

Message from the Chief Financial Officer



Dear Shareholders,

As we reflect on the year gone by, we are proud to have achieved a landmark moment with our successful listing, a pivotal step in our growth journey. The IPO being India's largest ever IPO in the Indian Capital markets, which received an overwhelming response from marquee investors, underscores their confidence in the Company's long term growth prospects. The listing not only enhanced our visibility but further solidified our standing in the Indian Capital Markets.

We are proud to have secured inclusion in the most coveted MSCI Index and the prestigious Indian capital market indices, such as NIFTY Next 50, BSE 500 and other Indices, within a short span of our listing, reinforcing our market presence and credibility.

The year also witnessed challenges in terms of subdued macroeconomic environment and continued geopolitical pressures, thereby weakening demand sentiments across domestic and global markets. Despite these headwinds, HMIL successfully navigated through strategic foresight and agile actions, which helped to maintain competitive edge, while building the resilience for our future roadmap.

At HMIL, achieving financial excellence is at the core of driving long-term value creation for our stakeholders. HMIL's prudent capital allocation approach coupled with leaner cost structures gives us an edge to withstand in the VUCA world.

I am pleased to share that these efforts have resulted in a stable financial performance during the year and a strong balance sheet to support future investment plans.

During the FY 2024-25, our Company along with its subsidiaries recorded revenues of ₹ 691,929 million as against ₹ 698,291 million in the same period last year, a marginal drop of 0.91%, despite challenging market conditions.

On the Cost front, we witnessed an upward trend in input costs due to external cost pressures. Despite that, our company was able to maintain the cost at similar levels viz-a-viz previous year by way of targeted cost optimization initiatives, improved procurement strategies and enhanced operational efficiencies across the value chain. These efforts underscore our ongoing commitment to financial discipline and margin protection, even in a volatile cost environment.

The Company along with its subsidiaries registered an EBITDA* of ₹ 89,538 million as against ₹ 91,326 million in FY 2023-24, while EBIT* for the year came at ₹ 68,485 million as against ₹ 69,247 million in FY 2023-24. We were able to maintain healthy EBITDA* and EBIT* margins during the year at 12.94% and 9.90%, respectively. PAT for the period stood at ₹ 56,402 million against ₹ 60,600 million last year. PAT margin was at 8.05% in comparison to 8.50% in the FY 2023-24.

During the year, the Company received favorable judgements in various tax matters contributing to enhanced legal and financial clarity moving forward. The Company has also entered into new agreements with government authorities for the sanction of incentives linked to capital investments in both existing and upcoming manufacturing facilities.

During the financial year, the Company made an investment of ₹ 56,260 million entirely funded through internal accruals. This signifies our operational resilience and strong liquidity base to fund strategic initiatives.

*EBITDA and EBIT are calculated excluding other income.

I am happy to share that the Board of Directors has recommended a final dividend of ₹ 21 per share for FY 2024-25 subject to approval of shareholders, reflecting a payout of 30% on the net profits of the Company.

Outlook for FY 2025-26

As we enter the new financial year, we anticipate steady growth in the domestic market, broadly in line with industry trends. On the export front, we are targeting a growth of 7-8%, supported by our strategic initiatives to deepen our presence in key international markets, diversify our customer base, and enhance our product offerings.

In alignment with our long-term growth strategy, the Company has planned capital investment towards capacity expansion at Pune Plant, technological upgrades, and process improvements, all aimed at strengthening operational efficiency and supporting future scalability.

To share our future roadmap, HMIL is planning its first-ever Investor Day in the FY 2025-26 to unveil mid-to-long-term plans.

I would like to assure you that we remain committed to focusing on disciplined financial management, while continuing to pursue opportunities that enhance shareholder value and ensure sustainable growth in a dynamic economic environment.

Wangdo Hur
**Whole-time Director &
Chief Financial Officer**

Hyundai Motor India Limited