

TVS AGM Recording

June 27, 2022

- **Moderator:**

- Good afternoon to all. We have 46 number of shareholders present and attending the meeting. They are holding 24.26 crores of shares constituting 52% of the share capital of the company. Now I request Chairman to convince the meeting.

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

- Good morning and good afternoon, ladies and gentlemen. Today, June 27th, 2022 we are hosting the 30th Annual General Meeting of TVS Motor Company Limited on a virtual platform and I, Professor Sir. Ralf Dieter Speth, Chairman of the company called the meeting to order and I also state officially that the requisite quorum is present and first of all, I really would like to thank you all for your time and your interest and your commitment in TVS. Let's start the meeting with a prayer.

- **Prayer was played.**

- **Moderator:**

- I request Chairman to read out the statutory requirement for this meeting.

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

- Dear ladies and gentlemen. I would like to start informing you about the stationary requirements and their fulfillment. In compliance with the circular issued by the Ministry of Corporate Affairs and the Securities Exchange Board of India, this AGM is being convened through video conferencing and has engaged National Security Depository Limited, NSDL for the purpose. Soft copies of the Register of Directors and key managerial personnel and their shareholdings, the Register of Contracts, the register of members and dependent shareholder are accessible on the company's website, www.tvsmotor.com during the continuance of the AGM and as per the guidelines, the company has sent the annual report to its shareholders through e-mail. Hard copies of the annual report were sent to those shareholder who requested for the same and shareholders participating at the AGM who have not cast their votes earlier through e-voting can please exercise their votes by using the link provided on the NSDL website and now I want to request the Directors to introduce themselves. There's a prescribed process for this. A - The moderator will call out the Directors name one by one and B - The Directors will introduce themselves as mentioned in their agenda notes circulated. So please let's start.

- **Moderator:**
- Thank you, Sir. I will call all the Directors name one by one. Mr. Sudarshan Venu, Managing Director.
- **Mr. Sudarshan Venu -- Managing Director, TVS Motor Company Limited:**
- I'm Sudarshan Venu, Managing Director.
- **Moderator:**
- Thank you, Sir. Mr. K. N. Radhakrishnan, Director and CEO.
- **Mr. K. N. Radhakrishnan -- Director & CEO, TVS Motor Company Limited:**
- Good afternoon. I'm K. N. Radhakrishnan, Director & CEO of the company.
- **Moderator:**
- Thank you, Sir. Mr. C. R. Dua, Independent Director.
- **Mr. C. R. Dua -- Independent Director, TVS Motor Company Limited:**
- I am C. R. Dua, an Independent Director of the company and I would also like to inform the shareholders that I am the Chairman of the Nomination and Remuneration Committee. Thank you.
- **Moderator:**
- Thank you, Sir. Mr. R. Gopalan, Independent Director.
- **Mr. R. Gopalan -- Independent Director, TVS Motor Company Limited:**
- Good afternoon. This is Gopalan. I am an Independent Director and also the Chairman of the Audit Committee.
- **Moderator:**
- Thank you, Sir. Mrs. Lalita D. Gupte, Independent Director. Madam you are on mute.
- **Prof. Sir. Ralf Dieter Speth – Chairman, TVS Motor Company Limited:**
- Unmute.
- **Mrs. Lalita D. Gupte -- Independent Director, TVS Motor Company Limited:**
- I am Mrs. Lalita D. Gupte, Independent Director. Thank you.

- **Prof. Sir. Ralf Dieter Speth – Chairman, TVS Motor Company Limited:**
- Thank you.
- **Moderator:**
- Mr. T. Kannan, Independent Director.
- **Mr. T. Kannan -- Independent Director, TVS Motor Company Limited:**
- I am T. Kannan, Independent Director of the company. Thank you.
- **Moderator:**
- Thank you, Sir. Mr. H. Lakshmanan, Non-Executive Director.
- **Mr. H. Lakshmanan -- Non-Executive Director, TVS Motor Company Limited:**
- I am H. Lakshmanan, Non-Executive Director.
- **Moderator:**
- Thank you, Sir. Mr. H. K. Singh, Independent Director.
- **Mr. H. K. Singh -- Independent Director, TVS Motor Company Limited:**
- I am Hemant Krishan Singh, Independent Director and Chairman of the Stakeholders Relationship Committee.
- **Moderator:**
- Thank you, Sir. Dr. Lakshmi Venu, Non-Executive Director.
- **Dr. Lakshmi Venu -- Non-Executive Director, TVS Motor Company Limited:**
- I am Lakshmi Venu, Non-Executive Director of the company.
- **Moderator:**
- Chairman Sir, I wish to inform that Mr. Venu Srinivasan, Chairman Emeritus and Managing Director and Mr. Kuok Meng Xiong, Independent Director is not present due to personal issues.
- **Prof. Sir. Ralf Dieter Speth – Chairman, TVS Motor Company Limited:**
- Thank you for the information and dear Directors, thank you for your introduction. Now, let's go to the notice and qualified order desk report. Ladies and gentlemen, according to the order, I will inform you now about the results of the audit session. The notice of the meeting has already been circulated to the shareholders on the 3rd of June, 2022 and both the stationary auditors report and the secretarial audit report

to the shareholders are already available with you and both reports are free, are free from any qualifications, observations, or other remarks. Great result, I really would like to take the opportunity to thank the teams involved for their good work. So, now I guess I have to come to the Chairman's note and my speech.

- Ladies and gentlemen, I do have immense pleasure in welcoming you to the 30th Annual General Meeting of TVS Motor Company, the third time on the virtual platform and right from the beginning, I want to take this opportunity to extend my sincere appreciation and gratitude for all the relentless efforts of each and every one of you towards making TVS Motor Company a strong global player in smart, advanced, high tech, and high quality mobility. Looking back, the year bygone witnessed several waves of pandemic, multiple supply and logistic chain disruptions, and sustained commodity price increases, and in addition the outbreak of geopolitical unrest has critically affected the entire globe already. Admit this, the year 21-22 will be remembered for the unparalleled resilience of human spirit across the world, even more so in the Indian populace, the Indian economy, the industry, and our company. The employees of TVS demonstrated this not only at work with their agility in adapting to the new work environment, but also contributing to their community and the society as volunteer frontline COVID warriors, assisting in sanitizing and relieve activities.
- They live really our shared values and make us proud and this can only be appreciated with the utmost respect and I really would like to ask and say thank you for every contribution to everyone. Now ladies and gentlemen, let's come to the overall business overview and I want to start with the industrial overview of the year 21-22. Firstly, let's start with the domestic market and the domestic industry. Overall, the Indian economy bounced back after the COVID-induced shock in the previous year. Recovery of the aggregated demand was supported by strong efforts from the government through increased spending and RBI's low interest rate regime; however, nevertheless the domestic 2-Wheeler industry declined by 11% in 21-22. On the back of a 13% decline in 2020-21. The industry was just at a size of 13.47 million and that's similar to a decade of level of 13.41 million in 2011 and 2012.
- At challenge, the seasonality. The seasonality was also characterized by high volatility in 21-22. Quarter one grew by 85%, quite clear partially due to the low industry base on the previous year, but all subsequent quarters witnessed declines year-on-year. Quarter 2, -12.4%. Quarter 3, -24.9% and quarter 4, at the end of the day -23.3%. this decline of the 2-Wheeler industry was due to weakened demand in both the urban and rural markets with a later being severely impacted. While then monsoon remained favorable, the non-agriculture, rural service sector underperformed significantly.
- The rural markets felt the combined efforts and effects of increased income erosion, overall inflation, and commodity cost increases, and this translated into lower demand and the inter level of commuter motorcycles and mopeds and so the scooter and premium motorcycle industry declined by 11% and 24% respectively over the last year. Scooter industry decline is primarily due to pandemic impact,

slow resumption of colleges and work from home practices, and the premier motorcycle segment decline is largely attributed to supply chain issues, especially as you know the semiconductor non-availability. However, the commuter motorcycle industry grew by 1.7% and the segments resilience reflects a continuing need for mobility to fulfill economic and social responsibilities.

- Mobility as we all know is a basic right. Now large numbers of consumers today are actively considering EVs, so battery electric vehicles for their respective needs and today the EV industry predominantly operates in scooter and today's market share is already at around 10% of the total scooter business. So IEs and EVs and that's a growing sensitivity to climate change and resulting impacts, customer convenience, and the improved total cost of ownership TCO proposition, considering rising fuel prices, so accelerated consumer interest in this battery electric vehicles and the fame two enhancement PLI state subsidy and not the EV related infrastructure initiatives of the government reinforced also consumers face in that segment. But let's now come to the international business. Although, the industry in the national revival puts COVID bouncing back to the level of 2019-2020 with strong growth of personal mobility needs and the marginal impact of pent-up demand post lockdowns.
- The Latin American market with an annual size of 6.3 million posted a healthy growth of 37% over previous year. The African market is an estimated 2-Wheeler industry of 5.2 million units grew by 15% over 2020-21. A health growth in the key markets such as the Congo and Nigeria and the Asian market grew by 12% in 2021-22 over the previous year to 14.5 million units. Just a brief score of the 3-Wheelers; the 3-Wheeler domestic industry, so small passenger grew by 65% with 96,600 units as against 58,400 units in fiscal 2020-21 and the export market group by 26% from 387,000 units of 489,000 units until last financial year. That's the market, but let me now move from the industry overview to the achievements to the TVS performance. The company TVS, sold 31.37 lakh units of 2-Wheelers in 21-22 and as a result the company registered both its highest ever turnover of ₹20,809 crore and its highest ever profit before tax PPT of ₹1,213 crore despite many headwinds. In the domestic 2-Wheeler market, TVS has achieved sales of 20.3 lakh units, motorcycles being 7 lakhs, and balance of 13.3 lakhs in scooters and mopeds as compared to 21.6 lakhs in 2020-21. This is a decline of 6% clear, but this relatively small decline outperformed the industry, which declined by 11% as highlighted already earlier.
- In the domestic motorcycle markets, TVS achieved sales of 7.2 lakh units a growth of 12% over 2021. TVS Apache performed better than the premium motorcycle industry with sales of 3.2 lakh units, hosting a slight decline of only 1%. While the premium motorcycle industry declined by 24% over the previous year and the company sold 3.77 lakh units of commuter motorcycles in 21-22, which is a growth of 26.4% over last year and the newly launched you've seen it just in the image, the newly launched TVS Raider is well received by customer and has even helped in achieving this remarkable growth rate. In domestic scooters, the company achieved sales of 8.56 lakh units and registered the decline of 7% of over 2020-21 and in EV, the company achieved sales of 10,773 units of IQ electric scooters already. Let's

come to the exports. The companies 2-Wheeler export in 21-22 were 11.76 lakh units. TVS achieved a significant growth of 43% over last year and crossed first time the significant number of 1 million 2-Wheeler exports in a financial year. This is a strong testimony to our focus on customer experience and best in class quality. In Africa, we have been growing at a pace faster than the industry.

- HLX continues to enjoy greater customer acceptance also and especially in the taxi segment. And in Asia, the new product ride has been very well accepted in the market acting on to the success of premium motorcycle Apache and the new age connected scooter, NATORQ. The 3-Wheeler exports during the year reached 1.63 lakh units has significant growth of 41% over 2020-21 and the 3-Wheeler domestic sales during the year stood at 8,823 units a growth of 7% over the last year. So, ladies and gentlemen based on that strong sales performance, the resulting financials are impressive, revenue from parts and accessory was at ₹2,368 crore is against ₹1,737 crore in 2020-21 an increase of 36.3% and the total revenue was at ₹20,809 crore as against ₹16,784 crore in 2020-21 an increase of 24% and so the company achieved an improved EBITDA margin of 9.4% in 21-22 as against 8.5% 2020-21. So, let's talk about profit. Year-on-year, profit before tax, so the PBT increased to ₹1,213 crore from ₹826 crore an increase of 46.8% and profit after tax of PAT increased to ₹894 crore from ₹612 crore an increase of 46.1% and these results are really impressive and therefore I also want to take the opportunity to thank the CEO, KNR and his team for this -- for their dedicated leadership and the team for this outstanding result given all the challenges in 2021 and 2022, so thank you very much. Let's come to partnership and acquisitions.
- As you know we constantly strive to be at the forefront of personal mobility solution at advanced technologies globally and toward this the company acquires Swiss E-Mobility Group as SEMG and EGO Movement. In addition, the Company acquired Norton Motorcycle and I will share more about these companies later by covering the subsidiaries and as you know the company continues a long-term strategic partnership with BMW Motorrad to develop and to manufacture sub-500 cc bikes for domestic and global market. And in 21-22, again a record, the company crossed the mark of 100,000 units of BMW 310 cc motorcycle sales. So, then I would like to introduce you to some of the new TV S products and I can tell you with full engagement, the operational teams have continued to refine the core product portfolio and simultaneously developed and launch new and additional products for the TVS customers. The company's new product launches demonstrate the leading position of TVS with many first in class and first in segment features.
- The products have been very well received by consumers, experts, and the trade and not just in domestic, but across global markets including South Asia and Latin America, and trust the name some of the top products TVS Raider 125, a sporty commuter motorcycle offered with signature design elements like a dominant headlamp, a strong muscular appeal along with a host of safety convenience, and exciting tech features like segment first right modes, the reverse LCD cluster for the young and the commuter segment and split seats as you have seen in the film. TVS Jupiter 125, an executive commuter scooter is progressive masculine design and

should be the 125 offers for example, first in segment from fuel filling and under seat storage space that can accommodate two helmets. TVS Jupiter received high accolades from many target customer groups in addition to being awarded the Scooter of The Year by various media houses and TVS HLX, the company's leading international brand has achieved the milestone of cumulative 2+ million customers across Africa and worldwide.

- TVS HLX has widened its range catering to different customer segments with the introduction of the HLX 150 5 gear series. All these new products, which were designed and delivered through tough times of pandemics and lockdowns are true -- really true to the TVS DNA, customers centricity, advanced technology, and high quality despite the challenges faced and I want to thank the TVS engineering and operational teams for this outstanding performance and so it's quite clear, this team wins awards. Ladies and gentlemen, you all have probably experienced the small formula, business is people and dedicated efforts by passionate people towards developing new top-class products have helped TVS Motor Company to win many prestigious awards and I would really like and highlight some of them. One of the Best Company for Women in India award 2021, PCWI Best Company for Women in India award. 100 best companies by Working Mother Media and AVTAR the second year in a row, so 2020 and 21 and most inclusive companies in India exemplary award 2021 MICI; Most Inclusive Companies in India, exemplary award Working Mother and AVTAR for our inclusive initiatives towards persons with disability and the Srinivasan Services Trust TVSS CSR received outstanding social innovation award at the C K Prahlad Awards 2021 and on the product side, Raider received Indian motorcycle of the year 2022 and Top Gear editor's choice 2-Wheeler of the year 2022, and bike of the year 2022 from High Tech Awards.
- The Jupiter 125 received several awards in the scooter category. Scooter of The Year Award and Zee Digital Auto Awards 2021, Jagran Hi Tech Award 2021, excellence in mobile and mobility and scooter of the year award at Top Gear really great awards, congratulations to the teams. Ladies and gentlemen these wins clearly demonstrate Mr. Venu Srinivasan's vision and how he has successfully forged values, people, and products in the enduring winning company, it's outstanding, it's really outstanding, we only can say thank you to him, so unfortunately he's not with us at the moment, and it's also heartening to know that our Chairman Emeritus has been conferred the prestigious Padma Bhushan Award for his exceptional work in the domain of Trade and Industry and he has also been recognized as The Man of The Year 2021 Autocar and I'm happy to share that recently our Chairman Emeritus Venu Srinivasan has been nominated by the Government of India as Director to the Center Board of The Reserve Bank of India, please join me in congratulating him.
- So, briefly some additional information concerning TVS subsidiaries. PT TVS Indonesia, so PT TVS, during the year and the review PT TVS has sold 86,169 units for 2-Wheelers and as against 58,901 of last year, thereby registering a growth of 46% and in the 3-Wheelers the company received sales of 11,094 units as against 5,863 units of sales during the previous year, a growth of 89.2% and the growth in sales numbers coupled with effective management of fixed costs and abled PT TVS to

achieve an EBITDA of \$5.3 million for the year 2021-22 as against \$3 million of last year an increase of 76.7%. Norton Motorcycle Company during the year 21-22, the Norton Motorcycle Company, which was acquired in April 2020 has established a modern, really very modern state of the art manufacturing facility capable of producing high end premium motorcycle at Solar Park, Solihull in the UK and Norton's product has been firming up production of the motorcycles has commenced already and key management positions have been filled up now the structure is given and the first customers by the way have been informed to take over their motorcycles this days. Swiss E-Mobility Group (Holding) AG in Switzerland during the year TVS Motor acquired the majority stake in Swiss E-Mobility Group and its subsidiaries and the acquisition reaffirms company's commitment to expansion in Europe, the largest eBike on market outside of China through a portfolio of premium and technology leading brands including EGO Movement.

- Now let's come to the TVS Credit Service Limited. In 2021-22, TVS CS's overall disbursements registered a growth of 45% at ₹12,533 crore as compared to ₹8,627 crore in the previous year. The assets under management stood at ₹13,911 crore against ₹11,200 crores thereby registering a growth of 24% and net worth stood at ₹1,864 crore against ₹1,564 crore of previous year, a growth of 19.2%. So, dividend. The Board of Directors declared an interim dividend of ₹3.75 per share that's 375% amounting to ₹178 crore for the year ended 31st of March, 22 as against interim dividend of ₹3.5 per share, so 350% declared for the year ended 31st of March, 2021. So that covers in principle the overview about performance and now I would like to highlight the outlook for the fiscal year 2022 and 2023 and as we step more and more into the fiscal 23, the company remains cautiously optimistic about the prospects for its business. Why? TV's has a very strong, really very strong high-quality product portfolio and TVS will launch new additional products with outstanding technologies especially also latest electric-electronic technology also in the EV segments and that's the key, TVS has an outstanding passionate team excellent people.
- Also, externally we see positive developments. The RBI in its April 2022 monetary policy announcement has projected GDP growth for fiscal 23 at 7.2% and growth in fiscal 2023 is expected to be holistic supported by following factors; strong rural demand supported by favorable rabi output and increases in crop prices. Also based on a pickup in urban consumption demand to the increasing vaccination coverage, ease of restrictions and an increasing contact intensive services that was the brand of the pandemic, improving consumers sentiment is also indicated by RBI's consumer confidence survey out of April 2022, and the return to pre-pandemic levels, and normal monsoon as per the initial forecast of the Indian Metrological Department, uptick in CapEx spends by the central and state government is also by bout private corporations, and the improving road infrastructure and economic environment with our current mass transit systems will further drive the demand for mobility for the masses.
- The government trust on CapEx coupled with initiative such as the Product Linked Incentive PLI scheme is expected to give a push for improvement in investment

activity and also the International Monetary Fund, IMF projections stayed out that India will remain the fastest growing major economy in the world in the calendar year 2022. However, it should be clear we are not closing our eyes. The geopolitical developments are hardly to be forecasted and resulting political and financial elements not to be calculated. Climate change necessities to think about the process of destination zero technological changes and infrastructure requirements will challenge everybody.

- So, great risk for the economy and TVS at this stage stems from inflationary pressure, supply side concerns especially semiconductor it still will hold on and the super cycle of commodity prices and as highlighted the impact out of geopolitical unrest, but as highlighted already, TVS is solid, TVS is strong, and due to their attractive product lineup, unwavering focus on consumers, quality, cost, and the strong launches, the company is confident of posting a sustained profitable growth despite the global challenges ahead and with considerable improvement in the urban markets across India, we are positive about the performance of the scooter segment and this segment will see significant demand from students and working women and the broader replacement segment is likely to perform better in line with the reopening of schools, colleges, and offices, and there is a new premium motorcycle soon to be launched, the premium segment will receive a further boost than is expected to generate a lot of excitement not just in the domestic market, but also internationally.
- So, the export of 2-Wheeler is likely to see a growth story during the year fueled by strong demand for TVS products and due to its operations in diverse geographies that mitigates the overall risk while overall demand in certain countries is expected to be impacted due to high fuel and food prices those are likely to be hedged by other countries, which are agro-based economies or have surplus of crude oil and we have been growing in the key markets of Africa at a pace faster, faster than the industry and we are confident of maintaining this healthy growth by continuing the service, customer centric products, and services. The Latin American market is a further opportunity for us to expand our customer base. Overall, the motorcycle from the TVS portfolio have started catering also the various needs including the last mile connectivity. We are very optimistic about our volume growth in this part of the globe both the 2-Wheeler and 3-Wheeler business and let me also make some remarks that the EV business here.
- The company has set up a vertical to rapidly ramp up its product pipeline and presence globally and the PLI and fame 2 initiatives of the government will be fully leveraged by the company and so digitally build a sustained strong play in this segment. The industry is slated to grow rapidly and TVS has robust plans for this segment. In 2022-23, the company will be launching a series of new products focusing on different customer segments. The company is developing a very interesting portfolio of 2-Wheelers and 3-Wheelers in the range from 5 KW to 25 KW. In addition, with a strategic association with BMW, the company will be working jointly on design and development of EV vehicles for the global market together with BMW as one team. Ladies and gentlemen, I don't want to end my

words without thanking everyone who contributed to this quarter side in the difficult year 2021-2022. So, on behalf of the Board of Directors, I want to thank the shareholders for their continued confidence reposed in the company. I also would like to express our grateful thanks to our customers, bankers, financial institutions, dealers, and suppliers for their continued cooperation and invaluable support and I thank all employees of the company for their commitment and their hard work and their passion for TVS. TVS is special. I find the team fueled by passion, inspired by purpose, and bound together by values and compassion.

- They are engaged in building a better social society, a stronger nation starting with a winning company and I congratulate the team for having achieved great results in 2021-2022 and I trust that the CEO, KNR and the strong team of TVSM and all subsidiaries can deliver outstanding results again and so I wish the leadership team and all employees a lot of success in 2022-2023. Ladies and gentlemen, that was a lot of facts and figures in a very short amount of time. Thank you very much for your attention and with that I would like to come back to the agenda. In continuation of the AGM topics, I want to address that the following ordinary resolutions are being considered in this AGM. Firstly, the adoption of both standalone and consolidated audited financial statements together with the Directors' Report and Auditors' Report of the company for the fiscal year 2021-2022. Secondly, the reappointment of Dr. Lakshmi Venu as a Director liable to retire by rotation. Thirdly, not filling up the vacancy caused due to the retirement of Mr. H Lakshmanan as a Director who does not offer himself for appointment.
- Ladies and gentlemen, those two small lines sound so simple. There's so much more to it. Permit me to make a few statements of the utmost respect, Mr. H Lakshmanan has been entirely associated with the company and the group for around 7 decades. He has proficiently guided the company and meticulously liaised with all members of the Board for its smooth functioning. His efforts in calculating TVS value systems and the organization, unique way of handling people and customers at any time, and especially in times of crisis, his dynamic and generous approach in wage settlement with trade unions are remarkable. Besides being commendable and his dedication to the company is matchless. Dear Mr. Lakshmanan, on behalf of the Board of Directors and the entire TVS staff, I'm honored to express our gratitude. Thank you very much for all your support for all your performance. After such a point, it is difficult to simply return to the agenda, but let me now continue with the AGM resolutions. Fourthly, we have the reappoint of Mr. Venu Srinivasan as a Director liable to retire by rotation and fifthly ratifying the remuneration payable to the cost auditor for the financial year 2022-2023. Dear ladies and gentlemen, now I want to open up the Q&A session and the shareholders who have registered themselves as speakers are requested to speak one by one. The moderator will call the shareholders again as mentioned one by one. So, may I hand over please.
- **Moderator:**
- Thank you, Sir. I will request the shareholders to keep the question short in the interest of time of all participants. The first speaker shareholder, Mr. Praful Chawda.

- **Mr. Praful Chawda:**
- Hello, am I audible Sir?
- **Moderator:**
- Yes Sir, we can hear you.
- **Mr. Praful Chawda:**
- Ok Sir. thank you Sir. First, I would like to thank the Board of Directors for starting the company's AGM with a prayer and best wishes as the company is progressing over the three decades. So, the coming 10 years would be very nice for the company and whatever work has been done in 30 years, we wish there will be much more work done in the coming 10 years. This is our wish. Sir now electric vehicles have come, I would like to speak something about it. Because of the electric vehicles, what will be impact on the business of vehicles with engine and will the production be have to be lowered or it will be done same to same, please tell about it. Our electric vehicles are selling, sale is happening, I myself use electric vehicle, so it has lot of benefit, Sir generally I get the feedback, like people as how many service stations are there of this vehicle, in how much area there is service, so we have to have more and more service stations and they also ask about the availability of its parts if the vehicle has any problems, where are they available, and will there be any problem, please tell about this. Why are the vehicles catching fire, if such things happen, what to do please give information about it. Also what if the vehicle is drowned in water, how much it will run if drowned in water due to rains. All these things your marketing people should tell the clients and they should make the customers happy by telling them there will be no problems, if you purchase the vehicle from us, Jupiter will be serviced all over the place.
- Your research and development center is very good Sir. After every 3, 4, and 6 months you give new models, new colors are there. So in TVS we have a good color range and also we get a chance to see new models as the new generation wants new models, even ladies also want to have a good color vehicle in appearance. Sir now a days everything is online, doctors are online, so even you should give some service online. If the vehicle has problems in the middle of the road, or if we go out of the city, there is problem, we don't get mechanic, so keep a toll free number in which there will be people speaking in all the languages, who will give directions from there about what it the problem in your vehicle, you can repair it with your hands or do manually, for that you please do something as people will not have problems in jungles, on road, and can ask you with video conference. Sir now a days, it is important to have a chip in every vehicles, there is a shortage of chips, so do we have problem with chip, or do we have any agreement that we will get as many chips as we want and there will be no problem of chip. Sir now there are battery operated vehicles, electronic vehicles are there, so from where do you purchase battery or is there any plan of tie-up with a battery manufacturer please tell something about it. Sir I am not asking about discount to buy, but for every shareholder you should send a free service discount coupon so if anyone has the vehicle that they can use, we

can't sell the discount couple apart from your family, but you can service your vehicle once for free. However, the company is doing good work in everything and I wish they do the good work. Thank you, Sir.

- **Moderator:**

- Thank you, Sir.

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

- Thank you.

- **Moderator:**

- I will call on the next speaker shareholder, Mr. Ravi Kumar Naredi.

- **Mr. Ravi Kumar Naredi:**

- Hello.

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

- Hello.

- **Mr. Ravi Kumar Naredi:**

- Thank you, Sir. Sir I have four questions. Sir one by one, Sir our auto component segment we had a loss of ₹63 crore versus 7 crore previous year. Sir any specific reason and when this segment will be profitable? The second one is related to association with BMW. Sir what is the timeline to launch the product and anymore color on this association you want to share? The next one is regarding EV segment, Sir what is the current margin and what is our expected margin from this segment in your term and as per your plan how much time will it take to get this? The last one is what is your view regarding the company within 3-5 years regarding the growth, turnover, and segment wise EV and any specific you want to share. Thank you.

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

- Thank you.

- **Moderator:**

- Thank you, Sir. I will call the next speaker shareholder Mr. Mehul J. Shah.

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

- Thank you so much and I extend my thanks to the management for allowing me to speak at this AGM also I congratulate our Chairman Emeritus on all the awards and recognitions that he's received doing during the last financial year.

- **Prof. Sir. Ralf Dieter Speth – Chairman, TVS Motor Company Limited:**
- Thank you.
- **Mr. Mehul J. Shah:**
- Chairman Sir, my question for the management and the Board is what are the long term plans you know that the company has on the acquisitions that the company made in the last financial year. You know I've been shareholder of this company for last 20 years and you know I would heartily congratulate the entire management on the acquisitions that they've made overseas in past financial year and year before and also what would be the plan or what plan does the company have in relation to these companies whether all these companies would be brought in under one umbrella, you know I think these are the questions that I have today.
- **Prof. Sir. Ralf Dieter Speth – Chairman, TVS Motor Company Limited:**
- Thank you.
- **Moderator;**
- Thank you. I will call the next speaker, Mr. K.E. Venkat Ramakrishna.
- **Mr. K.E. Venkat Ramakrishna:**
- Good afternoon everyone. Chairman my question is growth and export market is quite encouraging, whether this will sustain and what other strategies planned for taking to the next level. Thank you.
- **Prof. Sir. Ralf Dieter Speth – Chairman, TVS Motor Company Limited:**
- Thank you.
- **Moderator:**
- I will call the next speaker, Mr. Manoj Kumar Gupta.
- **Mr. Manoj Kumar Gupta:**
- Hello. Good afternoon. Respected Chairman, Board of Directors, fellow shareholder, my name is Manoj Kumar Gupta. I've joined this meeting from Calcutta. First of all, I thank, please convey our best wishes to our beloved Chairman Emeritus Shri Venu Srinivasan Sir for his appointment as Director of RBI by the Government of India. It's a big achievement for the TVS Group and we are proud on him that such type of persons are inducted in the RBI Board by the government to see dedication, loyalty, and honesty and he will serve the Central Board of Bank to serve the peoples in the ethic manner and I thanks to the Company Secretary and his team for help us to join this meeting through VC and special thanks to Mr. Raja Prakash who has helped us to join this meeting and Sir what impact will come on our

company through electric vehicles, electric Scooty and other electric scooters and what's your plan for future in that regard and Sir offer some benefit to the investors those can afford and those want to buy a Scooty and scooter so that you offer some benefits to the investors that if they buy, why they will go through by Yamaha and Hero Motor and Bajaj, they should buy TVS Motor Scooty and other vehicles, so you should offer some discount or offer some benefit that they can attract to buy TVS brand and Make in India to fulfill the vision of our Prime Minister to export with a logo of Make in India and Sir is there any impact on our company by the way of Russia and Ukraine war and Sir how you will revert to the shareholders because we have waited for 10 years for the bonus and Sir in Hindi, Lord Ram was in exile for 14 years and the Pandav for 13 years, so how many years do we have to wait for the bonus, because 12 years have passed Sir, so should we expect that for another next two years we can get bonus under your leadership bonus here and sri think about to give some benefit to the shareholder if they are interested to buy the products. Thank you, Sir.

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

- Thanks a lot, and I really would like to thank you all also for the words, for the Chairman Emeritus, he has done really exceptional work. He is a special person. So, moderator please let's continue.

- **Moderator:**

- Chairman, Mr. Manoj Kumar Gupta was the last speaker. I request you to continue the proceedings.

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

- Good. Ladies and gentlemen, the questions have been asked. These essentially relate to the topics international business, BMW, EV, and EV margin, Europe with all the acquisitions, export, and overseas activities, and the outlook the short as also in the long term for 3-5 yes, and against the background I would like to ask Mr. Sudarshan Venu, the Managing Director to reply to these questions.

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

- Thank you, Chairman. My thanks to all the shareholders for their interested questions, their concern over the future of the company, and I really appreciate all of you taking the time and trouble to attend today and to ask the questions. Grouping them as we offer answers, I think electric vehicles really offer a large opportunity and TVS is investing to grasp this opportunity. We are investing and will launch a complete range of electric vehicles from 5 KW to 25 KW with a pack with technology and aspirational for consumers. We have recently launched the all new iQube, which has been very well received with over 15,000 order book and we are ramping this up to more cities.

- To answer Mr. Chawda's question, wherever we open the sales of iQube, we certainly do it in partnership with service and with all outlets in those regions fully equipped to offer service and spare parts to customers. We will also look at soon implementing your suggestion of a digital app for service and for booking digital appointments -- booking service appointments online. Quality is the core of TVS and this along with safety is at the heart of what we focus on while developing new products. Our teams are fully committed to rigorous engineering, testing, and compliance with standards and being the best in class and we will leave no stone unturned in ensuring this is achieved in all our products.
- The BMW association has started with a successful launch and commercialization of the family of products which you are aware. In keeping with the future of electric, we expect we will grow multifold in the coming years. We have also extended this to the sub 15 KW platform of electric 2-Wheelers and the launch date will be announced at the appropriate time. Regarding the auto components, some of the losses owing to the startup of Sundaram Clayton USA and in the foundry in US, we believe that with increased volumes and ramp up this will improve a lot and be profitable very soon. So, this is only to do with the startup associated costs.
- The next question was on long term plans on acquisitions. I think Norton is a brand, which has a tremendous value, tremendous legacy, and certain core values like racing and innovation. As TVS takes this ahead, we will attempt to reinvent it in a modern way while drawing on these values after much engineering and lots of effort over 24 months, the new Norton's have started production and will soon reach customers. In line with what our Chairman said about destination 0, Norton has partnered with the UK Advanced Propulsion Center to develop an electric super bike, which gives an indication of how Norton will move ahead in the future. This will also be a basis for play in more developed and industrialized markets and in the luxury segment of the 2-Wheeler market.
- In Europe, we believe that electric bicycles will be at the forefront of urban mobility and that the market which is already €15 billion will grow by over 8% each year and SEMG and EGO will aim to capitalize on this market growth and SEMG is already profitable. I think make in India is certainly a very important topic and the Indian 2-Wheeler industry has shown how India can be at the forefront of a global industry with three of the top five makers by volume coming from India. I believe that with the investments in electric, this will also happen in in the EV space. While we do not see a direct impact on much of our business from Russia and Ukraine, the inflation that is led and the supply chain shocks is certainly something we are actively managing and which we must take into account while making our future plans and de-risk. Thank you, Chairman. That concludes the answer to the questions.
- **Prof. Sir. Ralf Dieter Speth – Chairman, TVS Motor Company Limited:**
- Thank you very much. Ladies and gentlemen, Mr. Sudarshan Venu, the Managing Director now answered all your questions I think comprehensively and you could feel his passion. TVS is really lead also by an exceptional professional leader in the race

special leader team. So, now I want to conclude the meeting with the following remarks. First of all, I thank all the shareholders for participating in the virtual AGM. The voting facility on the NSDL website will remain open up to 15 minutes from the conclusion of this meeting to enable the shareholders to cast their vote through e-voting. The results of e-voting will be declared on or before the 29th of June, 2022 and the declared results will be made available on the website of the company, Stock Exchange, and NSDL. Officially, that concludes the proceedings of the meeting. However, I don't want to close the meeting without thanking the TVS team for their hard work and so I want to take the opportunity to thank the CEO, KNR and the TVS team for their engagement and their passion in 2021-2022 and want to wish the team a lot of success and inspiring -- really inspiring results and inspiring moments also this year.

- Ladies and gentlemen, I think you know it, TVS offers and also the products, so also the shareholder shouldn't buy competitor products. TVS offer the compelling combination of engineering, integrity, design driven, reliable product portfolio, highest quality, and latest technology, and TVS is ahead of the wave, TVS has a clear purpose, TVS is leading on the way to destination 0. So, let's please join forces in making TVS even stronger. TVS is committed, TVS contributes to the society. It's worthwhile the extra mile and TVS at the right people. In addition, and unfortunately, Mr. Venu Srinivasan cannot be with us today. I also want to thank Mr. Venu Srinivasan for building a highly respected global player company. It's so outstanding. Again, I thank you all for your participation. I request you to all stay safe, take care, and this normal monsoon it's highly expected that the economy will do well. With this positive outlook, I hereby declare the 30th AGM of TVS as closed. Thank you very much.

End of Transcript