

Management Discussion and Analysis

Global Economy

The global economy grew by 3.3% in CY 2024, demonstrating resilience amid persistent geopolitical tensions. Growth in advanced economies slowed to 1.8%, primarily due to tight financial conditions and moderating demand. Meanwhile, emerging markets and developing economies expanded by 4.3%, supported by robust domestic consumption and public investment, though still below pre-pandemic trends.

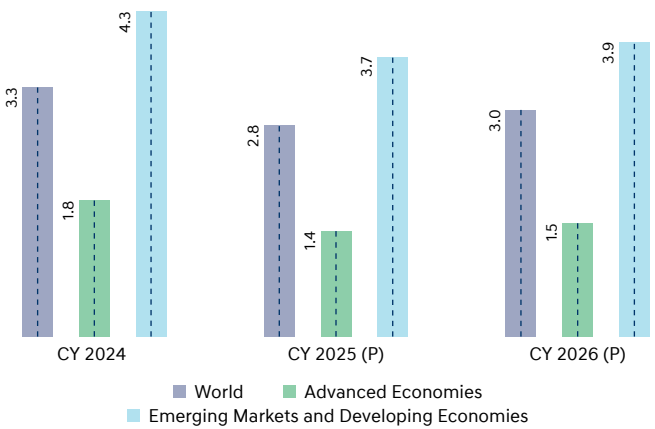
Inflationary pressures eased globally in 2024, with headline inflation moderating to 5.8%, driven by tighter monetary policy and softening energy prices. However, services inflation remained sticky, and global trade and investment activity continued to reflect caution amid heightened uncertainty.

According to the International Monetary Fund's (IMF) World Economic Outlook, April 2025, global growth is projected to moderate to 2.8% in CY 2025 and edging up to 3.0% in CY 2026. The near-term outlook is shaped by policy uncertainty, particularly stemming from proposed reciprocal tariff by the US. However, positive factors such as easing inflation, real wage recovery, and gradual monetary loosening, weigh in favor of a positive outlook.

Growth in advanced economies is projected at 1.4% in 2025 and 1.5% in 2026, while emerging markets and developing economies are expected to grow by 3.7% in 2025 and 3.9% in 2026, supported by improving consumption and stable commodity prices. Nevertheless, downside risks persist, including geopolitical tensions, climate-related disruptions, and financial market volatility.

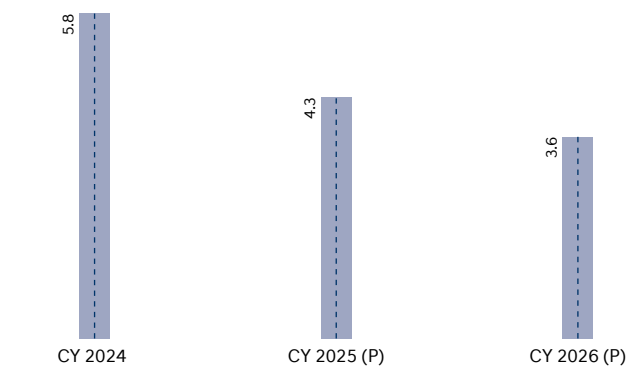
According to the report, global headline inflation is projected to decline to 4.3% in 2025 and further to 3.6% in 2026, indicating a gradual return to price stability.

Region Wise Output (%)



Source: World Economic Outlook, April 2025, IMF; P - Projected

Global Inflation Rate (%)



Source: World Economic Outlook, April 2025, IMF; P - Projected

Indian Economy

India continued to rank among the fastest-growing major economies, with real GDP growth at 6.5% in FY 2024-25, according to provisional data from the National Statistics Office (NSO). While this marks a moderation from the 9.2% in FY 2023-24, the economy demonstrated resilience in the face of global headwinds, supported by strong services sector growth, robust construction activity, and steady agricultural output.

During the year under review, urban consumption remained uneven, while private investment faced pressure from external trade uncertainties. Retail inflation averaged 4.6% in FY 2024-25, comfortably within the RBI's target range, helped by stable commodity prices and proactive monetary management. Reserve Bank of India (RBI) initiated a series of rate cuts from February 2025, continuing to June with a 100 basis points cut to 5.50%. These moves are aimed at reinforcing domestic demand and aligning inflation with the 4% target ($\pm 2\%$).

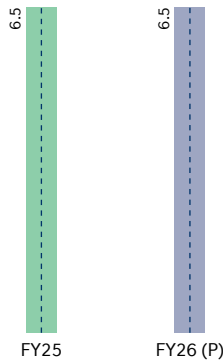
Looking ahead to FY 2025-26, growth is expected to remain steady at 6.5%, supported by an expected revival in urban consumption—aided by recent tax cuts—and resilient rural demand, driven by strong agricultural production following another year of normal monsoon. Lower oil prices are expected to support corporate margins and fiscal stability, while improved real wages and declining food inflation may further lift discretionary spending—a key metric for the auto industry.

The RBI is expected to maintain a disinflationary stance, using calibrated liquidity and rate management to ensure inflation remains within the comfort zone. At the same time, this approach will likely support capacity utilization and private capital expenditure, contributing to long-term industrial momentum.

However, weaker global demand may continue to weigh on exports, posing a downside risk to the growth trajectory.

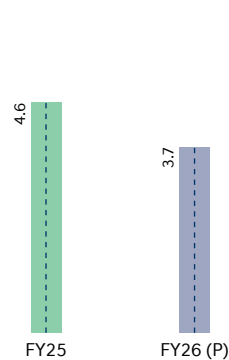


Real GDP (% y-o-y)



Source: MoSPI; FY 2025

Inflation (%)



Source: RBI; P - Projected

Indian Auto Industry Overview

India's automotive sector serves as a critical pillar of the country's industrial and economic development, accounting for 7.1% of the national GDP and nearly 49%, of the manufacturing GDP. Ranked as the fourth-largest automobile manufacturer worldwide, India continues to strengthen its global presence in the automotive landscape. Further, the industry generates significant job opportunities as it provides direct and indirect employment to over 19 million people.

(Source – Niti Ayog).

The Indian automotive industry stands at a pivotal juncture, contributing significantly to the country's manufacturing sector. As the global mobility landscape transitions toward electric vehicles, autonomous technologies, and sustainable production practices, the Indian automotive industry is uniquely positioned to capitalize on this shift. With a strong domestic market, expanding export potential, a growing EV ecosystem, and supportive government policies, the industry is emerging as a key driver of India's manufacturing-led growth and a vital contributor to the global automotive value chain.

As the 4th largest automobile producer globally, the Indian automotive industry sustained its growth momentum in FY 2024-25, driven by stable domestic demand, improving

export performance, large-scale infrastructure investments, and supportive government policies. According to the Society of Indian Automobile Manufacturers (SIAM), the industry recorded a 7.3% y-o-y increase in domestic sales, while exports surged by 19.2% in FY 2024-25, reflecting the growing global relevance of India's automotive manufacturing ecosystem. The sector's performance was further aided by sound macroeconomic policies, positive market sentiment, and an increasing emphasis on sustainable mobility solutions.

In terms of Global Annual Sales, India is the

3rd LargestAutomobile Market
(26.4 Million units)**3rd Largest**

Passenger Car Market

Largest

Passenger Vehicles

(4.32 Million units)

Largest

2-wheeler Market

(17 ~ 18 Million units)

3-wheeler Market

The Passenger Vehicle (PV) segment achieved its highest-ever domestic sales in FY 2024-25, with volumes reaching 4.3 million units, representing a 2.4% growth over FY 2023-24. Although the pace of growth moderated compared to FY 2023-24 due to the high base effect, demand remained robust. This was largely driven by the continued dominance of utility vehicles (SUVs & MPVs), which now contribute 65% of total passenger vehicle sales, up from about 60% in the prior year. New model launches featuring advanced technology, modern design, and enhanced comfort strongly resonated with evolving consumer preferences. In addition, sustained promotional offers and attractive financing options helped maintain sales momentum across markets.

The PV segment also achieved record-high exports in FY 2024-25, with 0.77 million units shipped abroad, reflecting a 14.6% growth compared to FY 2023-24. This increase was fueled



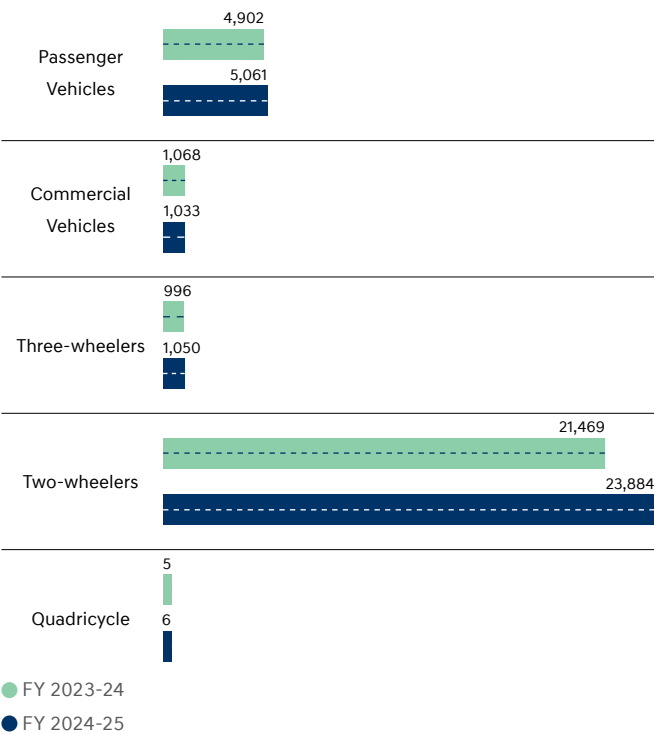
Management Discussion and Analysis (Contd.)

by demand for globally competitive models manufactured in India, particularly from markets in Latin America and Africa. Additionally, some automobile manufacturers have commenced exports to developed markets, further strengthening India’s position as a key global manufacturing hub.

Electric Vehicles

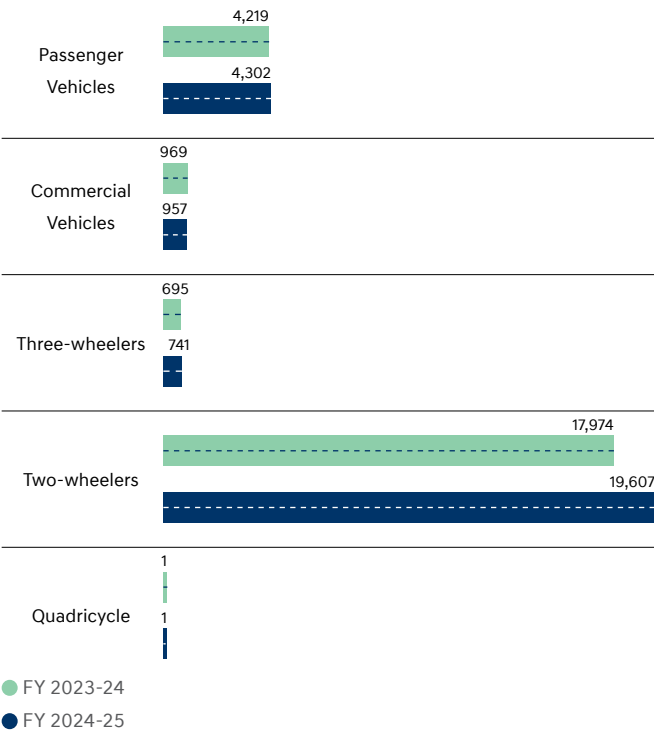
The uptick in EV adoption was supported by a combination of policy measures and product interventions. The Electric Mobility Promotion Scheme (EMPS), active from April to September 2024, laid the groundwork for growth, which was further bolstered by subsequent initiatives such as the PM e-DRIVE and PM e-SEWA schemes. These schemes, coupled with an expanding portfolio of electric vehicle launches by multiple OEMs, helped drive consumer awareness, accessibility, and confidence in EV technology, thereby accelerating India’s transition toward cleaner mobility. Additionally, the Government of India has announced PLI scheme for localized manufacturing of Advance Chemistry Cells (ACC). To promote the domestic manufacturing of electric passenger cars, the Government of India notified the Scheme for Promotion of Manufacturing of Electric Passenger Cars in India (SPMEPCI), encouraging applicants to invest a minimum of ₹ 4,150 crore to establish manufacturing units for electric cars.

Production ('000 units)



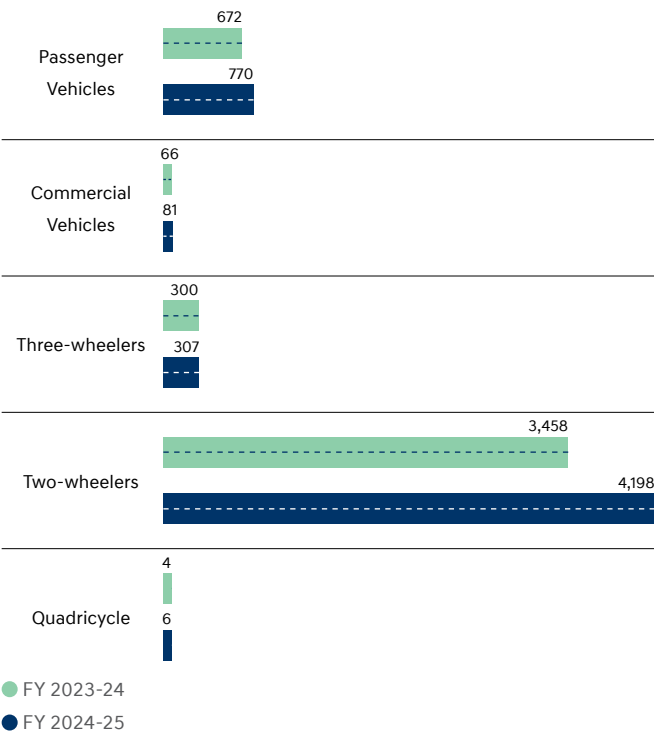
Source: SIAM

Domestic Sales ('000 units)



Source: SIAM

Exports (Nos in '000)



Source: SIAM

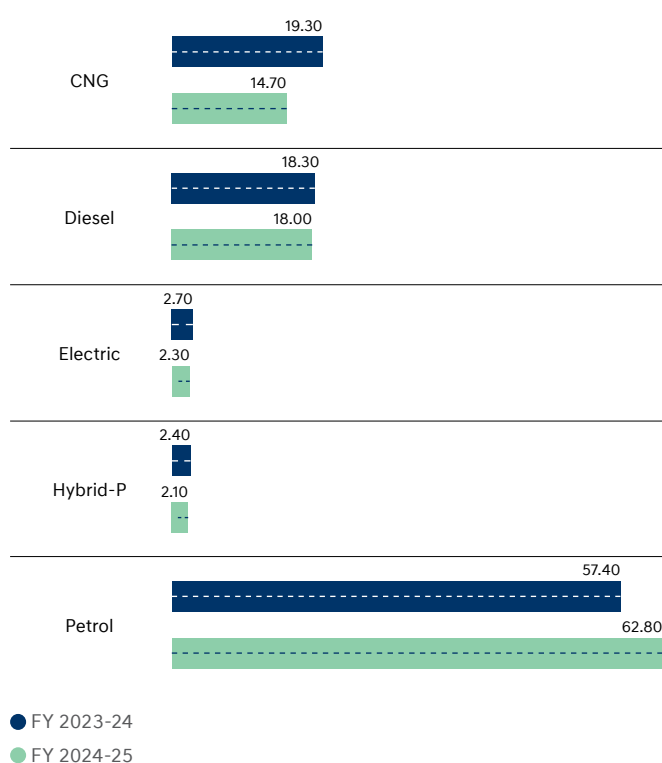


Powertrain Mix and Outlook

India's Auto market will remain a multi-powertrain ecosystem over medium and long term, encompassing both conventional fuels—primarily petrol and diesel, and alternative fuels such as CNG, LNG, and electric.

EV penetration is gaining traction, with four-wheeler BEV share rising from 2.3% in FY 2023-24 to 2.7% in FY 2024-25.

Fuel Contributions (%)



Source - SIAM data

Government Initiatives Powering the Automotive Sector

The Indian government continues to play a pivotal role in shaping the automotive sector's transformation through a series of strategic policy interventions. These initiatives are focused on strengthening domestic manufacturing, accelerating electrification, and positioning India as a global automotive hub.

Make in India and Atmanirbhar Bharat have been key enablers in expanding local manufacturing capabilities. While 'Make in India' promotes investment and reduces import dependence, 'Atmanirbhar Bharat' has driven localization of critical auto components—such as EV batteries, engines, and transmissions—while supporting integration of start-ups and SMEs into global value chains.

The FAME India scheme, launched in 2015 to support hybrid and electric vehicle adoption, has seen two phases. **FAME Phase I** focused on early-stage EV adoption through demand incentives, pilot projects, and infrastructure creation. **FAME Phase II**, with an enhanced outlay of ₹ 11,500 crore,

extended support for electrification of public and shared transport, particularly electric two-wheelers, three-wheelers, and buses, along with a nationwide charging network.

Building on this momentum, the recently introduced **PM e-DRIVE** scheme (₹ 10,900 crore outlay) aims to incentivize 24.79 lakh e-two-wheelers, 3.16 lakh e-three-wheelers, procurement of 14,028 electric buses by State Transport Undertakings (STUs)/ public transport agencies, and support deployment of e-trucks and e-ambulances. The scheme also earmarked ₹ 2,000 crore toward national level charging infrastructure expansion.

In parallel, the Production-Linked Incentive (PLI) scheme, with a total outlay of ₹ 44,038 crore, comprising ₹ 25,938 crore for the PLI scheme and ₹ 18,100 crore for the ACC Battery Storage initiative, this flagship program is designed to accelerate domestic production of advanced automotive technologies. These include electric vehicles (EVs), hydrogen fuel cell vehicles, and cutting-edge battery storage systems. It offers financial incentives to original equipment manufacturers (OEMs) and component suppliers to adopt state-of-the-art technologies, scale operations efficiently, and integrate into global value chains.

Outlook for FY 2025-26

In FY 2025-26, India's automobile industry is navigating a path of cautious optimism. With rising prices, a slowdown in the IT sector, and a high base effect, growth in the domestic automobile sector, particularly in urban regions, is expected to remain subdued.

However, a normal monsoon, as currently forecasted, is likely to further support broad-based economic activity, particularly in rural and semi-urban regions. This is expected to have a positive impact on vehicle demand, especially in entry-level and mass mobility segments that are sensitive to agricultural and rural income cycles.

The sector is also expected to benefit from the recent personal income tax reforms announced in the Union Budget 2025–26, which aim to boost disposable incomes and consumer sentiment. These reforms have been complemented by two consecutive repo rate cuts by the Reserve Bank of India, improving the affordability and accessibility of vehicle financing—particularly for first-time and value-seeking buyers.

On the external front, export demand is projected to remain firm, particularly in key focus regions such as Africa and neighboring countries, where 'Made in India' vehicles continue to gain traction due to their reliability, cost-effectiveness, and growing brand equity.

Going forward, the industry will remain attentive to evolving macroeconomic conditions and geopolitical developments, which will play a critical role in shaping both domestic demand and global supply chain dynamics. Despite external uncertainties, the overall outlook for the Indian auto sector in FY 2025–26 remains cautiously optimistic.

Management Discussion and Analysis (Contd.)

Opportunities

In mid to long term, India’s automotive industry is poised for strong, sustained growth (with a CAGR of around 4% to 5% as per CRISIL), driven by a combination of favorable macroeconomic trends and evolving consumer aspirations. With GDP projected to grow at a steady pace and vehicle penetration still low at just 34 cars per 1,000 people, the country offers significant headroom for expansion, especially as rising incomes and a young, aspirational population boost demand.

The market is undergoing a major transformation, with increasing preference for premium, feature-rich, and safer vehicles, especially in the SUV and EV segments. Government incentives, progressive reforms under Budget 2025, and regulatory shifts toward green and safe mobility further strengthen the outlook. Initiatives like Auto PLI, PM E-Drive, and support for EV infrastructure are reinforcing India’s transition toward sustainable transportation.

As a global leader in vehicle production and export, India continues to attract interest from international OEMs. With a well-established supply chain, rising domestic demand, and a push for localization and cleaner technologies, the automotive sector is well-positioned to play a pivotal role in India’s manufacturing and economic growth journey.

Key Challenges

The Indian automotive industry is evolving rapidly, yet it faces several pressing challenges. Regulatory complexities, infrastructure gaps, and supply chain disruptions continue to strain operations. Rising input costs, shifting technologies like EVs, and growing environmental mandates demand continuous investment. Consumer expectations for innovation and advanced features further intensify competitive pressures. Additionally, economic volatility, skilled workforce shortages, and trade barriers add to the complexity. Addressing these hurdles requires strategic agility, robust innovation, and cohesive industry-government collaboration for sustainable growth.

For response, please refer to page 28 of the document

Company Operations

Hyundai Motor India is India’s second-largest player in Passenger Vehicle, leveraging a robust manufacturing base in Chennai. It designs, produces, and sells a diverse range of vehicles tailored for the Indian market, from popular SUVs to electric models. Beyond domestic sales, India serves as a crucial global export hub. Hyundai’s operations prioritize high localization, advanced R&D, and an extensive sales and service network, reflecting its deep commitment to both Indian consumers and the ‘Make in India’ initiative, ensuring sustained growth and market leadership. The Chennai Unit has an annual manufacturing capacity of 824,000 units. Once The Company’s upcoming plant at Talegaon, Maharashtra will be fully operational, it will take the Company’s total annual capacity beyond the 1 Million mark.

The Company has a diverse portfolio of 14 models ranging across diverse body types, powertrains and drivetrains.

Operational Performance

During the year under review, the Company reported a sales of 762,052 units against 777,876 units in FY 2023-24. The decline was largely owing to softening of demand and high base in the domestic market. Despite challenging environment, the Company maintained its export sales volume.

Sales performance (units)

	FY 2024-25	FY 2023-24	Change (%)
Domestic	598,666	614,721	(2.6)
Exports	163,386	163,155	0.1
Total	762,052	777,876	(2.0)

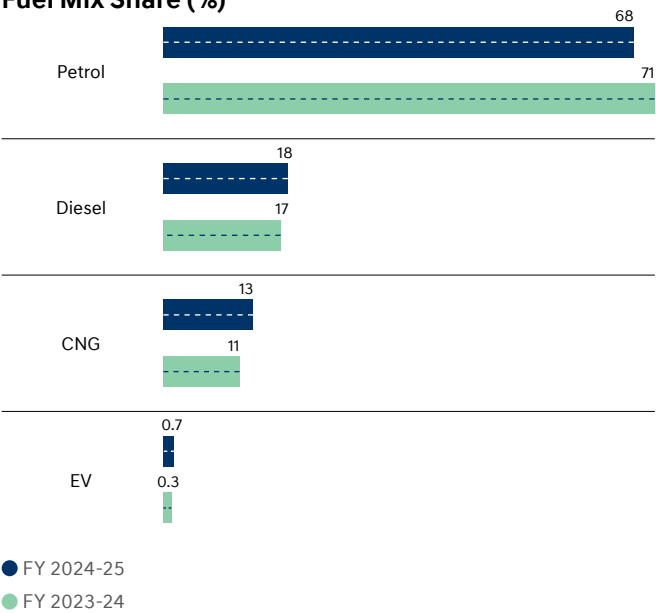
During the year, SUV sales continued to dominate, fueled by a robust and diversified product portfolio, with rising customer preference across both urban and rural markets, reinforcing strong growth momentum and broad-based demand.

Segment-wise Sales (Body Type) – Domestic (Units)

	FY 2024-25	Share of total sales (%)	FY 2023-24	Share of total sales (%)
SUV	410,199	68.5	388,725	63.2
Hatchback	117,928	19.7	140,752	22.9
Sedan	70,539	11.8	85,244	13.9
Total	598,666	100	614,721	100

CNG volumes surged, driven by Dual Cylinder Technology enhancing efficiency and appeal. Meanwhile, the arrival of CRETA Electric signals Hyundai’s growing focus on electrification, accelerating EV penetration and diversifying India’s domestic fuel mix.

Fuel Mix Share (%)





New Launches

Our commitment to the growing markets of India is reflected in our continued innovation and targeted product launches. During the year, we launched CRETA Electric. It promises a paradigm shift in the electric SUV segment with its bold design, cutting-edge technology, electrifying performance, and all-around safety. Undisputed. Ultimate. Now Electric. CRETA is a testament to HMIL's commitment to offering technologically advanced products to Indian customers.

During the year, we launched the facelifted ALCAZAR in a bolder avatar. It is available in 6- and 7-seater options, offering powerful performance with 1.5L Turbo GDi petrol and 1.5L diesel engines, bold design, premium interiors, advanced comfort, safety, and Hyundai SmartSense Level 2 ADAS.

Read more on Page 06.

Strategic Priorities

Hyundai Motor India Limited (HMIL) is driving future-ready growth through innovation, sustainability, and customer focus. By expanding our product line-up, advancing EV adoption, enhancing digital experiences, expanding network and deepening localization, we are building a strong, agile foundation to lead India's evolving mobility landscape, while delivering lasting value to customers, partners, and stakeholders nationwide and globally.

Read more on Page 28

Discussion on Financial Performance

The financial statements have been prepared in accordance with Ind AS as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of The Companies Act ('the Act'), 2013 and other relevant provisions of the Act.

All Financial information discussed in this section is derived from our Audited Consolidated Financial Statements except for Key Financial ratios which are from Audited Standalone Financial statements.

Overview

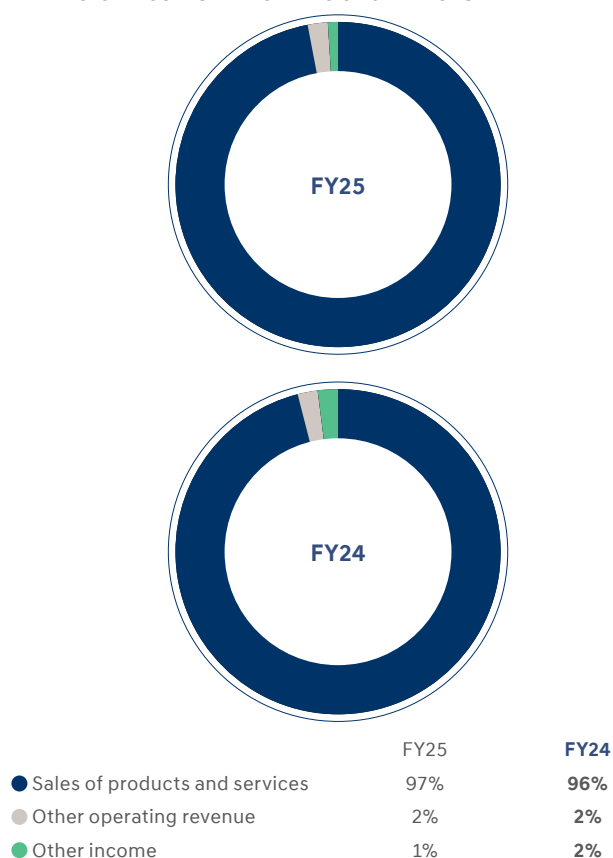
For the FY 2024-25, our Company earned a revenue of ₹ 691,929 Million, achieving Profit Margin (PAT/Total Income) and EBITDA Margin (excluding other income) of 8.05 % and 12.94%, respectively.

A. Profit and Loss Statement:

Particulars	Apr-Mar'25 (in ₹ Million)	%	Apr-Mar '24 (in ₹ Million)	%
Income				
Revenue from operations	691,929	98.76	698,291	97.93
Other income	8,700	1.24	14,732	2.07
Total Income	700,629	100%	713,023	100%
Expenses				
Cost of materials consumed	493,979	71.26	512,980	72.28
Purchases of stock-in-trade	7,497		4,334	
Changes in inventories of FG, WIP and stock-in-trade	(1,772)		(1,385)	
Cost of materials consumed for own use	(415)		(540)	
Employee benefits expense	23,112	3.30	19,755	2.77
Finance costs	1,272	0.18	1,581	0.22
Depreciation and amortization expense	21,053	3.01	22,079	3.10
Other expenses	79,990	11.42	71,820	10.07
Total expenses	624,716	89.17	630,624	88.44
Profit before tax (PBT)	75,913	10.83	82,399	11.56
Total tax expenses	19,511	2.78	21,799	3.06
Profit after tax	56,402	8.05	60,600	8.50

Management Discussion and Analysis (Contd.)

1. Total Income FY 2024-25 and FY 2023-24



a. Sale of Products

Average Selling Price (ASP)

Volume	FY 2024-25		FY 2023-24	
	Units	ASP (₹)	Units	ASP (₹)
Domestic	598,666	767,230	614,721	756,408
Exports	163,386	786,218	163,155	829,981
Total	762,052	771,301	777,876	771,840

Decrease in the Average Selling Price of Export Vehicles was due to Region / Model mix. However, there was Increase in the Average Selling price of Domestic vehicles arising from the contribution of SUV Models and premiumization of vehicles – Resulting in marginal decrease in overall ASP of our Company

b. Sale of Services

Our company has achieved an increase in Service income by 14.69% due to increase in income from Broking services rendered by our subsidiary and income from freight and other services connected with the sale of vehicles.

c. Other Operating Revenue

During FY 2024-25, our Company has satisfied the conditions laid down by Government of Tamil Nadu for availing Capital subsidy of ₹ 750 Million and accordingly accrued the same during the year.

d. Other Income

Other income declined significantly, primarily due to a 50.71% reduction in interest income, which resulted from lower liquidity during the year.

Adjusted EBITDA

Metric	Unit	FY 2024-25	FY 2023-24
EBITDA (Excluding other Income)	(in ₹ Million)	89,538	91,326
EBITDA Margin (Excluding Other Income)	(in %)	12.94	13.08

In spite of the decrease in overall sales by 15,824 units, our Company is able to sustain the EBITDA margin due to various cost saving measures undertaken by the Company combined with price changes made in line with the market position.

2. Material Cost

As mentioned above, the material cost as a percentage of Total income has decreased from 72.28 % in the previous year to 71.26% in the current year mainly on account of localization and value engineering efforts taken by the management for higher material cost savings.

3. Employee Benefits Expense

Our employee cost as a percentage of Total income increased from 2.77% (₹ 19,755 Million) in the previous year to 3.30% (₹ 23,112 Million) in the current year mainly due to annual increment and additional incentives provided during the year.

4. Finance Costs

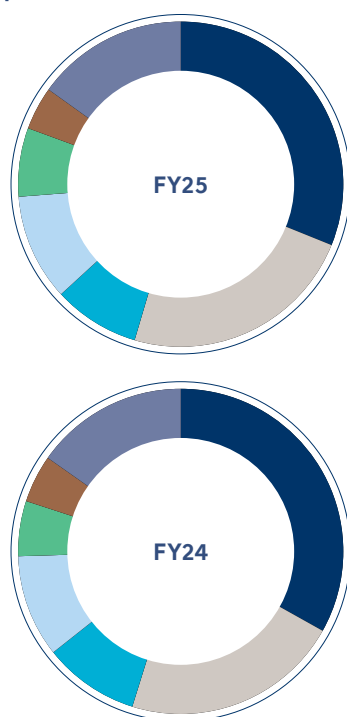
Finance cost as a percentage of Total income has decreased from 0.22% (₹ 1,581 Million) in the previous year to 0.18% (₹ 1,272 Million) in the current year on account of repayment of borrowing in the current year.

5. Depreciation and Amortization Expense

Depreciation and Amortization Expense as a percentage of Total income has decreased from 3.10% (₹ 22,079 Million) in the previous year to 3.01% (₹ 21,053 Million) in the current year as there were no major addition during the year.



6. Other Expenses



	FY25	FY24
Freight	31%	33%
Royalty	23%	22%
Advertisement	9%	10%
Distribution fees	11%	10%
Provision for warranty & Extended warranty	7%	5%
Power & fuel	4%	5%
Others	15%	15%

Other Expenses as a percentage of Total income has increased from 10.07% (₹ 71,820 Million) in the previous year to 11.42% (₹ 79,990 Million) in the current year on mainly due to following changes

- ◆ Increase in royalty expenses by ₹ 3,192 Million in pursuant to change in Royalty agreement.
- ◆ Increase in warranty expenses by ₹ 1,520 Million due to model mix.
- ◆ Increase in distribution fee by ₹ 1,165 Million due to the impact of corresponding increase in income from broking services.
- ◆ Increase in freight expenses by ₹ 1,097 Million due to corresponding increase in export freight income.

7. Tax Expenses

Particulars	FY 2024-25	FY 2023-24
PBT	75,913.49	82,398.74
Current tax (a)	20,508.41	22,277.09
Deferred tax (b)	-811.48	-1,166.96
In respect of previous years	-185.58	688.17
	19,511.35	21,798.30
(a) + (b) / PBT	25.947%	25.619%

The increase in Effective Tax rate is due to increase in CSR expenditure and Tax on Non-Monetary perks during the year, which are permanent disallowances for tax computation.

B. Balance Sheet

Below is a discussion of major items and variations (25%) in our consolidated balance sheet as at March 31, 2025 and 2024.

Particulars	As at March 31, 2025	As at March 31, 2024	Variance	%
Assets				
Non-Current Assets				
Property, Plant and Equipment	62,907.54	67,135.59	-4,228.05	-6.30%
Capital Work-in-Progress	47,183.61	6,528.42	40,655.19	622.74%
Right-of-use Assets	6,192.50	6,183.42	9.08	0.15%
Intangible Assets	1,951.01	2,825.26	-874.25	-30.94%
Financial Assets	774.01	624.12	149.89	24.02%
Deferred Tax Assets (Net)	10,320.99	9,477.90	843.09	8.90%
Non-Current Tax Assets (Net)	6,465.27	6,886.39	-421.12	-6.12%
Other Non-Current Assets	4,855.25	2,590.92	2,264.33	87.39%
Total Non-Current Assets	1,40,650.18	1,02,252.02		
Current Assets				
Inventories	34,043.57	33,156.29	887.28	2.68%
Trade Receivables	23,891.23	25,100.26	-1,209.03	-4.82%
Cash and Cash Equivalents and Bank Balances	85,791.70	90,173.45	4,381.75	-4.86%
Other Financial Assets	4,572.66	3,439.24	1,133.42	32.96%
Other Current Assets	12,024.25	9,371.19	2,653.06	28.31%
Total Current Assets	1,60,323.41	1,61,240.43		
Total Assets	3,00,973.59	2,63,492.45		

Management Discussion and Analysis (Contd.)

1. Capital Work in Progress

Cost incurred by our Company for the newly acquired plant at Pune which is expected to commence in activity in FY 2025-26 and its subsequent addition to the acquisition cost has contributed to the major increase in CWIP.

2. Intangible Asset

Decrease in intangible asset is due to Normal amortization of computer software and technical knowhow without any major addition during the year.

5. Other Current Assets

Increase in Other Current Assets is mainly due to increase in Input GST credit on newly acquired assets for setting up of Pune Plant which will be utilized after commencement of operations at Pune plant.

3. Other Non-Current Assets

Major increase in Non-Current Asset is mainly towards the advance given to vendor for the Localization project of EV battery cell.

4. Other Financial Assets (Current)

Increase is mainly on account of the receivable from Government of Tamil Nadu as Capital Subsidy accrued.

Particulars	As at March 31, 2025	As at March 31, 2024	Variance	%
Equity and Liabilities				
Equity				
Equity Share Capital	8,125.41	8,125.41	0.00	0.00%
Reserves and Surplus	1,54,839.24	98,531.16	56,308.08	57.15%
Total Equity	1,62,964.65	1,06,656.57		
Liabilities				
Non-Current Liabilities				
Financial Liabilities				
Borrowings	5,359.88	6,227.97	-868.09	-13.94%
Lease Liabilities	474.38	557.68	-83.30	-14.94%
Provisions	8,736.37	8,467.39	268.98	3.18%
Other Non-Current Liabilities	10,775.08	11,610.97	-835.89	-7.20%
Total Non-Current Liabilities	25,345.71	26,864.01		
Current Liabilities				
Financial Liabilities				
Borrowings	2,558.37	1,451.18	1,107.19	76.30%
Lease Liabilities	109.67	95.58	14.09	14.74%
Trade Payables	70,862.08	74,930.57	-4,068.49	-5.43%
Other Financial Liabilities	15,767.52	5,759.74	10,007.78	173.75%
Other Current Liabilities	14,281.65	39,327.93	-25,046.28	-63.69%
Provisions	4,974.42	4,528.20	446.22	9.85%
Current Tax Liabilities (net)	4,109.52	3,878.67	230.85	5.95%
Total Current Liabilities	1,12,663.23	1,29,971.87		
Total Liabilities	1,38,008.94	1,56,835.88		
Total Equity and Liabilities	3,00,973.59	2,63,492.45		

1. Reserves and Surplus

Profit of ₹ 56,402 Million made during the year by our Company and the changes to Other Comprehensive loss - ₹ 94 Million has increased the Reserves and Surplus by 57.15%

2. Borrowings (Current and Non-Current)

During the year, our Company has borrowed ₹ 6,570 Million and repaid ₹ 5,402 Million, taken as Pre Shipment and Bills Discounting loans from various financial institutions.

These borrowings were made to meet working capital requirement and as part of hedging strategy.

Further an amount of ₹ 1,451 Million has been repaid as per the schedule to Government of Tamil Nadu from the "Sales tax

deferral" and "CST Soft loan" obtained as a part of the MOU Incentive entered in the prior year.

3. Other Financial Liabilities

Major Increase in Other financial liabilities by 173.75% is due to the retention amount withheld on Capital expenditure incurred for Pune Plant, which will be paid upon the confirmation of its completion as per the terms with the supplier.

4. Other Current Liabilities

Remittance of TDS deducted on dividend declared during Mar'24 and the overall reduction in the Customer advance in Mar 25 has led to the decrease in Other Current Liabilities by 63.69%.



C. Key Financial Ratios

The Key Financial Ratios of the Company (Standalone) are given as below:

Particulars	FY 2024-25	FY 2023-24	Change	Remarks, where change is more than 25%
Debtors Turnover (No. of Times)	29.63	29.41	0.76%	-
Inventory Turnover (No. of Times)	18.77	19.10	-1.71%	-
Interest Coverage Ratio (No of Times)	59.13	52.25	13.17%	-
Current Ratio (No of Times)	1.38	1.22	13.11%	-
Debt Equity Ratio (No of Times)	0.05	0.07	-28.57%	Impact of Dividend payout during 23-24 has contributed to the decrease in this ratio even without any major change in the Debt Value
Operating Profit Margin (%)	11.32%	12.26%	-7.71%	-
Net Profit Margin (%)	8.27%	8.85%	-6.54%	-
Return on Net Worth (%)	34.83%	57.89%	-39.83%	Impact of Dividend payout during 23-24 has contributed to the decrease in this ratio even without any major change in the return earned by the Company

Logistics

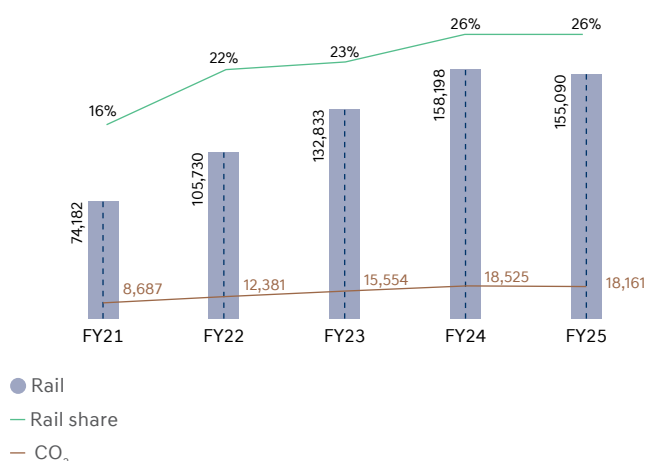
At Hyundai Motor India Ltd. (HMIL), we have established robust logistics operations for both inbound and outbound movements, managed through dedicated logistics service providers. These providers are responsible for the end-to-end transportation of our completely built units (CBUs) across India as well as to export destinations.

Our Domestic Logistics Operations utilize both road (74%) and rail (26%) transportation modes. We have consistently focused on increasing the share of rail logistics to support our sustainability goals. In FY 2024-25, we crossed 1.5 lakh rail dispatches, achieving our highest-ever rail share contribution of 26.3%. This shift helped prevent 18,161 tonnes of CO₂ emissions by optimizing rail usage over road transport—especially with 100% rail-based dispatches to the North-East region.

Between FY 2019-20 and FY 2023-24, we cumulatively dispatched 6,26,033 units by rail, resulting in a total CO₂ emission reduction of 73,308 tonnes.

To enhance service efficiency in remote markets, we have also established Regional Stock Yards, all of which are served via train logistics.

Rail Share and CO₂ Emission Reduction



Human Resources Management Including Health and Safety

At Hyundai Motor India Limited (HMIL), people are at the core of our growth strategy. Guided by a culture of responsibility, innovation, and inclusion, we are committed to building a future-ready workforce while nurturing individual aspirations and collective success. Our HR strategy is driven by adaptability, aligned with the transition to EVs, robotics, and AI/ML. Initiatives like role-based organization (Phoenix 1.0) and the new capability architecture (Phoenix 2.0) streamline career paths, enhance role clarity, and promote agility. We also introduced Phoenix 3.0 to accelerate digital HR transformation and strengthen our digital workplace and workforce.

Our Talent Development programs—LEAD, TrailBlazHer, and ARISE—are shaping future leaders, promoting diversity, and fostering continuous learning. These are complemented by our integrated LMS, RMS, and onboarding systems. HMIL's efforts have been globally recognized, with the Company certified as a Top Employer 2024 & 2025—a first for any Hyundai market—scoring 96.08% across six key HR domains.

We maintain a zero-tolerance approach to workplace harassment and reinforce inclusive leadership through gender-neutral policies and flagship initiatives like TrailBlazHer. Our learning ecosystem is further enriched by the Hyundai Learning Academy and in-house assessment centers that ensure talent fitment and strategic succession.

To support holistic wellness, we delivered a comprehensive healthcare program in FY 2024-25, integrating preventive and curative health services, statutory compliance, lifestyle disease awareness sessions, and regular health check-ups. These efforts engaged over 600 employees and were rated 4.5/5 in feedback. Our wellness offerings include gym and yoga centers, physiotherapy sessions, and wellness dining for employees managing NCDs.

Management Discussion and Analysis (Contd.)



Safety is deeply embedded in our culture, and we continuously improve our workplace, process and manage risk proactively to protect our people. Being an ISO 45001-certified Company, we have a well-established Occupational Health and Safety management in place along with AI-driven safety tools, inbuilt safety systems, auto fire detection and suppression systems 24 / 7 emergency response team, Safety Experience Centre, Safety Ambassadors programs under our “My Place, My Pride” initiatives. We were able to build a resilient safety ecosystem. We have been ranked Globally Top 2 among 8 other overseas Hyundai motor manufacturing plants and achieved more than 19 million incident free man hours.

Smart Culture programs further boost engagement through wellness, fitness, cultural celebrations, and leadership connect sessions, fostering a collaborative and dynamic workplace.

Looking ahead, our focus remains on enhancing employee experience, fostering inclusive growth, advancing digital transformation, and creating future-ready leaders. At HMIL, we are not just shaping cars, we are shaping people, possibilities, and purpose.

3,871

Total permanent employees

2,210

Total permanent workers

10,951

Other than permanent workers

Read more on Page 76



Risk Management

At Hyundai Motor India, our Risk Management policy is designed to proactively identify, assess, and mitigate internal and external risks. Integrated across all functions, the policy ensures business continuity and resilience amid dynamic market conditions. We adopt a data-driven approach supported by robust governance, scenario planning, and cross-functional coordination. Regular reviews, audits, and contingency planning empower us to safeguard stakeholder interests while pursuing innovation and sustainable growth.

Key Risks

External Risks	Internal Risks
Economic slowdown risk	Input price increase risk
Competition risk	Supplier risk
Regulatory risk	Innovation risk
Geopolitical risks	Credit risks
Electrification risk	Network disruption risk

External Risks

1. Economic and Industry Slowdown Risk

Slowdown in the general economic conditions, inflationary environment and rise in unemployment may adversely impact automobile demand in the country.

Mitigation

We continuously monitor the economic situation and undertake timely mitigation measures to minimize impact. Our diverse range of products across different price points help us cater to a large base of car owners. Further, we have strong export presence which helps us diversify our revenue streams from dependence on a single geography.

2. Competition Risk

Over the years, competition has intensified amidst competitively priced feature-rich vehicle launches by all players as well as recent entrants grabbing sizeable market share. Inability to stay ahead may significantly erode market share.

Mitigation

We continuously assess the competitive landscape and effectively implement measures to strengthen our market positioning. We have been periodically introducing upgrades to our popular models like i10, i20, CRETA, VERNA, VENUE and ALCAZAR, to augment our manufacturing capacity, we are upgrading our Pune Plant facility and it will be operational in phases – with the first phase to be operational by the second half of FY 2025-26. The timing of the next phases will be determined based on market demand. To keep the momentum alive in market, we are bringing fresh updates to our line-up with new features / trims. We are also looking for white space opportunity to strengthen our product line-up. Over the last

three years, we have been maintaining domestic market share in the range of 13.5%-14.5%. Despite several new launches from our competitors, CRETA has been maintaining its undisputed leadership in its segment with a domestic market share of 32% (FY 2024-25). Further, we are continuously introducing feature-rich and connected vehicles in the market. Notably, we have now 12 sunroof-equipped models in our portfolio.

3. Regulatory Risk

The automobile industry is subject to stringent regulatory requirements. Failure to comply within the stipulated time frame may result in loss of sales and regulatory penalties imposed by governing authorities.

Mitigation

At Hyundai India we have dedicated team to monitor the key regulatory development and their timely implementation. We have been proactive in the implementation of regulations. We are the first in the country to offer six standard air bags across models under our 'Safety for All' mission. We have ensured full compliance with E20 fuel norms ahead of the April 2025 deadline and is preparing for iWLTP standards from 2027. For EVs, we completed MIDC-based range testing from April 2024 and met charger inlet interoperability requirements.

4. Geopolitical Risks

Recent geopolitical conflicts including wars, terrorist activities, political unrest, civil strife, and other geopolitical uncertainties as well as other force majeure events may impede our production and delivery efforts and adversely affect our sales results. The Red Sea crisis also caused delays in our exports to certain regions.

Mitigation

We remain vigilant of the evolving geopolitical landscape, ongoing Russia-Ukraine conflict, related international sanctions, and the Middle East crisis, Non-Western alliance and anti-BRICS sentiment may limit market access and hurt trade competitiveness. We actively assess associated risks across our business ecosystem and implement strategic mitigation measures. We have adopted a balanced approach across domestic and export operations to safeguard against geopolitical risks. By reinforcing local supply chains and compliance, while diversifying international markets, we ensure operational resilience.

5. Electrification Risk

We are closely monitoring electric vehicle (EV) trends in the Indian market, which is currently experiencing a moderate growth phase. EVcasm is actively shaping India's electric mobility landscape by fostering collaboration, driving innovation, and supporting scalable solutions across the EV ecosystem.

Management Discussion and Analysis (Contd.)

Mitigation

We are actively developing India's electric vehicle (EV) ecosystem through strategic initiatives focused on localizing the passenger vehicle (PV) supply chain and expanding EV charging infrastructure.

Internal Risks

1. Input Price Risk

Driven by inflation, increase in Dollar prices and other disruptions, cost of key input material may increase drastically, impacting our profitability adversely. Our ability to manufacture passenger vehicles depends on the continued availability of parts and materials including precious metals.

Mitigation

Maintaining a balanced portfolio across domestic and export markets enables us to navigate business challenges effectively. We benefit from a concessional rate on customs duties for imports under the Comprehensive Economic Partnership Agreements between the governments of Korea and India, and the India-ASEAN Free Trade Agreements between the governments of Vietnam and India. Further, we have achieved 81.7% localization which helped reduce dependence on external suppliers.

2. Supplier Risk

We may face challenges in production owing to disruptions in supply of key parts and materials from our suppliers.

Mitigation

We have developed a diversified supplier base to mitigate risk. Additionally, we have entered into exclusivity contracts to ensure the seamless supply of key input materials. Certain critical components, such as engine parts, engine and transmission assemblies, moulds, dies, and specific semiconductors, are primarily sourced from Hyundai Motor Company (HMC) or other entities within the Hyundai Motor Group.

3. Innovation Risk

Consumer preferences and technological trends in the automotive industry are rapidly evolving. To stay competitive, we must consistently innovate, identify customer needs, adapt to legal and market requirements, access advanced technologies, ensure timely sourcing, upgrade facilities, maintain quality and safety, and attract and train skilled talent.

Mitigation

We have taken steps to ensure that all our passenger vehicles follow the Bharat Stage VI norms, anti-emissions guidelines, among others. In line with the market shift toward premiumization in India, we have strengthened our SUV leadership by offering eight SUV models including one EV model, across compact, mid-size and large SUV sub-segments. Further, we are introducing connected feature in selected models which is gaining popularity among our customer bases.

4. Credit Risk

We have secured both short-term credit and long-term loan facilities from select banks and a government institution. Any default in repayment or adverse interest rate fluctuations could negatively affect our financial position and overall business performance.

Mitigation

We have retained a long-term credit rating of CRISIL AAA/Stable and a short-term rating of CRISIL A1+ for our bank loan facilities, underscoring the strength and stability of our performance.

5. Network Disruption Risk

Our sales and service performance relies heavily on our extensive network of third-party dealerships and service centers, which serve as the primary touchpoints between us and our customers. The availability, reach, and quality of after-sales services play a critical role in sustaining customer satisfaction and driving continued demand for our vehicles. Any disruption in this network could adversely impact our business operations and growth.

Mitigation

We have established a robust network of 1,419 sales outlets and over 1,606 service touchpoints across the country, ensuring widespread access to our products and services. To enhance customer convenience, we introduced 'Click to Buy'—an end-to-end online automotive retail platform that enables a safe and contactless purchase experience. For rural customers, we launched mobile service vans. We also offer the industry-leading Smart Pick & Drop service, a fully digital, transparent, and convenient solution designed to deliver peace of mind.



Outlook

In a challenging domestic environment with subdued demand sentiment, we aim to grow in line with industry trends. To mitigate domestic pressures, the focus is on driving export growth. Strategic capital investments of approximately ₹ 6,000 crore are planned to support sustainable mid- to long-term growth. On the margin front, efforts will continue to sustain double-digit EBITDA margins. However, profit before tax (PBT) may see a short-term impact due to depreciation from new plant commissioning. Overall, the strategy balances near-term headwinds with long-term value creation through targeted investments and global market expansion.

Internal Control System and their Adequacy

We have a proper and adequate systems of internal control to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition, and that all transactions

are Authorized, recorded and reported correctly. The internal control system is designed to ensure that financial and other records are reliable for preparing financial information and other data.

The Audit Committee of the Company reviews the adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations.

During the year, there have been no changes in our process that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

These controls are regularly tested for their effectiveness by Statutory Auditors. For the year ended March 31, 2025, they have assessed the effectiveness of the internal control over Financial Reporting and has determined them to be effective in their Audit report.