34,800 options. The Plan allows the issue of options to employees who are permanent employees of the TVS Credit Services Company which are convertible to one equity share of the Company subject to payment / recovery of requisite exercise price. As per the Plan, the Nomination and Remuneration Committee grants the options to the employees deemed eligible. The options granted vest over a period of 4 years from the date of the grant in proportions specified in the ESOP Plan. The fair value as on the date of the grant of the options, representing Stock compensation charge, is expensed over the vesting period.

Details of ESOP granted during the year is as follows:

As at 31st March 2026

Plan	No. of options granted	Grant Date	Vesting of options	No. of options outstanding	Expected life of options (years)	Weighted average fair value of the options at the grant date (₹)
ESOP 2024	1,55,400	12th November 2024	1,55,400	1461 days	₹ 440	₹ 178.45

As at 31st March 2025

Plan	No. of options granted	Grant Date	Vesting of options	No. of options outstanding	Expected life of options (years)	Weighted average fair value of the options at the grant date (₹)
ESOP 2024	1,55,400	12th November 2024	1,55,400	1461 days	₹ 440	₹ 178.45

Method used for accounting for share based payment plan:

The Company has used the fair value method to account for the compensation cost of stock options to employees. The fair value of options granted are estimated on the date of grant using the Black – Scholes Model. The key assumptions used in Black – Scholes Model for calculating fair value as on the date of respective grants are:

Grant Date	Weighted average fair value of the options at the grant date	Weighted average share price	Exercise Price	Expected Volatility*	Option life (years)	Dividend yield (%)	Risk-free interest rate (%)
12th November 2024	₹ 178.45	₹ 461.54	₹ 440	33.16%	4	-	6.86%

** Expected volatility calculation is based on volatility of stock prices of comparable companies on NSE based on ex-dividend price*

For the year ended 31st March 2026, the company has accounted expense of ₹ 0.69 (31st March 2025: ₹ 0.27 crores) as employee benefits expense (Note no. 28) on the aforementioned employee stock option plan.

Movement in ESOP

Particulars	As at 31st March 2026		As at 31st March 2025	
	No of options	Weighted average fair value of the options at the grant date (₹ per share)	No of options	Weighted average fair value of the options at the grant date (₹ per share)
Outstanding at the beginning of the year	1,55,400	178.45	-	-
Granted during the year	-	-	1,55,400.00	178.45
Forfeited/ cancelled during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	1,55,400	178.45	1,55,400.00	178.45
Exercisable at the end of the year	-	-	-	-

Notes to the Consolidated Financial Statements (Contd.)

41 Related Party Disclosure

(a) (i) Related parties and their relationship where control exists

Holding company

TVS Holdings Limited, Chennai

Subsidiaries

TVS Credit Services Limited, Bengaluru

The Norton Motorcycle Co Limited, UK

PT TVS Motor Company Indonesia, Jakarta

DriveX Mobility Private Limited, Coimbatore

TVS Motor Singapore Pte. Limited, Singapore

TVS Motor Services Limited, Chennai

TVS Electric Mobility Limited, Chennai

TVS Motor Company DMCC, Dubai

TVS Motor Company Europe B.V., Amsterdam

Harita ARC Services Private Limited, Chennai

Harita Two Wheeler Mall Private Limited, Chennai

TVS Housing Finance Private Limited, Chennai

Norton Motorcycle Private Limited, Chennai (w.e.f 19.08.2025)

Norton USA LLC, Delaware (w.e.f 06.11.2025)

TVS EBike Company AG, Switzerland (Formerly known as Swiss E-Mobility Group (Holding) AG, Switzerland (SEMG)) (name change w.e.f 30.06.2025)

TVS Digital Pte Limited, Singapore

TVS EBike Company Limited, UK (Formerly known as EBCO Limited) (name change w.e.f 12.08.2025)

TVS Motor GmbH, Germany (Formerly Known as Celerity Motor GmbH, Germany) (name change w.e.f 11.12.2025)

Engines Engineering S.p.A, Castenaso, Italy (w.e.f 03.10.2025)

EGO Movement Deutschland GmbH, Germany

TVS Ebike Company GmbH, Germany, Nuremberg (Formerly Known as Colag E-Mobility GmbH, Germany, Nuremberg w.e.f 15.10.2025)

Swiss E-mobility group (österreich) Gmbh, Austria

The GO Corporation, Switzerland (GO AG) (Merged with TVS Ebike Company AG, Switzerland on 30.06.2025)

Swiss E-Mobility Group (Schweiz) AG Switzerland, Zurich (Merged with TVS Ebike Company AG, Switzerland on 30.06.2025)

Alexand'Ro Edouard'O Passion Vélo Sàrl, Switzerland (Merged with TVS Ebike Company AG, Switzerland on 30.06.2025)

Associate company

Ultraviolette Automotive Private Limited, Bengaluru

(ii) Other related parties and their relationship where transaction exists

Fellow Subsidiaries

TVS Digital Limited, Chennai

Home Credit India Finance Private Limited, Bengaluru

Associate / Branches / Joint Venture of Holding / Subsidiary / Fellow Subsidiary Company

TVS Training & Services Limited, Chennai

Notes to the Consolidated Financial Statements (Contd.)

(iii) Enterprises under Common Control

Sundaram - Clayton Limited, Chennai

Sundaram - Clayton USA LLC, USA (Subsidiary of Sundaram - Clayton Limited)

TVS Emerald Limited, Chennai (Enterprises in which one of the promoter group holding control)

Emerald Haven Development Limited, Chennai - (Subsidiary of TVS Emerald Limited)

(iv) Enterprises in which Directors are Interested

Trichur Sundaram Santhanam & Family Private Limited, Chennai

T.V Sundram Iyengar & Sons Private Limited, Madurai

TVS Organics Private Limited, Chennai

TVS Automobile Solutions Private Limited, Madurai

TVS Cheema Scholarship Foundation, Chennai

Veeyes Charities Foundation, Chennai

Adwaith Lakshmi Industries Private Limited, Coimbatore

Lakshmi Energy and Environment Designs Private Limited, Coimbatore

Southern Roadways Private Limited, Madurai

Gleco International Private Limited, Mumbai

Eeshapriya LLP, Coimbatore (formerly known as Eeshapriya Private Limited)

Rapidue Technologies Private Limited, Hyderabad (upto 18.11.2025)

(v) Limited Liability Partnership controlled by Promoter / Promoter Group

Harita Receivables and Collection Services LLP, Chennai

Harita Insurance Broking LLP, Chennai

Future Accessories LLP, Chennai

Khadak Restaurant LLC, Dubai

Bagalur Development LLP, Chennai

Key Management Personnel

Executive Directors

Mr. Sudarshan Venu, Chairman and Managing Director

Mr. Venu Srinivasan, Chairman Emeritus & Managing Director

Mr. K N Radhakrishnan, Director & Chief Executive Officer

Non-executive Directors

Independent Directors

Mr. Shailesh Haribhakti

Mr. Vijay Sankar

Mr. B Sriram

Ms. Kalpana Unadkat (w.e.f 15.12.2025)

Dr. Deepali Pant Joshi (upto 06.11.2025)

Chief Financial Officer

Mr. K Gopala Desikan

Notes to the Consolidated Financial Statements (Contd.)

Company Secretary

Mr. K S Srinivasan

Post Employment Benefit Plans

TVS Motor Company Employees' Gratuity Fund

TVS Motor Company Employees' Provident Fund

Others:

Srinivasan Services Trust

TVSM Employees Stock Option Trust

(b) Transactions with related parties: (Transactions from the date of becoming / upto the date of ceasing to be related party)

₹ in crores

Particulars			As at 31-03-2026	As at 31-03-2025
(i)	**Purchase of Goods**			
	-	**Associate / Joint Venture**		
		Ultraviolette Automotive Private Limited, Bengaluru	-	0.85
	-	**Enterprises under Common Control**		
		Sundaram-Clayton Limited, Chennai	20.51	426.83
	-	**Enterprises in which Directors are Interested**		
		Adwaith Lakshmi Industries Private Limited, Coimbatore	0.01	-
		TVS Organics Private Limited, Chennai	1.07	0.09
	-	**Limited Liability Partnership controlled by Promoter / Promoter Group**		
		Future Accessories LLP, Chennai	39.56	-
(ii)	**Sale of Goods**			
	-	**Holding Company**		
		TVS Holdings Limited, Chennai	-	113.76
	-	**Enterprises under Common Control**		
		Sundaram-Clayton Limited, Chennai	17.09	20.49
(iii)	**Purchase of Assets**			
	-	**Holding Company**		
		TVS Holdings Limited, Chennai	-	7.42
	-	**Enterprises under Common Control**		
		Sundaram-Clayton Limited, Chennai	-	108.00
	-	**Enterprises in which Directors are Interested**		
		Trichur Sundaram Santhanam & Family Private Limited, Chennai	0.19	1.87
		Eeshapriya LLP, Coimbatore (formerly known as Eeshapriya Private Limited)	9.50	-
	-	**Key Management Personnel**	-	18.71
(iv)	**Sale of Assets**			
	-	**Enterprises in which Directors are Interested**		
		Trichur Sundaram Santhanam & Family Private Limited, Chennai	-	0.35
(v)	**Rendering of Services**			
	-	**Holding Company**		
		TVS Holdings Limited, Chennai	0.23	-
	-	**Fellow Subsidiary Companies**		
		TVS Digital Limited, Chennai	0.01	-

Notes to the Consolidated Financial Statements (Contd.)

₹ in crores

Particulars			As at 31-03-2026	As at 31-03-2025
	-	**Enterprises under Common Control**		
		Sundaram-Clayton Limited, Chennai	2.42	9.96
		Emerald Haven Development Limited, Chennai (Subsidiary of TVS Emerald Limited)	0.06	-
		TVS Emerald Limited, Chennai	1.23	-
	-	**Limited Liability Partnership controlled by Promoter / Promoter Group**		
		Future Accessories LLP, Chennai	0.84	-
		Harita Insurance Broking LLP, Chennai	0.96	-
(vi)	**Availing of Services**			
	-	**Holding Company**		
		TVS Holdings Limited, Chennai	210.86	170.90
	-	**Fellow Subsidiary Companies**		
		TVS Digital Limited, Chennai	42.86	12.53
		Home Credit India Finance Private Limited, Bengaluru	0.43	-
	-	**Associate / Branches /Joint Venture of Holding / Subsidiary / Fellow Subsidiary Company**		
		TVS Training & Services Limited, Chennai	8.36	0.03
	-	**Enterprises under Common Control**		
		Sundaram-Clayton Limited, Chennai	5.41	5.66
	-	**Enterprises in which Directors are Interested**		
		Trichur Sundaram Santhanam & Family Private Limited, Chennai	0.13	0.16
		TVS Automobile Solutions Private Limited, Madurai	3.41	0.17
		Southern Roadways Private Limited, Madurai	1.15	-
		Lakshmi Energy and Environment Designs Private Limited, Coimbatore	0.41	-
		Gleco International Private Limited, Mumabi	0.07	-
		Rapidue Technologies Private Limited,Hyderabad (upto 18.11.2025)	0.31	-
	-	**Limited Liability Partnership controlled by Promoter / Promoter Group**		
		Khadak Restaurant LLC, Dubai	0.05	-
(vii)	**Investments made during the year**			
	-	Fellow Subsidiary Companies		
		TVS Digital Limited, Chennai	-	(3.05)
(viii)	**Share application money pending allotment**			
	-	Fellow Subsidiary Companies		
		TVS Digital Pte Limited, Singapore	47.38	-
(ix)	**Remuneration to Key Management and Managerial Personnel**			
	Short-term employee benefits		107.33	77.50
	Post-employment benefits		0.86	0.71
	Share based payments		60.86	-
	(ESOPs granted to KMPs have not been considered as remuneration for the current year as defined under section 2(78) of the Companies Act, 2013 for the options which have not been exercised)			
(x)	**Contributions to Post Employment Benefit Plans**			
	TVS Motor Company Employees' Gratuity Fund		52.25	30.37
	TVS Motor Company Employees' Provident Fund		170.01	142.75
	(Including Employee and Employer Contributions)			

Notes to the Consolidated Financial Statements (Contd.)

₹ in crores

Particulars		As at 31-03-2026	As at 31-03-2025
(xi)	**Dividend paid to**		
	- Holding Company (TVS Holdings Limited, Chennai)	286.53	238.78
	- KMP and their relatives	0.37	0.05
(xi)	**Donations made**		
	- Enterprises in which Directors are Interested		
	TVS Cheema Scholarship Foundation	60.00	39.98
	Veeyes Charities Foundation	18.05	7.00
(xii)	**Others**		
	Srinivasan Services Trust - CSR contribution	72.37	50.00
	TVSM Employees Stock Option Trust - Purchase of Shares	35.44	95.27
	TVSM Employees Stock Option Trust - Amount received on Exercise of Options	41.52	-

(c) Reimbursements made / received

₹ in crores

Particulars		As at 31-03-2026	As at 31-03-2025
(i)	**Reimbursements made**		
	- Holding Company (TVS Holdings Limited, Chennai)	8.60	2.10
	- Fellow Subsidiary Companies		
	TVS Digital Limited, Chennai	9.60	7.80
	- Enterprises under Common Control		
	Sundaram-Clayton Limited, Chennai	3.00	0.40
	- Limited Liability Partnership controlled by Promoter / Promoter Group		
	Future Accessories LLP, Chennai	0.27	-
(ii)	**Reimbursements received**		
	- Fellow Subsidiary Companies		
	TVS Digital Limited, Chennai	0.87	-
	Home Credit India Finance Private Limited, Bengaluru	1.03	-
	- Enterprises under Common Control		
	TVS Emerald Limited, Chennai	3.48	6.28
	- Limited Liability Partnership controlled by Promoter / Promoter Group		
	Future Accessories LLP, Chennai	0.88	-

(d) Balances with Related Parties

₹ in crores

Particulars		As at 31-03-2026	As at 31-03-2025
(i)	**Trade Receivables / Other Current Assets**		
	- Holding Company		
	TVS Holdings Limited, Chennai	1.21	2.39
	- Associates		
	Ultraviolette Automotive Private Limited, Bengaluru	0.02	0.02
	- Associate / Branches /Joint Venture of Holding / Subsidiary / Fellow Subsidiary Company		
	TVS Training & Services Limited, Chennai	-	0.12

Notes to the Consolidated Financial Statements (Contd.)

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
- **Fellow Subsidiary Companies**		
TVS Digital Limited, Chennai	-	1.36
Home Credit India Finance Private Limited, Bengaluru	0.05	-
- **Enterprises under Common Control**		
Sundaram-Clayton Limited, Chennai	12.73	4.15
TVS Emerald Limited, Chennai	9.77	14.09
Emerald Haven Development Limited, Chennai (Subsidiary of TVS Emerald Limited)	0.21	0.16
Sundaram - Clayton USA LLC, USA (Subsidiary of Sundaram - Clayton Limited)	0.24	-
- **Enterprises in which Directors are Interested**		
Trichur Sundaram Santhanam & Family Private Limited, Chennai	-	0.21
TVS Cheema Scholarship Foundation	-	0.48
- **Limited Liability Partnership controlled by Promoter / Promoter Group**		
Harita Insurance Broking LLP, Chennai	2.67	-
Bagalur Development LLP, Chennai	1.74	-
Harita Receivables and Collection Services LLP, Chennai	1.00	-
Future Accessories LLP, Chennai	0.95	-
(ii) Trade Payables		
- **Holding Company**		
TVS Holdings Limited, Chennai	2.49	4.47
- **Associate / Branches / Joint Venture of Holding / Subsidiary / Fellow Subsidiary Company**		
TVS Training & Services Limited, Chennai	0.59	-
- **Fellow Subsidiary Companies**		
TVS Digital Limited, Chennai	1.75	1.17
- **Enterprises under Common Control**		
Sundaram-Clayton Limited, Chennai	10.15	2.97
TVS Emerald Limited, Chennai	0.01	-
- **Enterprises in which Directors are Interested**		-
Trichur Sundaram Santhanam & Family Private Limited, Chennai	0.16	-
Lakshmi Energy and Environment Designs Private Limited, Coimbatore	0.02	-
T.V Sundram Iyengar & Sons Private Limited, Madurai	0.03	0.03
TVS Automobile Solutions Private Limited, Madurai	0.36	-
TVS Organics Private Limited, Chennai	0.01	-
- **Limited Liability Partnership controlled by Promoter / Promoter Group**		
Future Accessories LLP, Chennai	8.01	-

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in cash.

Notes to the Consolidated Financial Statements (Contd.)

42 Earnings Per Share

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Profit after tax from Continuing Operations	3,018.33	2,205.65
Profit after tax from Discontinued Operations	-	29.91
Number of equity shares	47,50,87,114	47,50,87,114
Face value of the share (in ₹)	1.00	1.00
Weighted average number of equity shares	47,50,87,114	47,50,87,114
Basic and diluted earnings per share for continuing operations (in ₹)	63.53	46.42
Basic and diluted earnings per share for discontinued operations (in ₹)	-	0.63
Basic and diluted earnings per share for continuing and discontinued operations (in ₹)	63.53	47.05

43 Warranty Provision

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Opening balance	167.04	89.13
Add: Provision for the year (Net)	188.26	167.04
	355.30	**256.17**
Less: Payments / debits (Net)	167.04	89.13
Closing balance	**188.26**	**167.04**

44 Contingent Liabilities and Commitments not Provided for

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
(a) Claims against the company not acknowledged as debts:		
(i) Excise	27.72	27.72
(ii) Service tax	7.71	7.71
(iii) Customs	159.63	-
(iv) Income tax	36.06	48.07
(v) GST	88.05	68.36
(vi) Legal cases filed by borrowers against the Company	15.54	13.15
(vii) Stamp Duty Authorities	1.26	-
The future cash flows on the above items are determinable only on receipt of the decisions / judgments that are pending at various forums / authorities. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.		
(b) Other money for which the company is contingently liable:		
(i) On bills discounted with banks	459.50	330.98
(c) Commitments:		
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for	499.13	343.18
(ii) Undrawn loans sanctioned to customers by financial enterprises	195.23	41.29
	1,501.00	**862.77**

Notes to the Consolidated Financial Statements (Contd.)

45 Leases

Company as a Lessee

The company has taken land, warehouses and sales offices across the country on lease for lease period ranging from 6-99 years. Company also has other assets on leases, the lease term here ranges from 2-9 Years.

(i) Classification of current and non current lease liabilities

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Current Liabilities	667.62	241.12
Non Current Liabilities	499.46	751.83
Total Lease Liabilities	**1,167.08**	**992.95**

(ii) Movement in the carrying value of the Lease liabilities

₹ in crores

Particulars	As at 31-03-2026	As at 31-03-2025
Opening Balance	987.35	683.30
Interest expenses	75.08	40.45
Lease repayments	(291.45)	(204.92)
Additions during the year	449.54	662.92
Adjustments/Deletions	(53.44)	(188.80)
Closing balance	**1,167.08**	**992.95**

Wherever the lease includes extension option and it is reasonably certain to exercise that option, the same is considered for computing the lease term. In other cases, the term is limited to initial lease period. Lease term includes non-cancellable period and expected lease period.

Payment made towards short term leases during the year is ₹ 145.64 Cr (Previous year: ₹ 125.48 Cr)

Payment made towards low value asset leases during the year is Nil (Previous year: Nil)

Payment relating to leases are disclosed in Cash flow statement

Income from sub-leasing of Right of use asset ₹ 1.98 Cr (Previous year: ₹ 0.39 Cr)

46 Additional Regulatory Disclosures as per Schedule III of Companies Act, 2013

(i) As per the Group's accounting policy, Property, Plant and Equipment (including Right of Use Assets) and intangible assets are carried at historical cost (less accumulated depreciation & impairment, if any), hence the revaluation related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable /do not apply

(ii) The Group has not granted Loans or Advances in the nature of loan to any promoters, Directors, KMPs and the related parties (As per Companies Act, 2013) , which are repayable on demand or without specifying any terms or period of repayments.

(iii) No proceedings have been initiated or pending against any Company in the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(iv) The Group has sanctioned facilities from banks on the basis of security of current assets. The periodic returns filed by the Company with such banks are in agreement with the books of accounts of the Company.

(v) All the Companies in the Group has adhered to debt repayment and interest service obligations on time. "Wilful defaulter" related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable /do not apply.

Notes to the Consolidated Financial Statements (Contd.)

(vi) There are no transactions with the companies whose names were struck off under section 248 of The Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March 2026.

(vii) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

(viii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiary

(ix) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries"

(x) The Group has not operated in any crypto currency or Virtual Currency transactions

(xi) During the year no Company in the Group has not disclosed or surrendered, any income other than the income recognised in the books of accounts in the tax assessments under Income Tax Act, 1961.

47 Segment Information

The Company identified operations from which significant risks and rewards are derived in two verticals viz (a) Automotive Vehicles & Parts and related investments and (b) Investment held in Financial services The same is reflected in the below segmental reporting.

For the Year ended 31-03-2026

₹ in crores

Particulars	Business Segment		
	Automotive vehicles & parts	Financial Services	Total
Revenue			
External sales - domestic	36,631.66	7,175.50	43,807.16
- exports	12,262.36	-	12,262.36
Other income	10.66	11.35	22.01
Inter segment sales	2.16	15.10	17.26
Total revenue	**48,906.84**	**7,201.95**	**56,108.79**
Less: Inter segment sales	2.16	15.10	17.26
Net revenue	**48,904.68**	**7,186.85**	**56,091.53**
Segment-wise results before interest and tax	3,916.55	1,241.78	5,158.33
Less: Interest	295.53	-	295.53
Profit before tax	3,621.02	1,241.78	4,862.80
Less: Tax expenses	1,309.89	325.42	1,635.31
Profit after tax	2,311.13	916.36	3,227.49
Share of profit of Associates	(41.06)	-	(41.06)
Profit / Loss for the period from continuing operations	2,270.06	916.36	3,186.43
Profit before tax from discontinued operations	-	-	-
Less: Tax expenses	-	-	-
Profit for the year from discontinued operations	-	-	-
Profit / Loss for the period	**2,270.06**	**916.36**	**3,186.43**
Segment assets	21,049.39	35,451.23	56,500.62
Segment liabilities	16,777.04	29,010.72	45,787.76
Segment depreciation / amortisation	1,216.52	56.12	1,272.64

Notes to the Consolidated Financial Statements (Contd.)

For the Year ended 31-03-2025

₹ in crores

Particulars	Business Segment		
	Automotive vehicles & parts	Financial Services	Total
Revenue			
External sales - domestic	28,254.33	6,618.37	34,872.70
- exports	9,216.31	-	9,216.31
Other Income	128.89	(59.33)	69.56
Inter segment sales	102.84	-	102.84
Total revenue	**37,702.37**	**6,559.04**	**44,261.41**
Less: Inter segment sales	102.84	-	102.84
Net revenue	**37,599.53**	**6,559.04**	**44,158.57**
Segment-wise results before interest and tax	2,849.85	959.55	3,809.40
Less: Interest	229.93	-	229.93
Profit before tax	2,619.92	959.55	3,579.47
Less: Tax expenses	896.99	258.46	1,155.45
Profit after tax	1,722.93	701.09	2,424.02
Share of profit of Associates	(74.12)	-	(74.12)
Profit / Loss for the period from continuing operations	1,648.81	701.09	2,349.90
Profit before tax from discontinued operations	22.49	-	22.49
Less: Tax expenses	(7.42)	-	(7.42)
Profit for the year from discontinued operations	29.91	-	29.91
Profit / Loss for the period	**1,678.72**	**701.09**	2,379.81
Segment assets	16,262.27	31,674.64	47,936.91
Segment liabilities	12,362.01	26,132.63	38,494.64
Segment depreciation / amortisation	999.36	46.20	1,045.56

48 Revenue From Contract With Customers

₹ in crores

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
(a) Geographical market		
(i) Domestic	42,065.74	33,710.80
(ii) Exports	11,800.31	8,975.05
	53,866.05	**42,685.85**
(b) Revenue recognized that was included in the contract liabilities at the beginning of the period	424.71	265.58
(Payment is received in advance towards contracts entered with customers, and is recognised as a contract liability. As and when the performance obligation is met, the same is recognized as revenue).		
(c) Reconciliation of revenue with contract price:		
(i) Contract price	55,779.07	44,117.96
(ii) Adjustments :		
Incentive schemes	1,138.89	829.73
Transport cost	774.13	602.38
Revenue from sale of products / services	**53,866.05**	**42,685.85**

Notes to the Consolidated Financial Statements (Contd.)

49 Additional Information on Net Assets and Share of Profits and Other Comprehensive Income for the year ended 31-03-2026

Name of the entity	Net Assets (Total Assets - Total Liabilities)*		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in crores)	As % of consolidated profit or loss	Amount (₹ in crores)	As % of consolidated other comprehensive income	Amount (₹ in crores)	As % of consolidated total comprehensive income	Amount (₹ in crores)
1	2	3	4	5	6	7	8	9
Parent								
TVS Motor Company Limited, Chennai	11.62%	1,464.89	113.65%	3,621.40	32.62%	165.36	102.53%	3,786.76
Subsidiaries - Indian								
TVS Credit Services Limited, Bengaluru	39.06%	4,925.76	23.28%	741.87	0.94%	4.75	20.22%	746.62
TVS Motor Service Limited, Chennai	2.67%	336.54	-0.09%	(2.74)	0.00%	-	-0.07%	(2.74)
TVS Electric Mobility ltd, Chennai	0.01%	1.00	0.00%	-	0.00%	-	0.00%	-
Drivex Mobility private limited, Coimbatore	2.15%	271.60	-2.00%	(63.63)	0.01%	0.06	-1.72%	(63.57)
Subsidiaries - Foreign								
TVS Motor Singapore Pte Limited, Singapore	10.93%	1,377.85	-3.71%	(118.19)	29.46%	149.34	0.84%	31.15
TVS Motor Company Europe B.V. Amsterdam	0.00%	(0.23)	-0.05%	(1.48)	-0.09%	(0.44)	-0.05%	(1.92)
PT. TVS Motor Company Indonesia, Jakarta	4.24%	534.36	1.00%	31.89	5.69%	28.84	1.64%	60.73
The Norton Motorcycle Co. Limited, UK	6.75%	851.40	-22.69%	(722.94)	13.84%	70.14	-17.68%	(652.80)
TVS Digital Pte Limited, Singapore	0.84%	106.12	0.15%	4.68	0.67%	3.39	0.22%	8.07
TVS EBike Company AG, Switzerland	6.72%	847.98	-13.07%	(416.59)	4.12%	20.89	-10.71%	(395.70)
TVS Motor GmbH, Germany	0.35%	44.20	0.05%	1.68	1.21%	6.11	0.21%	7.79
TVS EBike Company Limited, UK	0.20%	25.20	-0.47%	(14.83)	-0.16%	(0.81)	-0.42%	(15.64)
TVS Motor company DMCC, Dubai	3.90%	492.05	-0.04%	(1.21)	10.83%	54.88	1.45%	53.67
Engines Engineering S.p.A, Castenaso, Italy	0.63%	79.79	-0.02%	(0.52)	0.66%	3.37	0.08%	2.85
Non-controlling Interest in all subsidiaries	9.11%	1,148.61	5.28%	168.10	0.22%	1.10	4.58%	169.20
Associates - Indian								
(Investment as per the equity method)								
Ultraviolette Automotive Private Limited, Bengaluru	0.18%	22.21	-1.29%	(41.20)	-0.02%	(0.08)	-1.12%	(41.28)
Associates - Foreign								
Predictronics Corp, USA	0.14%	17.25	0.00%	(0.12)	0.00%	-	0.00%	(0.12)
Altizon Inc, USA (up to 23.01.2026)	-0.02%	(2.54)	0.01%	0.21	0.00%	-	0.01%	0.21
Killwatt GmbH, Germany	0.54%	67.77	0.00%	0.05	0.00%	-	0.00%	0.05
Total	**100.00%**	**12,611.80**	**100.00%**	**3,186.43**	**100.00%**	**506.90**	**100.00%**	**3,693.33**

** The NCRPS issuance of ₹ 1898.94 crores classified under financial liabilities in the Balance Sheet as per IND AS is excluded from the above net assets calculation for better presentation. If it is included, then the total net assets is ₹ 10,712.86 crores.*

Previous year's figures have been regrouped wherever necessary to conform to the current year's classification

Notes to the Consolidated Financial Statements (Contd.)

50 The Government of India notified on November 21, 2025, the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating existing labour laws. The group has assessed the incremental impact of these changes on the basis consistent with the Labour Codes, draft rules, FAQs and legal opinion. Considering the regulatory driven non-recurring nature, the past period employee benefit liability has been disclosed under Exceptional Items in the Statement of Profit and Loss for the year ended March 31, 2026.

The Government of India is in the process of notifying related rules to the New Labour Codes and the impact of these will be evaluated and appropriately accounted as and when notified.

51 Previous Year's Figures have been regrouped wherever necessary to conform to the Current Year's classification.

SUDARSHAN VENU
Chairman & Managing Director
DIN: 03601690

K N RADHAKRISHNAN
Director & Chief Executive Officer
DIN: 02599393

As per our report annexed
For **Sundaram & Srinivasan**
Chartered Accountants
Firm Regn. No. 004207S

Chennai
13th May 2026

K GOPALA DESIKAN
Chief Financial Officer

K S SRINIVASAN
Company Secretary

S USHA
Partner
Membership No.: 211785

Notes to the Consolidated Financial Statements (Contd.)

Annexure

Form AOC-I

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

Part A - Subsidiaries

Information in respect of each subsidiary

₹ in crores

S. No.	Particulars	Indian Subsidiaries						
		TVS Motor Services Limited	TVS Credit Services Limited	TVS Two-Wheeler Mall Private Limited	Harita ARC Private Limited	TVS Housing Finance Private Limited	TVS Electric Mobility Ltd	DriveX Mobility Private limited
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Date on which subsidiary was acquired	07-09-2017	07-09-2017	07-09-2017	07-09-2017	08-09-2017	13-12-2021	23-12-2024
2	Reporting period	01-04-2025 to 31-03-2026						
3	Reporting currency	Indian Rupees						
	Closing Exchange rate	Not applicable						
4	Share capital	149.63	258.05	^	^	12.00	1.00	0.03
5	Reserves & Surplus	26.96	5,809.58	(0.02)	(0.02)	5.04	-	73.76
6	Total assets	227.44	35,068.09	-	-	17.24	1.00	127.36
7	Total Liabilities	50.85	29,000.46	0.02	0.02	0.27	-	53.57
8	Investments	30.96	313.37	-	-	-	-	-
9	Turnover	1.25	7,196.00	-	-	1.07	-	74.21
10	Profit before taxation	(2.74)	1,238.32	-	-	0.96	-	(67.00)
11	Provision for taxation	-	325.15	-	-	0.27	-	(17.08)
12	Profit after taxation	(2.74)	913.17	-	-	0.69	-	(49.92)
13	Proposed Dividend	-	-	-	-	-	-	-
14	% of shareholding	100	81.18	81.18	81.18	81.18	100	92.21

^ Share capital of ₹ 25,000.

Notes to the Consolidated Financial Statements (Contd.)

₹ in crores

S. No.	Particulars	Foreign Subsidiaries									
		TVS Motor Company Europe B.V.*	PT TVS Motor Company Indonesia	TVS Motor Singapore Pte. Ltd	The Norton Motorcycle Co. Limited	TVS Digital Pte Limited	TVS EBike Company AG (Formerly known as Swiss E-Mobility Group)*	TVS Motor GmbH (formerly known as Celerity Motor Gmbh)*	TVS EBike Company Limited (formerly known as EBCO Limited)*	TVS Motor Company DMCC*	Engines Engineering S.p.A*
		(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
1	Date on which subsidiary was acquired	21-07-2005	05-09-2005	21-10-2005	03-04-2020	24-05-2021	27-01-2022	06-12-2022	01-04-2022	27-06-2024	03-10-2025
2	Reporting period	01-04-2025 to 31-03-2026									
3	Reporting currency	USD	IDR	USD	GBP	SGD	CHF	EUR	GBP	AED	EUR
	Closing Exchange rate	INR 94.835/ USD	INR 0.5575/ IDR 100	INR 94.835/ USD	INR 125.51/ GBP	INR 73.525/ SGD	INR 118.565/ CHF	INR 108.995/EUR	INR 125.51/GBP	INR 25.8225/ AED	INR 108.995/EUR
4	Share capital	126.52	994.29	7,285.43	2,634.20	138.78	3.26	53.25	0.04	510.68	10.43
5	Reserves & Surplus	(131.63)	(554.32)	(530.92)	(1,878.72)	(197.28)	122.47	(12.49)	10.44	51.70	57.80
6	Total assets	0.01	1,430.75	7,536.57	1,171.51	139.22	746.21	42.92	11.88	563.36	146.59
7	Total Liabilities	5.12	990.78	782.06	416.03	15.13	620.48	2.16	1.40	0.98	66.80
8	Investments	-	-	5,226.30	-	-	-	-	-	-	-
9	Turnover	-	1,388.38	681.85	42.10	43.20	629.50	43.69	14.24	2.98	59.04
10	Profit before taxation	(1.48)	44.49	(133.49)	(722.94)	4.68	(338.69)	2.11	(14.83)	(1.21)	0.11
11	Provision for taxation	-	8.24	(3.93)	-	-	46.42	0.43	-	-	0.63
12	Profit after taxation	(1.48)	36.25	(129.56)	(722.94)	4.68	(385.11)	1.68	(14.83)	(1.21)	(0.52)
13	Proposed Dividend	-	-	-	-	-	-	-	-	-	-
14	% of shareholding	100	100	100	100	100	100	100	100	100	100

** Unaudited financial statement.*

1. *TVS EBike Company AG includes the consolidation of its subsidiaries viz, EGO Movement Deutschland GmbH, Germany, TVS EBike Company GmBH, Nuremberg, Germany and Swiss E-mobility group (österreich) Gmbh, Austria.*

2. *The Norton Motorcycle Co. Limited includes the consolidation of Norton Motorcycle Private Limited, Chennai and Norton USA LLC, Delaware.*

Notes:

1. *Subsidiaries which are yet to commence operations: (1) TVS Two Wheeler Mall Private Ltd, (2) Harita ARC Private Ltd, (3) TVS Electric Mobility Ltd, (4) Norton Motorcycle Private Limited, (5) Norton USA LLC.*

Notes to the Consolidated Financial Statements (Contd.)

Part B – Associates

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies

₹ in crores

S. No.	Name of Associate	Ultraviolette Automotive Private Limited*	Predictronics Corp*	Killwatt Gmbh*
1	Latest audited Balance Sheet Date	31-03-2025	31-12-2024	**
2	Date on which the Associate was acquired	09-08-2018	17-08-2019	04-04-2023
3	Shares of Associate held by the company on the year end			
	(i) No. of shares	27,16,600	24,827	24,500
	(ii) Amount of investment in Associates/Joint Venture	121.00	22.36	71.50
	(iii) Extent of holding %	24.92	23.49	49.00
4	Description of how there is significant influence.	Holding more than 20% of share capital	Subsidiary holding more than or equal to 20% of share capital	
5	Reason why the associate/ joint venture is not consolidated		Not applicable	
6	Net worth attributable to Shareholding as per latest audited Balance Sheet	127.10	0.27	38.43
7	Profit / (Loss) for the year:			
	(i) Considered in consolidation	(41.20)	(0.12)	0.05
	(ii) Not considered in consolidation		Not Applicable	

** Unaudited financial statements up to 31-03-2026 has been consolidated.*

*** Audit of financial statements are not mandated by the regulations of the respective country in which the Company is incorporated.*

Notes:

1. *Associates which have been liquidated or sold during the year –Nil*
2. *Altizon was ceased to be an associate effective from 23rd January 2026.*

SUDARSHAN VENU
Chairman & Managing Director
DIN: 03601690

K N RADHAKRISHNAN
Director & Chief Executive Officer
DIN: 02599393

As per our report annexed
For **Sundaram & Srinivasan**
Chartered Accountants
Firm Regn. No. 004207S

Chennai
13th May 2026

K GOPALA DESIKAN
Chief Financial Officer

K S SRINIVASAN
Company Secretary

S USHA
Partner
Membership No.: 211785