

Strengthening **Core,** Shaping **Tomorrow**



ANNUAL
REPORT
2024-25



Corporate Information

Mr. Arun V Surendra
Chairman

Mrs. Siva Kameswari Vissa
Independent Director

Dr. Nandakumar Jairam
Independent Director

Mr. Rajen Krishnanand Padukone
Independent Director

Mr. Ajith Kumar Rai
Independent Director

Mr. V.V. Pravindra
Non-Executive Director

Mr. V.T. Ravindra
Managing Director

Mr. Antony Cherukara
Chief Executive Officer

Mr. Nitin Agrawal
Chief Financial Officer

Mr. Chinmaya Khatua
Company Secretary and Compliance Officer

STATUTORY AUDITORS

M/s. K.S. Rao & Co., Bengaluru
Chartered Accountants

INTERNAL AUDITORS

M/s. Brahmayya & Co., Bengaluru
Chartered Accountants

COST AUDITORS

M/s. Rao, Murthy & Associates,
Bengaluru
Cost Accountants

SECRETARIAL AUDITORS

M/s. Thirupal Gorige Associates LLP,
Bengaluru
Practising Company Secretaries

REGD. OFFICE

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Whitefield Road, Mahadevapura Post,
Bengaluru - 560 048
Ph: 080-67141111
E-mail: vstgen@vsttractors.com
Website: www.vsttractors.com

PLANT LOCATIONS

Hosur

Plot No: 39, Sipcot – Phase I,
Mookandapalli Post,
Hosur - 635 126. Tamil Nadu

Mysuru

Plot No. 42/43,
Metagalli Industrial Area,
Mysuru - 570016. Karnataka

Malur

Plot No. 222-224, 229-232,
KIADB Industrial Area,
Malur III Phase,
Malur - 563130, Karnataka



About Us
**BROADENING
HORIZONS
SINCE 1967**

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INNOVATING
EFFICIENCY FOR
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NOTICE

Disclaimer: This document contains statements about expected future events and financials of VST Tillers Tractors Limited ('the Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.



Scan this QR code to navigate
investor-related information
<https://www.vsttractors.com>

Strengthening Core, Shaping Tomorrow

VST Tillers Tractors Ltd fortified its foundation serving small and marginal farmers in India by pioneering the Power tillers, 4WD compact tractors, power weeders, power reapers and other small farm machines. Simultaneously, our presence spanning over forty countries across Europe, Asia, Africa, and South America ensures that our mechanisation solutions empower farmers worldwide.



We recognise that innovation is essential for future success. Our upcoming Global Tech Centre in Hosur will serve as a catalyst for this innovation, enabling us to roll out our electric product range, develop tractors with enhanced efficiency, machines suitable for small and marginal farmers and deliver precision solutions that meet international standards and global sustainability goals.

As we expand worldwide in the global market aiming for 20-25% revenue share by 2030, VST will harness its core engineering expertise and R&D to establish a global presence. Our strong dealer network, digital skilling initiatives, and sustainable R&D framework reaffirm our commitment to strengthen our foundations while cultivating a sustainable and inclusive future in agri-mechanisation worldwide.

Operational Highlights

1,416

Dealer Networks

5,287

Tractor Units Sold
(including exports)

40+

Presence

03

Manufacturing Plants

37,297

Power Tillers Units Sold
(including exports)

Financial Highlights

₹ 994.55 Crores

Revenue from Operations

₹ 111.09 Crores

Operating EBITDA

₹ 94.46 Crores

PAT

₹ 1,004 Crores

Net Worth

About Us

Broadening Horizons Since 1967

VST Tillers Tractors Ltd, founded in 1967 as a joint venture with Mitsubishi Heavy Industries, Japan is a flagship enterprise of the century-old VST Group, established in 1911 by Sri V S Thiruvengadaswamy Mudaliar. Headquartered in Bengaluru, it has transitioned from petroleum and automobile distribution. VST has become India's leading manufacturer of power tillers, commanding over 70% of the domestic market. A pioneer in agricultural mechanisation, the company introduced India's first 4WD compact tractors in 1982, revolutionising farming practices.

With a global presence in over 40 countries, VST began exporting tillers to Africa in 1978 and launched its VST FIELDTRAC brand in 2016, designed to meet the stringent EU standards. VST caters to diverse applications from vineyard management to commercial hauling, offering a versatile range of equipment from 9 HP to 50 HP. The company also provides drivetrain platforms for leading global EV solutions provider.

With a legacy spanning over five decades, VST has empowered farmers across India and beyond with cutting-edge, durable, and fuel-efficient farm equipment designed to enhance productivity and sustainability.

Powering India's Fields and Beyond

India's largest manufacturer of Power Tillers

Driving Agricultural Prosperity

One of the most rapidly advancing brands in the agriculture solutions

Revolutionising Productivity

Leadership position in 4WD Compact Tractors

Delivering Global Trust

Exporting world-class Tractors to Over 40+ countries



BUSINESS DIVISIONS



Read more on Page 12



Vision

By FY 2024-25 we aspire to become a leading global brand with a turnover of ₹ 3,000 Crores in diversified farm mechanisation products and solutions.*

*The Vision was articulated in 2020, soon after COVID hit us and was followed by supply chain disruptions and soaring inflation. This impacted the achievement of the Vision; however the company remains committed to pursuing and achieving the stated Goal and therefore the Vision statement remains unchanged. The Vision continues to inspire and motivate the VTTL team.



Mission

We will accomplish our Vision with undivided and undeterred commitment towards innovative quality products, through inspired individuals, simplified systems and 5X Leadership.



Core Values



Customer Centricity

Prioritise every interaction, no matter how small.



Integrity

Uphold ethical standards, even in the absence of supervision.



Synergy

Collaborate to achieve greater outcomes together.



Speed

Emphasise agility and responsiveness over sheer size.



Stretch

Always go beyond expectations to stand out.



Go Green

Promote conservation efforts to better serve our communities.

COMPETITIVE ADVANTAGE

- Robust Product Portfolio
- Strong Research and Development
- Expanding in New Markets
- Experienced Management Team
- Brand Building Initiatives
- Collaborative Growth
- Experience in Product range 2HP – 50HP

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STRATEGIC PRIORITIES

- Evolve Power Tillers to small farm machines and going global
- Leadership in the compact tractor segment
- Maximising capacity utilisation for HHP Tractors
- Promote Precision components/ implements
- Exploring rural distribution opportunities
- Participate in technological evolutions

Read more on Page 26



Our Journey

Success that's Shaping Tomorrow



Presence

Global Reach, Local Strength

VST Tillers has solidified its position as leader in agricultural mechanisation with a presence spanning across India and 40 more countries worldwide. By strategically positioning itself across continents and markets, the company keeps carrying forward its legacy as a trusted partner in agriculture across geographies.

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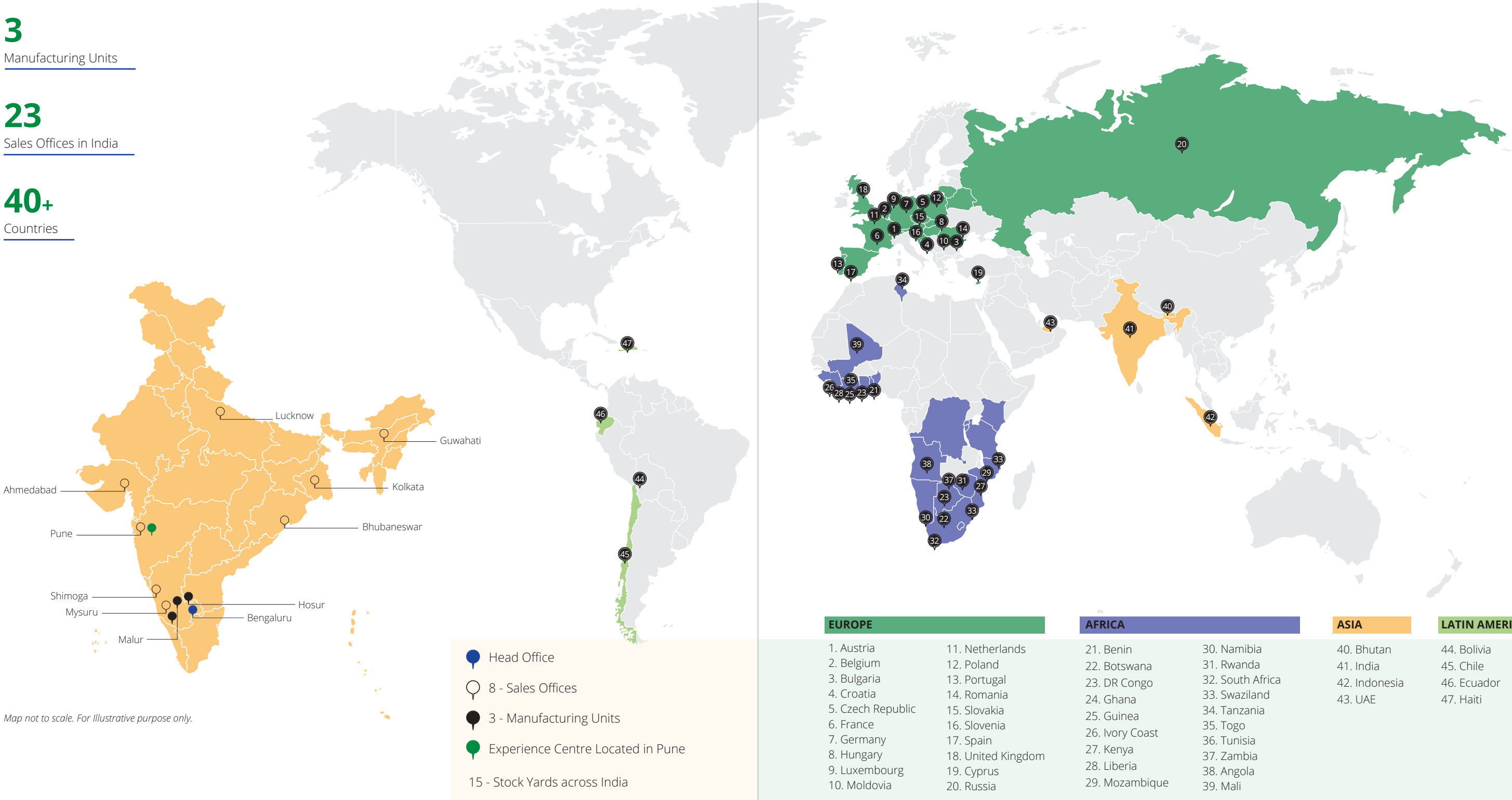
Manufacturing Units

23

Sales Offices in India

40+

Countries



Map not to scale. For illustrative purpose only.

Business Segments

Small Farm Machines: Innovating Efficiency for Small and Marginal Farmers

In India, where ~86% of farmers are small and marginal farmers, VST recognises the critical need for affordable and accessible mechanisation solutions tailored to the small and marginal farmers. We help farmers boost productivity, enhance crop yields and promote sustainable food security. Our diverse product portfolio includes power tillers, power weeders, brush cutters, and multi-crop reapers ranging from 2HP to 16HP, designed to empower small and marginal farmers, enabling them to thrive in the evolving agricultural landscape.

KEY ASPECTS

- Power Tillers optimised for effective performance both in wet and dry fields
- Power Weeders built with premium components for enhanced durability and stability
- Multicrop Reapers designed for maximum productivity across crops
- Brush Cutters crafted to be lightweight, fuel efficient, and user-friendly
- Enhanced Comfort with Electric Start & Ergonomic Seating

KEY HIGHLIGHTS FOR FY 2024-25

- Highest ever monthly power tiller sales achieved in March 2025: 7,221 units
- Highest ever annual sales for power weeder and power reaper: 7,460 & 2,403
- One VST: Started making inroads in weeder-dominated market like HP, with volumes increasing from 100 to 600+
- Launched a 5HP Made in India weeder
- Ramped up supply of new products. Sale of 16HP power tiller increased from 2,500 units to 4,000+ units
- Started production for Power Tiller with Electric start 16HP variant (SOVP) in Q4 FY 2024-25

CURRENT PRODUCT OFFERINGS

POWER TILLER



- VST 165 DI
- VST 165 DI ES (Electric start)
- VST 135 DI
- VST 130 DI
- VST 95 DI IGNITO

POWER WEEDER



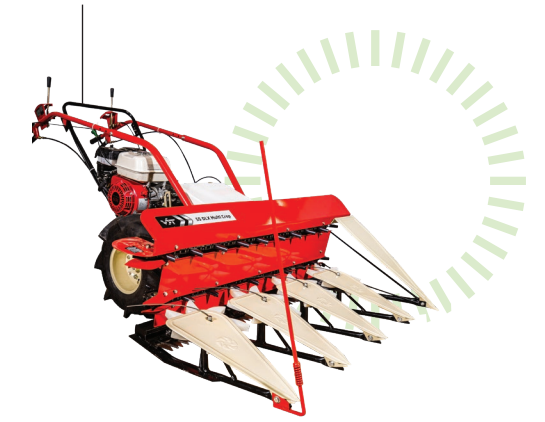
- VST FT 50 GE
- VST PG50
- VST FT 35 GE
- VST FT 20
- VST FT 80
- VST FT 55 GE

BRUSH CUTTER



- VST 226 LD
- VST 234 MD
- VST 242 HD

POWER REAPER



- VST 5PR
- VST 55 DLX
- Multi Crop

37,297

Tiller Units Sold

810

Dealers

70%

Market Share in Power Tillers

22.4%

Y-o-Y Growth in Reapers

63.3%

Y-o-Y Growth in Power Weeders

Upcoming Products for FY 2025-26

- Power Weeder - New variants
- All Power Tiller with Electric Start
- SCORE
- Electric Power Tiller
- Electric Power Weeder

Business Segments

Tractors: Legacy Redefined by Technology

VST has been a pioneer in the compact tractors segment, revolutionising agricultural mechanisation with its innovative 4WD compact tractors since introducing India's first models in 1982. Catering to diverse needs of farmers, VST's tractor portfolio marketed under VST brand ranges from 17 HP to 50 HP, offering versatile solutions for applications from small scale farming to commercial operations like vineyard management and hauling. Designed for efficiency, durability and affordability, the tractors empower the farmers globally, reinforcing VSTs commitment to driving productivity and sustainability in agriculture.

KEY ASPECTS

- Leaders in 4WD Compact Range
- Best in class compact range with industry-first features
- Flexible design for seamless operation
- Real Right Weight Tractor with optimal dimension

KEY HIGHLIGHTS FOR FY 2024-25

- Expanded the tractor business network with new partner additions
- Successfully completed pilot marketing of the VST Zetor range
- Strengthened the 20-40 HP portfolio by upgrading the 929, 932, and 939 models
- Added 2WD offerings in the compact segment



PRODUCT OFFERINGS

CLASSIC SERIES
17 HP to 27 HP



SERIES 9
18.5 HP to 29 HP



POWER SERIES
32 HP to 39 HP



VZ SERIES
40 HP to 50 HP



VIRAAJ SERIES
17 HP to 27 HP



5,287

Tractor units sold

434

Dealers

Upcoming Products for FY 2025-26

- 929 upgrades and 2WD offerings
- 932 & 939 offerings with 4WD & 2WD options
- Introduction of FENTM series (18-30HP)

Business Segments

International Business: Broadening Global Footprint

In 2016, VST expanded into Europe with the 'VST FIELDTRAC' brand, introducing cutting-edge, EU-compliant products designed to elevate farming and landscaping efficiency. Now spanning over 40 countries, VST FIELDTRAC tractors, ranging from 17 HP to 50 HP, are compact, versatile, and equipped with advanced four-wheel drive and power steering, ensuring operational ease and safety across challenging terrains like vineyards, orchards, and gardens. Engineered to meet stringent Stage V emission norms, these tractors deliver high performance while prioritising environmental sustainability. By empowering farmers and landscapers worldwide with innovative, reliable, and eco-friendly solutions, VST's international business continues to foster productivity and build lasting legacies in global agriculture.

KEY ASPECTS

- Leading Indian tractor manufacturer in European market
- Versatile compact tractor range
- Eco-friendly engineering excellence
- Empowering global agricultural productivity

KEY HIGHLIGHTS FOR FY 2024-25

- Launch of 30HP stage 5 in France, Portugal and UK
- Leading position in key countries

45

Distributors



Business Segments

Precision Components: Innovating Precision for Excellence

VST's Precision Components Division delivers high-quality, specialised components to diverse industries while reinforcing the company's leadership in agricultural mechanisation. The portfolio includes crankshafts, camshafts, connecting rods, cylinder blocks, cylinder heads, locomotive parts, rotary tillers, crankcases, and transmission cases, used in tillers and tractors, diesel engines, braking systems, and other demanding applications. From its advanced Mysuru facility, the division produces implements that enhance farm productivity. Expanding beyond agriculture, it caters to automotive, locomotive, defence, aerospace and other sectors, serving customers in global markets including the USA, UK, and Germany. Leveraging advanced technology and stringent quality standards, it delivers innovative, reliable, and sustainable solutions.

KEY ASPECTS

- Engine components engineered for precision and standards required by VTTL compatibility with VST tillers and tractors
- Agricultural tools built from high-quality materials to endure demanding field conditions and deliver long-lasting performance
- Locomotive industry components designed for compatibility with multiple locomotive models, offering versatility across applications
- Catering to diverse sectors including automotive, locomotive, defence, Aerospace and more
- Serving customers across global markets, including USA, UK, Germany, and other geographies

PRODUCT OFFERINGS

CRANKSHAFTS, CAMSHAFTS
AND CONNECTING RODS

CYLINDER BLOCKS AND
CYLINDER HEADS

LOCOMOTIVE PARTS

ROTARY TILLER

CRANKCASE AND
TRANSMISSION CASE



Business Segments

VST Distribution: Empowering Rural Growth

VST has built a dynamic distribution network delivering essential agricultural solutions to rural India. We offer genuine spare parts for tractors, power tillers, and small farm machines, plus high-quality lubricants, and have diversified into the electric pump segment. Through digital platforms, we enable faster orders, better inventory visibility, and stronger customer engagement. Integrating technology with robust logistics enhances accessibility and product availability. We remain committed to empowering rural areas with broader offerings, wider reach, and innovative, customer-focussed, digitally enabled distribution strategies.

KEY ASPECTS

- Widespread service network for easy accessibility and assistance
- Lubricants engineered for optimal performance across diverse temperatures, ensuring consistent protection
- Electric pumps available in various capacities and configurations to meet diverse requirements
- Engines designed with stringent emission standards for minimal environmental impact and delivering powerful performance

KEY HIGHLIGHTS FOR FY 2024-25

- Achieved strong double-digit growth in the primary business over the previous fiscal year
- Strengthened rural distribution through significant expansion in the electric pump segment
- Expanded the engine business into the construction sector, contributing to overall growth

127

Distributors

8,112

Retailers



PRODUCT OFFERINGS

SPARE PARTS



LUBRICANTS



ENGINES



ELECTRIC PUMPS



Source Electric

Powering the Future with Electric Revolution

VST Tillers Tractors Ltd., a pioneer in agricultural mechanisation, is driving innovation through its EV initiative, aligning with global trends toward sustainability and efficiency in farming. By developing electric power tillers, power weeders and tractor drive trains, VST aims to reduce environmental impact, lower operational cost for farmers and expand global footprint.

The EV initiatives are supported by large investments in R&D to meet evolving needs while capturing opportunities across the markets worldwide.

ELECTRIC POWER TILLERS AND WEEDERS

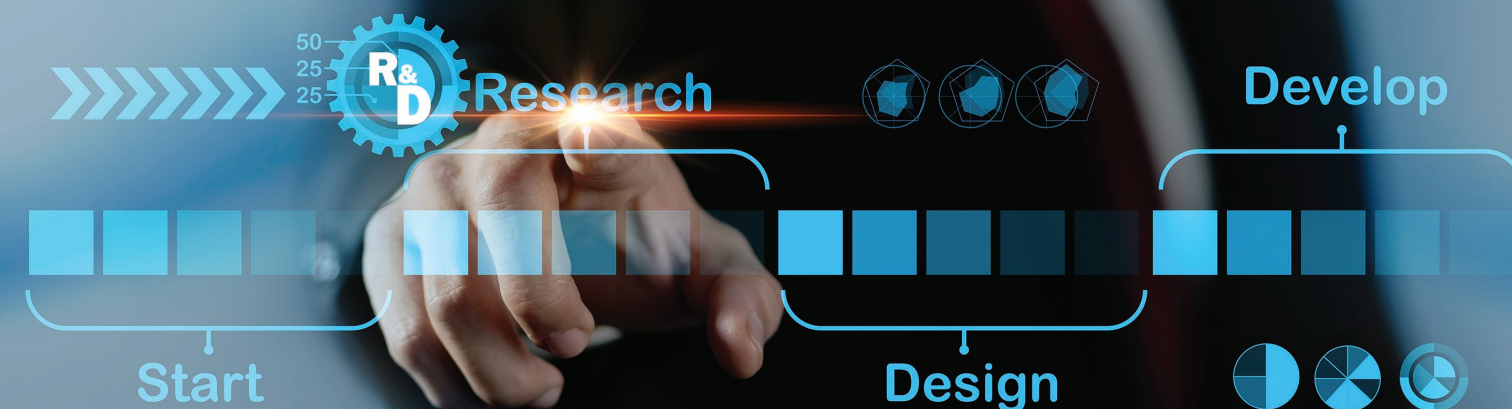
VST is set to launch electric versions of its power tillers and power weeders in FY 2025-26. These are designed to match the performance of conventional models but at lower costs and zero emissions. The launch aligns with VST's broader strategy to transform the SFM portfolio.



GLOBAL TECHNOLOGY CENTRE

Driving Innovation through Knowledge and Expertise

In an era of rapid technological transformation, the ability to innovate has become a key differentiator for industry leaders. At VST, our intellectual capabilities form the foundation of our progress and long-term competitiveness. We continue to invest in talent, advanced R&D infrastructure, and digital technologies to nurture a culture of innovation and knowledge-driven growth. By cultivating new ideas and integrating cutting-edge solutions into our operations, we strengthen our position in sustainable and efficient agriculture. These initiatives are central to our commitment to deliver value, enhance customer experience, and future-proof our business. As part of our innovation-led strategy, VST is establishing a state-of-the-art Global Tech Centre (GTC) in Hosur with a phased investment of around ₹ 100 Crores. The GTC is designed to focus on core areas such as electric powertrains, battery technologies etc. It will also bolster our testing and validation capabilities, enabling faster development cycles and improved product reliability. Through this initiative, we aim to accelerate EV innovation, develop proprietary technologies, and strengthen our global R&D collaborations. With this forward-looking investment, VST reinforces its commitment to innovation excellence and industry leadership in the evolving landscape of smart and sustainable agriculture.



From the Chairman's Desk



“With resilience and efficiency at our core, we are building on progress to drive sustainable growth and stay future-ready.”

Dear Shareholders,

The year FY 2024-25 reflected our determination to grow with purpose, strengthen capabilities, and stand by the farming community. Amid global logistical headwinds and evolving market trends, we adapted swiftly and stayed resolute in advancing towards our vision.

Revenue from operations grew 3% to ₹ 994.55 Crores, with operational EBITDA at ₹ 111.09 Crores and PAT at ₹ 94.46 Crores. Cash flow from operations strengthened to ₹ 76.54 Crores, reflecting our financial discipline.

Our Small Farm Machines division achieved strong growth, while the Precision Components division expanded strongly, leveraging global sourcing opportunities. Domestic tractor sales increased, though exports saw softer demand in some European markets.

Our reach now extends to over 40 countries. The year also marked strategic global expansion — entering new international markets (such as Cyprus, Czech Republic etc.) and establishing entities in the United States. The marketing team played a key role in opening uncharted territories and strengthening market presence.

Innovation drives our growth. We are investing in R&D to develop solutions for small and marginal farmers, including specialised products for niche applications such as vineyards. The establishment of our Global Technology Centre has been initiated, laying a strong foundation for accelerated innovation and the development of sustainable solutions for global markets.

Through the “Make in India” initiative, we are localising weeder production, driving procurement efficiency via a centralised sourcing function, and maximising supply chain and manufacturing performance to sustain leadership. We sustained optimal inventory levels, strengthened manufacturing capabilities, and effectively managed expenses.

We continue to invest in talent, including Graduate Engineer Trainees (GET), and focus on capability development and leadership growth. Our strengthened digital infrastructure supports data-driven decisions, operational efficiency, and customer engagement.

With these efforts, we remain committed to empowering farmers, advancing sustainability, and achieving ambitious growth. Supported by a favourable monsoon outlook and rising domestic demand, we enter FY 2025-26 with momentum, focussing on innovation, efficiency, and inclusive growth — while honouring the legacy of our forefathers and advancing it with modern, future-ready capabilities.

I extend my deepest appreciation to Board members, our employees, customers, dealers, and partners for their dedication and trust. Together, we are building a future-ready organisation, committed to transforming agriculture and creating sustainable value for all stakeholders.

Warm regards,

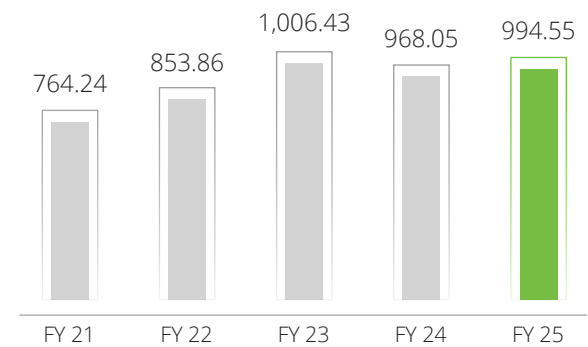
Arun V. Surendra

Chairman

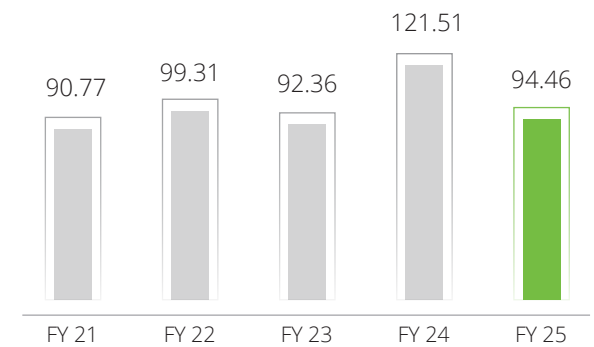
Financial Performance

Broadening Horizons with Financial Prudence

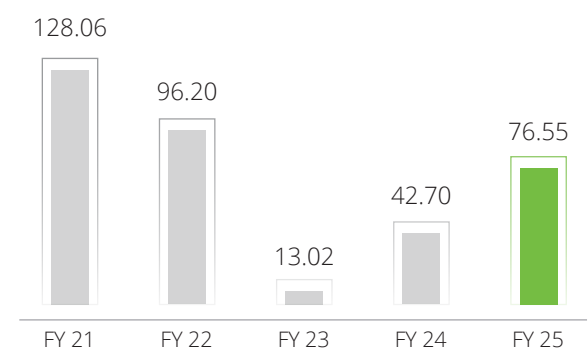
Operating Revenue (₹ Crores)



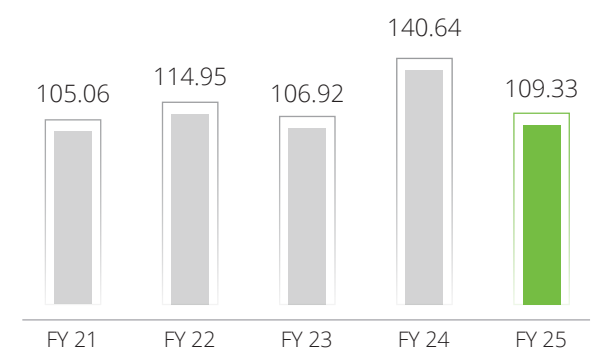
PAT (₹ Crores)



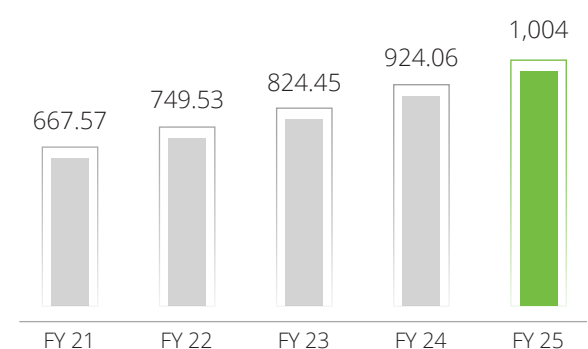
Free Cash Flow (₹ Crores)



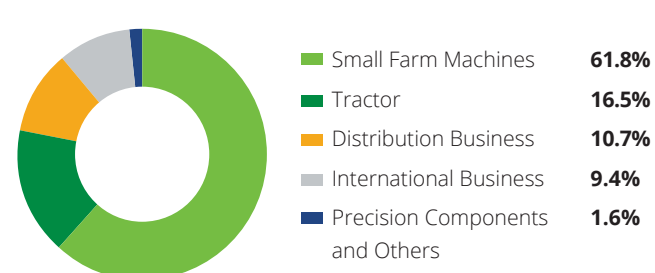
EPS (₹)



Net Worth (₹ Crores)



SEGMENT-WISE REVENUE



Operating Context

Agricultural Mechanisation: Market Dynamics and VST's Strategic Response

MARKET DYNAMICS

Globally, the agriculture and farm equipment market is projected to rise from USD 85.2 billion in 2024 to USD 120.5 billion by 2033, registering a CAGR of 4.5%, fuelled by advances in education, research, infrastructure, crop science, agricultural industrialisation, and rural labour shortages. India's agriculture sector is witnessing a major transformation, with mechanisation becoming a critical driver of productivity and efficiency. The domestic agricultural machinery market, valued at around ₹ 1.23 trillion, is expected to reach ₹ 2.69 trillion by 2033 at a CAGR of 8.63%. Yet, with mechanisation levels at 47% – far below China's 60% and Brazil's 75% – substantial scope for growth remains.

India sustains 17% of the world's population with only 2.4% of global land and 4% of water resources, making productivity essential. Nearly half the population depends on farming, yet 86% of holdings are under 2 hectares, averaging just 1.08 ha. Mechanisation offers a pathway to higher yields, lower costs, better quality, and multiple harvests. However, with 68% of farms under 1-hectare, large conventional equipment often proves impractical.

The future lies in compact, affordable, and versatile machines – such as power tillers, power weeders, and reapers – designed for small and marginal farmers, supported by shared-service and rental models. These solutions can bridge the mechanisation gap, enhance efficiency, raise rural incomes, and transform agriculture into a competitive, sustainable growth engine.

Within this evolution, tractors remain important to the mechanisation story. India is one of the largest tractor markets in the world, projected to grow from USD 8.4 billion in 2025 to USD 15.3 billion by 2034 at a CAGR of 7.0%. Globally, the tractors market is estimated at USD 89.80 billion in 2025 and expected to reach USD 119.61 billion by 2030 at 5.9% CAGR. Tractors, alongside small farm machinery, will remain indispensable to agricultural productivity, with precision farming adoption and sustainability imperatives shaping their continued advancement.



VST'S STRATEGIC RESPONSE FRAMEWORK

Evolve Power Tillers to small farm machines and going global

VST is strategically transforming its Power Tillers business into a comprehensive Small Farm Mechanisation (SFM) portfolio. In FY 2024-25, the Small Farm Machines division recorded robust performance across categories. Power Tillers, the cornerstone of this segment, registered a stable growth of 2.2% with sales reaching 37,297 units. Power Weeder saw a remarkable 63% increase, achieving the highest-ever annual sales of 7,460 units, while Power Reapers grew by 22% to 2,403 units.

Strengthening its domestic manufacturing capabilities, VST introduced indigenously developed 5 HP and 8 HP "Make in India" Power Weeders. The company is also gearing up to launch SCORE during FY 2025-26.

To improve product accessibility and customer service, VST is expanding its dealership network at the taluka level, especially across key growth markets like Maharashtra, Gujarat, and Karnataka. Reinforcing its commitment to sustainable innovation, the company is also advancing the development of Electric Power Tillers and Weeders to support eco-friendly farming practices.

Leadership in Compact Tractor segment

VST has further strengthened its leadership in the compact tractor segment with key models such as the Classic Refresh, Narrow Track, and VST Zetor. Domestic tractor sales grew by 0.5% to 3,876 units.

In International business, tractor exports for the year stood at 1,411 units, driven by demand for Stage-V compliant and cabin-equipped tractors despite a softer market environment. To cater to evolving customer needs, VST introduced a new 30 HP tractor in March which will be followed by a 35 HP variant, anticipating greater demand in the region.

During the year, VST expanded its international footprint to Cyprus, Czech Republic, Russia, Angola, and Mali, and plans to enter Eastern and Nordic Europe in FY 2025-26.

VST is also preparing to enter the US market in 2027 through its subsidiaries – VST Americas Inc. and VST Fieldtrac LLC – with a portfolio of six models and 16 variants, targeting the growing compact tractor segment. We hope the trade tariffs related differences would be settled by then.

With continued geographic expansion, the company aims to increase exports from the current 13% of revenue to 20-25% by 2030.

Maximise capacity utilisation for Higher Horsepower (HHP) Tractors

VST is ramping up 40-50 HP tractor production to capture surging demand, with the VST-Zetor joint venture poised to scale up this year. Strategic expansion in the northern markets, backed by high-impact marketing, is strengthening brand equity and market share. Favourable monsoon patterns and targeted subsidy programmes are expected to accelerate HHP tractor sales, positioning FY 2025-26 for growth and improved profitability.

Promote Precision Components

The Precision Components Division at Mysuru achieved a significant revenue growth of 71% in FY 2024-25, primarily driven by increased business from external customers, including the railways and leading engine manufacturers, supported by the global shift towards a China-plus-one sourcing strategy.

During the year, the division broadened its product portfolio with offerings across the following strategic segments - Automotive Components, Locomotive Components, Defence Applications and Precision Agricultural Implements, including Rotary Tillers

In alignment with its long-term diversification roadmap, the division has also initiated its entry into the aerospace sector.

Exploring Rural Distribution opportunities

VST's distribution network expanded significantly in FY 2024-25, growing from 85 to 127 distributors and from 6,249 to 8,112 retailers. This network supports the company's aftermarket portfolio, including spare parts, electric pumps – contributing ₹ 10-15 Crores in revenue during the year – and lubricants. The company also strengthened its presence in northern India with the addition of several new dealers. Looking ahead, VST aims to further scale its electric pump business and actively explore adjacent growth opportunities.

Participation in Technological Evolution

VST is building a diversified product pipeline spanning both ICE and electric technologies for domestic and global markets. Upcoming launches include Stage-V compliant tractors, Make in India Power Weeders, advanced electric farming solutions, and the innovative SCORE platform. Three global platforms, featuring eight models and 16 variants, are planned for launch, underscoring VST's commitment to technological leadership and accelerated market expansion.



Competitive Advantage

Staying Ahead of the Curve

VST leverages a combination of innovative products, cutting-edge research, global expansion, seasoned leadership, robust branding, and strategic collaborations to maintain its position as a leader in agricultural mechanisation. These strengths enable VST to empower small and marginal farmers, drive sustainable growth, and navigate competitive and geopolitical challenges effectively.

ROBUST PRODUCT PORTFOLIO

VST's diverse product portfolio, encompassing Power Tillers, Tractors, Power Weeders, Power Reapers and precision components, caters to the needs of farmers. VST launched its VST Zetor range in May 2024, while new models like the Classic Refresh, Narrow Track, and 30 HP Stage-V tractors enhance its appeal in domestic and European markets. The upcoming SCORE platform and Electric Power Tillers/Weeders for FY 2025-26 further diversify the portfolio, aligning with sustainability trends.

EXPANDING IN NEW MARKETS

VST is driving international growth by entering new markets, with exports expected to grow over the next five years. The setting up of VST Americas Inc. and VST Fieldtrac LLC in April marks the company's proposed entry into the North American compact tractor market. Domestically, VST is strengthening northern sales and deepening penetration in existing markets by capturing untapped white spaces.

EXPERIENCED MANAGEMENT TEAM

The Company is guided by a capable leadership team and a strong governance framework that ensures alignment with its long-term strategic vision. During the year, focussed efforts were directed towards advancing key initiatives such as global expansion, product innovation, and collaborative ventures. The management remains committed to disciplined capital allocation, operational excellence, and a balanced approach to sustainable growth and value creation.

BRAND BUILDING INITIATIVES

During the year, VST strengthened its brand presence through targeted rural marketing campaigns, field demonstrations, and localised outreach programmes. Dealer activation initiatives and product awareness drives were conducted across key markets to enhance customer connect and drive preference. Strategic collaborations, product showcases, and digital promotions reinforced VST's position as a trusted partner for small and marginal farmers, while sustained investments in channel engagement and service support contributed to deeper market penetration and brand recall. VST participated in prominent international trade fairs and exhibitions during the year (EIMA Bologna Italy, Royal Welch Wales UK) to showcase its growing portfolio of tractors, small farm machinery, and electric solutions.

STRONG RESEARCH AND DEVELOPMENT

VST's proposed global R&D centre is fuelling innovation, delivering products such as the front rotary Power Weeder and Stage-V compliant tractors that meet stringent global emission standards. The global product pipeline comprises three platforms with eight models and 16 variants, offering both gear and hydrostatic transmissions for markets in India, Europe, and the US. R&D advancements are enabling in-house manufacturing of power weeders, electric power tillers and weeders, SCORE, and electric-start power tillers. Development of electric tractor power train for the US market underscores VST's focus on emerging technologies, strengthening its ability to serve diverse customer needs while aligning with international sustainability goals.

COLLABORATIVE GROWTH

VST continues to strengthen its innovation and market position through strategic partnerships and industry collaborations. Our joint venture with Zetor tractors a.s. and HTC Investments a.s. (owner of ZETOR brand) focusses on developing advanced, farmer-centric tractors tailored for Indian conditions. These alliances enable shared R&D, technology access, and distribution synergies, allowing us to accelerate product development and expand into new markets. We also collaborate with leading agricultural universities to align product design with field-level insights and agronomic practices. Participation in industry forums like the Tractor Manufacturers Association (TMA) further supports our efforts in shaping regulatory standards, promoting mechanisation, and advancing industry best practices.

Collaborative development has also enhanced our agility and competitiveness by reducing development risks and costs while improving market reach. VST remains committed to leveraging such collaborative models to drive innovation, support sustainable agriculture, and deliver value to all stakeholders.

Value Creation Model

Nurturing Growth

INPUT



Financial capital:

The robust financial base that supports our value creation

- Net Worth: ₹ 1,004 Crores
- Debt: Nil
- Operating Cash Flows: ₹ 76.55 Crores



Human capital:

Our people, our pillar

- Total employees: 805
- Pipeline building through GET recruitment
- Competency Matrix and assessments



Intellectual capital:

Our R&D and technology prowess

- Proposed Global Tech Centre with an investment of around ₹ 100 Crores (in phased manner)
- Establishment of aggregate wise expert vertical



Manufacturing capital:

The swift supply of products from our factories

- Production sites: 03
- Capital expenditure: ₹ 20.40 Crores
- TOC based supply chain management



Social and Relationship capital:

Relationship of trust with all our stakeholders

- CSR Spend: ₹ 2.21 Crores
- Countries of operation: more than 40

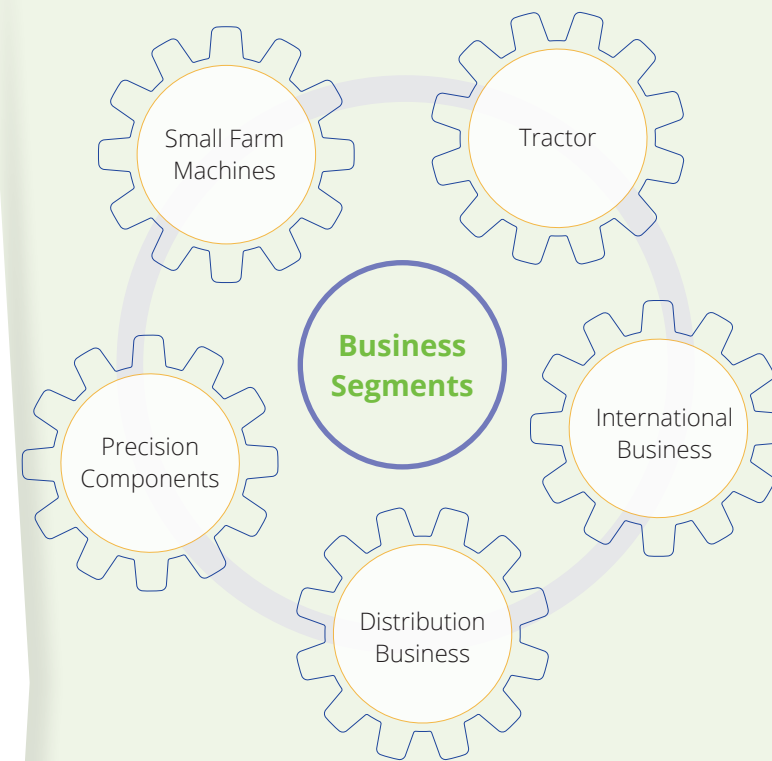


Natural capital:

Attempt at sustainability and reducing carbon footprint

- Energy intensity in terms of output reduced by ~4%
- Water intensity in terms of physical output reduced by ~ 0.3%

BUSINESS PROCESSES



Mission

We are dedicated to realising our Vision through unwavering commitment to innovative, high quality products. We empower our team of inspired individuals, streamline our systems, and foster 5X Leadership.



Values



Customer Centricity



Integrity



Synergy



Speed



Stretch



Go Green

OUTPUT



Strategic Priorities

Transforming small farm mechanisation and going global

Leadership in compact tractors

Maximising HHP Tractor capacity

Advancing Precision components

Expanding rural distribution

Driving technological innovation

- Revenue: ₹ 994.55 Crores
- Operating EBITDA: ₹ 111.09 Crores
- PAT: ₹ 94.45 Crores

- Capability building
- Skill development
- Reward and recognition

- GET and DET programs
- Work in progress on the EV product portfolio - both in Small farm machines and Tractors

- Established multi-product production platform
- Driving growth through strong new product pipeline
- Development of global platforms

- Meaningful impact across healthcare, education and environmental conservation
- > 40 countries

- 876 MT Waste recycled/recovery
- 1100 kW of solar plant
- No. of trees planted : 400 (a total of 1,600 nos.)

OUTCOMES

Help small farmers to improve productivity
Sustainable, quality product portfolio
Reduction in carbon footprint.

SDGs



Stakeholder Engagement

Building Bridges

Over the last five decades, the company has built a strong legacy of trust through meaningful engagement with its key stakeholders — including farmers, employees, dealers, communities, and shareholders. We actively listen to their needs and expectations and maintain clear and consistent communication to foster long-term, collaborative relationships. This stakeholder-centric approach promotes transparency, supports informed decision-making, and ensures alignment between our business strategies and stakeholder interests, enabling sustainable and inclusive growth.

Stakeholder Group	Channels of Communication	Channels of Communication Frequency of Engagement	Why they are Important
 Shareholders/Investors	General Body Meetings Interaction with Investors Annual Report Press Release Company's Website Plant Visit	Yearly Quarterly Investor Calls as and When Required Regular	Provide capital for business growth and operations Influence Company decisions through voting rights
 Customers	Customer Satisfaction Survey Web Portals eCatalogue/Manual Interactions	Throughout the Year	Generate revenue through purchases Provide valuable feedback for product improvement
 Dealers	Website Email Interactions DMS (Dealer Management System) Plant Visit Dealer Meets	Regular	Act as crucial intermediaries in the sales process Provide local market insights and customer relationships
 Suppliers	Website Email Interactions SRM (Supplier Relationship Management) Plant Visit Supplier Meets	Regular	Ensure timely delivery of materials and components Contribute to product quality and cost effectiveness

Technology and Innovation

Accelerating Digital Transformation for Agricultural Excellence

VST Tillers Tractors Ltd. is committed to pioneering agricultural mechanisation through cutting-edge technology, reinforcing its leadership in small farm mechanisation and compact tractors. Continued investments in advanced R&D, digital platforms, and emerging technologies enable VST to enhance operational efficiency, promote sustainability, and empower farmers across domestic and global markets.

DIGITAL PLATFORMS FOR OPERATIONAL EXCELLENCE

The Company has implemented robust digital systems, including enterprise resource planning (ERP) software, to streamline core operations such as customer order management, production planning, despatches, financial accounting, and raw material procurement. These platforms enable seamless coordination across functions, enhance customer service, and improve business agility.

EMPOWERING STAKEHOLDERS THROUGH DIGITAL TRAINING - VIDYAPEETH

VST's digital training platform, Vidyapeeth, empowers employees, dealer sales person, with technical and operational knowledge, enhancing service quality and product adoption. This tool supports VST's focus on dealer profitability and customer service, critical for competitive differentiation in the tractor segment. Vidyapeeth ensuring effective training for new product launches – features, benefits etc.

By integrating and emerging technologies, the company is well-positioned to lead in agricultural mechanisation, delivering sustainable solutions and achieving its strategic growth objectives.

LEVERAGING DIGITAL TECHNOLOGIES AND DATA ANALYTICS

VST leverages digital technologies and analytics to support data-driven decision-making. The integration of ERP systems facilitates real-time visibility across the value chain, enabling improved efficiency in manufacturing, procurement, and distribution processes.





Environmental

Our Environmental Efforts

As a leading manufacturer in the agricultural machinery sector, we understand our unique position to drive positive environmental change while supporting the farming communities we serve. Our commitment to sustainability extends across every aspect of our operations – from energy efficiency and emission reduction to biodiversity conservation and circular economy practices.



REDUCTION IN ENERGY CONSUMPTION

The company has demonstrated a strong commitment to energy efficiency through consistent year-over-year improvements in energy consumption. During the financial year 2024-25, the Malur unit achieved a significant reduction in energy consumption, decreasing from 5.63 lakh KWH to 4.85 lakh kWh compared to the previous fiscal year 2023-24. The company has also installed LED lights to reduce power consumption.

BIODIVERSITY CONSERVATION

The company launched comprehensive plantation drives across all manufacturing units, successfully planting more than 400 saplings to enhance local biodiversity and carbon sequestration. The company has also implemented unique employee initiatives where it gifts plants to employees on their birthdays, bringing the total plantation count to over 1,600.

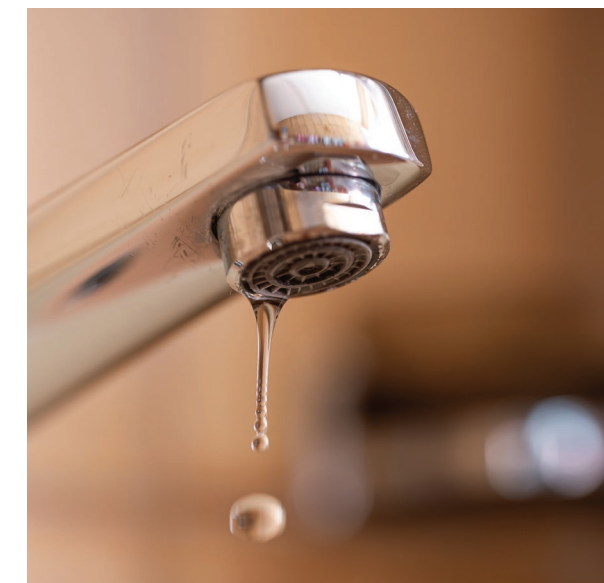


EMISSION REDUCTION

The company has made measurable progress in reducing its carbon footprint through strategic operational changes. The company has successfully achieved a reduction in Scope 1 emissions by significantly decreasing diesel consumption compared to previous years.

WATER CONSERVATION MANAGEMENT

Water conservation has been prioritised through the implementation of innovative conservation technologies. The installation of water aerators across washroom facilities has yielded impressive results, with the Malur facility alone saving approximately 5-6 kilolitres of water per day.



CIRCULAR ECONOMY AND RESOURCE EFFICIENCY

The company is actively transitioning towards circular economy principles through comprehensive waste management strategies. The company has applied for Extended Producer Responsibility (EPR) certification for plastic waste management and is currently awaiting approval.





Social

Serving Society, Responsibly

The company demonstrates its commitment to social responsibility through strategic partnerships with diverse organisations that address critical societal challenges across multiple domains. Company's CSR initiatives reflect a holistic approach to community development, spanning healthcare, education, disability empowerment, environmental conservation, and skill development.



HEALTHCARE

In the healthcare sector, the company supports transformative mental health initiatives through the Live Love Laugh Foundation, which provides hope and resources to individuals experiencing stress, anxiety, and depression.

The company partners with the Indian Cancer Society, supporting their vital work in providing care and hope to underprivileged cancer patients across India. Additionally, through collaboration with Lakshmi Pain and Palliative Care Trust, the company contributes to improving the quality of life for patients with chronic diseases throughout their treatment journey. The company also supports the Kuppaswamy Naidu Charity Trust's "Healing Tiny Hearts" programme, providing crucial financial assistance to children battling congenital heart disease and childhood cancers.

EDUCATION AND SKILL DEVELOPMENT

Education and skill development form another cornerstone of VST Tillers Tractors Ltd. CSR philosophy. The company supports in promoting education and maintaining effective educational systems, while also partnering with Smt. Kamala Bai Education Trust to advance educational opportunities. Through participation in the National Apprenticeship Promotion Scheme (NAPS), the company actively contributes to India's skilled workforce development, aligning with national objectives for skill development and entrepreneurship.



DISABILITY EMPOWERMENT

The company demonstrates exceptional commitment to inclusive society through its support for disability empowerment organisations. The company partners with The Association of People With Disability to enable individuals with disabilities to live full, productive lives, and collaborates with The National Association for the Blind, Karnataka, to champion the cause of the visually challenged and promote their economic rehabilitation and independent living.



ENVIRONMENTAL STEWARDSHIP

Environmental stewardship extends beyond operational practices to community-focussed conservation efforts. The company supports wildlife conservation and nature education initiatives, recognising the critical importance of protecting biodiversity as human development continues to impact natural habitats. The company also partners with The Shakti Foundation, which serves as an enabler for clean energy and climate solutions, and the internationally recognised Centre for Wildlife Studies, supporting excellence in wildlife research, conservation, policy, and education.

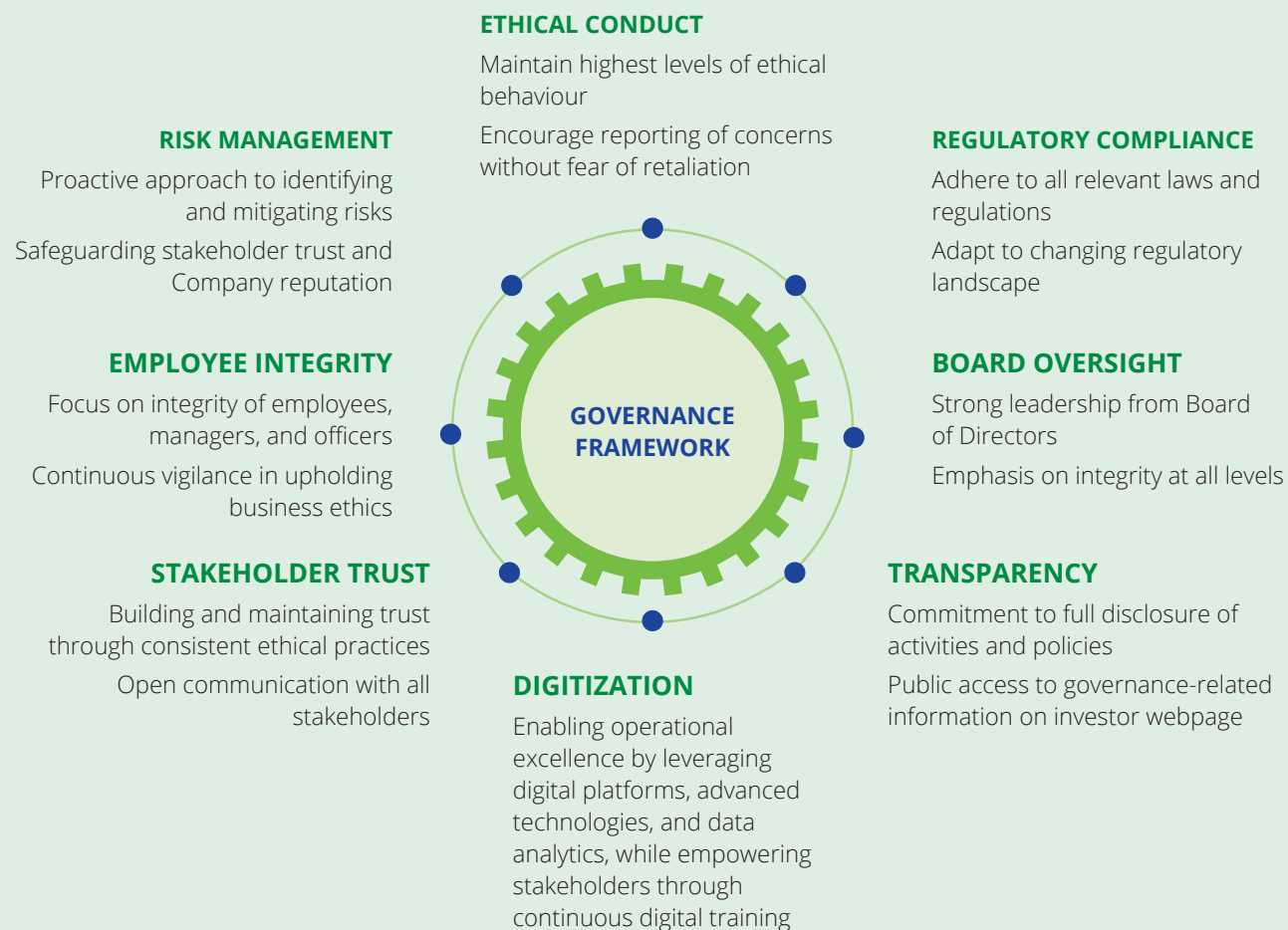
Through these comprehensive CSR partnerships, the company demonstrates that corporate success and social responsibility are interconnected, creating meaningful impact across healthcare, education, disability rights, environmental conservation, and workforce development while contributing to India's sustainable development goals.



Governance

Leadership that's Shaping Tomorrow

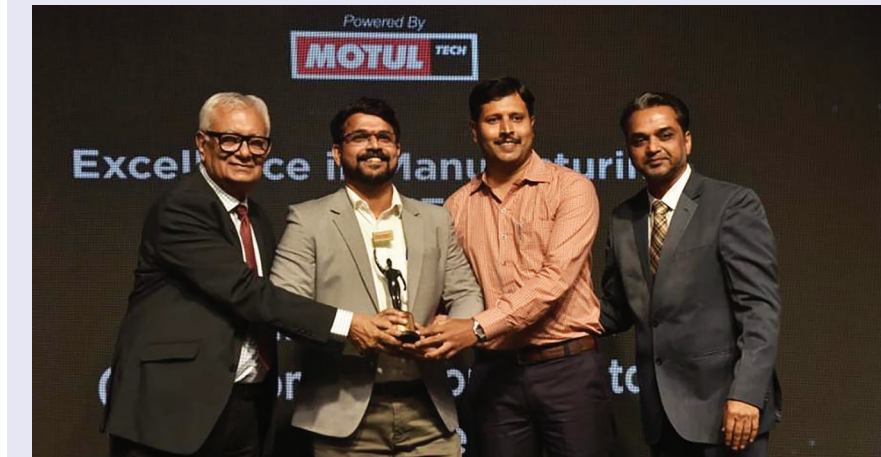
VST is committed to exemplary corporate governance as a cornerstone of its mission to deliver value and sustain stakeholder confidence. Its governance framework is crafted to promote ethical behaviour, ensure transparency, and respond effectively to an evolving business landscape. The Company views robust governance, led by its Board of Directors, as essential to fortifying its operations and embedding integrity across all organisational levels.



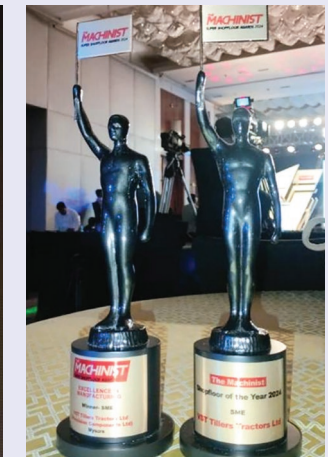
Awards and Recognition

Honors that Inspire

MACHINIST SUPER SHOPFLOOR AWARDS – TIME GROUP



VST Mysore Team
1. Winner – Manufacturing Excellence Category
2. Machinist Super Shopfloor of the Year 2024



49TH CII NATIONAL KAIZEN COMPETITION



VST Mysore Team
Won Gold Award



KARNATAKA STATE LEVEL COMPETITION



VST Hosur Team
Won Best Visuals Award



KARNATAKA STATE LEVEL COMPETITION



VST Mysore Team
Won Best Theme Award



Management Discussion and Analysis

GLOBAL ECONOMY

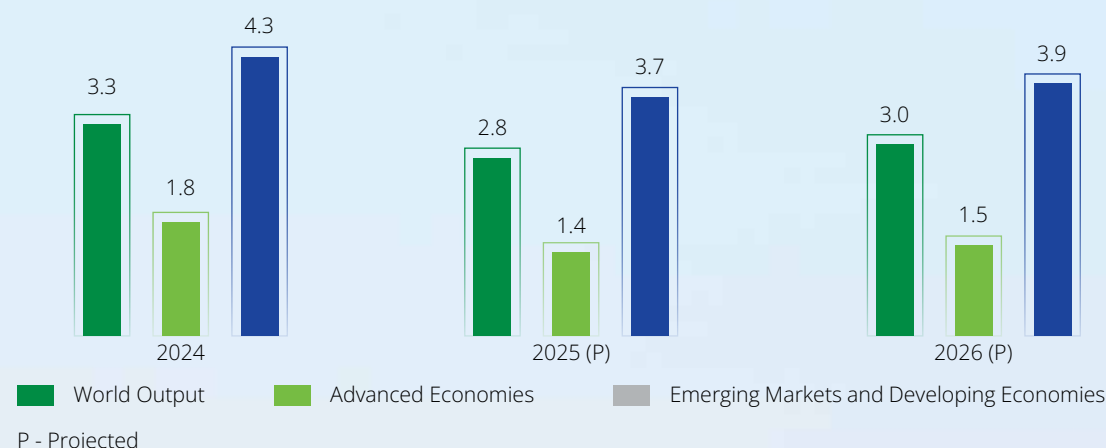
In 2024, the global economy displayed moderate stability amid a complex mix of economic, geopolitical, and policy headwinds. According to the IMF's World Economic Outlook, global GDP growth eased to 3.3%, with developed economies slowing while emerging markets, especially in Asia, maintained momentum.

Key challenges included ongoing geopolitical conflicts (e.g., Russia-Ukraine war, Red Sea disruptions), supply chain strains, and shifting climate policies. Despite this, the US economy grew by 2.8% on the back of strong employment, while the Eurozone lagged at 0.9%, with Germany slightly

contracting. Emerging Asia led global growth at 5.3%, driven by tech and infrastructure investment, with China contributing 5.0% growth, supported by policy stimulus and a stabilising property sector.

Global inflation declined to 5.7% from 6.7%, with advanced economies projected to reach targets by late 2025. Looking ahead, global GDP is forecast to grow at 2.8% in 2025 and 3.0% in 2026, underpinned by US resilience, Asian growth, and Eurozone recovery. Inflation is expected to fall further, to 4.4% in 2025 and 3.5% in 2026, with regional divergence in monetary policy.

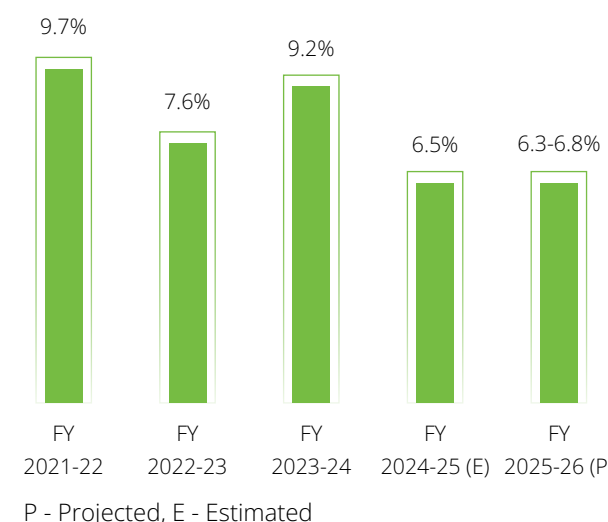
Global Economic Growth



INDIAN ECONOMY

Throughout the current FY 2024-25, India's economy has maintained a consistent pattern of growth and stability, reinforcing its standing as a leading major economy globally in terms of expansion. Data from the National Statistical Office's (NSO) Second Advanced Estimate (SAE) indicates a projected real Gross Domestic Product (GDP) growth of 6.5% for FY 2024-25. This continuing upward trend underscores the nation's strong economic base, supportive governmental strategies, a vibrant services sector, and robust domestic demand, all contributing to a positive outlook for India's long-term economic advancement.

Key to this enhanced growth path and increasing self-reliance have been substantial governmental reforms and significant investments directed towards both physical and digital infrastructure, alongside initiatives such as 'Make in India' and the Production-Linked Incentive (PLI) scheme.



The services sector in India demonstrated a steady expansion of 7.2%. This growth was fuelled by strong performance across a range of areas, including finance, property, professional services, public administration, and defence, amongst others.

India's economy is projected to grow between 6.3% and 6.8% in FY 2025-26. This trajectory positions India to become the world's third-largest economy by 2030. Growth drivers include infrastructure investment, greater private sector capital expenditure, and financial services expansion. Ongoing reforms further support this advancement. The government focus on capital expenditure, prudent fiscal management, and measures to boost confidence, create a supportive environment for investment and consumption. Programmes like Make in India 2.0, ease of doing business reforms, and the Production-Linked Incentive scheme are strengthening infrastructure, manufacturing, and

exports. This aims to establish India as a significant global manufacturing player. Infrastructure development and supportive policies will facilitate capital formation. Rural demand will also receive a boost from initiatives like the Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY).

(Source: Press Information Bureau)

INDIAN FARM MECHANISATION: ENABLING INCLUSIVE AGRICULTURAL TRANSFORMATION

India's agriculture sector is undergoing a structural evolution driven by the increasing need for productivity, climate resilience, and rural prosperity. A critical enabler in this journey is farm mechanisation, which enhances operational efficiency, reduces labour dependency, and improves crop outcomes. The Indian agricultural machinery market, valued at ₹ 1.23 trillion in 2024, is poised to grow to ₹ 2.69 trillion by 2033, reflecting a robust CAGR of 8.63%. Despite this momentum, mechanisation levels in India remain modest at approximately 47%, with significant room for growth – especially among small and marginal farmers.

FOCUS ON SMALL AND MARGINAL FARMERS

At the heart of Indian agriculture are small and marginal farmers (SMFs), who constitute more than 85% of the country's total operational holdings. Cultivating land parcels under two hectares, SMFs play a vital role in ensuring national food security, supporting rural employment, and contributing to household-level nutrition. However, their journey towards mechanised, market-linked agriculture remains fraught with structural and financial barriers.



EVOLVING LANDSCAPE AND CHALLENGES

Recent nationwide surveys and field assessments indicate that SMFs are facing multiple transitions – economic, environmental, and demographic:

Limited Land Ownership

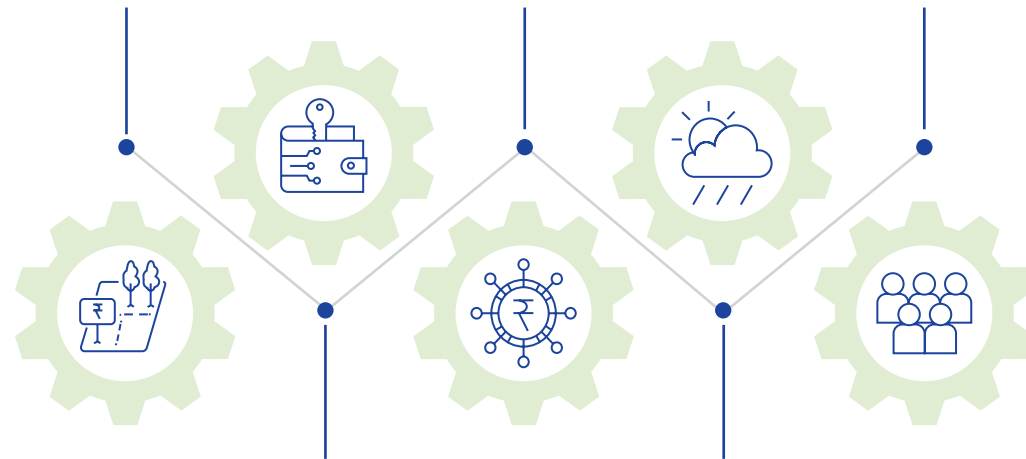
Only a small share of marginal farmers own their land, with the majority operating through informal or tenant arrangements. This restricts their access to formal credit, insurance, and government schemes, all of which are pivotal for mechanisation adoption.

Diverse Livelihood Portfolios

Many SMFs rely on supplemental income sources, including daily wage labour, small businesses, and remittances. Farming often contributes less than 40% of total household income, making capital investments in machinery challenging.

Labour Force Shift

With a significant share of farm labour in marginal households provided by women, and declining interest among rural youth in agriculture, the sector faces both demographic pressure and operational strain.



Digital and Financial Access

Many SMFs continue to face unreliable electricity, weak infrastructure, low digital knowledge, and limited financial awareness, while perceived risks and exclusion from formal banking systems still create significant barriers to advancing digital agriculture and broader financial inclusion.

Climate Vulnerability

A large majority of SMFs have suffered yield losses due to weather-related events in recent years, underscoring the urgent need for adaptive and mechanised solutions to mitigate agronomic risk.

BARRIERS TO MECHANISATION ADOPTION

Limited Land Size

The average operational landholding in India is only 1.08 hectare, restricting the viability and efficiency of mechanised operations.

Financial Constraints and Credit Inaccessibility

High reliance on informal credit and low uptake of institutional loans hinder investment in machinery.

Insufficient Government Support

Lower subsidy reach among the smallest landholders reduces access to mechanisation incentives.

Inadequate Extension Services and Awareness

Limited knowledge and training impede adoption of modern mechanised practices.

VST'S ROLE: MECHANISATION FOR THE SMALLHOLDER ECONOMY

At VST, our legacy and commitment lie in designing compact, efficient, and accessible mechanisation solutions specifically tailored for small and marginal farmers. Our product portfolio – including compact tractors, power tillers, and precision implements – is built with a focus on:

Affordability and Ease of Operation

Compact design and cost-effective solutions help SMFs mechanise key farming operations – from soil preparation and sowing to harvesting – without requiring large capital outlays or extensive land.

Support Infrastructure

Through an expanding network of dealers, service centres, and training modules, VST ensures timely product support and builds farmer confidence in sustained usage.

Versatility and Terrain Adaptability

VST products are engineered for varied agro-climatic zones and diverse cropping systems. Their manoeuvrability and low operating footprint make them ideal for fragmented and intercropped fields.

Empowering Women and Youth

By introducing user-friendly features like electric start and comfortable seating arrangements, our solutions simplify field operations, reduce the physical burden of farm work – particularly for women – and promote greater engagement of rural youth.

OUTLOOK: A FUTURE OF INCLUSIVE MECHANISATION

The path ahead for Indian agriculture will be defined by technology adoption that is inclusive, efficient, and climate-responsive. For small and marginal farmers, the transition to mechanisation must be enabled through supportive policies, innovative financing, and adaptable products. VST remains strongly aligned with this mission – bridging the mechanisation gap by empowering farmers at the grassroots.

Rising labour shortages are boosting demand for small farm mechanisation. In a changing policy and climate environment, we are confident that rural enterprise, precision farming, and sustainability will further speed adoption. Our aim is to make mechanisation not just accessible, but aspirational – for every stakeholder shaping India's agricultural transformation.

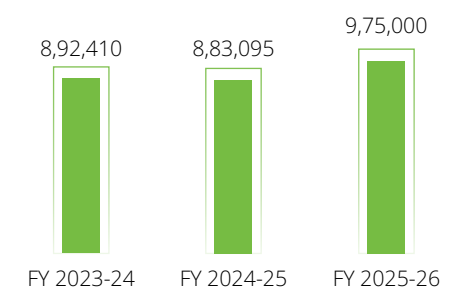
INDIAN TRACTOR INDUSTRY OVERVIEW

India, the world's largest tractor manufacturer, is poised to surpass 1 million domestic tractor sales by FY 2025-26, driven by robust rabi and kharif seasons, favourable monsoons, and rising mechanisation.

In FY 2024-25, retail sales dipped slightly to 8,83,095 units, down 1.04% from 8,92,410 units in FY 2023-24. Despite this, projections indicate a sharp rebound to 9,75,000 units in FY 2025-26, supported by strong crop yields, improved MSPs, and rising demand from construction and allied sectors.

(Source: FADA, Tractor Junction)

Tractors (Unit sold)



The market, valued at US\$7.92 billion in 2025, is expected to reach US\$10.95 billion by 2030, growing at a CAGR of 6.7%.

Growth Drivers & Trends



Technological advancements:

Adoption of GPS-enabled, AI-integrated, and telematics-equipped tractors is enhancing efficiency and reducing labour dependence.



Policy support:

Programmes like SMAM, subsidies, and low-interest financing are increasing accessibility for small and marginal farmers.



Export potential:

Indian manufacturers are gaining traction globally due to competitive pricing and innovation.



Untapped markets:

Eastern and northeastern India present significant growth opportunities with lower current mechanisation levels.

(Source: Autocar Professional)

COMPANY OVERVIEW

VST Tillers Tractors Ltd. (hereinafter referred to as 'VST' or 'the Company'), established in 1967, is a leading force in India's agricultural mechanisation journey. Headquartered in Bengaluru, India, the Company has played a pivotal role in empowering small and marginal farmers through innovative, accessible, and affordable farming solutions. As one of India's largest manufacturers of power tillers, VST continues to drive rural transformation with technology-led products.

VST's product portfolio spans from 2 HP to 50 HP and includes Power Tillers, Power Weeders, Brush Cutter, Tractors, Implements, Spares, Electric Pumps, Aggregates, Diesel Engines, and Precision Components. These offerings are engineered to meet the varied needs of Indian and global farmers, especially in challenging terrains such as orchards, vineyards, and hilly landscapes – delivering utility, reliability, and reduced dependence on manual labour.

To support its long-term vision of innovation and global competitiveness, VST is setting up a state-of-the-art Global Technology Centre. This facility will focus on advanced research and development, global product engineering, and integration of cutting-edge technologies. It will also accelerate the creation of farmer-centric, future-ready solutions aligned with modern agricultural practices.

Guided by its "5A Strategy" – Awareness, Availability, Accessibility, Affordability, and Ability – for penetration into SFM segment. VST's mission is to inform farmers, increase product reach, ease accessibility, reduce ownership cost, and foster self-reliant innovation. Several new projects are underway to deliver higher technology and greater convenience for smallholder farmers.

In the tractor segment, VST is building a global platform with enhanced capabilities, new-generation engines, and end-to-end innovations. As part of its International Business (IB) focus, the Company is upgrading its product portfolio with 30 HP and 35 HP offerings tailored for export markets. The international arm of the business has grown in the last few years, highlighting VST's increasing global competitiveness.

Operating in over 40 countries across Europe, Asia, and Africa, VST markets its compact tractors under the 'VST FIELDTRAC' brand, especially in key European Union nations where it complies with the latest EU standards. Significant sales have been recorded in France, Germany, the Netherlands, Spain, Portugal,



Belgium, and Italy. Additional markets include the UK, Ireland, the Canary Islands, Slovakia, northern Hungary, Romania, Ghana, and Congo. Expansion into the United States is planned for 2027, further strengthening VST's global footprint.

VST ZETOR PRIVATE LIMITED (THE JV COMPANY)

VST Tillers Tractors Ltd. has established a Joint Venture with Czech tractor manufacturer Zetor Tractors a.s. and its parent company, HTC Investments a.s. The new entity, VST Zetor Private Limited, has been incorporated with a share capital of ₹ 19 Crores, with VST holding a 51% stake and HTC Investments holding 49%.

The JV is focussed on the sales and marketing of VST Zetor-branded tractors across India, while manufacturing continues at VST's existing facilities. It has launched its initial lineup of jointly engineered tractors in 42 HP, 45 HP, and 49 HP variants, designed specifically for Indian farming needs.

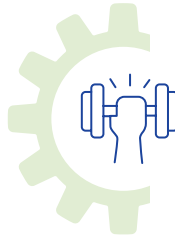
This partnership is strategically expanding VST's presence in Northern India – a region where Zetor enjoys strong brand recognition, unlike VST which is traditionally stronger in the South, East, and West. This brand complementarity is helping the JV penetrate high-potential northern markets.

DEVELOPMENTS IN FY 2024-25

- Small Farm Machines (SFM):** We made significant strides in transforming our Power Tiller legacy into a diversified Small Farm Machines (SFM) portfolio. Achieved sales of over 7,500 power weeders, marking a significant milestone in this segment within 2 years. The company also advanced the development and testing of a 'Made in India' weeder, with a commercial launch planned for FY 2025-26. The SFM distribution network was further expanded to a total of 810 outlets across the country.
- Tractor Segment:** Emphasis on the compact tractor segment resulted in momentum across key markets: Established a strong presence with breakthrough products, models 171, 929, 932, and 939, gaining traction in the market. The tractor dealer network was strengthened to 434 locations, supporting deeper market penetration.
- Distribution Initiatives:** We continued to broaden our horizons in rural markets beyond traditional farm equipment: The electric pump business registered steady sales in its third year, showing stability across the following period, Ongoing scaling initiatives, including channel partner onboarding and product line expansion, are aimed at further tapping into rural utility markets with high growth potential.
- International Business (IB):** Global markets remained a key lever of growth and diversification: Secured the number three position in France and Italy in its segment, reinforcing VST's standing in key European markets. The company expanded its footprint to new geographies, including Cyprus, Russia, Czech Republic, Angola, and Mali. Product development for entry into the US market is underway, with a launch targeted for 2027.
- Marketing and Branding:** The VTTL website was completely revamped and relaunched, enhancing the company's digital presence and customer engagement.
- Supply Chain Management (SCM):** Successfully launched the Supplier Relationship Management (SRM) portal, strengthening collaboration and transparency with vendor partners.
- Digital Transformation:** Rolled out DMS 2.0, further digitising dealer management processes for improved operational efficiency.
- Operational Excellence:** Institutionalised the Theory of Constraints (ToC) methodology to drive continuous improvement and optimise business processes.
- Warehouse Management:** Initiated testing of the new Warehouse Management System (WMS), with full implementation scheduled for the first half of FY 2025-26.



SCOT ANALYSIS



Strengths

VST has established itself as a leader in India's agri-mechanisation sector with a diverse product portfolio ranging from 2 HP to 50 HP, including Power Tillers, Power Weeders, Reapers, Tractors, Implements, Spares, Electric Pumps, Aggregates, Diesel Engines, and Precision Components. With a dominant 70% share in the power tiller market and over five decades of experience, VST has earned strong brand trust. Its deep understanding of Small and Marginal Farmers (SMF) is reflected in tailored mechanised solutions and compact tractors designed for orchard and horticulture use. VST emphasises frugal innovation, offering high-value products at affordable prices. The Company is debt-free with strong cash flows and liquid reserves, supporting growth initiatives. The Global Technology Centre shall provide end-to-end capabilities in new product development – including electric tractors, tillers, and weeders etc. Operational excellence is reinforced through the Theory of Constraints (TOC), enhancing efficiency. VST's wide distribution network – over 1,400 dealers and 8,100 retailers – ensures deep market reach. Its global recognition and strategic plans, including entry into the U.S. market, reflect a forward-looking growth vision.



Challenges

The Company faces several challenges across its tractor, small farm machinery (SFM), and international business segments. Performance in both the tractor and SFM segments remains closely tied to monsoon outcomes, directly impacting demand. Intense competition and fragmented adoption, especially among marginal farmers, continue to pose barriers. Rising input costs, particularly steel, and stricter emission norms pressure margins and require elevated R&D efforts. The international business segment is exposed to geopolitical uncertainties, including conflicts and currency volatility. In response, the Company has stepped up execution by accelerating innovation, strengthening supply chains, and focussing on market-specific strategies.



Opportunities

The convergence of labour shortages, fragmented landholdings, and evolving farm practices presents a strong growth opportunity for the Company. Governmental schemes that encourage farm mechanisation, alongside the ongoing modernisation of agricultural practices, are increasing the demand for mechanisation. Marginal and small farmers make up over 86% of all farmers in India, and their average landholding size is small (less than 1 to 2 hectares), creating a clear demand for compact, low-cost solutions. The Company's product portfolio is well-suited to meet these conditions, enabling farmers to improve productivity and contribute to a more sustainable, efficient farming future across rural India.



Threats

The rapid pace of technological change, if not matched by agile execution, poses a significant risk to sustaining customer engagement and brand loyalty. Intensifying global and domestic competition demands continual innovation and operational excellence to meet shifting consumer expectations. Rising geopolitical tensions, regional conflicts, and other external disruptions such as wars or supply chain disturbances further complicate the business landscape.

FINANCIAL PERFORMANCE

	FY 2024-25	FY 2023-24	Variance %
Revenue from operations	994.55	968.05	2.74%
PBT	121.95	155.61	-21.62%
PAT	94.46	121.51	-22.26%
Net worth	1,003.79	924.06	8.62%

Key Financial Ratio Analysis

As per the SEBI (LODR) Regulations 2015, the Company is required to detail any changes of 25% or more in key financial ratios compared to the previous financial year, along with thorough explanations. Accordingly, the key financial ratios are presented below:

The current ratio improved from 4.60 in FY 2023-24 to 4.77 in FY 2024-25, indicating a stronger liquidity position with sufficient current assets to cover short-term obligations.

Ratios	FY 2024-25	FY 2023-24	Variance %
Debtors' turnover ratio	5.51	6.36	-13.32%
Inventory turnover ratio (in times)	6.26	5.83	7.37%
Interest coverage ratio	63.24	73.38	13.81%
Current ratio	4.77	4.60	3.72%
Gross profit margin (in %)	33.80	36.10	-6.37%
Net profit margin (in %)	9.50	12.55	-24.34%
Debt-equity ratio (in %)	-	-	-
Return on net worth (in %)	9.80	13.90	-29.50%*

*The variance is due to decrease in other income by ₹ 22.27 Crores.

FUTURE PROSPECTS (STRATEGIC OUTLOOK)

The Company is charting a dynamic course for the upcoming years, with a clear focus on innovation, global expansion, and operational excellence. The company's strategic direction is underpinned by its ambition to evolve from a power tiller manufacturer to a comprehensive provider of small farm machinery, while strengthening its leadership in the compact tractor segment and expanding its footprint in both domestic and international markets.

1. Evolving Power Tillers to Small Farm Machines :

The Company aims to transform its core power tiller business into a versatile small farm machinery segment, catering to a broader range of agricultural needs. It will further strengthen this journey through new innovative products and new business models.

2. Leadership in the Compact Tractor Segment:

The Company is strengthening its leadership in the compact tractor segment through innovative, customer-focussed models aligned with evolving farmer needs. The success of models like 171, 929, 932, and 939 reflects this strategy and supports volume growth. Building on this, the Company is developing a global tractor platform – regulatory-compliant and adaptable across regions – with standardised core technology to meet emission and safety norms and drive competitiveness.

3. Maximising Capacity Utilisation for High-Horsepower (HHP) Tractors:

VST is prioritising optimal utilisation of its HHP tractor manufacturing capacity to address rising demand, particularly in the domestic market, and to support its growth ambitions in the compact and HHP segments.

4. Promoting Precision Implements: The Company is advancing the adoption of precision farming implements, aiming to enhance farm productivity and efficiency for its customers. This includes a focus on expanding its portfolio of technologically advanced and user-friendly implements.

5. Global Expansion: The company is actively expanding its presence in key international markets, having recently entered geographies such as Cyprus, Russia, Czech Republic, Angola, and Mali, with product development underway for the US market and a launch targeted for 2027.

6. Participating in Technology Evolution: VST is actively engaging with the latest technological advancements in agricultural mechanisation, including the development of electric power tillers and weeders which will be launched in FY 2025-26, and the integration of digital solutions across its operations and product offerings.

7. Exploring Rural Distribution Opportunities: The company continues to strengthen and expand its distribution network, with a particular emphasis on rural markets, to ensure that its products are accessible to farmers across all regions.

Read more on Page 26-27

Looking ahead, VST is reworking its long-term vision document in FY 2025-26, which will serve as the foundation for strategic projects and priorities to be cascaded across cross-functional teams. A dedicated project management structure and robust governance mechanisms have been established to monitor, track, and review progress, ensuring timely interventions where necessary. The Company expects to maintain operational EBITDA margins in the range of 11-13%, supported by continued growth in the small farm machinery segment, product and geographic expansion, and a strong pipeline of new product launches both in the SFM and Tractor segment.

RISK AND CONCERNS

Recognising the fundamental importance of proactive risk management for good corporate governance, the Company views it as essential for capitalising on strategic opportunities. Accordingly, a thorough risk management system has been established to identify and manage potential risks linked to its business operations. This framework shapes decision-making by providing a structured method for assessing risks and their possible impact on the Company's objectives. By integrating risk management into how decisions are made, the Company aims for more informed choices that consider both potential downsides and possible upsides. This approach assists the Company in navigating uncertainties and achieving its aims with greater efficiency.

Risk	Impact	Mitigation Measures
Farmers' Purchasing Power Risk	Small and marginal farmers often face challenges in affording mechanised equipment due to limited disposable income and seasonal cash flows, which restrict their ability to invest in capital-intensive machinery.	The Company collaborates with NBFCs and banks to provide easy financing options. Government subsidy schemes continue to support farmers in accessing our product portfolio.
Product Relevance and Differentiation Risk	Diverse agricultural practices across India, influenced by crop types and geographical variation, require customised equipment. A lack of region-specific offerings can result in lower product-market fit and adoption.	The Company uses farmer insights and field feedback to co-develop region-specific solutions. Strategic collaborations with agri-institutes, government bodies etc. enable rapid prototyping, training, and demonstration programs.
Competitive Intensity Risk	Intensifying competition from both domestic and international players may lead to pricing pressures, market share dilution, and margin compression.	The Company continues to innovate, maintains lean operations, and targeting differentiated value propositions.
Environmental & Regulatory Risk	Unpredictable weather patterns, such as droughts or floods, and evolving emission norms can impact rural demand and compliance costs, posing challenges to production planning and product readiness.	The Company ensures compliance with all regulatory standards and is investing in low-emission technologies and alternate powertrains to align with future norms and improve environmental resilience.
Supply Chain Disruptions	Disruptions in logistics, sourcing, or supplier performance can impact production schedules, raise costs, and compromise service levels. Additionally, energy security and infrastructure constraints can affect operational efficiency.	We are pursuing supply base diversification, deeper localisation, financial due diligence of suppliers, and infrastructure strengthening. Cost optimisation and supplier financing initiatives are also being implemented.
Violation of IT Security Protocols	Increased digital reliance exposes the organisation to risks of cyberattacks, data breaches, and operational disruptions. Any compromise of IT systems could result in financial loss, reputational damage, or regulatory non-compliance.	Comprehensive cybersecurity programs are in place, including advanced tools, robust governance frameworks, penetration testing, and employee awareness training to ensure cyber resilience.
Volatility in Commodity Prices	Fluctuations in input costs due to global economic shifts, geopolitical tensions, or natural calamities can adversely impact margins and profitability.	Commodity Risk Management, cost re-engineering, and proactive procurement strategies are helping us reduce volatility impact and secure material cost savings.

Risk	Impact	Mitigation Measures
Geopolitical and Macroeconomic Risk	Geopolitical instability, currency fluctuations, or trade restrictions can disrupt global supply chains and impact import/export operations, leading to increased uncertainty and cost exposure.	The Company mitigates risk through domestic sourcing, minimising global supply chain exposure. Export transactions are largely secured via Letters of Credit (LC), reducing credit and forex risks. Ongoing customer diversification efforts further limit market dependency.

HUMAN RESOURCE

During FY 2024-25, VST Tillers Tractors Ltd. undertook several initiatives to strengthen its human capital and foster a culture of continuous development. A key highlight was the completion of the first batch of the Leadership Development programme at the Indian Institute of Management Bangalore (IIMB). Building on this, the company has scheduled comprehensive competency assessments for key roles in the first quarter of FY 2025-26, ensuring that leadership potential is systematically identified and nurtured.

The company also made significant progress in building a robust talent pipeline through its "Campus to Leadership" initiative. Notably, 14% of positions at the M5 level are now held by Graduate Engineer Trainees (GETs), reflecting a strong focus on internal talent progression. In FY 2024-25, VST recruited 32 young professionals from campuses, bringing the year-to-date total of GETs to 47.

To enhance sales effectiveness, VST implemented a structured classroom training programme for its sales force, covering core sales skills such as speed, enquiry conversion, and field issue resolution. The curriculum also included modules on market strategy, buyer psychology, and dealer management, equipping the team to navigate a dynamic marketplace and drive business growth.

Further, the company continued its commitment to skill development and workforce renewal through the National Apprenticeship Promotion Scheme (NAPS), onboarding 110 apprentices during the year. These initiatives collectively underscore VST's dedication to nurturing talent, fostering leadership, and building a future-ready workforce.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In accordance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, VST Tillers Tractors Ltd. undertook a range of CSR initiatives during the financial year 2024-25, reaffirming its commitment to social responsibility and sustainable development.

During the year, the Company allocated and spent a total of ₹ 2,21,84,543 towards various CSR projects and activities, with a focussing on Education & Skill Development, Health & Well-being, Disability Inclusion, Environment & Conservation etc.

The Company's CSR efforts this year continued to prioritise impactful projects that address critical needs in the communities it serves. Initiatives ranged from supporting educational programmes and healthcare interventions to empowering differently-abled individuals, conserving wildlife, and promoting skill development and entrepreneurship.

 Read more on Page 38-39

INTERNAL CONTROL SYSTEMS

The Company has established thorough internal financial controls, taking into account the nature of its operations and the complexity of its financial reporting systems. At the Board level, a clearly defined risk management strategy exists, based on pre-identified risk categories, occurrences, or variables that necessitate regular assessment and probability-based actions. Both statutory and internal auditors conduct frequent reviews to test the effectiveness of these controls. Regular physical checks of inventory, fixed assets, and cash on hand are carried out, with the results compared to the accounting records. Any discrepancies identified are promptly investigated by the relevant functional heads. The Audit Committee oversees the effectiveness and adequacy of the Company's internal control environment and monitors the implementation of audit recommendations.

CAUTIONARY STATEMENT

This Annual Report may contain statements that are considered 'forward-looking'. These statements are subject to various risks, uncertainties, and other factors that could cause actual results to differ materially from those implied by such forward-looking statements. The Company's operations could be affected by global and domestic demand and supply conditions impacting selling prices of finished goods, availability and prices of inputs, changes in government regulations and tax laws, economic developments in India and other countries where the Company operates, litigation, industrial relations, and other incidental factors.

Board's Report

Dear Members,

The Board of Directors presents the 57th Annual Report of the Company ("the Company" or "VST"), along with the audited financial statements, for the financial year ended March 31, 2025. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

FINANCIAL PERFORMANCE

The Company's financial performance for the year ended March 31, 2025, is summarized below:

Amount (in Lakhs) except EPS

Particulars	Standalone		Consolidated	
	For the F.Y 2024-25	For the F.Y 2023-24	For the F.Y 2024-25	For the F.Y 2023-24
Operating Income	99,455	96,805	99,455	96,805
Non-Operating Income	3,831	6,058	3,831	6,058
Total Income	1,03,286	1,02,863	1,03,286	1,02,863
Finance Cost	196	215	196	215
Depreciation	2,548	2,701	2,548	2,701
Total Expenses	91,091	87,302	91,091	87,302
Exceptional Item	-	-	-	-
Profit Before Tax	12,195	15,561	12,046	15,516
Tax	2,749	3,410	2,749	3,410
Profit After Tax	9,446	12,151	9,297	12,107
Other Comprehensive Income	(24)	(55)	(24)	(55)
Total Comprehensive Income	9,422	12,096	9,273	12,051
Earnings Per Share (Basic) (Amount in ₹)	109.33	140.64	107.60	140.13
Earnings Per Share (Diluted) (Amount in ₹)	109.16	140.62	107.43	140.10

FINANCIAL PERFORMANCE/ STATE OF COMPANY AFFAIRS

Overview of Company's Financial Performance on a Standalone basis:

- Revenue from Operations of the Company stood at ₹ 99,455 Lakhs as against 96,805 Lakhs for the previous year, registering a growth of 2.74% in the revenue.
- Opr. EBITDA of the Company stood at ₹ 11,109 Lakhs as against ₹ 12,419 Lakhs for the previous year.
- Profit after Tax (PAT) of the Company stood at ₹ 9,446 Lakhs as against ₹ 12,151 Lakhs.

Overview of Company's Financial Performance on a Consolidated basis:

- Revenue from Operations of the Company stood at ₹ 99,455 Lakhs as against 96,805 Lakhs for the previous year, registering a growth of 2.74% in the revenue.
- Opr. EBITDA of the Company stood at ₹ 11,109 Lakhs as against ₹ 12,419 Lakhs for the previous year.

- Profit after Tax (PAT) of the Company stood at ₹ 9,297 Lakhs as against ₹ 12,107 Lakhs.

The operational EBITDA has experienced a decline of approximately ₹13 crores, primarily attributable to a strategic increase in expenditures aimed at supporting the company's long-term growth objectives. These additional costs were incurred as part of our forward-looking investments in strengthening research and development (R&D) capabilities and scaling up our product development infrastructure. Specifically, during the previous financial year, we undertook significant resourcing initiatives, such as talent acquisition, infrastructure enhancement, and technology upgrades, intended to build a robust foundation for future operations. While these investments have impacted short-term profitability, they are expected to yield substantial value in the medium to long term by accelerating innovation and enhancing our ability to deliver differentiated products to the market.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

Your Company deals with a single segment only i.e. "Manufacturing of Agricultural Machineries".

TRANSFER TO RESERVES

During the year under review, the Company does not propose any amount to the General Reserve. For complete details on movement in Reserves and Surplus during the financial year ended March 31, 2025, please refer to the 'Statement of Changes in Equity' included in the standalone and consolidated financial statements of this Annual Report.

DIVIDEND

Based on the Company's performance, your directors are pleased to recommend, for the approval of the members, Dividend of ₹ 20/- per equity share of face value of ₹10/- each (i.e.200%) payable to those members whose names appear in the Register of Members as on the Record Date. i.e. 03rd September 2025. The dividend payout is subject to the approval of Members at the ensuing Annual General Meeting (AGM).

The dividend payout for the period under review has been formulated in accordance with shareholders' aspirations and the Company's Dividend Distribution Policy to pay sustainable dividend linked to long-term growth objectives of the Company to be met by internal cash accruals. The Dividend will be disbursed on or after 10th September 2025, if approved by the members at the 57th AGM. The total outflow will be around 17.28 Crores (Approx). The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") is available on the Company's website at https://www.vsttractors.com/in/sites/default/files/2021-08/Dividend_Distribution_Policy.pdf

QUALITY INITIATIVES

To achieve Operational Excellence, it's essential to maintain an ongoing focus on future preparedness. This approach not only allows for a realistic assessment of the current state of excellence but also offers valuable insights into what steps are needed to align with industry leaders. Below are some of the key Quality Achievements:

Total Quality Management:

Implemented Kaizens – 2656 No's reported in FY25

Won award for Best Visual Category in 38th CII Karnataka State level Quality Circle Competition (August 2024) – Hosur Plant.

Won award " Manufacturing Excellence Category" in Machinist Super shopfloor awards (June 2024) Organized by Times Group - Mysuru Plant.

Won award " Machinist Super shopfloor of the Year 2024 Category" in Machinist Super shopfloor awards (June 2024) Organized by Times Group - Mysuru Plant.

Won Gold Award in 49th CII National level Kaizen Competition (June 2024) – Mysuru Plant

Won award for Best Theme Category in 38th CII Karnataka State level Quality Circle Competition (August 2024) – Mysuru Plant.

Won award for Best Use of Tool in 38th CII Karnataka State level Quality Circle Competition –(August 2024) – Hosur Plant.

Training Provided on Integrated Management system to 21 employees – Aug-2024.

QUALITY MANAGEMENT SYSTEM:

All VST Plants successfully got IMS Certification (Nov 2024)

QMS – ISO 9001:2015

EMS – ISO 14001: 2015

H&S – ISO 45001: 2018

DETAILS OF DIRECTORS AND KMP APPOINTMENT/ REAPPOINTMENT RETIREMENT OF INDEPENDENT DIRECTORS

Mr. Moloy Kumar Bannerjee (DIN: 00219178) and Mr. Kashinath Martu Pai (DIN: 01171860) have retired from the position of Independent Director of the Company effective from August 13, 2024 after completion of second term. The Board recorded its appreciation, expressed their gratitude and acknowledgment of their contributions to the Company.

RE-APPOINTMENT/DIRECTOR LIABLE TO RETIRE BY ROTATION

Mr. Arun V. Surendra (DIN: 01617103) will be liable to retire by rotation and being eligible, offers himself for re-appointment as per Section 152(6) of the Act at the 57th Annual General Meeting of the Company scheduled to be held on September 10, 2025.

DECLARATION BY INDEPENDENT DIRECTOR

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. There has been no change in the circumstances affecting their status as independent directors of the Company. In the opinion of the Board, all the Independent Directors possess integrity, expertise, and experience (including proficiency).

KEY MANAGERIAL PERSONNEL (KMP)

The following persons are Key Managerial Personnel (KMP) of the Company under section 203 of the Companies' Act, 2013, during FY 2024-25.

Mr. V.T. Ravindra	: Managing Director
Mr. Antony Cherukara	: Chief Executive Officer
Mr. Nitin Agrawal	: Chief Financial Officer
Mr. Chinmaya Khatua	: Company Secretary

SHARE CAPITAL

During the year under review there was no change in the authorized capital of the Company. However, the subscribed and paid-up share capital of the Company increased from 86,39,528 number of equity shares @ ₹10/- per equity share amounting to 8,63,95,280/- to 86,43,358 number of equity shares @ ₹10/- per equity share amounting to 8,64,33,580/-.

The aforementioned increase was a result of the allotment of additional equity shares pursuant to the exercise of stock options by eligible employees under the “VST Tillers Tractors Limited – Restricted Stock Unit Plan 2024” (“RSU Plan” or “the Plan”).

CREDIT RATING

The Company enjoys a good reputation for its sound financial management and the ability to meet its financial obligations. The Company has received ICRA (AA-) (Stable)/ICRA (A1+) ratings for its long-term and short-term banking facilities.

SHARE REGISTRAR & TRANSFER AGENT (R&T)

Integrated Registry Management Services Private Limited is the Registrar and Transfer Agent of the Company.

CORPORATE GOVERNANCE

The Company is committed in maintaining the highest standards of corporate governance and adherence to the corporate governance requirements set out by the Securities and Exchange Board of India (SEBI) and the Companies Act, 2013. The Company strives to achieve fairness for all stakeholders and to enhance long-term value to Shareholders. In compliance with Regulation 34 of the SEBI Listing Regulations, a report on Corporate Governance and the Certificate from the Statutory Auditors of the Company confirming compliance with the conditions of Corporate Governance are attached to the report on Corporate Governance which forms part of this Annual Report. Compliance reports in respect of all laws applicable to the Company have been reviewed by the Board of Directors.

DIRECTOR'S RESPONSIBILITY STATEMENT

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013.

- That in the preparation of the annual accounts for the financial year ended March 31, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- That the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year on March 31,

2025 and of the profit and loss of the company for that period;

- That proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- That the annual accounts have been prepared on a going concern basis;
- That the internal financial controls to be followed by the company have been laid down and that such internal financial controls are adequate and are operating effectively;
- That proper systems to ensure compliance with the provisions of all applicable laws have been devised and that such systems are adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors including the audit of internal financial controls over financial reporting by the Internal Auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2024-25.

AUDITORS & AUDITOR'S REPORT

Pursuant to the provisions of Section 139 of the Act read with rules thereunder, the shareholders of the Company at the 53rd Annual General Meeting (“AGM”) held during FY 2020-21 had re-appointed M/s. K.S. Rao & Co, Chartered Accountants (Firm Regd. No. 003109S), as Statutory Auditors of the Company for a for a second term of five financial years to hold office up to the conclusion of the 58th Annual General Meeting of the Company to be held in 2026.

The Auditor's Report for the financial year ended March 31, 2025, has been issued with an unmodified opinion, by the Statutory Auditors. The report is enclosed with the financial statements in this integrated annual report. The auditor's report has no qualifications, reservation or adverse remarks for the financial year 2024-25.

REPORTING OF FRAUD BY AUDITORS

There was no fraud reported by the auditors under section 143(12) of the Companies Act, 2013 and the rules made thereunder.

COST AUDITORS

Pursuant to Section 148 of the Companies Act, read with the Companies (Cost Records and Audit) Rules, 2014 (as amended), your Company is required to maintain the cost

records and the said cost records are required to be audited. The Company maintains all the aforesaid cost records. Based on the recommendation of the Audit Committee, the Board of Directors appointed M/s. Rao, Murthy & Associates (Firm Registration No. 00065), Practising Cost Accountants, as Cost Auditors of the Company for FY 2024-25. The remuneration payable to the Cost Auditors for FY 2025-26 is subject to ratification by the members at the ensuing 57th Annual General Meeting (“AGM”), and the same is included in the Notice convening the AGM.

INTERNAL AUDITORS

Pursuant to Section 138 of the Companies Act, 2013, and based on the recommendation of the Audit Committee the Board had appointed M/s. Brahmayya & Co, Chartered Accountant (ICAI Firm Registration No: 000515S) as Internal Auditors of the Company to conduct the internal audit of your Company for the financial year 2024-25.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rules made there under, the Board had appointed M/s Thirupal Gorige & Associates LLP, Practising Company Secretaries (FCS:6680, CP No:6424), a peer reviewed firm, to undertake the Secretarial Audit of the Company for the FY 2024-25. The Secretarial Audit Report is enclosed herewith as Annexure-4 to the Board's Report which forms the part of this Integrated Annual Report.

In accordance with the recent amendments to the Listing Regulations, the Board has recommended to the members for their approval, appointment of M/s Thirupal Gorige & Associates LLP, Practising Company Secretaries (FCS:6680, CP No:6424), as the Secretarial Auditors of the Company, for a term of 5 (five) consecutive financial years commencing from the financial year 2025-26 to the financial year 2029-30.

The Secretarial Audit certificate on the implementation of share-based scheme in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulation, 2021 is enclosed herewith as Annexure-4.

AUDITORS QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER

There were no qualifications, reservations or adverse remarks or disclaimers from Statutory Auditors & Secretarial Auditors and the comments (if any) given by the Statutory & Secretarial Auditors in their respective Reports. The comments, if any given by them in the report are self-explanatory and hence, do not call for any further explanations or comments from the Board.

PARTICULARS OF EMPLOYEES

Disclosures concerning the remuneration of Directors, KMPs and employees as per Section 197(12) of the Companies Act,

2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as well as Details of employee remuneration as required under provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in Annexure-1 to this Report. Your directors affirm that the remuneration is as per the remuneration policy of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information under Section 134 of Companies Act, 2013 read with rule 8 (3) of the Companies (Accounts) Rules, 2014 is enclosed as Annexure-2.

INTERNAL FINANCIAL CONTROLS

Internal Financial Controls are an integral part of the risk management process which in turn is a part of Corporate Governance addressing financial reporting risks. The Company has in place a well-defined organizational structure and adequate internal controls for efficient operations which are cognizant of applicable laws and regulations, and the accurate reporting of financial transactions in the financial statements. The Company reviews and upgrades these systems on a continuous basis, to ensure their effectiveness.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, VST is committed to fostering a safe, respectful and a harassment-free workplace environment. VST strongly believes in gender neutrality and encourages hiring resources from all genders, ensuring we create an environment free of any form of discrimination and harassment.

During the financial year ended March 31, 2025, there was no complaint received for sexual harassment. Also, there are no complaints pending at the end of the financial year. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

DEPOSITS

Your Company has not accepted any deposits within the meaning of Chapter- V of the Companies Act, 2013 and rules made thereunder. Further, there are no deposits which remain unpaid or unclaimed as at March 31, 2025, nor has there been any default in repayment of deposits or payment of interest thereon during the year.

INDUSTRIAL RELATION

Throughout the year under review, the company successfully fostered and upheld positive and collaborative industrial relations across all its manufacturing facilities in Malur, Hosur, and Mysore. By prioritizing open communication and mutual respect, the company ensured a harmonious working environment, promoting a culture of trust and cooperation between management and employees. This commitment to strong industrial relations played a key role in maintaining smooth operations and productivity at each of these locations.

As of March 31, 2025, the company employed a total of 809 permanent staff across all manufacturing locations.

SAFETY, HEALTH AND ENVIRONMENT

The organization places the highest priority on ensuring a safe, healthy, and environmentally responsible workplace. Our Safety, Health and Environment management system is designed to comply with statutory requirements, industry best practices, and the principles of sustainable development.

Safety: Comprehensive safety procedures are implemented across all operations, supported by risk assessments, work permit systems, and regular safety audits. Employees are trained through periodic safety drills, toolbox talks, and hazard awareness programs to foster a strong safety culture.

Health: Occupational health programs focus on preventive healthcare, periodic medical examinations, and ergonomics to safeguard employee well-being. First-aid facilities, emergency response teams, and health awareness initiatives are maintained on-site.

Environment: The company actively monitors and minimizes environmental impacts through waste reduction, pollution control measures, and efficient resource utilization. Initiatives include emission monitoring, water conservation, and adherence to environmental regulations.

Ensure contribution to the environment with plantation drive across the units and planting more than 400 saplings, and providing a sapling during a employee birthday

INFORMATION TECHNOLOGY

Your company ensures that digital advancements are harnessed effectively to boost sales and reduce costs, all within a controlled, secure, and compliant environment. By adopting the most advanced Theory of Constraints (TOC) methodologies for Supply Chain Management, the organization achieves seamless integration between ERP (SAP S/4HANA), Supplier Relationship Management (SRM), and Dealer Management System (DMS). This integration ensures a precise balance between demand and supply, significantly improving overall operational efficiency.

The company operates a fully functional ERP – SAP S/4HANA, ensuring data integrity, operational stability, and protection of critical business information through advanced security

protocols. Supporting this core system are various specialized platforms, including the Digital Approval System, Travel Management System, Dealer Management System, Supplier Relationship Management System, Sales Capability Building System, Dealer Scouting & Onboarding System, and Quality Management System.

The infrastructure is robust and secure, with multi-layer cybersecurity measures and servers hosted across multiple environments: on-premises, at external data centres, and in multiple cloud platforms—ensuring flexibility, reliability, and scalability while safeguarding business operations.

BOARD MEETING

The company has conducted 4 meetings of the Board of Directors during this financial year. For further details, please refer to the section on Corporate Governance in this Annual Report.

DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS

Mr. V.V. Pravindra, Mr. V.T. Ravindra and Mr. Arun V. Surendra belong to the promoters' family. Apart from the promoter directors, none of the other Directors are related to each other.

DECLARATION OF INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Rule 5 of the (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI Listing Regulations.

In terms of the requirements under the SEBI Listing Regulations, the Board has identified list of key skills, expertise and core competencies of the Board, including the Independent Directors, details of which are provided in the Corporate Governance Report forming part of this Annual Report.

In the opinion of the Board, all the Independent Directors of the Company satisfy the criteria of independence as defined under the Act, rules framed thereunder and the SEBI Listing Regulations, and they are independent of the Management of the Company.

COMMITTEES

The Board of Directors of Company have formed various Committees, as per the provisions of the Companies Act, 2013 and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as a part of the best corporate governance practices, the terms of reference and the constitution of these Committees is in compliance with the applicable laws and to ensure focused attention on business and for better governance and accountability. The Committees constituted are as below:

a) Audit Committee; b) Nomination, Compensation and Remuneration Committee; c) Stakeholders Relationship Committee; d) Corporate Social Responsibility Committee; and e) Risk Management Committee. Details of the composition, terms of reference, and meetings of these Committees are provided in the Corporate Governance Report, which forms part of this Annual Report.

AUDIT COMMITTEE

The Members of the Audit Committee possess accounting and/or financial management knowledge and expertise. The Company Secretary of the Company is the Secretary of the Committee. In pursuance of the SEBI Listing Regulations, members of the audit committee who are Independent Directors shall approve the related party transactions. Details of the composition, roles and responsibilities, particulars of meeting and attendance thereat are mentioned in the Corporate Governance Report.

NOMINATION COMPENSATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Policy, inter-alia, provides for criteria and qualifications for appointments of Director, Key Managerial Personnel and Senior Management, Board diversity, remuneration to Directors, Key Managerial Personnel, etc. The policy can be accessed at the following link: https://www.vsttractors.com/in/sites/default/files/2019-04/Nomination_Renumeration_policy.pdf. For more details on the committee, please refer to the report on Corporate Governance.

VIGIL MECHANISM CUM-WHISTLE BLOWER POLICY

The Company has formulated the Whistleblower Policy in line with the mandated regulatory requirements of Section 177(9) of the Companies Act, 2013 and Regulation 22 of Listing Regulations, which mandates listed companies to establish a "vigil mechanism" for reporting genuine concerns. The forum is predominantly for the receipt, retention and treatment of complaints regarding matters of probable discrepancies in accounting, internal accounting controls or auditing, irregularities etc. The policy is available on the website of the Company at the link https://www.vsttractors.com/in/wp-content/uploads/2025/04/VIGIL_MECHANISM_WHISTLE_BLOWER_POLICY.pdf

The Company has in place robust measures to safeguard whistle blowers against victimization. Directors and employees are duly sensitized about mechanisms and guidelines for direct access to the Chairman of the Audit Committee, in appropriate cases. Further, during FY 2024-25, the company has not received any complaints.

LOANS, GUARANTEE & INVESTMENT

The Company has made investment during the FY 2024-25. The investment details form part of the notes to the financial statements provided in this Annual Report. The company has not given any Loan or Guarantee during FY 2024-25.

RELATED PARTY TRANSACTIONS

We ensure that all the transactions that are entered into with related parties during the financial year meets the criteria of an arm's length price basis. There are no materially significant related party transactions made by the company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interests of the Company at large.

All Related Party Transactions were placed before the Audit Committee and Board for approval. Prior omnibus approval of the Audit Committee was obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted were audited and a statement giving details of all related party transactions were placed before the Audit Committee and the Board of Directors for their information and approval.

The Related Party Transaction details including the transaction(s) of the Company if any, with a person/entity belonging to the promoter/promoter group which hold(s) more than 10% shareholding in the Company as required pursuant to para A of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the notes to the financial statements provided in this Annual Report. Please refer to the details in Annexure -5 for AOC-2 Form.

RELATED PARTY TRANSACTIONS POLICY

The policy on dealing with Related Party Transactions as approved by the Board can be accessed at <https://www.vsttractors.com/in/wp-content/uploads/2025/06/Policy-on-Related-Party-Transactions-new.pdf>

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION

There are no material changes affecting the financial position of the Company subsequent to the closure of FY25 till the date of this report.

RISK MANAGEMENT

The Board of Directors of the Company has a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The Company has a robust framework in place to effectively manage risks. The Risk Management Committee, which is constituted by the Board, is responsible for overseeing the Risk Management Framework. The Framework covers the Company's risk appetite statement, risk limits, risk

dashboards, and early warning signals. The risk management framework works at various levels across the enterprise. These levels form the strategic defense cover of the Company's risk management. The Company has adopted a Risk Management Policy in accordance with the provisions of the Act and Regulation 21 of the Listing Regulations. The policy is available on the website of the Company at https://www.vsttractors.com/in/sites/default/files/2021-08/RISK_MANAGEMENT_FRAMEWORK.pdf

The Risk Management Committee has been entrusted with the responsibility to assist the Board in (a) Overseeing and approving the Company's enterprise wide risk management framework; and (b) Overseeing that all the risks that the organization faces such as strategic, financial, credit, market, liquidity, security, IT, legal and other risks have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year, the Company undertook various Corporate Social Responsibility (CSR) initiatives with a focus on promoting education, supporting the fight against cancer addressing mental health issues such as stress, anxiety, and depression, empowering individuals with disabilities, facilitating the rehabilitation of the visually impaired, advancing wildlife conservation and fostering skill development.

The Company has formed CSR policy and CSR Committee as required by the Act and the details of the same are available on the Company website i.e. https://www.vsttractors.com/in/wp-content/uploads/2025/04/CSR_POLICY.pdf.

During FY 2024-25 the Company has spent ₹ 2,21,84,543/- for towards CSR activities. The prescribed particulars, including details of the amount spent, unspent (if any), and related explanations, are provided in Annexure-3 to this Board's Report, prepared in the format prescribed under the Companies (CSR Policy) Rules, 2014.

EVALUATION OF BOARD PERFORMANCE

In accordance with the provisions of Section 134(3)(p) and Section 178(2) of the Companies Act, 2013, and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Board of Directors carried out an annual evaluation of its own performance, board committees, chairman and, individual directors. The evaluation process was facilitated by the Nomination, Compensation & Remuneration Committee, which laid down the evaluation criteria in line with the requirements prescribed under Schedule II, Part D of the SEBI Listing Regulations. The process was conducted through a structured peer-evaluation methodology, excluding the Director being evaluated.

As part of the process, The Board evaluated the performance of its committees and individual Directors.

The Independent Directors have evaluated the performance of the Non-Independent Directors, the Board as a whole, and the Chairman, taking into account the views of the Executive and Non-Executive Directors.

The evaluation was conducted as per the established procedure of the Company, and further details are provided in the Corporate Governance Report forming part of this Annual Report

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business of the Company.

DETAILS OF SUBSIDIARY, ASSOCIATE, OR JOINT VENTURE COMPANY.

The Company established a Joint Venture Cum Subsidiary Company in the name of VST ZETOR PRIVATE LIMITED and also incorporated a Wholly Owned Subsidiary in the name of VST Americas Inc and stepped down subsidiary named as VST FIELDTRAC LLC in the United States. There is no material change in the nature of the business of the subsidiaries. Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries in Form No. AOC-1 is attached to the financial statements of the Company as Annexure-7. The Subsidiary Company has a turnover of ₹ 1,784.55 Lakhs for FY 2024-25. We expect performance will improve during the current financial year. The complete financial of the subsidiary Company is available at <https://www.vsttractors.com/in/investor/financials/?tab=vst-tab-btn-5>

VARIATION IN MARKET CAPITALISATION

Date	Paid-up Capital (in ₹)	Closing Market Price per shares	EPS	PE Ratio	Market Capitalization (in Crores)
31.03.2024	8,63,95,280	3,248.90	140.64	23.09	2806.09
31.03.2025	8,64,33,580	3879.00	109.33	35.47	3836.61
Increase/Decrease	38,300	630.10	(31.31)	12.38	1030.52
% Increase/Decrease	0.004	19.39	(22.27)	53.61	36.72
No issue of shares during the year (Due to allotment of ESOP)	1	-	-	-	-

Data Source: BSE Ltd.

SIGNIFICANT AND MATERIAL ORDERS

There is no significant material orders passed by any Regulators/Courts which would impact on the going-concern status of the Company and its future operations.

EMPLOYEE STOCK OPTIONS / RESTRICTED STOCK UNITS (RSUS)

The Company grants share-based benefits to eligible employees with a view to retaining talent, have long term commitment and association of employees for sustained growth, development and long-term interest of the Company. The complete ESOP- Restricted Stock Unit Plan 2024 of the Company is available at <https://www.vsttractors.com/in/wp-content/uploads/2024/08/ESOP-PLAN.pdf>.

The 1st tranche of the options (25%) was vested on 26th February 2025 and the same has been exercised by the following grantees on 03rd March 2025 by submitting the exercise application to the company along with application money, for the allotment of shares pursuant to the vested RSUs:

Sr. No.	Name of Employee	Designation	No of equity shares allotted
1	Antony Cherukara	KMP-CEO	1500
2	Nitin Agrawal	KMP-CFO	810
3	Kodiganti Bheem Reddy	VP	800
4	Krishan Kumar Tiwari	VP	720
Total			3,830

ANNUAL RETURN

The draft Annual Return for FY 2024-25 is available on the Company's website i.e. <https://www.vsttractors.com/in/investor/disclosure/?tab=v-pills-disclosure14-tab>

LISTING ON STOCK EXCHANGE

The Company's shares are listed at BSE & NSE.

SECRETARIAL STANDARDS

The Company has complied with Secretarial Standards issued by the ICSI on Meetings of the Board of Directors, General Meetings, and voluntarily the Secretarial Standards on Dividend and Report of the Board of Directors issued by the Institute of Company Secretaries of India (ICSI).

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING

A Business Responsibility and Sustainability Report ("BRSR") describing the initiatives taken by the Company from an environment, social and governance perspective, as required in terms of the provisions of Regulation 34 (2) (f) of SEBI Regulations, 2015, separately forms a part of the Annual Report of the Company.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and Code of practices & procedures for fair disclosure of Unpublished Price Sensitive Information, for Prevention of Insider Trading, in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015, as amended from time to time.

The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations. The Code is displayed on the Company's website at https://www.vsttractors.com/in/sites/default/files/policies/VTTL_code_conduct_board_sr_mgmt.pdf

DISCLOSURE OF CERTAIN TYPE OF AGREEMENTS BINDING LISTED ENTITY

Pursuant to Regulation 30A(2) of SEBI Listing Regulations there are no agreements entered into by the Company which, either directly or indirectly impact on the management or control of the Company or imposing any restrictions or creating any liability upon the Company.

INVESTOR EDUCATION AND PROTECTION FUND

During the FY 2024-25, the Company has transferred ₹ 9,96,885/- unpaid and unclaimed dividend to Investor Education and Protection Fund (IEPF) and further transferred 7,408 Nos of shares to IEPF Authority as per IEPF Rules during the FY 2024-25. As per the said rule, any benefits such as dividend shall be transferred to IEPF with respect to shares transferred to IEPF and accordingly the dividend of the corresponding shares transferred to IEPF, has also been transferred to IEPF. The details of such Dividends and shares are available on the Company's website at <https://www.vsttractors.com/in/investor/disclosure/?tab=v-pills-disclosure5-tab>. Mr. Chinmaya Khatua has been appointed as nodal officer under IEPF Rule.

The details of unclaimed dividends & shares summary as on 31/03/2025 are given below:

Sl. Nos.	Years	Total No. of Shareholders	Unclaimed Dividend Amount (In ₹)	No. of Corresponding Shares	Due Date of Transfer To IEPF
1	2017-18 FINAL	257	2000700.00	40014	11-10-2025
2	2018-19 FINAL	253	584460.00	38964	10-10-2026
3	2019-20 INTERIM	283	605580.00	40372	21-05-2027
4	2020-21 FINAL	243	615975.00	35739	28-10-2028
5	2021-22 FINAL	209	531605.00	31162	21-10-2029
6	2022-23 FINAL	230	622776.00	29319	10-11-2030
7	2023-24 FINAL	392	1100751.00	63712	21-10-2031

DETAILS OF NODAL OFFICER:

Name: Mr. Chinmaya Khatua [Company Secretary & Compliance Officer]
Email: investors@vsttractors.com
Phone: 080-67141111

CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion & Analysis Report describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable laws and regulations. Actual results may differ from those expressed in the statements.

OTHER DISCLOSURE

MATERNITY BENEFITS

We are committed to supporting our women employees throughout their motherhood journey by offering maternity leave in accordance with the Maternity Benefit Act. Our comprehensive wellness framework includes health awareness sessions, medical insurance coverage, crèche facilities, etc. These initiatives are designed to help women balance their personal and professional responsibilities more effectively and with greater comfort.

HEALTH AND LIFE INSURANCE

Employees are provided with health, accident, and term life insurance coverage, ensuring access to quality medical care when needed and offering a sense of security and peace of mind during challenging times.

AFFIRMATIONS

- The details of the difference between the amount of the valuation done at the time of one-time settlement and the valuation done while taking loans from the Banks or Financial Institutions along with the reasons thereof: Nil
- There were no proceedings either filed by or against the Company pending under the Insolvency and Bankruptcy Code, 2016 before the NCLT or any other Court.

ACKNOWLEDGEMENTS

The directors would like to extend their sincere gratitude towards customers, vendors, dealers, investors, business associates and bankers for their continued support during the year. We take the opportunity to express our sincere appreciation for the contribution made by the employees at all levels. Our resilience to meet challenges and the consistent growth of the Company was made possible by their hard work, solidarity, co-operation, and support. Your directors would like to express their sincere appreciation of the positive co-operation received from the government agencies for their support and look forward to their continued support in the future.

The Board also takes this opportunity to express its deep gratitude for the continued co-operation and support received from its valued shareholders.

For **V.S.T. TILLERS TRACTORS LTD.**

Arun V. Surendra

Date: August 11, 2025
Place: Bengaluru

Chairman
DIN: 01617103

Annexure-1

DETAILS PERTAINING REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary, percentage increase in their remuneration during the FY 2024-25 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the FY 2024-25 are as under:

Sl. No	Name of Director/ KMP	Designation	% Increase / Decrease in Remuneration FY 2024-25	Ratio of remuneration of each Director to the median remuneration of employees	No. of RSUs Granted during the financial Year
1	Mr. V.T. Ravindra	Managing Director	21	17.57	-
2	Mr. Antony Cherukara	Chief Executive Officer	5.2	38.75	-
3	Mr. Nitin Agrawal	Chief Financial Officer	14.2	14.26	-
4	Mr. Chinmaya Khatua	Company Secretary	5.9	5.32	1600
5	Mr. Arun V. Surendra	Chairman, Non-Executive Director	-8	0.9	-
6	Mr. M.K. Bannerjee (Retired w.e.f. 13 th August 2024)	Independent Director	-72	0.57	-
7	Mr. K. M. Pai (Retired w.e.f. 13 th August 2024)	Independent Director	-72	0.57	-
8	Mrs. Siva Kameswari Vissa	Independent Director	-31	0.73	-
9	Dr. Nandakumar Jairam	Independent Director	-	0.73	-
10	Mr. Rajen Padukone	Independent Director	8	1.15	-
11	Mr. Ajith Kumar Rai	Independent Director	125	0.74	-
12	Mr. V. V. Pravindra	Non-Executive Director	60	0.66	-

The Company's PAT has decreased from ₹ 12,151 lakhs to ₹ 9,446 lakhs. The change in KMP remuneration is in line with the current market scenario and with Company's policy. However, the salary of the Managing Director was approved by the shareholders.

The Company has given about 8% average increase in salaries to the employees keeping in view the overall industry standards and interests of the employees. The unionized employees of the Company are eligible for salary increment as per the terms and conditions of their wage settlement.

The Company has 809 permanent employees on roll as on March 31, 2025. The average increase in median remuneration of employees during the year 2024-25 is about 8%. Payment of Commission to Managing Director - commission on net profit of the Company as approved by the Members of the Company.

All the eligible employees, including KMPs have received variable pay (part of the CTC) during FY25. Hence there is an impact in salary percentage while comparing with FY24.

Name	Designation	Commission
Mr. V T Ravindra	Managing Director	One percent on the net profit of the Company subject to a maximum of one and half times of annual basic salary drawn and subject to the overall ceiling stipulated under the Companies Act 2013 and the rules made thereunder.

Mr. Antony Cherukara, CEO, received remuneration in excess of the highest paid director during the year considering his salary for the full year.

Note:

- All the appointments are permanent in nature & as per the service contract of the Company and can be terminated by giving notice by either party.
- Mr. V.T. Ravindra, Mr. V. V. Pravindra and Mr. Arun V. Surendra belong to the promoter and promoter group.

The information required under Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in the Annexure (s) forming part of the Annual Report. The information in respect of employees of the Company required pursuant to Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be made available before the Annual General Meeting in electronic mode to any shareholder upon a request sent to vstagm@vsttractors.com.

The Company fixes the salary of the employees based on the Remuneration Policy of the Company. All the eligible employees, including KMPs, have received variable pay (part of the CTC) during FY25.

Annexure-2

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

1. Conservation of Energy:-

The organization remains committed to minimizing energy consumption and improving operational efficiency across all processes. In line with our sustainability objectives, multiple measures have been implemented during the reporting period to conserve energy and reduce our carbon footprint.

Year on year our target has been on reducing our energy consumption Eg :- Malur reduction of energy from 5.63 lakh to 4.85 KWH over the Fy 23-24 to 24-25

Power factor correction and LED lights installation to reduce power consumption.

Preventive Maintenance: Scheduled maintenance of machinery and utilities to ensure peak performance and avoid energy losses due to inefficiencies

Automation and Controls: Implementation of energy monitoring systems and automated controls to manage energy consumption in real-time.

Water Management:- Reduced water consumption by installing of water aerator across washrooms. Saving around 5 to 6 KL per day consumption in Malur.

2. Technology Absorption & Benefit Derived:

- Additional 20 Licenses of CREO Added & Installed at design office at R&D Hosur.
- PLM -AWS (Active Workspace – Cloud based) implementation started, ECN Module implemented across all the plants.
- Productivity enhancement & faster design deliveries

Product Range expansion:

- Design & development activities initiated for New Tractor Platforms for the US Market, Eu & India Markets.

- Design and development of indigenous weeders
- To increase the footprints of VST across the Globe and also help to increase the Top line & Bottom line of the organization
 - To Meet the EUROPE Engine emission compliance – Stage V for above 19 KW, VST 932 Stage-V, 939 Stage V tractors, with additional features like Cabin & loader, Front TPL, Ladder Hitch, Mid ROPS and Mid mounted mower. Cold start features especially for Nordic countries.
 - HST range on VST 929 EGT development initiated.

Technology Upgradation:

For domestic market, development initiated FENTM range for domestic market (18 to 30 HP) with n & ew look.

- Design & development to meet TREM V emission standards for India market. (upto 19KW).
- Design & development initiated for 2.3L Delta Engine targeting at 30-40 HP.
- Design & development initiated for 3.2 L Delta Engine for 40 to 50 HP Range.
 - Design initiated for Electric weeder and Tillers
 - Innovative project SCORE initiated

Expenditure on R&D:

The Companies expenditure on R&D during the year was ₹ 1.30 crores

Foreign exchange earnings and outgo: Total foreign exchange used and earned:

Foreign exchange earnings: ₹109.73 Crores. Foreign exchange outgo: ₹ 30.78 Crores

Annexure-3

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES:

1. Brief outline on CSR Policy of the Company:

The Company has been doing CSR activities directly or through other entities to make CSR a key business process for sustainable development of society for many years. The main objective of CSR policy is to lay down guidelines for the company and actively contribute to the social and economic development of the communities in which we operate.

- (i) Applicability of Section 135 of the Companies Act, 2013 - Yes
- (ii) Turnover for the FY25 (in ₹) - ₹ 994,54,87,325/-
- (iii) Net worth for the FY25 (in ₹) - ₹1003,79,83,000/-
- (iv) Net Profit for the FY25 (in ₹) - ₹ 94,45,79,136/-

2. Composition of CSR Committee:

Sl No	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the FY 2024-25	Number of Meetings of the CSR Committee attended during the FY 2024-25
1.	Mr. Arun V. Surendra	Chairman, Non-executive Director	2	2
2.	Mr. Rajen Padukone	Member, Independent Director	2	2
3.	Dr. Nandakumar Jairam	Member, Independent Director	2	2
4.	Mr. V.V. Pravindra	Member, Non-executive Director	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

The web-link for CSR Policy is <https://www.vsttractors.com/investor/disclosure/?tab=v-pills-disclosure9-tab> and web-link for Composition of CSR committee, CSR Policy and CSR projects approved by the board disclosed on the website of the company is: <https://www.vsttractors.com/investor/disclosure/?tab=v-pills-disclosure9-tab>

4. Provide the executive summary along with weblink(s) of impact assessment of CSR projects carried out in pursuance of sub rule (3) of rule 8, if applicable: Not Applicable

- 5. a. Average net profit of the company as per sub-section (5) of section 135: ₹ 110,92,27,161/-
- b. Two percent of the average net profit of the company as per sub-section (5) of Section 135: ₹ 2,21,84,543/-
- c. Surplus arising out of the CSR projects or programmes or activities of the previous financial year: NIL
- d. Amount required to be set off for the financial year, if any: NIL
- e. Total CSR Obligation for the financial year [(b) + (c) - (d)]: ₹ 2,21,84,543/-
- 6. a. Amount spent on CSR projects (both ongoing project and other than ongoing project): ₹ 2,21,84,543/- (Other than ongoing) and no amount was earmarked for long term ongoing project.
- b. Amount spent on administrative overheads: NIL
- c. Amount spent on Impact Assessment, if applicable: NA
- d. Total Amount spent for the financial year [(a) + (b) + (c)]: ₹ 2,21,84,543/-
- e. CSR Amount spent or unspent for the financial year: Nil

Amount Unspent (in ₹)

Total Amount Spent for the Financial Year (in ₹)	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to sub section (5) of section 135		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
2,21,84,543/-	-	-	NA	Nil	NA

f. Excess amount for set-off, if any: Not Applicable

S. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	-
(ii)	Total amount spent for the Financial Year	-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set-off in succeeding financial years [(iii)-(iv)]	-

7. Details of unspent Corporate Social Responsibility amount for the preceding three financial Years:

Sl.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub section (6) of Section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub section (6) of section 135 (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a fund specified under Schedule VII as per Second proviso to Sub section (5) of section 135, if any		Amount remaining to be spent in succeeding financial years (In ₹)	Deficiency If any
					Amount (In ₹)	Date of transfer		
1.	FY-1	1,93,30,867	-	-	-	-	-	-
2.	FY-2	-	-	-	-	-	-	-
3.	FY-3	97,62,446	97,62,446	1,93,30,867	-	-	97,62,446	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes No (✓)

If yes, enter the Number of capital Assets created / Acquired - NA

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

Sl. No.	Short particulars of the property or asset(s) [including complete address. And location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR Spent (in ₹)	Details of entity/beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address

9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per sub-section (5) of section 135. Not applicable. There was no shortfall in spending the prescribed CSR amount during the financial year, and accordingly, no amount was required to be transferred to a separate bank account for ongoing projects under Section 135(6).

Place: Bengaluru
Date: 11th August 2025

V.T. Ravindra
Managing Director
DIN: 00396156

Arun V. Surendra
Chairman
DIN: 01617103

Annexure-4

SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st March 2025

FORM NO. MR 3

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
VST Tillers Tractors Limited
Regd. Office: Plot No-1, Dyavasandra Indl. Area,
Whitefield Road, Mahadevapura P.O,
Bangalore - 560 048.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by VST TILLERS TRACTORS LIMITED (CIN: L34101KA1967PLC001706) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable during the audit period);
 - (d) The Securities and Exchange Board of India (share-based employee benefits and sweat equity) Regulations, 2021;
 - (e) The SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable during the audit period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable during the audit period)
 - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018 (Not applicable during the audit period).
 - (i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
 - (j) The Securities and Exchange Board of India (Listing obligations and disclosure Requirements) Regulation 2015 (LODR Regulations).

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable;

We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the above-mentioned laws, guidelines/rules, regulations applicable to the Company: As informed by the management, there are no industry specific laws applicable to the company.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there are following events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards taken place: – NIL

For **Thirupal Gorige & Associates LLP**
Practicing Company Secretaries
Peer Review Cert. No.: 1171/2021

CS Thirupal Gorige

Designated Partner

Place: Bengaluru
Date: 13th May 2025

FCS No. 6680; CP No.6424
UDIN: F006680G000382946

Note: This report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure 'A'

To
The Members
VST TILLERS TRACTORS LIMITED
Regd. Office: Plot No-1, Dyavasandra Indl Area,
Whitefield Road, Mahadevapura P.O, Bangalore - 560 048.

Our report of even date is to be read along with this letter.

- (1) Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- (2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- (3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- (4) Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- (5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- (6) The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management as conducted the affairs of the company.

For **Thirupal Gorige & Associates LLP**
Practicing Company Secretaries
Peer Review Cert. No.: 1171/2021

CS Thirupal Gorige
Designated Partner
FCS No. 6680; CP No.6424
UDIN: F006680G000382946

Place: Bengaluru
Date:13th May 2025

Annexure-5

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014).

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis: V.S.T. Tillers Tractors Ltd (the Company) has not entered any contract/arrangement/transaction with its related parties which is not at arm's length during FY 2024-25.

- (a) Name(s) of the related party and nature of relationship: Not Applicable
- (b) Nature of contracts/arrangements/transactions: Not Applicable
- (c) Duration of the contracts / arrangements/ transactions: Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- (e) Justification for entering such contracts or arrangements or transactions: Not Applicable
- (f) Date(s) of approval by the Board: Not Applicable

- (g) Amount paid as advances, if any: Not Applicable
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: Not Applicable

2. Details of material contracts or arrangement or transactions at arm's length basis - the company has not entered into any material related party transactions:

- a. Name(s) of the related party and nature of relationship: Not Applicable
- b. Nature of contracts / arrangements / transactions: Not Applicable
- c. Duration of the contracts / arrangements / transactions: Not Applicable
- d. Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- e. Date(s) of approval by the Board, if any: Not Applicable
- f. Amount paid as advances, if any: None

Other related party transactions form part of notes to the Financial Statements.

On behalf of **Board of Directors**

Date: August 11, 2025
Place: Bengaluru

Arun V. Surendra
Chairman
DIN: 01617103

Annexure-6

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of SEBI
(Listing Obligation and Disclosure Requirement) Regulations, 2015)

To
The Members
VST TILLERS TRACTORS LIMITED
Regd. Off.: Plot No-1, Dyavasandra Indl.Layout
Whitefield Road, Mahadevapura Post,
Bengaluru-560048, Karnataka.

In pursuance of Regulation 34(3) read with sub-clause 10(i) of para-C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we have examined the relevant registers, records, forms, returns and disclosures received from the Directors of VST TILLERS TRACTORS LIMITED (hereinafter referred to as 'the Company') having CIN: L3101KA1967PLC001706 and having registered office at Regd. Off. at Plot No-1., Dyavasandra Indl. Layout, Whitefield Road, Mahadevapura Post, Bengaluru- 560048, Karnataka as produced before us by the Company for the purpose of issuing this Certificate.

On the basis of the written disclosures/declarations received from the Directors of the Company and according to the verifications (including view Director Master Data & DIN status at the portal www.mca.gov.in) as considered necessary and to the best of our information, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2025 has been debarred or disqualified from being appointed or continuing as directors of the company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. no	Name of director	DIN	Designation	Date of appointment in the company	Date of resignation (if any)
1	Nandakumar Jairam	00321693	Non- Executive Independent Director	21/06/2021	-
2	Vellore Velu Pravindra	00239888	Non-Ex Director, Non - Independent Director	28/07/2008	-
3	Siva Kameswari Vissa	02336249	Non- Executive Independent Director	29/07/2016	-
4	Arun Vellore Surendra	01617103	Non- Executive director & Chairman Related to promoter	11/05/2018	-
5	Vellore Tiruvengadaswamy Ravindra	00396156	Executive Director, Managing Director	27/05/2016	-
6	Kula Ajith Kumar Rai	01160327	Non- Executive Independent Director	07/11/2023	-
7	Rajen Krishnanand Padukone	00262729	Non- Executive Independent Director	04/05/2023	-

For **Thirupal Gorige & Associates LLP**
Practicing Company Secretaries
Peer Review Cert. No.: 1171/2021

CS Thirupal Gorige
Designated Partner
FCS No. 6680; CP No.6424
UDIN: F006680c000382902

Place: Bengaluru
Date:13th May 2025

Annexure-7

FORM NO. AOC-1

[Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures]
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

(Amounts in Lakhs INR)		
1	Name of the Subsidiary	VST Zetor Private Limited
2	Reporting	March 31, 2025
1	The date since when subsidiary was acquired	Not Applicable
2	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiary	Not Applicable
3	Share Capital	1900
4	Reserves & Surplus	(380.09)
5	Total Assets	2126.55
6	Total Liabilities	2126.55
7	Investments	Nil
8	Turnover	1784.55
9	Profit/(Loss) before taxation	(292.46)
10	Provision for taxation	Nil
11	Profit/(Loss) after taxation	(292.46)
12	Proposed Dividend	Nil
13	% of Shareholding	51%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations: 1. VST America INC & 2. VST Fieldtrac LLC
- Names of subsidiaries which have been liquidated or sold during the year: Not applicable

Statement pursuant to Section 129 (3) of the Companies Act, 2013, related to Associate Companies and Joint Ventures:
Not applicable

For and on behalf of the Board of Directors of
V.S.T. Tillers Tractors Limited

V.T. Ravindra
DIN: 00396156
Managing Director

Rajen Padukone
DIN:00262729
Director

Antony Cherukara
Chief Executive Officer

Nitin Agrawal
Chief Financial Officer

Chinmaya Khatua
Company Secretary
M No. ACS-21759

Place: Bengaluru
Date: August 11, 2025

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To
The Board of Directors
V.S.T. TILLERS TRACTORS LTD

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of V.S.T. Tillers Tractors Limited ("the Company"), certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2025, and that to the best of our knowledge and belief:
 - (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, there are no transactions entered into by the listed entity during the year which are fraudulent, illegal or violate the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee wherever applicable:
 - (1) Significant changes in internal control over financial reporting during the year.
 - (2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal controls system over financial reporting.

Antony Cherukara
Chief Executive Officer

Nitin Agrawal
Chief Financial Officer

Place: Bengaluru
Date: August 11, 2025

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
V.S.T. TILLERS TRACTORS LTD

1. We have examined the compliance of conditions of Corporate Governance by V.S.T. Tillers Tractors Limited ("the Company"), for the year ended on March 31, 2025, as per Regulations 17 to 27, clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations during the year ended March 31,2025.
5. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M/s K. S. Rao & Co**
Firm Reg. No: 003109S
Chartered Accountants

Hitesh Kumar P
Membership No.233734
UDIN: 25233734BMOHPW6472

Place: Bengaluru
Date: 11th August 2025

COMPLIANCE CERTIFICATE

[Pursuant to Regulation 13 of the Securities Exchange Board of India
(Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To,
The Members,
VST Tillers Tractors Limited

We, M/s Thirupal Gorige and Associates LLP, a firm of Practising Company Secretaries, have been appointed as the Secretarial Auditor vide a resolution passed at its meeting held on 13th May, 2025 the Board of Directors of VST Tillers Tractors Limited (hereinafter referred to as 'the Company'), having CIN L34101KA1967PLC001706 and having its registered office PLOT NO.1, Dyavasandra INDL Layout Whitefield Road, Mahadevapura post, Bangalore, Karnataka, India-560048. This certificate is issued under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as 'the Regulations'), for the year ended 31st March, 2025.

Management Responsibility:

It is the responsibility of the Management of the Company to implement the Plan(s) including designing, maintaining records and devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively. .

Verification:

The Company has implemented Restricted Stock Unit Plan 2024" (hereinafter referred to as "RSU 2024" or "Plan"). viz Employee Stock Option Scheme in accordance with the Regulations and the Resolution(s) passed by the members through postal ballot.

For the purpose of verifying the compliance of the Regulations, we have examined the following:

1. Plan(s) received from/furnished by the Company;
2. Articles of Association of the Company;
3. Resolutions passed at the meeting of the Board of Directors;
4. Shareholders resolutions passed through postal ballot.;
4. Minutes of the meetings of the Nomination, Compensation and Remuneration (Compensation Committee);
5. Relevant Accounting Standards as prescribed by the Central Government;
6. Detailed terms and conditions of the scheme as approved by Compensation Committee;
7. Valuation Report;
8. Exercise Price / Pricing formula;
9. Statement filed with recognised Stock Exchange(s) in accordance with Regulation 10 of these Regulations;
10. Disclosure by the Board of Directors;
11. Relevant provisions of the Regulations, Companies Act, 2013 and Rules made thereunder;
12. Other relevant document/ filing/ records/ information as sought and made available to us and the explanations provided by the Company.

Certification:

In our opinion and to the best of our knowledge and according to the verifications as considered necessary and explanations furnished to us by the Company and its Officers, we certify that the Company has implemented the plan, Employee Stock Option Scheme in accordance with the Reference on SEBI (SBEB & SE) Regulations, 2021, applicable provisions of the Regulations and Resolution(s) of the Company passed through the Postal ballot.

Assumption & Limitation of Scope and Review:

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.
2. Our responsibility is to give certificate based upon our examination of relevant documents and information. It is neither an audit nor an investigation.
3. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
4. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to for any purpose other than for the Regulations.

For **Thirupal Gorige & Associates LLP**
Practicing Company Secretaries
Peer Review Cert. No.: 1171/2021

Place: Bengaluru
Date: 11th August 2025

CS Thirupal Gorige
Designated Partner
FCS No. 6680; CP No.6424
UDIN: F006680G000975098

Corporate Governance Report

This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and the report contains the details of Corporate Governance systems and processes at VST Tillers Tractors Limited (“VST” or “the Company”)

OUR GOVERNANCE PHILOSOPHY

At VST Tillers Tractors Limited, corporate governance is not a matter of compliance—it is the foundation of how we lead, grow, and serve. Our governance framework reflects our core values: integrity, accountability, and sustainability. It is designed to guide responsible decision-making, support effective leadership, and ensure that our stakeholders’ trust is continuously earned and strengthened.

We believe that governance is dynamic. As our business evolves in an increasingly complex environment, so do our governance practices adapting not just to meet legal obligations but to set standards that others aspire to. We are committed to delivering long-term value to our shareholders while remaining true to the expectations of our customers, employees, regulators, and communities.

A PRINCIPLES-DRIVEN APPROACH

Our corporate governance rests on four foundational pillars:

- **Transparency:** Clear, timely, and relevant disclosures that keep stakeholders informed.
- **Accountability:** Well-defined responsibilities and oversight at all organizational levels.
- **Fairness:** Equitable treatment of all shareholders and stakeholders.
- **Responsibility:** Commitment to ethical conduct, compliance, and sustainability.

These principles are embedded in our policies, Board charters, code of conduct, and day-to-day management decisions.

REGULATORY COMPLIANCE

We fully comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including Regulations 17 to 27 and the relevant clauses of Schedule V.

BOARD OF DIRECTORS

The Company’s Board is characterized by independence, professionalism, transparency in decision making and accountability. The composition of the Board of Directors of the Company is governed by the provisions of the Companies Act, 2013, (“the Act”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”), as amended from time to time. The Board of the Company comprises optimum combination of Executive and Non-Executive Directors as on 31st March 2025. The Board of Directors of

the Company comprised seven members, consisting of Four Independent Directors, (including one Independent Woman Director) two are non-Executive and one executive Director. This composition is in conformity with the requirements prescribed under the Companies Act, 2013 and Regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), as amended from time to time. During the year, Mr. Moloy Kumar Bannerjee (DIN: 00219178) and Mr. Kashinath Martu Pai (DIN: 01171860) have retired from the position of Independent Director of the Company effective from August 13, 2024, after completion of their second term.

The Company recognizes and values the importance of a diverse Board in driving its success. The Board plays a pivotal role in providing strategic direction and leadership, while overseeing management policies and evaluating their effectiveness in alignment with the long-term interests of shareholders and other stakeholders.

Together with its various Committees, the Board of Directors offers guidance to the management and is actively involved in directing, supervising, and monitoring the Company’s performance. Information presented to the Board includes quarterly and annual financial results, minutes of meetings of the Audit and other Committees, updates on the recruitment and remuneration of senior management personnel below the Board level, reviews of annual operating plans, compliance reports, and other key operational and governance matters.

All directors have provided requisite disclosures confirming that their directorships and committee memberships/ chairmanships are within the permissible limits prescribed under Regulation 17A and Regulation 26 of the Listing Regulations. Independent Directors have submitted declarations that they meet the independence criteria laid down under Section 149(6) of the Companies Act, 2013, Regulation 16(1)(b), and Regulation 25 of the Listing Regulations, and that there has been no change in their status of independence.

The performance evaluation of the Board, its committees, and individual directors was carried out during the year in accordance with the criteria laid down by the Nomination, Compensation and Remuneration Committee and the provisions of Regulation 17(10) of the Listing Regulations.

The skills, expertise, and competencies identified by the Board as required in the context of the Company’s business, and the details of directors possessing such attributes, are provided in the relevant section of this Corporate Governance Report.

(a) COMPOSITION OF THE BOARD

The composition and category, shareholdings, the attendance at Board Meetings and last AGM, number of Directorships in other Public Companies is as follows:

Name of Director	Director Identification number (DIN)	Category	Directorship in other listed entity & Category	Number of Board meetings during the period from 01.01, 2024 to 31.03.2025		Whether attended the last AGM held on 01.09.2023	No. of directorship held in Public Limited Companies as on 31.03.2025	No. of committee Membership/ Chairmanship held in Public Companies as on 31.03.2025	No. of Shares held
				Held	Attended				
Mr. Arun V. Surendra	01617103	Chairman, Non-Executive Director	-	4	4	Yes	0	1/0	2,15,630*
Mr. M. K. Bannerjee (Retired on 13.08.2024)	00219178	Independent Director	-	4	2	No	1	2/0	Nil
Mr. K. M. Pai (Retired on 13.08.2024)	01171860	Independent Director	Oriental Bell Limited, Independent Director	4	2	No	2	# -/-	Nil
Ms. Siva Kameswari Vissa	02336249	Independent Director	GMR Power and Urban Infra Limited, Independent Director	4	4	Yes	6	# -/-	Nil
Dr. Nandakumar Jairam	00321693	Independent Director	-	4	4	Yes	3	2/1	50
Mr. Rajen Padukone	00262729	Independent Director	-	4	4	Yes	1	1/0	Nil
Mr. Ajith Kumar Rai	01160327	Independent Director	Suprajit Engineering Limited Director	4	3	Yes	2	2/0	Nil
Mr. V. T. Ravindra	00396156	Executive Director	-	4	4	Yes	1	-	29,152*
Mr. V. V. Pravindra	00239888	Non-Executive Director	-	4	4	Yes	1	-	2,24,146*

*Holding individually/jointly.

*Mr. K. M. Pai & Mr. M. K. has retired from the Board and Committees w.e.f. August 13, 2024. Hence the information w.r.t the No of committee membership/chairmanship not covered.

Note:

Committee Membership / Chairman of Audit Committee and Stake Holders Relationship Committee of Public Companies are considered.

None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she is a Director.

Based on the declarations received from the Independent Directors, the Board confirms that they meet the criteria of independence as mentioned under SEBI (LODR) Regulations and that they are independent of the management.

Mr. Arun V. Surendra, Mr. V.T. Ravindra, and Mr. V.V. Pravindra belong to the promoter’s family. Apart from the promoter directors, none of the other Directors are related to each other.

During the year under review, the senior management of the Company comprises of Chief Executive Officer, Chief Financial Officer, Company Secretary, and other persons heading various functions of the Company, excluding the Board of Directors. During FY 2024-25, Mr. M. K. Bannerjee, and Mr. K. M. Pai Independent Directors have retired from the Company w.e.f. August 13, 2024.

There was no change in senior management in FY25.

BRIEF LIST OF SKILLS/EXPERTISE/COMPETENCIES IDENTIFIED BY THE BOARD:

The Board is comprised of qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its’ Committees. The Board members are committed to ensuring highest standards of corporate governance.

Pursuant to Regulation 34(3) read with Schedule V, Part C(2)(h)(ii) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has identified the following core skills, expertise, and competencies required in the context of the Company’s business and sector for it to function effectively.

The current composition of the Board reflects an appropriate mix of these skills, expertise, experience, diversity, and independence. The Board periodically reviews and evaluates its composition to ensure alignment with evolving business needs.

BUSINESS:

Business Management & Administration
Experience in Automobile/Farm Equipment
Marketing Finance & Taxation.

GOVERNANCE:

Developing governance practices, serving the best interests of all stakeholders, and driving corporate ethics and values.

INTEGRITY AND ETHICAL STANDARDS:

Adherence to compliance and defined procedures protecting shareholders’ interests and observing appropriate governance practices.

LEADERSHIP:

Extended leadership experience, resulting in a practical understanding of organizations, processes, strategic planning and risk management.

The table below provides the key qualifications, skills, expertise and attributes which are broadly taken into consideration while nominating candidates to serve on the Board:

The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, diversity and independence required for it to function effectively. The Board periodically evaluates the need for change in its composition and size.

Name of the Directors	Business Management & Administration	Experience in Automobile/ Farm Machinery Marketing	Technical	Finance and Taxation	Governance	Integrity and Ethical Standards	Leadership
Mr. Arun V. Surendra	√	√	√	√	√	√	√
Ms. Siva Kameswari Vissa	√	-	-	√	√	√	√
Mr. Rajen Padukone	√	-	-	√	√	√	√
Dr. Nandakumar Jairam	√	-	-	√	√	√	√
Mr. Ajith Kumar Rai	√	√	√	√	√	√	√
Mr. V. T. Ravindra	√	√	√	√	√	√	√
Mr. V. V. Pravindra	√	√	√	√	√	√	√

DIRECTORS EXPERTISE AND SKILLS:

In the table, the specific areas of focus or expertise of individual Board members have been highlighted. However, the absence of a mark against a member’s name does not necessarily mean the member does not possess the corresponding qualification or skill.

DETAILS OF BOARD MEETINGS:

The Board of Directors of your Company met four times on 09/05/2024, 13/08/2024, 04/11/2024, and 10/02/2025 during FY 2024-25. The maximum interval between any two consecutive meetings did not exceed 120 days, in compliance with the provisions of Regulation 17(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 173 of the Companies Act, 2013.

CODE OF CONDUCT:

The Board has laid down a code of conduct (‘the Code’) for all Board Members and Senior Management Personnel of the Company. in compliance with SEBI (LODR) Regulation, 2015 . All Board members and senior management personnel have affirmed compliance with the Code during the year . The same is available on Company website i.e. www.vsttractors.com.

A declaration to this effect, signed by the Chief Executive Officer, is as follows:

THE CERTIFICATE BY CEO OF THE COMPANY ON COMPLIANCE WITH THE CODE OF CONDUCT IS GIVEN BELOW:

To
The Board of Directors,
V.S.T. TILLERS TRACTORS LTD

It is hereby confirmed that the Directors and Senior Management have duly complied with the code of conduct laid down by the Company during the financial year ended March 31, 2025.

Date: August 11, 2025,
Place: Bengaluru

Antony Cherukara
Chief Executive Officer

DIRECTORS AND OFFICERS INSURANCE

In line with the requirements of Regulation 25(10) of the Listing Regulations, the Company has in place a Directors and Officers Liability Insurance policy.

COMMITTEE MEETINGS:

Details of Audit Committee Composition and Meetings:

As on March 31, 2025, the Audit Committee comprises of the following members. All the members of the Audit Committee are financially literate, and possess accounting and related financial management expertise, in compliance with Regulation 18(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Section 177 of the Companies Act, 2013.

During the year under review the Audit Committee met four times as mentioned below table. The required quorum was present for all the meetings. The gap between any two Consecutive Audit Committee meetings during the year did not exceed 120 days.

The Company Secretary acts as the secretary to the Audit Committee.

COMPOSITION AND ATTENDANCE:

Sl. No.	Name of the Member	Designation	Meeting Dates and attendance			
			09/05/2024	13/08/2024	04/11/2024	10/02/2025
1	Mr. Rajen Padukone	Chairman	Yes	Yes	Yes	Yes
2	Mr. Ajith Kumar Rai	Member	NA	NA	Yes	Yes
3	Ms. Siva Kameswari Vissa	Member	Yes	Yes	Yes	Yes
4	Mr. V.V. Pravindra	Member	NA	NA	Yes	Yes

* Mr. K.M. Pai & M.K. Bannerjee has retired from the Audit Committee w.e.f. August 13, 2024. Further they have attended the Audit Committee meeting held on 09.05.2024 & 13.08.2024.

TERMS OF REFERENCE:

Audit Committee is vested with the powers and the role that are in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Companies Act, 2013 and code of conduct for Insider Trading. The terms of reference of the Audit Committee, inter alia, include:

- Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommend appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered to the Company;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings, if any.
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report, if any.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or/and any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the management, the quarterly financial results and consolidated financial results, accompanied by the auditor's limited review report, before submission to the stock exchanges.
- Discussion with internal auditors of any significant findings and follow-up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity, or a failure of internal control systems of a material nature, and reporting the matter to the Board.
- Reviewing management discussion and analysis of financial condition and results of operations.
- Reviewing the statement of deviations:
 - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchanges in terms of Regulation 32(1).
 - Annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice, if any.
- Carrying out any other function as is referred to the Audit Committee by the Board of Directors.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The CSR Committee is vested with the powers and the role that are in accordance with section 135 of the Companies Act, 2013 and Rules made thereunder. The Committee is authorized to formulate and recommend the CSR policy and undertake CSR activity as specified in Schedule VII of the Companies Act, 2013. The CSR policy is available on the Company website i.e. <https://www.vsttractors.com/in/investor/disclosure/?tab=v-pills-disclosure9-tab>

The role of CSR Committee includes recommendation of the amount of expenditure to be incurred on the CSR activities as enumerated in Schedule VII of the Act and referred to in the CSR Policy of the Company, and also to monitor the CSR Policy from time to time, etc.

COMPOSITION AND ATTENDANCE

Sl. No.	Name of the Member	Designation	Meeting Dates and attendance	
			08/05/2024	30/10/2024
1	Mr. Arun V. Surendra	Chairman	Yes	Yes
2	Mr. Rajen Padukone	Member	NA	Yes
3	Dr. Nandakumar Jairam	Member	NA	Yes
4	Mr. V. V. Pravindra	Member	Yes	Yes

* Mr. K.M. Pai & M.K. Bannerjee has retired from the CSR Committee w.e.f. August 13, 2024. Further they have attended the CSR Committee meeting held on 08.05.2024.

NOMINATION COMPENSATION AND REMUNERATION COMMITTEE

The Nomination Compensation & Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Act.

The Key Objectives of the Committee includes

- Formulate a criteria, for determining qualifications, positive attributes and independence of a director;
- Recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Reviewing and recommending to the Board, the remuneration, payable to Directors of the Company; and
- Undertake any other matters as the Board may decide from time to time.
- Formulating criteria for the evaluation of performance of the Board, its committees, and individual directors, including Independent Directors.

The Company has adopted a Nomination and Remuneration Policy as defined under the Act. The Policy is available on the website of the Company at <https://www.vsttractors.com/in/investor/disclosure/?tab=v-pills-disclosure9-tab>. The details of the remuneration paid to the directors forms part of the Annual Report.

The Nomination, Compensation and Remuneration Committee comprises of three non-executive directors out of which two are independent directors.

COMPOSITION AND ATTENDANCE

Sl. No.	Name of the Member	Designation	Meeting Dates and attendance	
			08/05/2024	10/02/2025
1	Mr. Rajen Padukone	Chairman	NA	Yes
2	Mr. Arun V. Surendra	Member	Yes	Yes
3	Dr. Nandakumar Jairam	Member	NA	Yes

* Mr. K.M. Pai & M.K. Bannerjee has retired from the NRC Committee w.e.f. August 13, 2024. Further they have attended the NRC Committee meeting held on 08.05.2024.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee of the Company is constituted in compliance with Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Section 178(5) of the Companies Act, 2013. The Stakeholders Relationship Committee is primarily responsible for review of all matters connected with redressal of shareholders' complaints. The terms of reference of the Committee includes;

- enquiring into and redressing complaints of shareholders and investors and to resolve their grievances.
- Reviewing all matters connected with the transfer and transmission of securities.
- Monitoring redressal of shareholder and investor complaints relating to transfer of shares, non-receipt of annual report, non-receipt of declared dividends, etc.
- Reviewing measures for effective exercise of voting rights by shareholders.
- Reviewing adherence to service standards adopted by the Company in respect of various services rendered by the Registrar & Share Transfer Agent.

Monitoring the implementation of measures for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by shareholders.

COMPOSITION AND ATTENDANCE

Sl. No.	Name of the Member	Designation	Meeting date & Attendance
			26/03/2025
1	Mr. Rajen Padukone	Chairman	Yes
2	Mr. Arun V. Surendra	Member	Yes
3	Dr. Nandakumar Jairam	Member	Yes

* Mr. K.M. Pai & M.K. Bannerjee has retired from the Stakeholders Relationship Committee w.e.f. August 13, 2024.

Name of the Compliance Officer - Mr. Chinmaya Khatua, Company Secretary

The details of the shareholders' complaints mentioned in the corporate governance section of the Annual Report.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee of the Company is constituted in compliance with Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The Company has adopted a risk management policy which lays down procedures for risk identification, assessment, mitigation, and monitoring, covering operational, financial, strategic, and compliance risks. The risks pertaining to business of the Company are discussed at the Risk Management Committee, Audit Committee and at the Board Meetings on a regular basis.

The Committee is responsible for monitoring and reviewing the risk management plan of the Company and all other incidental matters thereto, from time to time as required under Regulation 21 of the Listing Regulations. Brief Terms of Reference Terms of Reference of the Committee, inter alia, include the following:

Risk Management Plan and Policy.

- Oversee implementation/Monitoring of Risk Management Plan and Policy.
- Periodically review and evaluate the Risk Management Policy and Practices with respect to risk assessment and risk management processes.
- Review of cyber security and related risks.

There were no risks which, in the opinion of the Board, threaten the existence of the Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis, which forms a part of this report.

The Risk Management Policy is available on the Company's website at: <https://www.vsttractors.com/in/investor/disclosure/?tab=v-pills-disclosure9-tab>

COMPOSITION AND ATTENDANCE

Sl. No.	Name of the Member	Designation	Meeting Dates and attendance	
			19/07/2024	03/02/2025
1	Mr. Ajith Kumar Rai	Chairman	NA	Yes
2	Mr. Arun V. Surendra	Member	Yes	Yes
3	Mr. Rajen Padukone	Member	NA	Yes

* Mr. K.M. Pai & M.K. Bannerjee has retired from the Risk Management Committee w.e.f. August 13, 2024. Further they have attended the Risk Management Committee meeting held on 19.07.2024.

INDEPENDENT DIRECTORS' MEETING

During FY 2024-25, in compliance with the provisions of Schedule IV to the Companies' Act 2013, a separate meeting, exclusively of the Independent Directors, was held on February 10, 2025, without the participation of non-independent Directors or members of the management. The meeting provided a forum to review the performance of the Board, Chairperson, and the overall flow of information to the Directors.

All Independent Directors have given declarations that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act, 2013, Regulation 16(1)(b) and 25 of SEBI Listing Regulations and there has been no change in the circumstances affecting their status as Independent Directors of the Company.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The familiarization program imparted to independent directors pursuant to Regulation 25(7) of the SEBI Listing Regulations and Schedule IV to the Companies Act 2013, enabling them to understand their roles, rights, responsibilities, and the Company's operations is displayed on Company's website. During FY 2024-25, the Independent Directors were provided with presentations and interactive sessions on the Company's strategy, performance, industry developments, and regulatory updates. Plant visits and management interaction sessions were also conducted to facilitate a deeper understanding of operations. The details of the familiarization programmes, including the number of hours and sessions attended by each Independent Director, are available on the Company's website at: <https://www.vsttractors.com/in/sites/default/files/2023-09/Familiarization Programme 2022-23.pdf>.

VIGIL MECHANISM

In accordance with Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Vigil Mechanism / Whistle Blower Policy. The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It is to protect employees and directors who wish to raise concern about serious irregularities, unethical behavior, fraud, or violations of the Company's Code of Conduct within the Company. It is hereby confirmed that no personnel have been denied access to the audit committee of the Company. The details of the policy are available on the company website i.e https://www.vsttractors.com/in/wp-content/uploads/2025/04/VIGIL_MECHANISM_WHISTLE_BLOWER_POLICY.pdf

SUCCESSION PLANNING

The Company believes that sound succession plan for the senior leadership is very important for creating a robust future for the Company. The Nomination, Compensation and Remuneration Committee works for a structured leadership succession plan.

CONTACT DETAILS OF COMPLIANCE OFFICER

Mr. Chinmaya Khatua, Company Secretary and Compliance Officer can be contacted: No.1, DyavasandraIndl. Layout, Whitefield Road, Mahadevapura Post, Bengaluru – 560048, Karnataka Ph. No. 080-67141111
E-mail: chinmaya@vsttractors.com

INSIDER TRADING REGULATIONS

The Company has prescribed a code of conduct and disclosure practice to prevent insider trading. No violation

of Insider trading was reported during the year 2024-25. The company has installed a Structured Digital Database as required under Reg 3(5) of SEBI (Prohibition of Insider Trading Regulations) 2015, to track the sharing of Unpublished Price Sensitive Information. The Company has also pursuant to SEBI circulars SEBI/ HO/ISD/ISD-SEC-4/P/CIR/2022/107 dated August 05, 2022 and SEBI/HO/ISD/ISD-PoD-2/P/ CIR/2023/124 dated July 19, 2023, closed the trading window, freezing the respective Permanent Account Number (PAN) of Designated persons and insiders at appropriate times, thereby preventing trading on the basis of Unpublished Price Sensitive Information.

POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS

In line with the requirements of the Companies' Act 2013 and the SEBI Listing Regulations, the Company has formulated a Policy on Related Party Transactions. The Policy can be accessed on the Company's website at <https://www.vsttractors.com/in/investor/disclosure/?tab=v-pills-disclosure9-tab>.

Regulation 2015 and the same have been disclosed on Company's Website at: <https://www.vsttractors.com/in/investor/disclosure/?tab=v-pills-disclosure9-tab>

DIRECTORS REMUNERATION

The non-executive Directors are not paid any remuneration other than the sitting fees, which are within the limits prescribed under the Companies Act, 2013.

During 2024-25, the Company has not given any loan to any of its directors. The remuneration paid to the Managing Director for the year 2024-25 also is given below:

Name of the Director	Category	Salary (in Lakhs)	Commission (in Lakhs)	Total (in Lakhs)
Mr. V.T. Ravindra	Managing Director	₹ 53.30	₹ 54.00	₹ 107.30

Sitting fees paid to Non-Executive Directors during the year 2024-25:

Name of the Director	Category	Sitting Fees (in ₹)
Mr. Arun V. Surendra	Chairman & Non-Executive Director	5,50,000
Mr. M. K. Bannerjee (Retired w.e.f. 13 th August 2024)	Independent Director	3,50,000
Mr. K.M. Pai (Retired w.e.f. 13 th August 2024)	Independent Director	3,50,000
Mrs. Siva Kameswari Vissa	Independent Director	4,50,000
Dr. Nandakumar Jairam	Independent Director	4,00,000
Mr. Rajen Padukone	Independent Director	7,00,000
Mr. Ajith Kumar Rai	Independent Director	4,50,000
Mr. V.V. Pravindra	Non-Executive Director	4,00,000

During the year, no non-executive director had any pecuniary relationship or transactions with the Company other than the sitting fees and reimbursement of expenses incurred by them for attending meetings of the Company.

MEANS OF COMMUNICATION

The outcome of the Board Meetings, quarterly and annual financial results are submitted to Stock Exchanges(BSE &NSE) immediately after the Board approval within the timeline specified under Regulation 30 of the SEBI Listing Regulations. The quarterly and annual financial results are also available on the Company's website i.e., www.vsttractors.com. The quarterly and annual financial results are published in Financial Express / Business Standard (English) and Sanjivani (Kannada) newspapers. The Company's announcement and outcome of the investors' meetings are also published under the "Investors" section of Company's website.

www.vsttractors.com/in/investor/disclosure/?tab=v-pills-disclosure9-tab. The policy is regularly reviewed and updated by the Board in accordance with the provisions of Regulation 23(1) of the SEBI Listing Regulations.

DIVIDEND DISTRIBUTION POLICY

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations') the Board of Directors of the Company (the 'Board') has formulated and adopted the Dividend Distribution Policy (the 'Policy'). The Policy is available on our website at <https://www.vsttractors.com/in/investor/disclosure/?tab=v-pills-disclosure9-tab>.

OTHER POLICIES

The Company has also formulated other policies as required under the Companies Act, 2013 and SEBI (LODR)

DISTRIBUTION SCHEDULE OF SHAREHOLDINGS AS ON 31ST MARCH 2025

Category	No. of Shareholders	% to total No. of shareholders	Shares Amount (₹)	% to total shares amount
Upto 5, 000	23478	97.35	7777780	9.00
5,001 10, 000	310	1.29	2255580	2.61
10,001 20,000	155	0.64	2190510	2.54
20,001 30,000	50	0.21	1238840	1.43
30,001 40,000	24	0.10	820610	0.95
40,001 50,000	10	0.04	470630	0.54
50,001 1,00,000	32	0.13	2357450	2.73
1,00,001 and above	59	0.24	69283880	80.19
Total	24118	100.00	86395280	100.00

* The Company has issued 3,830 nos of stock options to the eligible employees under the "VST Tillers Tractors Limited – Restricted Stock Unit Plan 2024" ("RSU Plan" or "the Plan"). The listing of shares happened after March 31, 2025.

DETAILS OF REQUEST/COMPLAINTS RECEIVED DURING THE YEAR 2024-25

Nature of Request	OB	Received	Attended	Pending
Change of Address	-	6	6	-
Bank Mandate	-	8	8	-
Revalidation of Warrants	-	18	18	-
Duplicate Share Certificates	-	16	16	-
Transfer/Transmission	-	11 Tm	11 Tm	-
Dematerialisation	-	30	30	-
Rematerialisation	-	-	-	-

SHAREHOLDING PATTERN AS ON 31ST MARCH 2025

Category	No. of Shareholders	No of Shares Held	% to total no of Shares
Promoters/Associates	39	4553465	52.71
Foreign Promoters	1	253125	2.93
Bodies Corporate	269	134674	1.56
Mutual Funds	12	1526431	17.67
Alternate Investment Funds	4	261380	3.03
Banks	3	1763	0.02
Financial Institutions	1	225	0.00
Foreign Financial Institutions	38	213855	2.48
Non-Resident Indians	828	66173	0.77
Clearing Members	1	96	0.00
Public/Others	22922	1628341	18.85
Total	24118	8639528	100.00

* The Company has issued 3,830 nos of stock options to the eligible employees under the "VST Tillers Tractors Limited – Restricted Stock Unit Plan 2024" ("RSU Plan" or "the Plan"). The listing of shares happened after March 31, 2025.

MARKET PRICE DATA INFORMATION (BSE)

Month	High	Low	Month	High	Low
Apr-24	3737	3,160.05	Oct-24	4,851.05	4,000.00
May-24	3,667.85	3,222.85	Nov-24	4,888.90	4,347.75
Jun-24	4,395.00	3,142.00	Dec-24	5,288.80	4,721.95
Jul-24	4,474.00	3,961.15	Jan-25	5,410.05	4,224.70
Aug-24	4,291.15	3,604.60	Feb-25	4,900.00	3,280.40
Sept-24	4,785.00	4,143.95	Mar-25	3,889.95	3,093.00

MARKET PRICE DATA INFORMATION (NSE)

Month	High	Low	Month	High	Low
Apr-24	3739.00	3,205.10	Oct-24	4840.00	4072.05
May-24	3658.00	3,223.00	Nov-24	4887.35	4366.55
Jun-24	4,392.00	3190.05	Dec-24	5286.90	4705.55
Jul-24	4,384.00	3945.60	Jan-25	5429.95	4212.05
Aug-24	4339.95	3600.00	Feb-25	4,923.85	3300.00
Sept-24	4,794.00	4142.10	Mar-25	3898.00	3082.00

DEMATERIALIZATION OF SHARES AND LIQUIDITY

Trading in equity shares of the Company became mandatory in dematerialized form, in accordance with SEBI regulations. To facilitate trading in demat form, there are two depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company has entered into agreements with both NSDL and CDSL. Shareholders can open their accounts with any of the Depository Participants to hold their shares in a dematerialized form. As on March 31, 2025, about 99.30% of the Equity Shares of the Company are held in the dematerialized form.

OUTSTANDING GDRS / ADRS / WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence as on March 31, 2025, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments. Commodity price risk or foreign exchange risk is covered in the Annual report. The company is not undertaking any hedging activities.

DETAILS OF UNCLAIMED SHARES

Particulars	As on 31.03.2024		Transferred during the Year		As on 31.03.2025	
	No. of Shareholders	No. of Shares	No. of Shareholders	No. of Shares	No. of Shareholders	No. of Shares
Unclaimed Shares	15	378	0	0	15	378

Disclosures with respect to demat suspense account/ unclaimed suspense account shares in the demat suspense account or unclaimed suspense account, as applicable:

- aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year; - As mentioned above
- number of shareholders who approached listed entity for transfer of shares from suspense account during the year; - Nil
- number of shareholders to whom shares were transferred from suspense account during the year; - Nil
- aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year; - 15 Shareholders of 378 Shares
- that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares -Yes

DETAILS OF UNCLAIMED DIVIDEND TRANSFERRED TO INVESTORS EDUCATION AND PROTECTION FUND (IEPF)

During FY 2024-25, the Company transferred ₹ 9,96,885/- unpaid and unclaimed dividend to Investor Education and Protection Fund (IEPF). There is no amount which were to be transferred to IEPF but have not been transferred. The details of the unpaid and unclaimed dividend are available on the company website i.e. www.vsttractors.com and IEPF website.

DETAILS OF SHARES TRANSFERRED TO INVESTORS EDUCATION AND PROTECTION FUND (IEPF)

During the year 7,408 Nos of shares have been transferred to IEPF to comply with IEPF Rules. The details of such shares are available on the Company website at www.vsttractors.com.

GENERAL SHAREHOLDER INFORMATION

Date, Time and Venue of the 57 th Annual General Meeting	September 10, 2025, at 11:00 A.M. Through Video Conferencing / OAVM deemed to be held At Registered Office: Plot No.1, Dyvasandra Indl Layout, Mahadevapura Post, Whitefield Road, Bengaluru – 560 048
Record Date for Dividend	September 03, 2025
Dividend Payment	Final Dividend of ₹ 20/- per equity share will be paid on or after September 10, 2025, for the financial year 2024-25. If approved by the shareholders
Financial Year	2024-25
E-voting date	From September 06, 2025 (9:00 am) to September 09, 2025 (upto 5:00 pm)
E-voting cut-off date	September 03, 2025

FINANCIAL RESULTS CALENDAR: (TENTATIVE) RESULTS FOR THE QUARTER ENDING

June 30, 2025 – August 11, 2025.
 September 30, 2025 - by the Second week of November 2025.
 December 31, 2025 - by the Second week of February 2026.
 March 31, 2026 - by the Last week of May 2026.
 Payment of Listing Fees: Annual listing fee for the year 2025-26 has been paid to BSE & NSE.
 Payment of Depository Fees: Annual Custody/Issuer fee for the year 2025-26 has been paid to NSDL & CDSL.

SHARE TRANSFER SYSTEM

In accordance with SEBI Circular, transfer of securities held in physical form has been barred effective April 1, 2019. Accordingly, requests for transfer of shares are processed only in dematerialized form. The Company had duly informed all shareholders regarding this regulatory change. However, shareholders may continue to hold shares in physical form. The Company strongly encourages all shareholders holding shares in physical mode to dematerialize their holdings for enhanced convenience and security.

In terms of the SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated 2nd July, 2025, the shareholders are hereby informed that a Special Window has been opened only for re-lodgement of transfer deeds which were lodged prior to the deadline of 1st April, 2019 and

rejected / returned / not attended, due to deficiency in the documents / process or otherwise. The re-lodgement window shall remain open for a period of six months i.e. from 7th July, 2025 till 6th January, 2026.

The Company has appointed M/s. Integrated Registry Management Services Private Limited as its Registrar & Share Transfer Agent (RTA) to handle all shareholder-related matters, including Dematerialization and dematerialization of share certificates, Transmission of shares, Sub-division / consolidation of share certificates, Change of address, bank mandates, KYC, and nomination details

Shareholders holding shares in:

- Demat form are requested to update their email ID, bank details, and mobile number with their Depository Participant (DP).
- Physical form are requested to furnish their PAN, contact details, bank account information, specimen signature, and nomination for their folios as per SEBI-prescribed forms (ISR-1, ISR-2, etc.).

During the year under review, no shares were transferred to the Escrow account.

Shareholders desiring to communicate on any matter relating to the shares of the Company may either visit in person or write to the Company's Share Transfer Agent quoting their Folio No./ DP ID & Client ID at the following address.

M/s. Integrated Registry Management Services Private Limited

#30, Ramana Residency, Ground Floor, 4th Cross, Sampige Road, Malleswaram, Bengaluru – 560 003
Phone Nos. 080-23460815-18, Fax: 080-23460819
e-mail: irg@integratedindia.in

STOCK EXCHANGES ADDRESS

National Stock Exchange of India Ltd

Plot No. C/1, G Block, Bandra – Kurla Complex, Bandra (E), Mumbai – 400 051
Tel No-022-26598235

BSE Limited

25 Floor, P. J. Towers, Dalal Street, Fort, Mumbai – 400 001
Tel No-022-22721234.

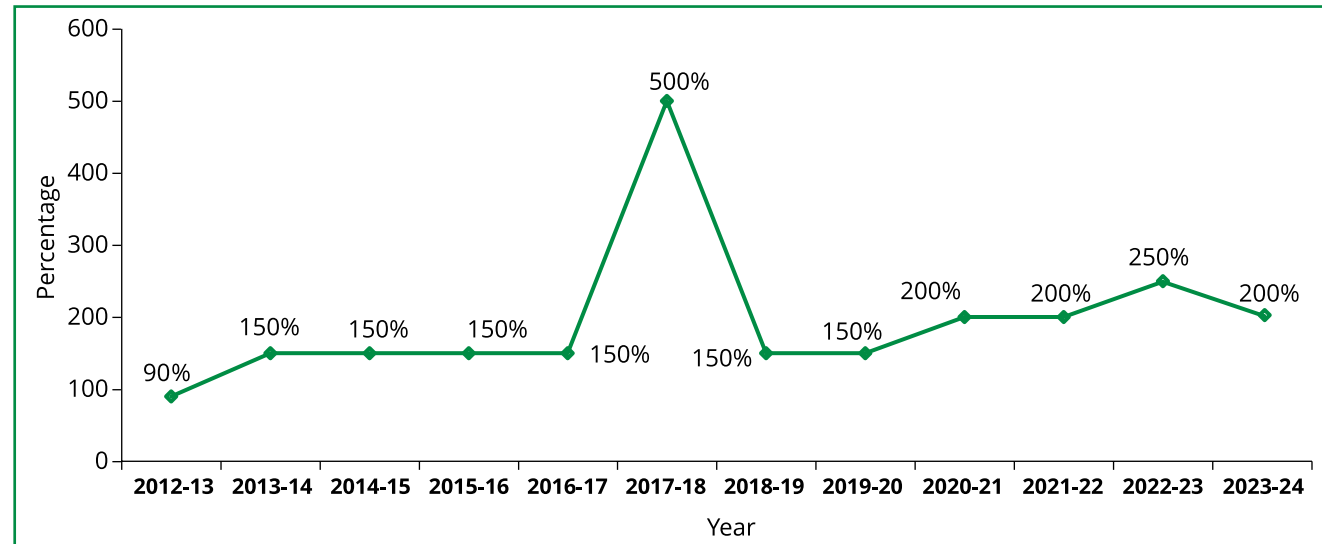
STOCK CODE

BSE Ltd: 531266
National Stock Exchange of India Ltd: VSTTILLERS
ISIN: INE 764D01017
CIN: L34101KA1967PLC001706

ADDRESS FOR CORRESPONDENCE

The Company Secretary
M/s. V.S.T. Tillers Tractors Ltd,
Plot No-1, DyavasandraIndl Layout Whitefield Road, Mahadevpura Post Bengaluru- 560048.
Tel No-080-67141111
E-mail: investors@vsttractors.com

PERCENTAGE OF DIVIDEND DECLARED



PARTICULARS OF THE LAST THREE ANNUAL GENERAL MEETINGS

Date/Time	Location	Summary of Special Resolutions
19/09/2024 11:00 A.M	AGM held through VC & Venue deemed to be at Plot No-1, Dyavasandra Indl. Layout, Whitefield Road, Mahadevpura Post, Bengaluru-560048	NA
01/09/2023 11:00 A.M	AGM held through VC & Venue deemed to be at Plot No-1, Dyavasandra Indl. Layout, Whitefield Road, Mahadevpura Post, Bengaluru-560048	NA
19/08/2022 11:00 A.M	AGM held through VC & Venue deemed to be at Plot No-1, Dyavasandra Indl. Layout, Whitefield Road, Mahadevpura Post, Bengaluru-560048	NA

During the Year, no resolutions were passed through the postal ballot in the Company.

PLANT LOCATIONS:

HOSUR	MYSORE	MALUR
Plot No:39, Sipcot – Phase I, Mookandapalli, Post, Hosur – 635126, Tamil Nadu	Plot No.42/43, Metagalli, Industrial Area, Mysuru -570016, Karnataka	Plot No-222-224, & 229-232, KIADB Industrial Area, Malur III Phase, Malur -563130, Karnataka

DISCLOSURES

- During the year under review, besides the transactions mentioned under note no 39 of the Annual Report, there were no materially significant related party transactions that may have potential conflict with the interests of the company at large. The policy on Related Party Transactions is available at <https://www.vsttractors.com/in/investor/disclosure/?tab=v-pills-disclosure9-tab>.
- There are no instances of non-compliance on any matter relating to the capital market during the last three years and no penalty was levied.
- The Company has formulated a whistle-blower policy and vigil mechanism, and no person has been denied access to the Audit Committee regarding whistle-blower policy.
- Web link of policy determining material subsidiaries and policy on dealing with RPT's <https://www.vsttractors.com/in/investor/disclosure/?tab=v-pills-disclosure9-tab>.
- The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India in the preparation of financial statements. The Company has not adopted a different treatment.
- The Company has duly fulfilled the following discretionary requirements as prescribed in Schedule II Part E of the SEBI Listing Regulations:
 - The auditors' report on statutory financial statements of the Company are unmodified.

- The Company has appointed separate persons to the post of chairperson and managing director or chief executive officer.

- The internal auditor reports directly to the audit committee.

- The Company has complied with corporate governance requirements specified in regulation 17 to 27 and clauses(b) to(i) of sub-regulation (2) of regulation 46 of SEBI (Listing Regulation and Disclosure Requirement) Regulations, 2015.

- Credit rating - The Company has obtained credit rating (ICRA AA-) during FY 2024-25.

- The Company has taken a certificate from Thirupal Gorige & Associates LLP, practicing company secretary that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority (Please refer Annexure-6).

- During FY 2024-25, the Board has accepted all the recommendations of its committees.

- The company's share has not been suspended for trading at any time during FY 2024-25.

- The Company has also complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, no complaint was received pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013. – The details of complaints filed, disposed of and pending during the financial year pertaining to sexual harassment are provided in the Business Responsibility and Sustainability Report of this Integrated Annual Report.

- CEO and CFO certification As required by the Listing Regulations, the CEO and CFO certification is provided in this Integrated Annual Report.

FEES PAID TO STATUTORY AUDITORS:

Type of Service	Fees For the Financial Year (in ₹)
Audit Fees	25.50 Lakhs
Tax Audit Fees	5.00 Lakhs

For **V.S.T. Tillers Tractors Limited**

Arun V. Surendra

Chairman

DIN:01617103

Date: August 11,2025

Place: Bengaluru

Business Responsibility & Sustainability Report

(Business Responsibility and Sustainability Reporting (BRSR) is the practice of companies disclosing information about their environmental, social, and governance (ESG) performance. It goes beyond financial reporting to provide stakeholders with a comprehensive view of a company's non-financial impacts and contributions to sustainable development. BRSR covers topics such as environmental impact, social responsibility, and governance practices, aiming to promote transparency and accountability.)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

Sr. No.	Particulars	FY 2024-2025
1	Corporate Identity Number (CIN) of the Listed Entity	L34101KA1967PLC001706
2	Name of the Listed Entity	VST TILLERS TRACTORS LIMITED
3	Year of incorporation	18/12/1967
4	Registered office address	Plot No-1, Dyavasandra Indl Layout, Whitefield Road, Mahadevapura Post, Bengaluru-560048
5	Corporate address	Plot No-1, Dyavasandra Indl Layout, Whitefield Road, Mahadevapura Post, Bengaluru-560048
6	E-mail	chinmaya@vsttractors.com
7	Telephone	(+91) 8067141111
8	Website	http://www.vsttractors.com/
9	Financial year for which reporting is being done	1 st April 2024 to 31 st March 2025
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited & National Stock Exchange of India Ltd
11	Paid-up Capital	8,64,33,580
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Chinmaya Khatua Company Secretary Email: chinmaya@vsttractors.com Tel No. (+91)-080-67141111
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Standalone basis
14	Name of assurance provider	NA
15	Type of assurance obtained	NA

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing and Trading	VST Tillers Tractors Limited is engaged in the manufacturing and trading of tractors, power tiller and other agricultural machineries and their spare parts	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	% of total Turnover Contributed
1	Tractor and Spares	28211	34%
2	Power tiller and other Small Farm Machineries and Spares	28212	66%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	3	23	26
International	0	0	0

19. Markets served by the entity:

a. Number of locations

Note – The Company operates through distributors in these countries.

b. What is the contribution of exports as a percentage of the total turnover of the entity?

10%

c. A brief on types of customers

VST is a prominent player in India's farm mechanization industry and the largest manufacturer of power tillers, as well as a pioneer of 4WD compact tractors in the country. The company has built a strong reputation as a leading brand in agricultural equipment in India. VST has also expanded its presence to more than 40 countries, gaining recognition internationally. It operates a robust distribution network of dealers and distributors, offering tractors, tillers, small farming machinery, automotive lubricants, electric pumps, precision components, and spare parts in both domestic and global markets. In Karnataka, the company directly serves small and marginal farmers.

Locations	Number
National (No. of States)	28
International (No. of Countries)	40

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male No. (B)	Male % (B/A)	Female No. (C)	Female % (C/A)
EMPLOYEES						
1	Permanent (D)	576	553	96.01%	23	3.99%
2	Other than Permanent (E)	25	17	68%	8	32%
3	Total employees (D + E)	601	570	94.84%	31	5.16%
WORKERS						
4	Permanent (F)	233	232	99.57%	1	0.43%
5	Other than Permanent (G)	517	490	94.78%	27	5.22%
6	Total workers (F + G)	750	722	96.27%	28	3.73%

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male No. (B)	Male % (B/A)	Female No. (C)	Female % (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1	Permanent (D)	1	1	100%	0	0%
2	Other than Permanent (E)	0	0	0%	0	0%
3	Total differently abled employees (D + E)	1	1	100%	0	0%
DIFFERENTLY ABLED WORKERS						
4	Permanent (F)	0	0	0%	0	0%
5	Other than Permanent (E)	0	0	0%	0	0%
6	Total differently abled workers (F + G)	0	0	0%	0	0%

21. Participation/Inclusion/Representation of women

Particular	Total	No. and percentage of Females	
	(A)	No. (B)	% (B / A)
Board of Directors	7	1	14.28%
Key Management Personnel	4	0	0%

22. Turnover rate for permanent employees and workers

Particular	FY 2024-25			FY 2023-24			FY 2022-23		
	(Turnover rate in current FY)			(Turnover rate in previous FY)			(Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	40.41%	20.00%	39.67%	39.73%	35.29%	39.59%	46.69%	51.85%	46.69%
Permanent Workers	1.29%	0.00%	1.29%	0.00%	0.00%	0.00%	0.55%	0.00%	0.55%

V. Holding, Subsidiary and Associate Companies (including joint ventures)**23. (a) Names of holding / subsidiary / associate companies / joint ventures**

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business responsibility initiatives of the listed entity? (Yes/No)
1	VST ZETOR PRIVATE LIMITED	Subsidiary	51%	No
2	VST AMERICAS INC.	Subsidiary	100%	No
3	VST FIELDTRAC LLC	Subsidiary	100%	No

VI. CSR Details**24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) Yes**

a. Turnover (in ₹)	9,94,54,87,325
b. Net worth (in ₹)	10,03,79,83,000

VII. Transparency and Disclosures Compliances**25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) *	FY 2024-25			FY 2023-24		
		Current Financial Year			Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	Nil	0	0	Nil
Investors (other than shareholders)	Yes	0	0	Nil	0	0	Nil
Shareholders**	Yes	0	0	Nil	0	0	Nil
Employees and workers	Yes	0	0	Nil	0	0	Nil
Customers	Yes	4119	0	Nil	4463	0	Nil
Value Chain Partners	No	0	0	Nil	0	0	Nil
Other (please specify)	NA	NA	NA	NA	NA	NA	NA

If Yes, then provide web-link for grievance redressal policy

Stakeholder group from whom complaint is received	Web Link for Grievance Policy
Communities	https://www.vsttractors.com
Investors (other than shareholders)	
Shareholders	
Employees and workers	
Customers	
Value Chain Partners	
Other (please specify)	

* The Policies of the Company are placed on the Company's website under investors tab and the same can be accessed through the weblink: <https://www.vsttractors.com/investor/>. Furthermore, the Company has internal policies posted on its intranet.

** The Company has a dedicated team exclusively responsible for monitoring and addressing shareholder complaints in a timely manner, ensuring prompt resolution to the satisfaction of the complainant without delay. Any complaints received from shareholders in a quarter, along with the corresponding actions taken, are presented before the Board and stakeholder relationship committee established under Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Section 178 of the Companies Act, 2013 before the Board.

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	GHG and Climate Change	R	VST heavily depends on non-renewable fuel and energy, contributing to GHG emissions. Climate change poses risks, such as reduced agricultural productivity, extreme weather costs, changing market demands, and regulatory changes. Physical risks like floods, droughts, and heatwaves could disrupt operations, while dependence on non-renewable energy might damage the company's reputation.	VST focuses on energy efficiency and renewable energy. Initiatives include energy audits, LED lights, power factor panels, and solar power at plants. The company also reduces emissions by adopting green technologies and has planted 71 trees in Mysore, 471 trees in Malur and 1038 trees in Hosur.	Negative
2	Waste Management	R	VST generates non-hazardous waste (e.g., metal scrap, packaging, and coating waste). Improper handling can harm ecosystems, cause non-compliance issues, and damage reputation.	VST has implemented waste management programs to ensure compliance and improve recycling. Future efforts will focus on reducing waste generation and increasing material reuse.	Negative

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Water Management	R	Water scarcity due to droughts, extreme weather, and rising demand impacts VST operations, particularly in water-scarce regions. Hazardous wastewater also requires treatment.	VST optimizes water use, employs touch sensors, and reuses water. Rainwater is collected, and the company maintains zero-discharge facilities. Wastewater is treated and recycled for use in gardening, with sludge used as fertilizer.	Negative
4	Reducing Life Cycle Emissions	O	Agriculture contributes significantly to GHG emissions, making it crucial to focus on mitigation. VST can reduce life cycle emissions by improving fuel efficiency and adopting renewable energy solutions.	NA	Positive
5	Sustainable Supply Chain	R	Effective sourcing and managing ESG risks within the supply chain are vital for VST. Failure can result in legal penalties, reputational harm, and supply chain disruptions, which can affect long-term sustainability.	VST has implemented a Supplier Risk Management and Mitigation (SRMM) process, developed supplier capacity, and is creating a supplier code of conduct with ESG parameters.	Negative
6	Human Rights Management	R	Non-standard human rights practices (e.g., forced labor, unsafe conditions) could harm employees and tarnish the company's reputation. Fair wages and proper benefits are essential to avoid social unrest.	VST ensures compliance with human rights laws through its sustainability policies and Code of Business Conduct, promoting employee integrity and mitigating human rights risks.	Negative
7	Occupational Health & Safety	R	VST's operations expose workers to health and safety risks due to heavy loads and precision tasks. Failure to mitigate these risks could reduce efficiency and increase compliance burdens.	VST provides PPE guidelines, health services (eye check-ups and blood tests), and promotes safety standards to reduce health and safety risks for employees and workers.	Negative
8	Employee Satisfaction & Wellbeing	O	Employee well-being is key to achieving organizational goals. Offering wellness programs, mentorship, and flexible work arrangements can reduce turnover and improve employee engagement.	NA	Positive

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
9	Product Quality and Safety	R	Faulty products could lead to accidents, legal issues, reputational damage, and loss of consumer trust. These risks also affect third-party brands in white-label manufacturing.	VST adheres to strict product safety regulations during design and development to minimize risks and ensure high-quality products.	Negative
10	Product Stewardship & Innovation	O	Innovation in sustainable product design can lead to more efficient, safer, and environmentally friendly products, improving customer satisfaction and competitiveness.	NA	Positive
11	Customer Satisfaction	R	Developing solutions that address farmer challenges can enhance customer satisfaction and sales growth. Expanding operations and strengthening the dealership network helps meet demand.	VST is involved in eco-friendly product research and development, ensuring customer satisfaction through innovation.	Negative
12	Community Engagement	O	Investments in farmer-focused initiatives and philanthropic efforts can positively impact communities and foster sustainable farming practices.	NA	Positive
13	Diversity, Equity, & Inclusion	O	Diversity and inclusion promote innovation, creativity, and a positive work culture, extending the company's reach in talent acquisition.	NA	Positive
14	Business Ethics and Compliance	R	Failure to comply with ethical standards and laws, such as bribery and corruption, can result in regulatory fines, legal repercussions, and reputational damage. This impacts trust and customer confidence.	VST maintains high ethical standards, encourages reporting concerns, and ensures consistent adherence to laws through a robust corporate governance framework.	Negative
15	Corporate Governance	O	Strong corporate governance practices ensure fairness, compliance, and integrity, fostering investor confidence and long-term shareholder value.	NA	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Sr. No	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1.	a Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No/NA)	Yes	Yes	Yes	No	Yes	Yes	No	Yes	Yes
	b Has the policy been approved by the Board? (Yes/No/NA)	Yes	Yes	Yes	No	Yes	Yes	No	Yes	Yes
	c Web Link of the Policies, if available	https://www.vsttractors.com/investor/disclosure/?tab=v								
2	Whether the entity has translated the policy into procedures. (Yes / No/ NA)	Yes	Yes	Yes	No	Yes	Yes	No	Yes	Yes
3	Do the enlisted policies extend to your value chain partners? (Yes/No/NA)	Yes	No	No	No	No	No	No	No	No
4	Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	-	ISO 9001:2015	ISO 45001:2018	-	-	ISO 14001:2015	-	-	ISO 9001:2015
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	We are committed to upholding high ethical standards, promoting transparency, and fostering responsibility across all our activities, in accordance with our established policies. We are actively involved in multiple initiatives and plan to conduct detailed studies to establish clear, measurable objectives. Our commitment to providing health and safety benefits to our employees and workers is unwavering. We firmly oppose all forms of discrimination and ensure that all our interactions are in accordance with our Code of Conduct. Furthermore, we are committed to directing our CSR funds towards societal development while keeping a strong focus on our customers.								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	-	-	-	-	-	-	-	-	-

7 Governance, leadership and oversight

Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

At VST, we are committed to aligning our operations with the principles of sustainable development through our adherence to the Environmental, Social, and Governance (ESG) framework. Our sustainability strategy is focused on driving positive environmental impact by identifying key ESG parameters and addressing them proactively.

We have made significant strides in water conservation, increasing the use of renewable energy, and effectively managing hazardous waste. As part of our renewable energy initiatives, we have installed solar panels at our Mysore, Malur, and Hosur plants, enabling us to meet a considerable portion of our power requirements from renewable sources. Our water conservation efforts include the recycling and reuse of water within our facilities. Additionally, we have implemented air pollution control measures, such as stack installations, and established a green belt around our Malur plant. In terms of emissions management, we have calculated emissions from our energy consumption, allowing us to track, monitor, and continuously work toward reducing our carbon footprint.

On the governance front, we remain dedicated to maintaining transparent and ethical practices, as evidenced by our recertification in Quality Management (ISO 9001:2015), Environmental Management (ISO 14001:2015), and Occupational Health and Safety (ISO 45001:2018). We firmly believe that strong corporate governance is the cornerstone of a successful organization, and we take pride in our long-standing commitment to these principles.

Our social responsibility initiatives are centred on the well-being of our employees. We are committed to fostering an inclusive culture that encourages diversity and provides ample training and development opportunities. Ensuring the mental and physical health of our employees remains a top priority, and we continue to maintain a safe workplace in compliance with the Factories Act. Our commitment to safety is encapsulated in our "Zero Accident" motto.

The publication of this Business Responsibility and Sustainability Report highlights our comprehensive corporate sustainability strategy, which emphasizes environmental stewardship, social responsibility, and sound governance practices. Our goal is to build a sustainable future for our company, stakeholders, and the communities we serve. We value your continued support and look forward to your active engagement as we refine our sustainability strategy and work towards making a meaningful difference.

8 Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies). Board of Directors

9 Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No/ NA).

Yes

If Yes please provide details

Mr. V. T. Ravindra, Managing Director

10 Details of Review of NGRBCs by the Company

Subject for Review		Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
a.	Performance against above policies and follow up action	Committee of the Board								
b.	Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Committee of the Board								

Subject for Review		Frequency (Annually / Half yearly /Quarterly/ Any other-please specify)								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
a.	Performance against above policies and follow up action	Annually								
b.	Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Quarterly								

11	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No).	No	Yes	Yes	No	No	Yes	No	No	Yes
	If yes, provide name of the agency.	NA	TUV NORD	TUV NORD	NA	NA	TUV NORD	NA	NA	TUV NORD

12 If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
It is planned to be done in the next financial year (Yes/No)	NA	NA	NA	Yes	NA	NA	Yes	NA	NA
Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

(This principle focuses on the importance of ethical conduct and transparency in business operations. Companies should follow ethical business practices and adhere to high standards of integrity. They should also be transparent about their activities, operations, and financial reporting, as well as be accountable for their actions)

Essential Indicators

- Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	10	Nature of Industry, Business model, roles, rights, responsibilities, regulatory updates	100%
Key Managerial Personnel	4	Governance, Compliance, Business Related	100%
Employees other than BOD and KMPs	122	Functional/Technical Training Compliance & Policy Awareness HR & Systems Orientation Soft Skills & Communication Productivity & Digital Tools	100%
Workers	17	Health and Wellness Awareness, Employee Benefits and Welfare, Workplace Discipline and Compliance, HR Policies and Statutory Awareness, Health and Safety trainings	100%

- Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format

Monetary					
Particular	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR) (For Monetary Cases only)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	1	BSE & NSE	5000	Delay of filing of RPT	No
Settlement	NA	NA	NA	NA	NA
Compounding fee	NA	NA	NA	NA	NA
Non-Monetary					
Particular	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case		Has an appeal been preferred? (Yes/No)
Imprisonment	NA	NA	NA		NA
Punishment	NA	NA	NA		NA

- Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NA	NA

4. Does the entity have anti-corruption or anti-bribery policy? (Yes/ No)

Yes

If Yes, provide details in brief

The company has established protocols to tackle anti-corruption and anti-bribery issues. We are fully committed to maintaining the highest moral and ethical standards, firmly rejecting any form of bribery or corruption.

If Yes, Provide a web link to the policy, if available -Web link anti-corruption or anti bribery policy is place

<https://www.vsttractors.com/investor/disclosure/?tab=v-pills-disclosure9-tab>

5. Number of Directors/ KMPs/ employees/ workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Particular	FY 2024-25	FY 2023-24
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest:

Case Details	FY 2024-25		FY 2023-24	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	Nil	0	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	Nil	0	Nil

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

No such issue related to corruption and conflict of interest has taken place in FY 2024-25.

8. Number of days of accounts payables in the following format:

Particular	FY 2024-25	FY 2023-24
Number of days of accounts payables	53	55

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024-25	FY 2023-24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	0%	0%
	b. Number of trading houses where purchases are made from	0	0
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	0%	0%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	87.99%	93.11%
	b. Number of dealers / distributors to whom sales are made	1423	1,234
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	21.54%	21.86%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.43%	2.65%
	b. Sales (Sales to related parties / Total Sales)	2.27%	0.14%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0%	0%
	d. Investments	1.84%	2.00%

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe.

(This principle highlights the importance of sustainable and safe production practices. Companies should strive to minimize the environmental impact of their activities and ensure that their products and services are safe for consumers and the environment.)

Essential Indicator

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Sr. No.	Particular	FY 2024-25	FY 2023-24	Details of improvements in environmental and social impacts
1	R&D	Nil	Nil	NA
2	Capex	5.7%	1.14%	Stage V Engine, EV project, 30HP and weeder development

- Does the entity have procedures in place for sustainable sourcing? (Yes/No)

No

- If yes, what percentage of inputs were sourced sustainably?

NA

- Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for

(a)	Plastics (including packaging)	The Company currently does not engage in the reclamation of products or its materials, such as plastic or other hazardous and non-hazardous waste. However, it actively undertakes initiatives aimed at reducing waste generation, encouraging reuse, and supporting recycling practices.
(b)	E-waste	
(c)	Hazardous waste	
(d)	other waste	

- Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No)

Yes

- If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards?

No

- If not, provide steps taken to address the same

NA

Note – The Company's EPR submission process is at the initial stage.

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains.

(This principle emphasizes the importance of employee well-being. Companies should provide safe and healthy working conditions, fair wages, and opportunities for career development to all employees in their value chains, including suppliers, contractors, and temporary workers.)

Essential Indicators

1 a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	553	553	100%	553	100%	NA	NA	553	100%	0	0%
Female	23	23	100%	23	100%	23	100%	NA	NA	0	0%
Total	576	576	100%	576	100%	23	100%	553	100%	0	0%
Other than permanent employees											
Male	17	0	0%	0	0%	NA	NA	0	0%	0	0%
Female	8	0	0%	0	0%	0	0%	NA	NA	0	0%
Total	25	0	0%	0	0%	0	0%	0	0%	0	0%

Note - All the eligible contractual employees are covered under ESI

1. b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	232	232	100%	232	100%	NA	NA	232	100%	0	0%
Female	1	1	100%	1	100%	1	100%	NA	NA	0	0%
Total	233	233	100%	233	100%	1	100%	232	100%	0	0%
Other than permanent workers											
Male	490	0	0%	0	0%	NA	NA	0	0%	0	0%
Female	27	0	0%	0	0%	0	0%	NA	NA	0	0%
Total	517	0	0%	0	0%	0	0%	0	0%	0	0%

Note - All the eligible contractual workers are covered under ESI.

1. c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

	FY 2024-25	FY 2023-24
Cost incurred on well- being measures as a % of total revenue of the company	0.080%	0.069%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2024-25			FY 2023-24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	100%	100%	Yes	100%	100%	Yes
Others – please specify Group Medclaim Cover (For Non-ESI)	100%	100%	Yes	100%	100%	Yes

Note – All eligible employees and workers are covered under ESI benefits.

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes

If not, whether any steps are being taken by the entity in this regard.

Our office is designed to be accessible to individuals with disabilities. We are committed to continuously improving our infrastructure to eliminate accessibility barriers.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016?

Yes

If so, provide a web-link to the policy.

Our Code of Conduct for Directors and Senior Management emphasizes our dedication to offering equal employment opportunities and preventing any form of illegal discrimination or harassment, including derogatory remarks based on race or ethnicity and unwanted sexual advances.

The Code can be accessed at <https://www.vsttractors.com/investor/disclosure/?tab=v-pills-disclosure9-tab> Additionally, our Recruitment Policy ensures non-discrimination and is accessible to internal stakeholders via the intranet.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	100%	76.47%	100%	80%
Female	0%	0%	0%	0%
Total	100%	76.47%	100%	80%

Note – No female employee or worker has availed maternity leave.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Category	Yes/No	If Yes, then give details of the mechanism in brief
Permanent Workers	Yes	VST promotes a culture of transparent communication and encourages employees and affiliates to promptly report any ethical concerns or instances of non-compliance with the Code of Conduct. The Company ensures a thorough investigation of all complaints and follows established Company policies for disciplinary actions against violators. Employees are advised to report operational and performance issues to their supervisor or reporting manager. For concerns related to organizational matters, performance appraisals, or issues involving a supervisor or reporting manager, employees should reach out to the Human Resources Manager. Complaints under the whistleblower policy can be raised with the support of counselors. The Internal Complaints Committee oversees and reports on complaints under the POSH guidelines. Additionally, Canteen Committee and Union meetings are convened as necessary to address and resolve concerns.
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2024-25			FY 2023-24		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C.)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent employees	553	0	0%	528	0	0%
Male	23	0	0%	511	0	0%
Female	576	0	0%	17	0	0%
Total Permanent Workers	233	150	64.66%	227	151	66.52%
Male	232	149	64.50%	226	150	66.37%
Female	1	1	100%	1	1	100%

8. Details of training given to employees and workers:

Category	FY 2024-25					FY 2023-24				
	Total (A)	On Health and Safety Measures		On Skill Upgradation		Total (D)	On Health and Safety Measures		On Skill Upgradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (C/D)
Employees										
Male	552	552	100%	552	100%	528	528	100%	528	100%
Female	23	23	100%	23	100%	25	25	100%	25	100%
Total	575	575	100%	575	100%	553	553	100%	553	100%
Workers										
Male	232	232	100%	232	100%	604	604	100%	604	100%
Female	1	1	100%	1	100%	13	13	100%	13	100%
Total	233	233	100%	233	100%	617	617	100%	617	100%

Note – All permanent employees and permanent workers have been provided with training on Health and Safety Measures and Skill Upgradation.

9. Details of performance and career development reviews of employees and worker:

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. (B)	% (B / A)	Total (D)	No. (E)	% (E / D)
Employees						
Male	552	552	100%	528	511	96.78%
Female	23	23	100%	25	17	68%
Total	575	575	100%	553	528	95.48%
Workers						
Male	232	232	100%	604	226	37.42%
Female	1	1	100%	13	1	7.69%
Total	233	233	100%	617	227	36.79%

Note – All permanent employees and permanent workers receive a performance and career development review.

10. Health and safety management system

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No)

Yes

If Yes, the Coverage such systems?

As an ISO-certified company, VST Tillers Tractors prioritizes employee health and safety. To maintain a risk-free work environment, we have implemented comprehensive checks. At all our facilities, we focus on eliminating hazards and minimizing occupational health and safety (OH&S) risks by continuously identifying potential hazards, assessing risks, and applying effective operational controls. We are also in the process of obtaining IMS certification for the VST Tiller and Tractor Group.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

To ensure safety, routine activities are closely monitored through Job Safety Analysis, Hazard Identification & Risk Assessment (HIRA), Standard Operating Procedures (SOPs), and Operational Control Procedures (OCPs) for managing the generation, collection, and disposal of hazardous and e-waste. Safety training is provided to personnel across all facilities to enhance their skills. Additionally, in alignment with ISO 45001, processes and SOPs are regularly updated to mitigate risks and maintain a safe workplace.

- c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks? (Yes/ No)

Yes

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High-consequence work-related injury or ill health (excluding fatalities)	Employees	0	0
	Workers	0	0

*Including in the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

VST is certified with ISO 45001 and ISO 14001. The company has implemented EHS policies, rules, and regulations that apply to all employees and workers. Several processes are in place to eliminate workplace risks, including internal and external safety audits, as well as safety training to enhance employee competence. An induction program is provided to every new joiner.

As a responsible organization, VST ensures that all processes are designed to protect the environment, prevent pollution, and provide a safe and healthy working environment for all personnel.

Periodic Evaluation – We ensure compliance with all relevant legal requirements related to EHS by tracking changes and conducting regular evaluations.

Adoption of Latest Technology – The company uses cutting-edge technology to reduce or recycle waste generated from products.

Continual Improvement – EHS performance is continuously monitored. Opportunities for improvement are identified through consultations and arrangements, and measurable objectives are established.

Elimination of Hazards – OHS risks and hazards are mitigated by implementing operational controls at the workplace.

Prevention of Hazards – Through raising awareness of EHS issues among personnel and applying appropriate control measures, we prevent the risk of pollution, injury, and ill-health.

13. Number of Complaints on the following made by employees and workers:

Particulars	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	Nil	0	0	Nil
Health & Safety	0	0	Nil	0	0	Nil

14. Assessment for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/ concerns arising from assessments of health & safety practices and working conditions.

No safety-related incidents have occurred. However, unsafe conditions were identified during the assessment, and appropriate actions have been taken to mitigate and eliminate the associated risks.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of

(A) Employees (Y/N)	Yes
(B) Workers (Y/N)	Yes

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders.

(This principle highlights the importance of stakeholder engagement. Companies should consider the interests and perspectives of all stakeholders, including shareholders, employees, customers, suppliers, and the communities in which they operate. They should also be responsive to stakeholder concerns and feedback.)

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The company recognizes the significance of stakeholder engagement and has implemented practices to identify and map all relevant internal and external stakeholders. Systems and procedures are in place to effectively identify, prioritize, and address stakeholder needs and concerns across all plant locations and operational areas. Stakeholder engagement is facilitated through the adoption of the Theory of Constraints (TOC), integrated with other software to ensure clear communication and visibility across the supply chain. Additionally, tools and portals such as Supplier Relationship Management (SRM), Product Lifecycle Management (PLM), Warehouse Management System (WMS), and Travel Management System have been developed to improve transparency and enhance operational efficiency.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other- Please Specify)	Frequency of engagement (Annually, Half-yearly, Quarterly, others- Please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders / Investors	No	- General Body Meetings - Interaction with Investors - Annual Report - Press Release - Company's website	- AGMs - Quarterly Investor meets	- Discussion on financial & nonfinancial performance - market value of shares - Effective & robust corporate governance
Employees	No	- Email - Intranet - Training and Safety Programmes - Feedback sessions	Regular	- Meeting on a regular basis and the employee town hall - Training & Development Performance review - Grievance redressal mechanism
Customers	No	- Customer Satisfaction Survey - Web Portals - E-Catalogue/ Manual - In person engagement	Throughout the year	- All means of communication throughout the year with our customers on: • Updates on products - Customer Satisfaction - Customer complaints - Extending product & services
Dealers	No	- Website - Email	Regular	- Updates on products - Service Quality, Sustainability - Creating Customer Delight
Suppliers	No	- Website - Email	Regular	- Supply Chain Management - Materials Sourcing and Material Efficiency

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other- Please Specify)	Frequency of engagement (Annually, Half-yearly, Quarterly, others- Please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Local Community	No	- CSR Initiatives - Public disclosure of company information - Local Employment - Website	Periodic/ Need-based	- Creation of job opportunities - Relationship development - CSR Initiatives
Regulators/ Government	No	- Regulatory compliance CSR initiatives - Representation through trade bodies	Regular	- Obtaining permissions/licenses/clarifications/waivers/ business development - Regulatory & Legal requirements - Technology & Innovation - Capacity expansion

PRINCIPLE 5 Businesses should respect and promote human rights.

(This principle focuses on the importance of human rights. Companies should respect and promote human rights, including the rights to freedom of expression, association, and privacy. They should also prevent and address human rights violations in their operations and value chains.)

Essential Indicators

- Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format

Benefits	FY 2024-25			FY 2023-24		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
Employees						
Permanent	576	576	100%	528	528	100%
Other than permanent	25	25	100%	25	25	100%
Total Employees	601	601	100%	553	553	100%
Workers						
Permanent	233	233	100%	227	227	100%
Other than permanent	517	517	100%	390	390	100%
Total Workers	750	750	100%	617	617	100%

- Details of minimum wages paid to employees and workers

Category	FY 2024-25					FY 2023-24				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B /A)	No. (C)	% (C /A)		No. (E)	% (E /D)	No. (F)	% (F /D)
Employees										
Permanent										
Male	553	0	0%	553	100%	511	0	0%	511	100%
Female	23	0	0%	23	100%	17	0	0%	17	100%
Total	576	0	0%	576	100%	528	0	0%	528	100%
Other than Permanent										
Male	17	0	0%	17	100%	17	12	70.59%	5	29.41%
Female	8	0	0%	8	100%	8	5	62.5%	3	37.5%
Total	25	0	0%	25	100%	25	17	68.00%	8	32%
Workers										
Permanent										
Male	232	0	0%	232	100%	226	0	0%	226	100%
Female	1	0	0%	1	100%	1	0	0%	1	100%
Total	233	0	0%	233	100%	227	0	0%	227	100%
Other than Permanent										
Male	490	422	86.12%	68	13.88%	378	236	62.43%	142	37.57%
Female	27	24	88.89%	3	11.11%	12	8	66.67%	4	33.33%
Total	517	446	86.27%	71	13.73%	390	244	62.56%	146	37.44%

3. Details of remuneration/salary/wages

a. Median remuneration / wages:

Particular	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BOD)	1	1,07,30,000	0	0
Key Managerial Personnel	4	47,76,996	0	0
Employees other than BOD and KMP	543	6,26,442	22	4,74,576
Workers	232	4,39,920	1	6,30,456

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Particulars	FY 2024-25	FY 2023-24
Gross wages paid to females as % of total wages	2.15%	1.97%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

We have an internal grievance committee and POSH committee which addresses such human right issues

6. Number of Complaints on the following made by employees and workers:

Particulars	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	Nil	0	0	Nil
Discrimination at workplace	0	0	Nil	0	0	Nil
Child Labour	0	0	Nil	0	0	Nil
Forced Labour / Involuntary Labour	0	0	Nil	0	0	Nil
Wages	0	0	Nil	0	0	Nil
Other human rights related issues	0	0	Nil	0	0	Nil

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Particulars	FY 2024-25	FY 2023-24
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The company has set up an Internal Complaints Committee (ICC) to address issues of sexual harassment. The committee includes both internal and external members with relevant expertise. Clear criteria have been established to handle sexual harassment cases. The company's Code of Conduct supports a productive, positive, and safe work environment, ensuring freedom from harassment and discrimination for all employees. VST upholds a strict stance against any form of discrimination, and all reported incidents are thoroughly investigated.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No/NA)

No

10. Assessments for the year:

Name of the Assessment	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	NA

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

No such risk or concern arose from the assessment.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

(This principle emphasizes the importance of environmental stewardship. Companies should minimize their impact on the environment, conserve natural resources, and promote environmental sustainability. They should also take steps to restore and rehabilitate degraded ecosystems.)

Essential Indicators**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2024-25 (in Giga Joules)	FY 2023-24 (in Giga Joules)
From renewable sources		
Total electricity consumption (A)	7209.14	3,615.24
Total fuel consumption (B)	0	0
Energy consumption through other sources (C.)	0	0
Total energy consumed from renewable sources (A+B+C)	7209.14	3,615.24
From non-renewable sources		
Total electricity consumption (D)	8226.80	9,925.39
Total fuel consumption (E)	25,639.50	28,373.81
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	33,866.30	38,299.20
Total energy consumed (A+B+C+D+E+F)	41,075.44	41,914.44
Energy intensity per rupee of turnover [Total energy consumed (in GJ) / Revenue from operations (in rupees)]	0.00000413	0.00000433
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) [Total energy consumed (in GJ)/ Revenue from operations in rupees adjusted for PPP]	0.00008533	0.00008755
Energy intensity in terms of physical output [Total energy consumed (in GJ) / Total production in Nos.]	0.96457449	1.00110920

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

No

If yes, name of the external agency.

NA

Note: The revenue from operations has been adjusted for Purchasing Power Parity (PPP) using the latest PPP conversion factor published by the International Monetary Fund (IMF) for India for the year 2025, which is 20.66.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Yes/No)

No

If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

NA

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	20,335.50	20,932
(iii) Third party water	9,966.48	10,608
(iv) Seawater / desalinated water	0	0

Parameter	FY 2024-25	FY 2023-24
(v) Others – Rainwater	5,175.50	502
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	35,477.48	32,042
Total volume of water consumption (in kilolitres)	32,501	32,042
Water intensity per rupee of turnover [Total water consumption (in KL) / Revenue from operations (in rupees)]	0.00000327	0.00000331
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) [Total water consumption (in KL) / Revenue from operations in rupees adjusted for PPP]	0.00006752	0.00006693
Water intensity in terms of physical output [Total water consumption (in KL) / Total production in Nos]	0.76322093	0.76531002

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/No)

No

If yes, name of the external agency.

NA

Note – 22.27% of total water withdrawal is recycled water.

4. Provide the following details related to water discharged:

Parameter	FY 2024-25	FY 2023-24
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(ii) To Groundwater		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(iii) To Seawater		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties		
No treatment	2,976.48	2718
With treatment – please specify level of treatment	0	0
(v) Others		
No treatment	0	0
With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	2,976.48	2718

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

No

If yes, name of the external agency.

NA

Note - Water consumption at office locations of VST gets discharged into community sewage.

5. Has the entity implemented a mechanism for Zero Liquid Discharge?

Yes

If yes, provide details of its coverage and implementation.

At VST Tillers Tractors, Zero Liquid Discharge (ZLD) is implemented in compliance with the Pollution Control Board guidelines of the respective states. All three manufacturing plants have adopted ZLD to ensure that no industrial wastewater is discharged into the environment. Sewage treatment systems are in place, and the water used by employees is recycled for garden use.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2024-25	FY 2023-24
NOx	Mg/m3	28.27	45.83
SOx	Mg/m3	15.7	14.04
Particulate matter (PM)	Mg/m3	26.73	30.46
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

Yes

If yes, name of the external agency.

- Nawal Analytical Labs India private limited
- Tejus Enterprises Testing Laboratory
- National Analytical Laboratories and research center

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2024-25	FY 2023-24
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	2145.92	1,953.49
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	1,661.36	1,974.05
Total Scope 1 and Scope 2 emissions per rupee of turnover [Total Scope 1 and Scope 2 GHG emissions (in MTCO ₂ e) / Revenue from operations (in rupees)]	MTCO ₂ e/Revenue from operations (in rupees)	0.00000038	0.00000041
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) [Total Scope 1 and Scope 2 GHG emissions (in MTCO ₂ e) / Revenue from operations in rupees adjusted for PPP]	MTCO ₂ e / Revenue from operations (in rupees adjusted for PPP)	0.00000791	0.00000820
Total Scope 1 and Scope 2 emission intensity in terms of physical output [Total Scope 1 and Scope 2 GHG emissions (in MTCO ₂ e) / Total production in Nos]	MTCO ₂ e / Total production in Nos	0.08940635	0.09380768

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

No

If yes, name of the external agency.

NA

Note: Source of emission factors used - EPA's GHG Emission Factors Hub, CEA's CDM - CO₂ Baseline Database User Guide Version 20 has been used for the purpose of GHG Emissions calculations.

8. Does the entity have any project related to reducing Green House Gas emission? (Yes/ No)

Yes

If Yes, then provide details.

VST makes annual investments in energy conservation projects, leading to a reduction in greenhouse gas emissions. All three VST plants feature rooftop solar power systems, which significantly lower energy consumption from non-renewable sources. The company has also deployed electric vehicle (EV) forklifts to further reduce fuel consumption. These initiatives highlight VST's commitment to sustainable practices and environmental responsibility.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2024-25	FY 2023-24
Total Waste generated (in metric tonnes)		
Plastic waste (A)	19.13	21.57
E-waste (B)	0	0.22
Bio-medical waste (C)	0	0.02
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0.16
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	68.18	28.95
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	827.00	268.19
Carton box	226.30	102.84
Wood scrap	192.03	108.53
Metal scrap	408.67	56.82
Total (A+B + C + D + E + F + G + H)	914.31	319.11
Waste intensity per rupee of turnover [Total waste generated (in MT) / Revenue from operations (in rupees)]	0.00000009	0.00000003
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) Total waste generated (in MT) / Revenue from operations in rupees adjusted for PPP	0.00000190	0.00000067
Waste intensity in terms of physical output [Total waste generated (in MT) / Total production in Nos]	0.02147074	0.00762181
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste	FY 2024-25	FY 2023-24
(i) Recycled	5.21	319.09
(ii) Re-used	0	0
(iii) Other recovery operations	871.14	0
Total	876.35	319.09
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste	FY 2024-25	FY 2023-24
(i) Incineration	37.96	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0.02
Total	37.96	0.02

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

No

If yes, name of the external agency.

NA

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

VST is an ISO 14001 certified company. Both hazardous and non-hazardous waste are managed in accordance with the Hazardous Waste Management (HWM) regulations set by the respective State Pollution Control Boards (SPCB). E-manifests are maintained in line with the required norms. The company has reduced the quantity of paint sludge by implementing process improvements.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N)	If no, the reasons thereof and corrective action taken, if any.
VST does not have any operations or offices in ecologically sensitive area.				

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes /No)	Relevant Web link
Environmental impact assessment has not been carried out for any project in FY 2024-25.					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N/NA).

Yes

If not, provide details of all such non-compliances, in the following format:

Specify the law/ regulation/ guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
No such case of non-compliance has taken place.			

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

(This principle highlights the importance of responsible advocacy. Companies should engage in policy advocacy in a responsible and transparent manner, and avoid engaging in activities that could undermine the public interest or the democratic process.)

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

5

- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National/ International)
1	Confederation of Indian Industry (CII)	National
2	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
3	Mysore Chamber of Commerce	State
4	Karnataka Employers Association	State
5	WACIA - Whitefield Area Commerce & Industry Association	State

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
No such adverse order has been received from the regulatory authority on any issue related to anti-competitive conduct.		

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development.

(This principle emphasizes the importance of promoting inclusive and equitable economic development. Companies should create economic opportunities for all, including disadvantaged and marginalized groups. They should also contribute to the development of local communities and support social and economic empowerment.)

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
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Social Impact Assessment (SIA) has not been conducted for any project in FY 2024-25.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
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Rehabilitation and Resettlement (R&R) has not been undertaken for any of the projects in FY 2024-25.

3. Describe the mechanisms to receive and redress grievances of the community.

VST has implemented a Grievance Redressal Policy and system to address inquiries or grievances from both internal and external stakeholders. Contact information for the company is also available on the website. The Corporate Social Responsibility (CSR) division has established a community feedback system for its initiatives, enabling individuals or groups to raise concerns as necessary.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Particular	FY 2024-25	FY 2023-24
Directly sourced from MSMEs/ small producers	49.9%	45.90%
Directly from within India	96.2%	97.66%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Particular	FY 2024-25	FY 2023-24
Rural	10.79%	10.64%
Semi-urban	0%	0%
Urban	40.78%	41.22%
Metropolitan	48.43%	48.14%

Leadership Indicators

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. No.	State	Aspirational District	Amount spent (In INR)
1	Odisha	Koraput	5,00,000

6. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Giving hope to every person experiencing stress, anxiety and depression with The Live Love Laugh Foundation.	NA	NA
2	Fighting cancer and supporting underprivileged patients across India with The Indian Cancer Society.	NA	NA
3	Empowering people with disabilities to lead full and productive lives with The Association of People with Disability.	NA	NA
4	Championing the cause of the visually challenged in Karnataka with the National Association for the Blind, Karnataka.	NA	NA
5	Protecting endangered species and preserving natural habitats with Wildlife Conservation and Nature Education.	NA	NA
6	Supporting children with congenital heart disease and childhood cancers with The Kuppuswamy Naidu Charity Trust – Healing Tiny Hearts.	NA	NA
7	Promoting education and learning opportunities with Smt. Kamala Bai Education Trust.	NA	NA
8	Enabling clean energy and climate solutions with The Shakti Foundation.	NA	NA
9	Advancing wildlife research, conservation, and education with Centre for Wildlife Studies.	NA	NA
10	Building a skilled workforce through apprenticeships with National Apprenticeship Promotion Scheme (NAPS).	NA	NA

Note - The Company undertakes its CSR initiatives in collaboration with the above-mentioned NGOs and organizations. Given the nature and scope of these projects, which often involve advocacy, capacity building, and community-wide interventions, it is challenging to quantify the exact number of direct beneficiaries impacted during the reporting period.

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner.

(This principle highlights the importance of responsible consumer engagement. Companies should provide safe, high-quality products and services, and ensure that they are marketed and sold ethically and responsibly. They should also be transparent about their products and services, and provide consumers with the information they need to make informed choices.)

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The company has a dedicated service team to handle consumer complaints, with a system in place to promptly collect and address all consumer issues. For product complaints related to tractors after delivery, the process involves reporting the tractor to the dealership, where complaints are logged through a job card.

The complaint attending process at the dealership or RSO starts when the tractor is received from either the RSO or direct billing from the plant. A Pre-Delivery Inspection (PDI) is conducted on the same day, and any shortages or defects found are immediately reported to VST via a PDI job card. Complaints are recorded through a job card, and a Product Concern Intimation Report (PCIR) is generated for the issues raised. Upon approval, the dealer undertakes the necessary work to resolve the complaint.

Complaint Attending Process at HO:

- PDI (Pre-Delivery Inspections): Job card is created.
- QCRS (Quality Concern Review System): Based on the severity of the PCIR (number of complaints reported), QCRS is raised.
- CFT (Cross-Functional Team): A CFT member reviews complaints and escalates them to the ORC.
- CAR (Corrective Action Report): Once a complaint is closed, CAR is released by the QA team.
- ORC (Operations Review Committee): The complaint is tracked in the ORC, and revised actions are taken to ensure closure.
- END: Once CAR is released from the Service Department, a Technical Bulletin is issued, detailing the actions taken.

Additionally, the customer care team is responsive to customer feedback, which plays a crucial role in our continuous improvement process and ensures that we maintain our commitment to providing excellent customer service.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about

Particular	As a percentage to total turnover
Environmental and social parameters relevant to the product	-
Safe and responsible usage	100%
Recycling and/or safe disposal	-

3. Number of consumer complaints in respect of the following:

Particular	FY 2024-25		Remark	FY 2023-24		Remark
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	Nil	0	0	Nil
Advertising	0	0	Nil	0	0	Nil
Cyber-security	0	0	Nil	0	0	Nil
Delivery of essential services	0	0	Nil	0	0	Nil
Restrictive Trade Practices	0	0	Nil	0	0	Nil
Unfair Trade Practices	0	0	Nil	0	0	Nil
Other	4119	0	Nil	4463	0	Nil

4. Details of instances of product recalls on account of safety issues:

Particular	Number	Reason for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No)

Yes

If available, provide a web link of the policy

<https://www.vsttractors.com/wp-content/uploads/2024/02/Data-Privacy-Policy-9th-Feb-24-Domestic.pdf>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

No such corrective action has been taken by the Company in FY 2024-25.

7. Provide the following information relating to data breaches

a. Number of instances of data breaches along-with impact	0
b. Percentage of data breaches involving personally identifiable information of customers	0
c. Impact, if any, of the data breaches	

No such instance of data breach has taken place in FY 2024-25.

Independent Auditor's Report

To The Members of V.S.T. Tillers Tractors Limited
Report on the Audit of Standalone Financial Statements

OPINION

- 1. We have audited the accompanying standalone financial statements of M/s. V.S.T. Tillers Tractors Limited ("the Company"), which comprise the standalone balance sheet as at March 31, 2025, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows for the year ended March 31, 2025, and notes to the standalone financial statements, and a summary of the material accounting policies and other explanatory information.
- 2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements for the year ended March 31, 2025 give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at March 31, 2025, and its profit (financial performance including other comprehensive income), its changes in equity, and its cash flows for the year ended on that date.

BASIS FOR OPINION

- 3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

- 4. Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements for the year. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How the matter was addressed in our Audit
Appropriateness of capitalisation of costs as per Ind AS 16 Property, Plant and Equipment(PPE): The Company has incurred total cost ₹ 1,307.30 lakhs on property, plant and equipment (PPE - representing cost incurred for development of Engines and acquisition of plant & machinery, and other capital equipment) as part of business expansion and product development. This cost needs to be capitalised and depreciated once the assets are ready for use as intended by the management and certainty about the future economic cash flows. Inappropriate timing of capitalisation of the cost and/or inappropriate classification of categories of items of PPE could result in material misstatement of PPE with a consequent impact on depreciation charged. Owing to the above factors, we have identified this as a key audit matter for current year audit due to the significance of the capital expenditure incurred during the year.	Our audit procedures to assess appropriate capitalization of such expenditure includes, but were not limited to the following: • Assessed the design and implementation and tested the operating effectiveness of key controls surrounding the capitalization of costs. • Reviewed management's capitalization policy, including application of the aforesaid policy, to assess consistency with the requirements set out by Ind AS 16, Property, Plant and Equipment. • Compared the additions with the budgets and the orders given to the vendors. • Tested the additions on a sample basis for their nature and purpose to ensure that the capitalization is as per company's accounting policy. • Assessed the appropriateness and adequacy of the related disclosures in the standalone financial statements in accordance with the applicable Indian accounting standards.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

- 5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Annual Report but does not include the standalone financial statements and auditor's report thereon. The Company's Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Company's Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

- 6. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

- 7. In preparing the standalone financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
- 8. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

- 9. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.
- 10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - (i) Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - (ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- (iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (v) Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
11. Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report

because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

15. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
- In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors/managers during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.
16. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013, we give in "Appendix - A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
17. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- c) The standalone balance Sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flow dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of written representations received from the directors as on March 31, 2025 taken

on record by the board of directors, none of the directors are disqualified as on March 31, 2025 from being appointed as directors in terms of section 164(2) of the Act.

- f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 17(b) above on reporting under section 143(3)(b) of the Act and paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 as amended.
- g) With respect to the adequacy of the internal financial controls with reference to the standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Appendix - B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – (Refer Note 44 to the standalone financial statements).
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. The amount required to be transferred to the Investor Education and Protection Fund has been transferred by the Company during the year ended March 31, 2025.
- iv. a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

- b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The dividend paid by the Company is in accordance with provisions of Section 123 of Companies Act, 2013.
- vi. The Books of account of the Company are being maintained using an accounting software that has audit trail feature. Based on our examination which includes test checks, barring the instances described below, the audit trail feature has operated throughout the year with respect to all the transactions that are recorded using the software.

Audit trail feature is not there for logging the changes done by the users having privileged access, at the application level for certain tables that relate to the significant financial processes, and the changes done at the data base level.

Further, where audit trail was enabled, we didn't come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **K.S. Rao & Co.,**
Chartered Accountants
ICAI Firm Registration No: 003109S

Hitesh Kumar P
Partner

Place: Bengaluru
Date: May 13, 2025

Membership No.: 233734
UDIN: 25233734BMOHNW3778

Appendix - A to the Independent Auditors' Report

The Appendix referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2025, we report that:

(i) In respect of the Company's Property, Plant and Equipment, Right-of-use assets and Intangible Assets

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment ('PPE') including right-of-use asset.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets over a period of three years, which in our opinion, is reasonable having regard to size of the Company and nature of its assets. Pursuant to the program certain Property, Plant and Equipment and right-of-use assets were due for verification during the year and were physically verified by the Management during the year. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) The Company has not revalued any of its Property, Plant and Equipment during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year and material discrepancies noted have been properly dealt in the books of account.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion and based on the information and explanation provided to us, there are no significant

variances in the monthly information filed with the banker related to current assets and liabilities of the Company.

(iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to any company, firm, limited liability partnership or any other party. Accordingly, clauses from 3(iii) (a), and 3(iii)(c) to (iii) (f) of paragraph 3 of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, and based on the audit procedures performed by us, in our opinion the investments made during the year are, prima facie, not prejudicial to the interests of the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of Companies Act 2013 in respect of loans, making investments and providing guarantee and security as applicable.

(v) According to the information and explanations given to us, the Company has not accepted deposits and does not have any unclaimed deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of the clause 3 (v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, in respect of the Company's manufacturing activities, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. However, we have not conducted a detailed examination of the same.

(vii) a) According to the information and explanations given to us and according to the records as produced and examined by us, in our opinion, the Company is regular in depositing with appropriate authorities the undisputed statutory dues including provident fund, employee's state insurance, income tax, goods and service tax, customs duty, cess and other material statutory dues, as applicable, and there are no arrears of outstanding statutory dues as at March 31, 2025 for a period of more than six months from the date they become payable.

b) According to the information and explanations given to us, there are no dues in respect of income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty, cess which have not been deposited on account of dispute except for the below:

Name of the Statute	Nature of Dues	Forum where Dispute is pending	Period for which the amount relates	Amount involved (₹ in lakhs)
The Income Tax Act, 1961	Disallowance of expenditure incurred in connection with earning exempted income.	Income Tax Appellate Tribunal	2010-11	3.41
The Income Tax Act, 1961	Disallowance of Marketing Expenses.	Income Tax Appellate Tribunal	2011-12	344.94
The Income Tax Act, 1961	Disallowance of expenditure incurred in connection with earning exempted income.	Commissioner of Income Tax (Appeals)	2011-12	196.68
The Income Tax Act, 1961	Disallowance of expenditure incurred in connection with earning exempted income.	Income Tax Appellate Tribunal	2012-13	4.05
The Income Tax Act, 1961	Disallowance of expenditure incurred in connection with earning exempted income.	Income Tax Appellate Tribunal	2013-14	16.45
The Income Tax Act, 1961	Disallowance of Advance written off and 80G disallowance.	Commissioner of Income Tax (Appeals)	2016-17	75.32
The Income Tax Act, 1961	Disallowance u/s 14A.	Commissioner of Income Tax (Appeals)	2019-20	61.33
The Customs Act, 1962	Disallowance of Concessional Custom Duty availed under Customs Notification No.12/2012 for Reaper Combinder.	Appellate Tribunal	2014-2017	25.68
Indirect Tax Matters	Mismatch of sales as per GSTR1 and 3B, mismatch of Input Tax Credit as per GSTR2A and 3B, Mismatch with e-way bills and non-submission of details for Expenses.	GST Appellate Authority	2017-2021	12,596.51

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix) (a) According to the information and explanations provided to us and based on examination of the standalone financial statements, the Company is not having any loans except for working capital loan from Banks. Further, there are no defaults in the repayment of the working capital loan.

(b) According to the information and explanations provided to us, the Company has not been declared wilful defaulter by any bank or financial institution or other lender;

(c) According to the information and explanations provided to us and based on examination of the standalone financial statements, the Company is not having any borrowings. Accordingly, reporting under this clause is not applicable.

(d) According to the information and explanations provided to us and based on an overall examination of the standalone financial statements, the Company has not raised any funds on short-term basis. Accordingly, reporting under this clause is not applicable.

(e) According to the information and explanation provided to us and based on the examination of the standalone financial statements, the

Company has not taken any funds from any entity or person on account of or to meet the obligations of its Joint venture as defined under the Act.	and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.	existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.	respect of other than ongoing projects. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year
(f) According to the information and explanation provided to us and based on the examination of the standalone financial statements, the Company has not raised loans during the year on the pledge of securities held in its Joint venture as defined under the Act.	(xiv) According to the information and explanations given to us and on an overall examination of the books of account		(b) The unspent CSR amount in respect of ongoing project (relating to financial year 2023-24) had been transferred to the separate bank account within 30 days from the end of the financial year 2023-24
(x) (a) According to the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and hence the reporting under clause 3 (x)(a) is not applicable.	(a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.	(xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) in	(xxi) The reporting under clause 3(xxi) is not applicable in respect of audit of the standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.
b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.	(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.		
(xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the period.	(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him as referred to in section 192 of companies Act, 2013. Accordingly, paragraph 3(xv) of the Order is not applicable.		
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.	(xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.		
(c) According to the information and explanations given by the management the Company has not received any whistle blower complaints during the year (and up to the date of this report). Accordingly, reporting under this clause is not applicable.	(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.		
(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.	(xvii) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.		
(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177	(xviii) There has been no resignation of the statutory auditors of the Company during the year.		
	(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities		

For **K.S. Rao & Co.,**
Chartered Accountants
ICAI Firm Registration No: 0031095

Hitesh Kumar P
Partner

Place: Bengaluru
Date: May 13, 2025

Membership No.: 233734
UDIN: 25233734BMOHNW3778

Appendix - B to the Independent Auditors' Report

INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls with reference to the standalone financial statements of M/s. **V.S.T. Tillers Tractors Limited** ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the standalone financial statements and such internal financial controls with reference to the standalone financial statements were operating effectively as at March 31, 2025, based on the internal financial controls with reference to the standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies

Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE STANDALONE FINANCIAL STATEMENTS.

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that,

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS.

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or

fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **K.S. Rao & Co.,**
Chartered Accountants
ICAI Firm Registration No: 003109S

Hitesh Kumar P
Partner
Place: Bengaluru
Date: May 13, 2025
Membership No.: 233734
UDIN: 25233734BMOHNW3778

Standalone Balance Sheet

as at March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
A ASSETS			
1. Non-current assets			
a) Property, plant and equipment	4(a)	21,145.42	22,159.85
b) Capital work-in-progress	4(b)	1,006.30	524.40
c) Investment property	5	2,127.89	2,156.05
d) Right-of-use assets	4(c)	502.64	447.31
e) Other Intangible assets	6	239.58	227.81
f) Financial assets			
i) Investments	7	4,149.97	4,648.83
ii) Loans	8	4.14	6.35
iii) Other financial assets	9	320.44	226.39
g) Other non-current assets	11	315.44	162.38
Total non-current assets		29,811.82	30,559.37
2. Current assets			
a) Inventories	12	10,072.05	11,780.31
b) Financial assets			
i) Investments	7	48,370.40	43,795.57
ii) Trade receivables	13	20,564.25	15,516.13
iii) Cash and cash equivalents	14	7,117.01	4,367.09
iv) Bank balances other than (iii) above	15	354.18	306.26
v) Loans	8	9.07	7.27
vi) Other financial assets	9	102.23	26.71
c) Current tax asset (net)	10	1,475.01	1,962.46
d) Other current assets	11	8,834.94	8,413.62
Total current assets		96,899.14	86,175.42
Total assets		126,710.96	116,734.79
B EQUITY AND LIABILITIES			
1. Equity			
a) Equity share capital	16	864.34	863.95
b) Other equity	17	99,515.49	91,542.78
Total Equity		100,379.83	92,406.73
2. Liabilities			
Non current liabilities			
a) Financial liabilities			
i) Lease liabilities	18	106.45	53.33
ii) Other financial liabilities	19	4,149.25	4,141.19
b) Provisions	20	896.36	683.84
c) Deferred tax liabilities (net)	21	853.01	696.07
d) Other Non current liabilities	22	5.97	10.44
Total Non current liabilities		6,011.04	5,584.87
Current liabilities			
a) Financial liabilities			
i) Trade payables			
- total outstanding dues of micro enterprises and small enterprises	23	3,378.45	3,662.07
- total outstanding dues of creditors other than micro enterprises and small enterprises	23	6,501.85	6,228.75
ii) Lease liabilities	18	89.95	82.12
iii) Other financial liabilities	19	5,594.44	5,014.61
b) Provisions	20	344.08	257.95
c) Other current liabilities	22	4,411.32	3,497.69
Total Current liabilities		20,320.09	18,743.19
Total Liabilities		26,331.13	24,328.06
Total Equity and Liabilities		126,710.96	116,734.79

The accompanying notes form an integral part of Financial Statements

As per our report of even date

For K.S. Rao & Co.,

Chartered Accountants

Firm Registration No.: 003109S

Hitesh Kumar. P

Partner

Membership No.: 233734

Place: Bengaluru
Date: May 13, 2025

V.T.Ravindra

DIN: 00396156

Managing Director

Antony Cherukara

Chief Executive Officer

Place: Bengaluru
Date: May 13, 2025

For and on behalf of the Board of Directors of

V.S.T. Tillers Tractors Limited
Rajen Padukone

DIN: 00262729

Director

Nitin Agrawal

Chief Financial Officer

Chinmaya Khatua

ACS - 21759
Company Secretary

Standalone Statement of Profit and Loss

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

Particulars	Note No.	For the Year ended March 31, 2025	For the Year ended March 31, 2024
I Revenue from operations	24	99,454.87	96,804.78
II Other Income	25	3,830.99	6,058.29
III Total Income (I+II)		103,285.86	102,863.07
IV Expenses			
a) Cost of materials consumed		58,053.42	57,857.30
b) Purchase of Stock-in-Trade		8,467.94	8,623.67
c) Change in inventories of finished goods, work in progress and Stock in Trade	26	1,828.15	(730.81)
d) Employee benefit Expenses	27	10,077.40	8,627.89
e) Finance costs	28	196.16	214.92
f) Depreciation and amortisation expenses	29	2,547.69	2,700.59
g) Other expenses	30	9,919.92	10,008.43
Total Expenses		91,090.68	87,301.99
V Profit before exceptional items and tax (III-IV)		12,195.18	15,561.08
VI Exceptional Items		-	-
VII Profit before tax (V-VI)		12,195.18	15,561.08
VIII Tax expense:			
a) Current tax		2,584.50	2,947.02
b) Deferred tax		164.88	462.67
IX Profit for the year (VII-VIII)		9,445.80	12,151.39
X OTHER COMPREHENSIVE INCOME			
A (i) Items that will not be reclassified to the statement of profit or loss			
a) Remeasurement of Defined employee benefit plans	31	(31.54)	(73.83)
(ii) Income tax on items that will not be reclassified to the profit or loss	31	7.94	18.58
B (i) Items that will be reclassified to the profit or loss		-	-
Total Other Comprehensive Income (net of taxes)		(23.60)	(55.25)
Total Comprehensive Income for the year (IX+X)		9,422.20	12,096.14
XI Earnings per share	32		
- Basic (in ₹ per share)		109.33	140.64
- Diluted (in ₹ per share)		109.16	140.62

See accompanying notes forming part of financial statements

As per our report of even date

For K.S. Rao & Co.,

Chartered Accountants

Firm Registration No.: 003109S

Hitesh Kumar. P

Partner

Membership No.: 233734

Place: Bengaluru
Date: May 13, 2025

For and on behalf of the Board of Directors of

V.S.T. Tillers Tractors Limited
V.T.Ravindra

DIN: 00396156

Managing Director

Antony Cherukara

Chief Executive Officer

Place: Bengaluru
Date: May 13, 2025

Rajen Padukone

DIN: 00262729

Director

Nitin Agrawal

Chief Financial Officer

Place: Bengaluru
Date: May 13, 2025

Chinmaya Khatua

ACS - 21759

Company Secretary

Standalone Statement of changes in Equity

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

I Equity Share capital

Particulars	At the beginning of the year	Changes during the year	At the end of the year
For the year ended March 31, 2024	863.95	-	863.95
For the year ended March 31, 2025	863.95	0.38	864.34

II Other Equity

Particulars	Capital Reserve	General reserve	Share Option Outstanding Account	Surplus in Statement of Profit and Loss	Other comprehensive Income	Total
As at April 01, 2023	264.05	30,000.00	-	51,550.04	(232.86)	81,581.23
Profit for the year	-	-	-	12,151.39	-	12,151.39
Share based payment to employees	-	-	25.30	-	-	25.30
Other comprehensive income	-	-	-	-	(55.25)	(55.25)
Total comprehensive income	-	-	25.30	12,151.39	(55.25)	12,121.43
Dividends	-	-	-	2,159.88	-	2,159.88
Dividend distribution tax	-	-	-	-	-	-
As at March 31, 2024	264.05	30,000.00	25.30	61,541.54	(288.10)	91,542.78
Profit for the year	-	-	-	9,445.80	-	9,445.80
Share based payment to employees	-	-	278.42	-	-	278.42
Other comprehensive income	-	-	-	-	(23.60)	(23.60)
Total comprehensive income	-	-	278.42	9,445.80	(23.60)	9,700.62
Dividends	-	-	-	1,727.91	-	1,727.91
Dividend distribution tax	-	-	-	-	-	-
As at March 31, 2025	264.05	30,000.00	303.72	69,259.44	(311.70)	99,515.50

The accompanying notes form an integral part of Financial Statements

Description of the nature and purpose of Other Equity:

- (i) **Capital reserve:** Capital reserve mainly represents the amount of profit on reissue of shares.
- (ii) **General reserve:** General reserve comprises of transfer of profits from retained earnings for appropriation purposes. The reserve can be distributed/utilised by the Company in accordance with the Companies Act, 2013.
- (iii) **Retained earnings:** Retained earnings comprises of accumulated balance of profits/(losses) of current and prior years including transfers made to/from other reserves from time to time. The reserve can be utilized or distributed by the Company in accordance with the provisions of the Companies Act, 2013.
- (iv) **Employee stock option outstanding account:** Share option outstanding account represents reserve in respect of equity settled share options granted to the Company's employees in pursuance of the Employee Stock Option Plan.

As per our report of even date
For K.S. Rao & Co.,
Chartered Accountants
Firm Registration No.: 003109S

Hitesh Kumar. P
Partner
Membership No.: 233734

Place: Bengaluru
Date: May 13, 2025

For and on behalf of the Board of Directors of
V.S.T. Tillers Tractors Limited

V.T.Ravindra
DIN: 00396156
Managing Director

Antony Cherukara
Chief Executive Officer

Rajen Padukone
DIN: 00262729
Director

Nitin Agrawal
Chief Financial Officer

Chinmaya Khatua
ACS - 21759
Company Secretary

Place: Bengaluru
Date: May 13, 2025

Standalone Cash flow Statement

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
I Cash flow from operating activities:		
A. Profit before tax	12,195.18	15,561.08
B. Adjustment for:		
a. Depreciation and amortisation	2,547.69	2,700.59
b. Interest income from Investments	(68.44)	(148.24)
c. Dividend Income	(193.70)	(139.19)
d. (Profit)/Loss on sale of PPE	7.18	9.91
e. Allowance for expected credit loss	88.20	441.96
f. Rent received	(246.85)	(220.58)
g. (Profit)/Loss on Sale of Investment	(335.60)	(419.86)
h. Provisions Written back	(119.29)	(169.78)
i. Unrealized foreign exchange (gain)/loss	13.70	8.37
j. Other Finance cost	177.77	199.21
k. Interest expense on security deposit	5.76	5.03
l. Interest income on security deposit	(0.70)	(0.54)
m. Deferred rental income on security deposits received	(5.91)	(5.35)
n. Unrealised (gain)/Loss on Investments	(2,468.59)	(4,641.23)
o. Amortisation of Prepaid lease rentals	0.71	0.53
p. Share based Payment to Employees	278.42	25.30
q. Finance cost on lease rentals	12.62	10.68
	11,888.15	13,217.89
C. Adjustment for movements in Working capital		
a. Trade payables, Other liabilities and Provisions (Net of fair value adjustment on deposits)	1,872.36	(2,606.51)
b. Trade receivables	(5,150.02)	(1,042.01)
c. Inventories	1,708.26	(989.45)
d. Financial and other current assets (Net of fair value adjustment on deposits)	(567.08)	(761.98)
D. Cash generated from Operations	9,751.67	7,817.95
Less: Direct taxes Paid (Net of refund)	(2,097.05)	(2,956.53)
Net cash flow from operating activities (I)	7,654.62	4,861.42
II Cash flows from investing activities		
a. Purchase of PPE, including CWIP and Capital Advance	(2,040.70)	(740.56)
b. Proceeds from sale of PPE	-	7.92
c. Redemption/maturity of bank deposits	(47.92)	1,415.51
d. Purchase of investments	(10,336.60)	(14,793.77)
e. Proceeds from sale of Investment/debenture	9,064.82	14,396.33
f. Interest received	45.42	218.65
g. Income from investment	193.70	139.19
h. Rent Received	246.85	220.58
Net cash flow from/ (used in) investing activities (II)	(2,874.43)	863.87

Standalone Cash flow Statement

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
III Cash flows from financing activities		
a. Interest paid	(177.77)	(199.21)
b. Payment of Lease Liability	(124.97)	(90.95)
c. Dividends paid on equity shares	(1,727.91)	(2,159.88)
d. Proceeds from exercise of stock options	0.38	-
Net cash flow from/ (used in) financing activities (III)	(2,030.27)	(2,450.05)
IV Net Increase/(decrease) in cash and cash equivalents (I + II + III)	2,749.92	3,275.24
Cash and cash equivalents at the beginning of the period	4,367.09	1,091.85
V Cash and cash equivalents at the end of the year	7,117.01	4,367.09
VI Components of cash and cash equivalents:		
a. Cash on hand	-	-
b. With banks		
i. FD with Bank	2,401.00	2,845.00
ii. on current account	4,716.01	1,522.09
Total cash and cash equivalents	7,117.01	4,367.09
Reconciliation of Closing Cash and Cash Equivalents with Balance Sheet:		
Cash and Cash Equivalents as per Balance Sheet	7,117.01	4,367.09
Less: Temporary Overdraft Balance in Current Accounts	-	-
Cash and Cash Equivalents as per Cash Flow Statement	7,117.01	4,367.09

As per our report of even date
For K.S. Rao & Co.,
Chartered Accountants
Firm Registration No.: 003109S

Hitesh Kumar. P
Partner
Membership No.: 233734

Place: Bengaluru
Date: May 13, 2025

For and on behalf of the Board of Directors of
V.S.T. Tillers Tractors Limited

V.T.Ravindra
DIN: 00396156
Managing Director

Antony Cherukara
Chief Executive Officer

Place: Bengaluru
Date: May 13, 2025

Rajen Padukone
DIN: 00262729
Director

Nitin Agrawal
Chief Financial Officer

Chinmaya Khatua
ACS - 21759
Company Secretary

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

01. CORPORATE INFORMATION:

V.S.T. Tillers Tractors Limited ("VTTL" or "the Company") was incorporated on December 18, 1967 in Bangalore, India. It was promoted by the VST Group, a well-known business house in South India, in technical collaboration and joint venture with Mitsubishi Heavy Industries and Mitsubishi Corporation, Japan for the manufacture of Power Tillers and Diesel Engines. The plant went into production in the year 1970.

In 1984, an additional technical and financial collaboration with Mitsubishi Agricultural Machinery Company Ltd, Japan for the manufacture of 18.5 HP, 4-wheel drive Tractor was entered into.

The company was incorporated for the purpose of manufacture and to deal with Tractors, Tillers, Power Weeders, Diesel Engines, Harvesters, Reapers, Binders, Transplanters/planters, Trench Cutters, Front end Loaders and all kinds of allied agricultural, plantation and horticultural machinery including attachments, components, accessories, spares & implements, and other equipment required for the satisfactory functioning of the agricultural equipment.

02. BASIS OF PREPARATION:

The standalone financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the section 133 of the Companies Act ("the Act"), the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

These standalone financial statements were approved by the Company's Board of Directors and authorized for issue on May 13, 2025.

The standalone financial statements have been prepared on a historical cost basis, except for certain financial instruments which have been measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below.

03. MATERIAL ACCOUNTING POLICIES:

a) Significant accounting estimates and assumptions

The preparation of standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and the disclosures of contingencies at the end of each reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes that require a

material adjustment to the carrying amounts of assets or liabilities affected in future periods.

Estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation of uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The assumptions and estimates were made by the Company based on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i. Impairment of non-current assets:

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposals and its value in use. The fair value less costs of disposal is calculated based on available data from binding sales transactions, conducted at arm's length price, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow ("DCF") model. The value in use is sensitive to the discount rate (generally weighted average cost of capital) used for the DCF model as well as the expected future cash-inflows and the growth rate used for exploration purposes.

ii. Defined Benefit Plans:

The present value of the gratuity obligation is determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, rate of increment in salaries and mortality rates. Due to complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All the assumptions are reviewed at each reporting date.

iii. Fair Value measurement of financial instruments:

When the fair values of financial assets and financial liabilities on reporting date cannot be measured based on quoted prices in active markets, their fair

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

- value is measured using valuation techniques i.e., the DCF model. The inputs to these models are taken from observable markets.
- iv. Contingencies:**
Management judgement is required for estimating the possible inflow/outflow of resources, if any, in respect of contingencies/claim/litigations against the company/by the company as it is not possible to predict the outcome of pending matters with accuracy.
- v. Property, Plant and Equipment:**
Based on evaluations done by technical assessment team, the management has adopted the useful life and residual value of its Property, Plant and Equipment. Management believes that the assigned useful lives and residual value are reasonable.
- vi. Intangibles:**
Internal technical or user team assesses the useful lives of Intangible assets. Management believes that assigned useful lives are reasonable.
- vii. Income Taxes:**
Management judgment is required for the calculation of provision for income taxes and deferred tax assets/liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets/liabilities. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.
- viii. Provision for Warranty expenditure:**
Due to the nature of industry the Company operates in, it needs to incur warranty expenditure on regular basis. Company applies rational judgement and past experience in determining the extent of provision to be created at the end of each reporting period.
- b) Current Vs Non-current classifications:**
The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset is classified as current when it satisfies below criteria:

 - i. Expected to be realized or is intended to be sold or consumed in its normal operating cycle;
- ii. Held primarily for the purpose of trading;
 - iii. Expected to be realized within twelve months after the reporting period; or
 - iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current assets.

A liability is classified as current when it satisfies below criteria:

 - i. Expected to settle the liability in its normal operating cycle;
 - ii. Held primarily for the purpose of trading;
 - iii. Due to be settled within twelve months after the reporting period; or
 - iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current liabilities.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.
- c) Property, Plant and Equipment:**
Property, Plant and Equipment are stated at cost net of GST input credit, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price, any attributable cost of bringing the asset to its working condition for its intended use and cost of borrowing till the date of capitalization in the case of assets involving material investment and substantial lead time.

The Company adopted cost model as its accounting policy, in recognition of the Property, Plant and Equipment and recognizes the transaction value as the cost.

Direct expenditure incurred and other attributable costs on projects under construction or in the process of installation are termed as Capital work in progress and shown at cost in the Balance Sheet.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

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- Depreciation is provided on the straight-line method as per the useful life prescribed in the schedule II to the Companies Act, 2013 except in respect of the following categories of assets in whose case the life of certain assets has been assessed based on technical advice taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, maintenance supports etc.
- Estimated useful life of the assets are as follows:**
- | Type of the Asset | Method of Depreciation | Useful life considered |
|---------------------------|------------------------|------------------------|
| Buildings | Straight line Method | 3 - 60 Years |
| Plant and Machinery | Straight line Method | 2 - 15 Years |
| Data processing equipment | Straight line Method | 3 - 6 Years |
| Furniture and fixtures | Straight line Method | 5 - 10 Years |
| Vehicles | Straight line Method | 8 Years |
| Office Equipment | Straight line Method | 5 Years |
- An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the Statement of Profit and Loss. Property, Plant and Equipment which are found to be not usable or retired from active use or when no further benefits are expected from their use are removed from the books of account and the carrying value if any is charged to Statement of Profit and Loss.
- Transition to Ind AS:**
On transition to Ind AS, the Company has elected to continue with the carrying value of all its Property, Plant, and Equipment recognized as at March 31, 2016 measured as per Previous GAAP as the deemed cost of Property, Plant and Equipment.
- d) Intangible Assets:**
Intangible assets are carried at cost, net of accumulated amortization expenses and impairment losses, if any. The cost of an intangible asset comprises of purchase price and attributable expenditure on making the asset ready for its intended use.

- Computer software:**
Costs incurred towards purchase of computer software are amortized over the useful life as estimated by the Management, which is about 3 years for all of the intangible computer software assets.
- An intangible asset is derecognized on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the Statement of Profit and Loss when the asset is derecognized.
- e) Investment Properties:**
Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefit associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Investment properties are depreciated using the straight – line method over their estimated useful lives. The estimated useful life of buildings, classified as investment properties, ranges from 30 - 60 years. The useful life has been determined based on technical evaluation performed by the management's expert.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their use. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the Statement of Profit and Loss in the period of derecognition.
- f) Impairment of tangible and intangible assets:**
i. The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

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An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using appropriate discounting factor. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

- ii. When there is an indication previously recognized impairment losses no longer exists or may have decreased such reversal of impairment loss is recognized in the Statement of Profit and Loss.

g) Borrowing Cost:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

h) Leases:

The Company assesses a contract at inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee:

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-Use Assets:

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-

use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

The right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Lease Liabilities:

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments included in the measurement of the lease liability include fixed payments (including in substance fixed payments), variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the Statement of Profit and Loss.

In the case of a short-term lease contract and lease contracts for which the underlying asset is of low value, lease payments are charged to the Statement of Profit and Loss on accrual basis.

i) Inventories:

i. Stock-in-Trade:

Stock-in-Trade is stated at the lower of cost and net realizable value. Net realizable value represents the estimated selling price of inventories less estimated costs of completion and costs necessary to make the sale. Cost is determined on weighted Average basis.

ii. Stores and Spares:

Spare parts, stand-by equipment and servicing equipment are recognized in accordance with Ind AS 16 when they meet the definition of Property,

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for the year ended March 31, 2025

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Plant and Equipment. Otherwise, such items are classified as inventory. Spare parts, stand-by equipment and servicing equipment classified as inventory are stated at the lower of cost or net realizable value. Cost is determined on Weighted Average basis.

j) Investment in joint venture:

The Company accounts for its equity investments in joint venture at cost less accumulated impairment loss, if any.

k) Fair Value Measurement:

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received on selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or the liability if market participants would take those characteristics into account when pricing the asset or the liability at the measurement date. Fair value for measurement and / or disclosure purpose in these standalone financial statements is determined on such basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value, such as net realizable value in Ind AS 2, or value in use in Ind AS 36.

In addition, for financial reporting purpose, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurement are observable and the significance of the inputs to the fair value measurement in its entirety.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- i. Level 1 – Quoted (unadjusted market prices) in active markets for identical assets or liabilities.
- ii. Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurements is directly or indirectly observable.
- iii. Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

l) Revenue recognition:

i. Revenue from operations:

Revenue is recognized only when it can be reliably measured, and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods and services, net of Goods and Service Tax (GST) and trade discounts, cash discounts and other discounts.

ii. Interest and dividend:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income is recognized when the right to receive payment is established by the balance sheet date.

iii. Rental income:

Rental income is recognized on accrual basis, based on agreements entered by the company as on the reporting date.

m) Foreign currency transactions:

In preparing the standalone financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when fair value is determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognized in the Statement of Profit and Loss in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

n) Retirement and other employee benefits:

i. Employer's contribution to Provident Fund, Employee State Insurance and Labour Welfare Fund which is in the nature of defined contribution scheme is expensed off when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

ii. Gratuity liability is in the nature of defined benefit obligation. The Company's Plant Assets comprise

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of Gratuity fund maintained by Life Insurance Corporation of India and liability is provided based on independent actuarial valuation on projected unit credit method made at the end of each reporting period as per the requirements of Ind AS 19 on "Employee Benefits".

Actuarial gain/(loss) in the valuation are recognized as other comprehensive income for the period.

iii. Compensated absences which are in the nature of defined benefit obligation are provided for based on estimates and provided for on the basis of independent actuarial valuation on projected unit credit method made at the end of each financial year as per the requirements of Ind AS 19 on "Employee Benefits".

iv. Share based payments to employees:

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of the number of equity instruments that will eventually vest, with a corresponding increase in equity.

v. Termination Benefits:

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for those benefits. The company recognizes the termination benefits at the earlier of the following dates:

- when the company no longer withdraw the offer of those benefits and
- when the company recognizes the costs for a restructuring that is within the scope of Ind AS 37 and involves payment of termination benefits.

o) Earnings per share:

Basic earnings per share are calculated by dividing the profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the profit for the period attributable to equity shareholders and the weighted average number of

shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p) Provisions:

Provisions are recognized when there is a present legal or constructive obligation that can be estimated reliably, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognized for future operating losses.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset. However, this asset may not exceed the amount of the related provisions.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provisions are reversed. Where the effect of the time of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provisions due to the passage of time is recognized as a finance cost.

q) Contingencies:

Where it is not probable that an inflow or an outflow of economic resources will be required, or the amount cannot be estimated reliably, the asset or the obligation is not recognized in the Balance Sheet and is disclosed as a contingent asset or contingent liability, unless the probability of inflow or outflow of economic benefits is remote. Possible outcomes on obligations/rights, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets or contingent liabilities unless the probability of inflow or outflow of economic benefits is remote.

r) Taxes on Income:

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Current tax includes taxes to be paid on the profit earned during the year and for the prior periods.

Deferred income taxes are provided based on the balance sheet approach considering the temporary

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(All amounts are Rupees in Lakhs, unless otherwise stated)

differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carried forward tax losses, all deferred tax assets are recognized only if it is probable that they can be utilized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company can write-off the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-off is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.

s) Prior period items:

In case prior period adjustments are material in nature, the Company prepares the restated financial statement as required under Ind AS 8 - "Accounting Policies, Changes in Accounting Estimates and Errors". In case of immaterial items pertaining to prior periods, they will be shown under respective items in the Statement of Profit and Loss.

t) Cash and cash equivalents:

Cash and cash equivalents includes cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investment with original maturities of three months or less that are readily convertible to a known amount of cash as are subject to an insignificant risk of changes in value and are held for meeting short-term cash commitments.

For the Statement of Cash Flows, cash and cash equivalents consists of short-term deposits, as defined above, net of outstanding bank overdraft (if any) as they being considered as integral part of the Company's cash management.

u) Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets:

A. Initial recognition and measurement:

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

B. Subsequent measurement:

For subsequent measurement, financial assets are classified into following categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through profit and loss
- Equity instruments at fair value through profit and loss

a. Debt Instruments at amortized cost:

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR

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(All amounts are Rupees in Lakhs, unless otherwise stated)

amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the Statement of Profit and Loss.

b. Debt instrument at fair value through profit and loss (FVTPL):

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

c. Equity Instruments at fair value through profit and loss (FVTPL):

Equity instruments/Mutual funds in the scope of Ind AS 109 are measured at fair value. The classification is made on initial recognition and is irrevocable. Subsequent changes in the fair values at each reporting date are recognized in the Statement of Profit and Loss.

C. Derecognition:

A financial asset or where applicable, a part of a financial asset is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has

entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement.

D. Impairment of financial assets:

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the debt instruments, that are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

Expected credit loss is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive.

The management uses a provision matrix to determine the impairment loss on the portfolio of trade and other receivables. Provision matrix is based on its historically observed expected credit loss rates over the expected life of the trade receivables and is adjusted for forward looking estimates.

Expected credit loss allowance or reversal recognized during the period is recognized as income or expense, as the case may be, in the Statement of Profit and Loss. In case of Balance Sheet it is shown as reduction from the specific financial asset.

Financial liabilities:

A. Initial recognition and measurement:

At initial recognition, all financial liabilities are recognized at fair value and in the case of loans, borrowings and payables, net of directly attributable transaction costs.

B. Subsequent measurement:

a. Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Notes to the Standalone Financial Statements

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Gain or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

The company doesn't designate any financial liability at fair value through profit or loss.

b. Financial liabilities at amortized cost:

Amortized cost, in case of financial liabilities with maturity more than one year, is calculated by discounting the future cash flows with effective interest rate. The effective interest rate amortization is included as finance costs in the Statement of Profit and Loss.

Financial liability with maturity of less than one year is shown at transaction value.

C. Derecognition:

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in Statement of Profit and Loss as other income or finance costs.

v) Warranty:

The Company periodically assesses and provides for the estimated liability on warranty given on sale of its products based on past experience of claims.

w) Segment reporting:

The Company has only one reportable business segment, which is manufacturing and trading of agriculture machinery and operates in a single business segment. Accordingly, the amounts appearing in the standalone financial statements relate to the company's single business segment.

x) Exceptional items:

Significant gains/losses or expenses incurred arising from external events that is not expected to recur are disclosed as 'Exceptional Item'.

y) Recent Pronouncements:

Ministry of Corporate affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2025, MCA has notified Ind AS117 Insurance Contracts and amendments to Ind As 116 - Leases, relating to sale and lease back transactions applicable from April 1, 2024. The Company has assessed that there is no significant impact on its financial statements

Notes to the Standalone Financial Statements

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(All amounts are Rupees in Lakhs, unless otherwise stated)

4(A) PROPERTY PLANT AND EQUIPMENT

Particulars	Land	Buildings	Plant & Machinery	Computer Equipments	Office Equipments	Vehicles	Furniture & Fixtures	Total
Gross Block								
At April 01, 2023	4,889.26	9,551.45	21,017.31	943.80	288.16	284.97	294.15	37,269.10
Additions	-	85.68	1,226.59	35.66	5.56	162.95	11.74	1,528.18
Disposals			17.92			20.21		38.13
At March 31, 2024	4,889.26	9,637.12	22,225.98	979.46	293.73	427.70	305.90	38,759.15
Additions	-	101.40	876.83	17.16	33.05	253.95	24.90	1,307.30
Disposals			56.83					56.83
At March 31, 2025	4,889.26	9,738.53	23,045.98	996.62	326.78	681.66	330.79	40,009.62
Accumulated Depreciation								
At April 01, 2023	-	2,954.44	10,125.74	831.62	220.92	90.11	178.97	14,401.80
Charge for the year	-	312.51	1,758.97	48.67	24.95	44.50	28.19	2,217.79
Disposals	-		10.13			10.16		20.29
At March 31, 2024	-	3,266.95	11,874.58	880.29	245.87	124.45	207.16	16,599.30
Charge for the period		307.95	1,828.04	51.08	20.49	82.07	24.91	2,314.55
Disposals			49.65					49.65
At March 31, 2025	-	3,574.90	13,652.97	931.37	266.37	206.53	232.07	18,864.20
Net Block								
At March 31, 2024	4,889.26	6,370.17	10,351.40	99.17	47.86	303.25	98.74	22,159.85
At March 31, 2025	4,889.26	6,163.63	9,393.01	65.25	60.41	475.13	98.72	21,145.42

4(B) CAPITAL WORK -IN-PROGRESS

	As at March 31, 2025	As at March 31, 2024
Capital Work In progress	1,006.30	524.40
	1,006.30	524.40

Refer to Note 50 (A)

4(C) RIGHT-OF-USE ASSETS

Particulars	Lease hold Land	Leasehold Assets	Total
Gross Block			
At April 01, 2023	329.37	267.07	596.44
Additions	-	26.89	26.89
Disposals	-	-	-
At March 31, 2024	329.37	293.96	623.33
Add: Additions	-	173.30	173.30
Less: Disposals			-
At March 31, 2025	329.37	467.26	796.63
Accumulated Depreciation			
At April 01, 2023	6.66	86.85	93.51
Charge for the year	3.33	79.18	82.51
Disposals	-	-	-
At March 31, 2024	9.99	166.03	176.02
Charge for the period	3.33	114.65	117.97
Disposals	-	-	-
At March 31, 2025	13.32	280.68	293.99
Net Block			
At March 31, 2024		319.38	447.31
At March 31, 2025		316.05	502.64

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

5 INVESTMENT PROPERTY

	Land	Buildings	Total
Gross Block			
At April 01, 2023	1,389.18	1,020.44	2,409.62
Additions			-
Less: Disposals			-
At March 31, 2024	1,389.18	1,020.44	2,409.62
Additions	-		-
Less: Disposals	-	-	-
At March 31, 2025	1,389.18	1,020.44	2,409.62
Accumulated Depreciation			
At April 01, 2023	-	225.40	225.40
Charge for the year	-	28.17	28.17
Disposals	-	-	-
At March 31, 2024	-	253.57	253.57
Charge for the period	-	28.17	28.17
Disposals	-		-
At March 31, 2025	-	281.73	281.73
Net Block			
At March 31, 2024	1,389.18	766.87	2,156.05
At March 31, 2025	1,389.18	738.71	2,127.89

6 OTHER INTANGIBLE ASSETS

	Technical Knowhow	Software	Total
Gross Block			
At April 01, 2023	1,407.40	709.07	2,116.47
Add: Additions	-	15.83	15.83
Less: Disposals	-	-	-
At March 31, 2024	1,407.40	724.90	2,132.30
Add: Additions	-	98.76	98.76
Less: Disposals			-
At March 31, 2025	1,407.40	823.66	2,231.06
Amortisation			
At April 01, 2023	1,075.93	456.43	1,532.35
Add: Charge for the period	235.28	136.85	372.13
Less: Disposals			-
At March 31, 2024	1,311.21	593.28	1,904.49
Add: Charge for the period	28.32	58.68	87.00
Disposals			-
At March 31, 2025	1,339.53	651.95	1,991.48
Net Block			
At March 31, 2024	96.19	131.62	227.81
At March 31, 2025	67.87	171.70	239.58

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

7 FINANCIAL ASSETS - INVESTMENTS

Particulars	As at March 31, 2025	As at March 31, 2024
Investments consists of the following		
Non - Current Investments		
a) Investments carried at fair value through profit or loss		
- Fully paid Equity shares (unquoted)	876.20	875.06
- Convertible Preference shares (Zimeno Inc)	2,304.77	2,304.77
b) Investments carried at Amortised Cost		
- Non Convertible Debentures	-	500.00
c) Investments in Joint Venture at Cost		
- VST Zetor Private Limited	969.00	969.00
	4,149.97	4,648.83
Current Investments		
a) Investments carried at fair value through profit or loss		
- Fully paid Equity shares (quoted)	6,982.28	5,820.21
- Mutual funds (quoted)	41,388.12	37,975.36
	48,370.40	43,795.57
Aggregate amount of Quoted Investments and market value thereof	48,370.40	43,795.57
Aggregate amount of Un-Quoted Investments	4,149.97	4,648.83

Refer to Note 33

8 FINANCIAL ASSETS - LOANS

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured Loans consists of the following		
Non - Current		
Considered , good		
- Loans to employees	4.14	6.35
	4.14	6.35
Current		
Considered , good		
- Loans to employees	9.07	7.27
	9.07	7.27

9 FINANCIAL ASSETS - OTHERS

Particulars	As at March 31, 2025	As at March 31, 2024
Other financial assets consists of the following		
Non - Current		
a) Deposits with maturity more than 12 months	14.14	1.50
b) Security Deposits	306.30	224.89
	320.44	226.39
Current		
a) Income Accrued but not due	49.73	26.71
b) Other Recievables	52.50	-
	102.23	26.71

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

10 CURRENT TAX ASSET (NET)

Particulars	As at March 31, 2025	As at March 31, 2024
Current tax asset (net)	1,475.01	1,962.46
	1,475.01	1,962.46

11 OTHER ASSETS

Particulars	As at March 31, 2025	As at March 31, 2024
Non - Current		
a) Capital advances	314.85	162.11
b) Prepaid Lease Rentals	0.59	0.27
	315.44	162.38
Current		
a) Advance to suppliers	414.60	285.90
b) Advances to employees	9.67	12.11
c) Prepaid expense	369.15	289.71
d) Pre-paid Lease Rentals	0.54	0.46
e) Indirect tax recoverable	8,040.98	7,825.44
	8,834.94	8,413.62

12 INVENTORIES

Particulars	As at March 31, 2025	As at March 31, 2024
a) Raw material and Components	6,374.72	6,325.92
b) Work-in-Progress	1,234.61	1,150.56
c) Finished Goods	1,184.56	3,232.84
d) Stock in Trade	884.67	748.60
e) Loose Tools	274.30	207.99
f) Machinery Spares and Others	119.19	114.41
	10,072.05	11,780.31

13 TRADE RECEIVABLES

Particulars	As at March 31, 2025	As at March 31, 2024
a) Secured, Considered Good	2,695.74	2,369.23
b) Unsecured, Considered Good	17,868.51	13,146.91
c) Unsecured, Considered Doubtful	3,313.69	3,231.93
Total	23,877.94	18,748.06
Less: Allowance for Expected credit loss	3,313.69	3,231.93
Trade Receivables (Net)	20,564.25	15,516.13

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

14 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2025	As at March 31, 2024
a) Balances with Banks		
- In Current Accounts	4,716.01	1,522.09
- Deposits with original maturity of less than 3 months	2,401.00	2,845.00
b) Cash on Hand	-	-
	7,117.01	4,367.09

15 OTHER BANK BALANCES

Particulars	As at March 31, 2025	As at March 31, 2024
a) Earmarked balances with banks (Unpaid dividend & Unspent CSR Exp)	168.77	160.84
b) Marginal money deposits *	185.41	145.42
c) Deposit with Banks	-	-
	354.18	306.26

* Margin money deposits are held with banks against letters of credit and bank guarantees and are not available for general use.

16 SHARE CAPITAL

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Authorised:		
1,00,00,000 Equity Shares of ₹10/- each.	1,000.00	1,000.00
(b) Issued, Subscribed and Paid-up :		
86,43,358/- Equity Shares of ₹10/- each paid up.	864.34	863.95

(c) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As at March 31, 2025		As at March 31, 2024	
	Nos.	Amount	Nos.	Amount
Equity Shares				
At the beginning of the period	8,639,528	863.95	8,639,528	863.95
Movement during the period	3,830	0.38	-	-
At the end of the year	8,643,358	864.34	8,639,528	863.95

(d) Terms / Rights attached to equity shares

- The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share.
- In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

(e) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2025		As at March 31, 2024	
	Nos.	% Holding	Nos.	% Holding
Equity shares of ₹10/- each fully paid				
V.K.Surendra	1,934,534	22.38%	1,934,534	22.39%
V.V.Vijayendra	626,012	7.24%	626,012	7.25%
Nippon Life India Trustee Ltd	720,083	8.33%	602,009	6.97%
Kotak Small Cap Fund	696,258	8.06%	429,323	4.97%
	3,976,887	46.01%	3,591,878	41.57%

Includes all schemes under their management as per records of the company, including its register of shareholders/ members, the above shareholding represent legal ownership of shares.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

17 OTHER EQUITY

Particulars	As at March 31, 2025	As at March 31, 2024
(A) Capital Reserve :		
Opening Balance	264.05	264.05
Closing Balance	264.05	264.05
(B) General Reserve		
Opening Balance	30,000.00	30,000.00
Closing Balance	30,000.00	30,000.00
(C) Balance in Statement of Profit and Loss		
Opening Balance	61,541.54	51,550.04
Add: Profit/(loss) for the period	9,445.80	12,151.39
	70,987.34	63,701.43
Less: Appropriations		
Dividend on Equity Share	1,727.91	2,159.88
	69,259.43	61,541.54
(D) Employee Stock Option Plan		
VST RSU Plan	303.71	25.30
(E) Other comprehensive income		
On Actuarial Gain/(loss) on post employment benefits		
At the beginning of the period	(288.10)	(232.86)
Add: Actuarial Gain/(loss) for the period	(23.60)	(55.25)
At the end of the period	(311.70)	(288.10)
Closing Other Equity	99,515.49	91,542.78

18 LEASE LIABILITIES

Particulars	As at March 31, 2025	As at March 31, 2024
Non-Current		
a) Lease liabilities	106.45	53.33
	106.45	53.33
Current		
a) Lease liabilities	89.95	82.12
	89.95	82.12

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

19 FINANCIAL LIABILITIES - OTHERS

Particulars	As at March 31, 2025	As at March 31, 2024
Other financial liabilities consists of the following		
Non-Current		
a) Dealer Deposits	4,048.78	4,064.06
b) Rental Deposits	100.47	77.13
	4,149.25	4,141.19
Current		
a) Unclaimed Dividends	60.62	60.84
b) Rental Deposits	18.00	37.80
c) Outstanding expense	4,102.38	3,641.09
d) Incentives and marketing expenses payable	724.16	650.57
e) Employee cost payable	591.66	526.69
f) CSR Payable	97.62	97.62
	5,594.44	5,014.61

20 PROVISIONS

Particulars	As at March 31, 2025	As at March 31, 2024
Non - Current		
a) Provision for gratuity	510.32	360.40
b) Provision for leave benefits	386.04	323.45
	896.36	683.84
Current		
a) Provision for leave benefits	92.20	88.23
b) Provision for warranty	251.88	169.72
	344.08	257.95

21 DEFERRED TAX BALANCES

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax assets		
a) Employee Benefits	317.00	330.00
b) Allowance for expected credit losses	858.00	842.00
	1,175.00	1,172.00
Deferred tax liabilities		
a) Property Plant and Equipment & Intangible Assets	680.00	678.00
b) Fair valuation of financial assets	1,348.01	1,190.07
	2,028.01	1,868.07
Net Deferred tax liability /(Assets)	853.01	696.07

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

22 OTHER LIABILITIES

Particulars	As at March 31, 2025	As at March 31, 2024
Non-Current		
a) Deferred Rental Income	5.97	10.44
	5.97	10.44
Current		
a) Statutory dues	3,629.04	2,780.53
b) Deferred Rental Income	5.76	4.98
c) Advance Received-Customers	776.52	712.18
	4,411.32	3,497.69

23 TRADE PAYABLES

Particulars	As at March 31, 2025	As at March 31, 2024
- Total outstanding dues of micro enterprises and small enterprises	3,378.45	3,662.07
- Total outstanding dues of creditors other than micro enterprises and small enterprises	6,501.85	6,228.75
	9,880.30	9,890.82

24 REVENUE FROM OPERATIONS

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
a) Sale of Products	98,516.52	95,581.46
b) Sale of Services	466.41	730.16
c) Other Operating Revenues	471.94	493.16
Total Income from Operations	99,454.87	96,804.78

25 OTHER INCOME

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
a) Dividend	193.70	139.19
b) Income from Investment		
i. Change in Fair Value	2,468.59	4,641.23
ii. Gain on Sale of Investments	335.60	419.86
c) Rent Received		
i. Rental Income	246.85	220.58
ii. Deferred Rental Income	5.91	5.35
d) Interest Income		
i. On Financial Assets measured at Amortized Cost	45.08	86.91
ii. Others	166.33	131.34
e) Insurance claims	41.24	75.56
f) Sundry credit balances written back	119.29	169.78
g) Gain on Foreign Exchange Fluctuations (Net)	97.41	70.30
h) Bill Discounting	94.82	66.98
i) Miscellaneous Income	16.17	31.22
	3,830.99	6,058.29

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

26 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND TRADING GOODS

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
a) Inventory at the beginning of the period		
- Finished goods	3,232.84	2,278.47
- Stock in Trade	748.60	888.60
- Work in progress	1,150.56	1,234.12
	5,132.00	4,401.19
b) Inventory at the end of the period		
- Finished goods	1,184.56	3,232.84
- Stock in Trade	884.67	748.60
- Work in progress	1,234.61	1,150.56
	3,303.85	5,132.00
(Increase)/Decrease in Inventory	1,828.15	(730.81)

27 EMPLOYEE BENEFIT EXPENSES

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
a) Salaries, Wages and Bonus	8,905.03	7,882.28
b) Contribution to Funds	462.70	395.80
c) Share based payments to employees	278.42	25.30
d) Welfare Expenses	431.25	324.51
	10,077.40	8,627.89

28 FINANCE COST

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
a) Interest expense on Lease Liability	12.62	10.68
b) Interest expense on Financial Liabilities measured at Amortized Cost	5.76	5.03
c) Other interest expenses	177.78	199.21
	196.16	214.92

29 DEPRECIATION AND AMORTISATION EXPENSES

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
a) Depreciation on Property, Plant and Equipment	2,314.55	2,217.79
b) Amortisation on Other intangible Assets	87.00	372.13
c) Depreciation on Right of use Assets	117.97	82.51
d) Depreciation on Investment Property	28.17	28.17
	2,547.69	2,700.59

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

30 OTHER EXPENSES

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
a) Power and Fuel	427.51	432.14
b) Stores & Tools Consumed	623.93	591.04
c) Warranty Expenses	200.05	143.49
d) Consultancy and Legal Charges	1,366.70	1,283.03
e) Payment to Statutory Auditors (excluding GST)		
- Audit Fee	30.50	25.50
- Tax Audit Fee	5.00	5.00
- Reimbursement of expenses	2.85	2.34
f) Fees, Rates and Taxes	101.03	79.14
g) Directors sitting fees	36.50	61.50
h) Insurance	110.26	210.20
i) Rental expenditure		
- Rent	79.50	88.91
- Amortisation of Lease Rental	0.71	0.53
j) Warehousing Services	188.37	170.92
k) Repairs and maintenance		
- IT Expense	600.92	481.45
- Machinery	273.85	344.01
- Buildings	81.71	85.84
- Others	57.12	48.20
l) Research and Development	130.32	131.30
m) Bank Charges	26.32	44.35
n) Travelling and Conveyance	1,331.55	1,106.06
o) Communication expenses	93.47	101.70
p) Advertisement & Promotion	457.42	766.19
q) Freight and Distribution	2,265.73	2,279.51
r) Selling Expenses	566.84	303.10
s) Service Expenses	262.06	238.10
t) Allowance for expected credit loss	88.20	441.96
u) Loss on sale of assets	7.18	9.91
v) CSR Expenditure	221.85	217.62
w) Miscellaneous Expenses	282.47	315.40
	9,919.92	10,008.43

31 OTHER COMPREHENSIVE INCOME

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Actuarial Gain/(Losses) on Gratuity Expense for the period	(31.54)	(73.83)
Taxes on above	7.94	18.58
	(23.60)	(55.25)

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

32 EARNINGS PER EQUITY SHARE

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Profit for the period attributable to equity share holders	9,445.80	12,151.38
Weighted average number of equity shares of ₹ 10/-each - basic	86.40	86.40
Weighted average number of equity shares of ₹ 10/-each - diluted	86.54	86.41
Earnings per equity share (Basic) (In ₹ per share)	109.33	140.64
Earnings per equity share (Diluted) (In ₹ per share)	109.16	140.62

33 FINANCIAL ASSETS (INVESTMENTS)

S. No	Particulars	Face value (Amt in ₹)	As at March 31, 2025		As at March 31, 2024	
			No. of Shares/ units	Fair Value	No. of Shares/ units	Fair Value
	As per Statements					
	Non-Current Investments:					
	I. Investment in Equity instruments (unquoted)					
1	MHI - VST Diesel Engines Private Limited	10	4,150,000	876.20	4,150,000	875.06
	II. Investment in Preference Shares					
	Investment in preference shares (unquoted)					
1	Investment In Zimeno Inc (Monarch)		414,477	2,304.77	414,477	2,304.77
	III. Investment in Non-Convertible Debentures					
1	VST Motors Private Limited	100,000	-	-	500	500.00
	IV. Investment in Equity instruments of Joint Venture (unquoted)					
1	VST Zetor Private Limited	10	9,690,000	969.00	9,690,000	969.00
	Total of Non-Current Investments (I+II+III+IV)			4,149.97		4,648.83
	Current Investments:					
	I. Investment in Equity Shares					
	Investments in Equity Instruments (trade -quoted)					
1	Rane Holdings Limited	10	50,000	637.93	50,000	538.85
2	Asian Paints Limited	1	6,000	140.44	6,000	170.81
3	Infosys Limited	5	33,500	526.17	28,000	419.45
4	Larsen and Toubro Limited	2	20,000	698.46	17,000	639.86
5	Sundaram Finance Limited	10	20,000	914.89	20,000	827.74
6	Tata Consultancy Services Limited	1	14,500	522.89	12,000	465.16
7	Cipla Limited	2	24,000	346.13	17,000	254.48
8	Pidilite Industries Limited	1	8,900	253.59	8,900	268.31
9	Housing Development Finance Corporation Ltd	2	16,800	307.14	16,800	243.25
10	HDFC Life Insurance Company Limited	10	20,000	137.14	20,000	126.67
11	ICICI Bank Limited	2	43,000	579.79	35,000	382.66
12	Kotak Mahindra Bank Limited	5	15,000	325.68	15,000	267.83
13	Mphasis Limited	10	7,000	175.01	4,000	95.52
14	Hindustan Unilever Limited	1	17,000	384.00	14,000	317.01
15	ITC Limited	1	40,000	163.90	40,000	171.34
16	Colgate-Palmolive (India) Limited	1	9,000	215.08	9,000	243.93
17	Tata Consumer Products Limited	1	30,000	300.57	20,000	219.24
18	Reliance Industries	10	15,000	191.27	-	-
19	State Bank of India	1	20,000	154.30	-	-

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

S. No	Particulars	Face value (Amt in ₹)	As at March 31, 2025		As at March 31, 2024	
			No. of Shares/ units	Fair Value	No. of Shares/ units	Fair Value
20	ITC Hotels Ltd	1	4,000	7.90	-	-
	Total I			6,982.28		5,652.10
	II. Investment in Units of Trust(trade-quoted)					
1	Powergrid Infrastructure Investment Trust	100	-	-	177,500	168.11
2	Embassy Office Parks REIT	300	-	-	-	-
	Total II			-		168.11
	III. Investment in Mutual Funds (trade-quoted)					
	<i>(a) Investments in Debt Mutual funds</i>					
1	Aditya Birla Sun Life Savings Fund - Growth - Regular Plan		23,888	128.36	23,888	119.11
2	Axis Corporate Debt Fund - Regular Growth (CO-GP)		1,098,545	183.24	1,098,545	169.14
3	Axis Short term Fund		-	-	7,008,260	1,954.81
4	Franklin India Credit Risk Fund		-	-	-	-
5	Franklin India Dynamic Accrual Fund		-	-	-	-
6	HDFC Floating Rate Debt Fund Short Term Plan-Growth		5,867,649	2,865.52	5,867,649	2,645.36
7	HDFC Short term Debt Fund - Regular Plan - Growth		4,076,446	1,276.31	4,076,446	1,177.50
8	HDFC Ultra Short Term Fund - Regular Growth		49,750,701	7,400.07	49,750,701	6,889.03
9	ICICI Prudential Money Market Fund - Growth		-	-	-	-
10	ICICI Prudential Savings Fund-Growth		448,716	2,388.18	448,716	2,214.51
11	IDFC Corporate Bond Fund Regular Plan-Growth		-	-	-	-
12	IDFC Low Duration Fund-Growth		-	-	-	-
13	Kotak Low Duration Fund Standard Growth		-	-	63,888	1,950.05
14	Nippon India Money Market Fund - Growth Plan Growth Option		87,196	3,549.68	121,118	4,577.34
15	SBI Magnum Ultra Short Duration Fund-Growth		27,545	1,615.62	27,545	1,504.22
16	Hsbc Ultra Short Duration Fund		140,378	1,865.67	140,378	1,736.61
17	HDFC Liquid Fund - Regular Plan -Growth		43,489	2,191.84	36,326	1,706.56
18	HDFC Overnight Fund		14,761	553.71	11,363	400.31
19	Kotak Liquid Fund Regular Plan Growth		25,129	1,304.61		
	Sub-Total (a)			25,322.82		27,044.55
	<i>(b) Investments in Equity Mutual funds</i>					
1	Aditya BSL MNC Fund		-	-	-	-
2	Axis Flexi multi Cap Fund - Regular Growth		902,334	220.17	902,334	202.21
3	Canara Robeco Flexi Cap Fund - Regular Growth(DVGP)		144,637	448.03	144,637	419.35
4	DSP Flexi Cap Fund - Regular Plan - Growth		715,344	687.47	715,344	605.20
5	Franklin India Smaller Companies Fund - Growth		298,846	453.16	298,846	440.30
6	Franklin India Bluechip Fund		-	-	-	-
7	HDFC Flexi Cap Fund- Growth		66,259	1,223.29	55,751	895.19
8	HDFC Large and Mid Cap Fund-Reg-Growth		150,375	466.16	150,375	432.63
9	HDFC Small Cap Fund		651,043	789.73	651,043	765.98
10	ICICI Prudential Blue Chip Fund		889,926	915.91	889,926	855.57
11	ICICI Prudential Value Discovery Fund - Growth		69,686	304.52	69,686	274.98
12	Kotak Blue Chip Fund		38,965	206.67	38,965	191.44
13	Kotak Eq. Opportunities-Gr Reg Plan		-	-	-	-
14	Kotak Equity Saving Fund		10,433,227	2,598.76	2,415,128	566.78
15	Kotak Flexi Cap Fund-Regular Growth		1,078,445	834.38	1,078,445	770.33

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

S. No	Particulars	Face value (Amt in ₹)	As at March 31, 2025		As at March 31, 2024	
			No. of Shares/ units	Fair Value	No. of Shares/ units	Fair Value
16	SBI Large & Mid Cap Fund Regular Growth		138,707	792.33	138,707	712.54
17	Black Rock India Enhanced		4,249,300	901.57	2,819,779	539.85
18	NIPPON INDIA FLEXI CAP FUND - GROWTH PLAN		2,573,520	392.22	1,402,570	202.17
19	Kotak Multicap Fund Regular Plan - Growth		2,313,395	395.41	1,295,375	211.28
20	HSBC Value Fund - Regular Growth		399,109	392.66	221,325	202.48
21	Tata Flexicap Fund - Regular Plan - Growth		922,310	205.20	922,310	186.56
22	IDFC Core Equity fund- Growth		150,128	182.79		
23	HSBC Equity Savings fund		3,265,575	1,018.28		
	Sub-Total (b)			13,428.72		8,474.83
	<i>(c) Investments in Arbitrage Mutual funds</i>					
1	HDFC Arbitrage Fund-Growth		1,091,179	329.11	1,091,179	306.48
2	IDFC Arbitrage Fund-Growth		1,963,155	627.15	1,963,155	584.48
3	Kotak Equity Arbitrage Fund		1,899,189	700.49	1,899,189	651.51
4	Nippon India Arbitrage Fund - Growth Plan		1,280,539	334.74	1,280,539	312.40
5	SBI Arbitrage Opportunities Fund - Regular Plan		1,939,767	645.09	1,939,767	601.11
	Sub-Total (c)			2,636.58		2,455.98
	Total of Investment in Mutual Funds III (a+b+c)			41,388.12		37,975.36
	Grand total of Current Investments (I+II+III)			48,370.40		43,795.57
	Total Investments			52,520.37		48,444.40

34. RETIREMENT BENEFIT OBLIGATIONS

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A. Defined Contribution Plan (Expenses):		
Contribution to Provident Fund	343.04	305.76
Contribution to Employee State Insurance	1.18	4.08
Contribution to Labor Welfare Fund	0.31	0.31
B. Defined Benefit Plans (Gratuity):		
1. Movement in Obligation – Gratuity:		
Present Value of Obligation at the beginning of year	673.63	571.66
Current Service Cost	92.39	70.70
Interest Cost	48.56	42.59
Benefits Paid	(57.33)	(79.89)
Past Service Cost (Vested and Non-Vested)	-	-
Actuarial (Gain)/Loss on Obligation	24.39	68.57
Present Value of Obligation at the end of year	781.64	673.63
2. Movement in Plan Assets – Gratuity:		
Fair Value of Planned assets at the beginning of the year	313.23	370.76
Return of Plan Assets	22.58	27.62
Actuarial Gain/(Loss)	(7.16)	(5.26)
Contributions during the year	-	-
Benefits Paid during the year	(57.33)	(79.89)
Fair Value of Planned assets at the end of the year	271.32	313.23
3. Expenses recognized in Profit and Loss Statement:		
Gratuity:-		
Current Service Cost	92.39	70.70
Net Interest Cost	25.98	14.97

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Past Service Cost	-	-
Expense for the year	118.37	85.67
4. Recognized in Other Comprehensive Income:		
Actuarial (Gain)/Loss for the year	31.54	73.83
5. Actuarial Assumptions for estimating Company's Defined Benefit Obligation:		
a. Attrition Rate	22.00%	22.00%
b. Discount Rate	6.78%	7.21%
c. Expected Rate of Increase in Salary	8%	8%
d. Expected Rate of return on Plan Assets	7.21%	7.45%
e. Mortality Rate	100% of IALM 2012-14	100% of IALM 2012-14
f. Decrement Adjusted Future Service	22.32	22.79
6. Sensitivity Analysis:		
Sensitivity	Change	Effect on obligations
Salary Escalation Rate	+1%	81.98
	-1%	(70.40)
Withdrawal Rate	+1%	(10.03)
	-1%	2.64
Discount Rates	+0.5%	(36.97)
	-0.5%	40.33
The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognized in the Balance Sheet.		
7. Expected Payout – Gratuity:	Amount	
Expected payments – 1 st Year	73.16	
Expected payments – 2 nd Year	61.59	
Expected payments – 3 rd Year	77.89	
Expected payments – 4 th Year	64.62	
Expected payments – 5 th Year	45.18	
Expected payments – After 5 Years	1,522.64	
8. Other Information:		
i.	The Company has invested planned assets with Life Insurance Corporation of India. Expected Return on Assets is based on rate of return declared by fund managers.	
ii.	Present value of defined benefit obligation:	
Present value of the defined benefit obligation is calculated by using Projected Unit Credit method (PUC Method). Under the PUC method a “projected accrued benefit” is calculated at the beginning of the year and again at the end of the year for each benefit that will accrue for all active members of the Plan. The “projected accrued benefit” is based on the Plan's accrual formula and upon service as of the beginning or end of the year, but using a member's final compensation, projected to the age at which the employee is assumed to leave active service. The Plan Liability is the actuarial present value of the “projected accrued benefits” as of the beginning of the year for active members.		

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

- C. Compensated absences amounting to ₹125.12 lakhs (March 31, 2024: ₹ 121.20 lakhs) is recognized as expense and included in the Note 27 'Employee Benefit Expenses'.

Risk Exposure:

- Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase
- Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation
- Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. Overstating withdrawals can understate liabilities, as long-serving employees usually have higher benefit costs.

35. EMPLOYEE STOCK OPTION PLAN

VST Tillers Tractors Limited – Restricted Stock Units Plan 2024

On January 22, 2024, pursuant to the approval by the shareholders through postal ballot, the Board was authorized to introduce, offer, issue and allot share based incentives to the eligible employees of the Company under the "VST Tillers Tractors Limited – Restricted Stock Units Plan 2024" ("the RSU plan"). The maximum number of shares under the RSU plan shall not exceed 50,000 equity shares. These instruments will generally vest equally over a period of 4 years starting from February 26, 2025 for Grant 1 and February 26, 2026 for Grant 2. The options shall be exercisable within the period as approved by the Nomination and Remuneration Committee (NRC). The exercise price of the equity-settled RSUs will be equal to the par value of the shares.

The fair value of the options is estimated using the Black-Scholes Model. The inputs to the model include the share price at date of grant, exercise price, expected volatility, expected dividends, expected term and the risk-free rate of interest. Expected volatility during the expected term of the options is based on historical volatility of the observed market prices of the Company's publicly traded equity shares during a period equivalent to the expected term of the options. Expected volatility of the comparative company have been modelled based on historical movements in the market prices of their publicly traded equity shares during a period equivalent to the expected term of the options.

The fair value of the equity-settled options is estimated on the date of grant using the following assumptions:

Particulars	For options granted in 2024-25	For options granted in 2023-24
Weighted average share price (₹)	3,460.00	3,283.25
Exercise price (₹)	10.00	10.00
Expected volatility	33.82%	34.07%
Expected life of the options (years)*	1-4	1-4
Expected dividend yield (%)	1.18%	1.08%
Risk free interest rate (%)	5.66%	6.92%
Weighted average fair value as on grant date (₹)	3,348.08	3,182.90

*The expected life of the options is estimated based on the vesting and the contractual terms of the RSU and the exercise behavior of the employee who receives the RSU.

The summary of the grants made during the years ended March 31, 2025 and March 31, 2024 is as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Equity settled RSUs (in Nos.)		
Key Managerial Personnel	1,600	9,240
Employees other than KMP	23,960	8,960

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

The activity in the RSU Plan for equity-settled share-based payment transactions during the year ended March 31, 2025 and March 31, 2024 is as follows:

Particulars	Year ended March 31, 2025		Year ended March 31, 2024	
	Shares arising out of options	Weighted average exercise price (₹)	Shares arising out of options	Weighted average exercise price (₹)
Outstanding at the beginning	18,200	10	-	-
Granted	25,560	10	18,200	10
Exercised	3,830	10	-	-
Forfeited and expired	2,880	10	-	-
Outstanding at the end	37,050	10	18,200	10
Exercisable at the end	-	-	-	-

The summary of the equity-settled RSUs outstanding as at March 31, 2025 and March 31, 2024 is as follows:

Range of exercise price per share (₹)	As at March 31, 2025		As at March 31, 2024	
	Shares arising out of options	Weighted average remaining contractual life	Shares arising out of options	Weighted average remaining contractual life
0 – 10*	37,050	2.34	18,200	2.5

*Weighted average exercise price is ₹ 10

The break-up of the employee compensation expense is as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Equity settled RSUs		
Key Managerial Personnel	148.68	12.84
Employees other than KMP	129.74	12.46
Total	278.42	25.30

36. INCOME TAX EXPENSE AND DEFERRED TAXES

Particulars	For the year ended March 31, 2025	For the year Ended March 31, 2024
Income Tax Expense: -		
a. Current Tax	2,584.50	2947.02
b. Deferred Tax (arising on temporary differences)	164.88	462.67
Total Tax Expense for the year	2,749.38	3409.69
Effective Tax Reconciliation: -		
a. Net Profit/(Loss) before taxes	12,195.18	15,561.08
b. Tax rate applicable to the company as per normal provisions	25.168%	25.168%
c. Tax expense on net profit (c = a*b)	3,069.28	3,916.41
d. Increase/(decrease) in tax expenses on account of:		
i. Effect of Unrealized Income	(621.29)	(1,168.11)
ii. Effect of expenses not deductible in determining taxable profits	208.08	314.63
iii. Effect for deduction for expenses earlier disallowed	(67.92)	(67.92)
iv. Effect of Income not forming part of Business income	60.73	5.61
v. Net effect of deductible temporary differences recognized as deferred tax liabilities and assets	164.88	462.67

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year Ended March 31, 2024
vi. Other adjustments	(64.38)	(53.61)
Net Increase/(decrease) in tax expenses	(319.90)	(506.72)
e. Income Tax Expense as reported in Statement of Profit and Loss (c + d)	2,749.38	3,409.69
Deferred Tax Expenses/(Income) Recognized for the year ended:		
A. Deferred tax recognized in Profit and Loss	164.88	462.67
B. Deferred tax recognized in Other comprehensive income	(7.94)	(18.58)
C. Deferred tax recognized in Total comprehensive income	156.94	444.09

37. FAIR VALUE OF FINANCIAL INSTRUMENTS

The management assessed that cash and cash equivalents, other bank balances, trade receivables, trade payables, and other current financial assets and financial liabilities approximates to their carrying amount largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is reported at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair value of investment in quoted instruments is measured at quoted price at the reporting date. The fair value of unquoted instruments is valued using inputs based on information about market participants assumptions and other data that are available.
- Fair value of Interest free Security deposits are calculated by discounting future cash flows using rates currently available for debt on similar terms credit risk and remaining maturities.

Description of significant observable inputs to valuation:

- Interest free Security Deposits (assets & liabilities):

Interest Rate factor has been considered at a rate of 6.06% p.a. by the company for discounting the amount receivable at the time of maturity.

The carrying amount of all financial assets and liabilities (except for those instruments carried at fair value) appearing in the financial statements is reasonable approximation of fair values.

Particulars	Carrying Value		Fair value	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Financial Assets				
At Fair value through profit & loss A/c				
Investments	51,551.37	46,975.40	51,551.37	46,975.40
At Amortised cost				
Investments	-	500	-	500
Loans	13.21	13.62	13.21	13.62
Trade receivables	20,564.25	15,516.13	20,564.26	15,516.13
Cash and Bank Balances	7,471.19	4,673.35	7,471.19	4,673.35
Other Financial assets	422.67	253.1	422.67	253.1
Total Financial Assets	80,022.70	67,931.60	80,022.70	67,931.60
Financial Liabilities				
At Amortised cost				
Trade Payables	9,880.30	9,890.82	9,880.30	9,890.82
Lease Liabilities	196.4	135.45	196.4	135.45
Other Financial liabilities	9,743.69	9,155.80	9,743.69	9,155.80
Total Financial liabilities	19,873.00	19,182.07	19,873.00	19,182.07

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

38. FAIR VALUE HIERARCHY

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities.

Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2025:

Particulars	Total Value	Fair Value measurement using		
		Quoted prices in active markets (Level - 1)	Significant observable inputs (Level - 2)	Significant unobservable inputs (Level- 3)
Financial Assets: -				
Designated at Fair Value through profit or loss:				
Investments in quoted instruments (Equity & Mutual Funds)	48,370.40	48,370.40	-	-
Investments in unquoted instruments	3,180.97	-	-	3,180.97
Designated at Amortized Cost:				
Investments in unquoted instruments	-	-	-	-
Loans	13.21	-	-	13.21

Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2024:

Particulars	Total Value	Fair Value measurement using		
		Quoted prices in active markets (Level - 1)	Significant observable inputs (Level - 2)	Significant unobservable inputs (Level- 3)
Financial Assets: -				
Designated at Fair Value through profit or loss:				
Investments in quoted instruments (Equity & Mutual Funds)	43,795.57	43,795.57	-	-
Investments in unquoted instruments	3,179.83	-	-	3,179.83
Designated at Amortized Cost:				
Investments in unquoted instruments	500.00	-	-	500.00
Loans	13.62	-	-	13.62

39. RELATED PARTY TRANSACTIONS

Details of the Related Parties and the description of relationship

i) Key Managerial Personnel

Name of the Key Managerial Personnel	Designation
Mr. V. T. Ravindra	Managing Director
Mr. Antony Cherukara	Chief Executive Officer
Mr. Nitin Agrawal	Chief Financial Officer
Mr. Chinmaya Khatua	Company Secretary

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

ii) Directors of the Company (other than those covered above)

Name of the Director	Designation
Mr. V. S Arun	Chairman
Mr. V. V. Pravindra	Non-Executive Director
Mrs. Siva Kameswari Vissa	Independent Director
Mr. Nandakumar Jairam	Independent Director
Mr. Kula Ajith Kumar Rai	Independent Director
Mr. K M Pai *	Independent Director
Mr. M K Bannerjee *	Independent Director
Mr. Rajen Padukone	Independent Director

* Mr. K M Pai and Mr. M K Bannerjee retired w.e.f 13th August, 2024

iii) Wholly owned subsidiary

VST Americas Inc.

iv) Joint Venture

VST Zetor Private Limited

v) Enterprises over which shareholders of the Company or KMP or relatives of KMP exercise control or significant influence

1. Mitsubishi Heavy Industries - VST Diesel Engines Private Limited
2. India Garage
3. VST & Sons
4. Anand & Associates
5. VST Motors Private Limited
6. Suprajit Engineering Limited
7. Bangalore Motors Private Limited
8. VST Supercars Private Limited
9. Smt. Kamalabai Educational Trust
10. V. S. Thiruvengadaswamy Mudaliar Memorial Trust

Transactions entered during the year

i) Compensation to Key Managerial Personnel

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Short-term Employment Benefits	493.67	424.15
Post Employment Benefits ¹	18.68	16.33
Other long-term benefits ²	-	-
Termination benefits	-	-
Share-based payments	148.68	12.84

1. Does not include gratuity expenses.
2. Does not include leave salary expenses.

ii) Sitting fee paid to Directors of the Company

The sitting fee paid to Independent Directors and Non-executive Directors for the financial year 2024-25 is ₹36.50 lakhs and for the Financial Year 2023-24 is ₹61.50 lakhs.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

iii) Transactions with Other Related Parties

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
VST & Sons		
- Payment of royalty	9.95	9.68
Mitsubishi Heavy Industries - VST Diesel Engines Pvt Ltd		
- Supply of spare parts	21.42	-
- Rental Income from immovable property	96.00	96.00
- Services rendered – Job work	210.92	299.55
- Purchase of diesel engines and other materials	10.67	11.25
- Availing engine testing services	13.40	1.23
India Garage		
- Rental Income from immovable property	31.44	29.04
VST Zetor Private Limited		
- Transfer of Co-developed Product	69.91	1,217.63
- Supply of tractors and spare parts	1848.36	152.48
- Rendering of warranty, sales support and other related services	27.68	2.34
- Rendering of service relating to the use of various functions (Accounting, HR, Legal, and Sales & marketing)	4.90	2.04
- Reimbursement of expenses received	93.87	7.41
- Rental Income from immovable property	2.70	1.28
- Royalty received	8.02	-
Suprajit Engineering Limited		
- Purchase of various components	60.77	9.67
- Tool development cost	-	15.00
Bangalore Motors Private Limited		
- Purchase of car	-	41.39
- Sale of old car	-	9.35
- Repairs & Maintenance availed	0.44	-
VST Supercars Private Limited		
- Rental Income from immovable property	17.92	3.36
VST Motors Private Limited		
- Redemption of debentures	500.00	500.00
- Interest received on debentures	44.38	86.37
Anand Associates		
- Architectural profession Services availed	5.52	-
VST Americas Inc.		
- Reimbursement of expenses	52.50	-
Smt. Kamalabai Educational Trust		
- Corporate Social Responsibility expenditure	86.00	60.00
V.S.Thiruvengadaswamy Mudaliar Memorial Trust		
- Corporate Social Responsibility expenditure	-	60.00

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

Outstanding balances at the end of the year

Particulars	As at March 31, 2025	As at March 31, 2024
Amounts due to related parties		
VST & Sons	9.95	9.68
Mitsubishi Heavy Industries - VST Diesel Engines Pvt Ltd	7.49	-
Suprajit Engineering Limited	8.44	4.91
Key Managerial Personnel	106.85	105.50
Amounts due from related parties		
Mitsubishi Heavy Industries - VST Diesel Engines Pvt Ltd	76.18	67.48
India Garage	8.37	8.09
VST Zetor private limited	278.99	49.06
VST Americas Inc..	52.50	NIL
Investment in non-convertible debentures		
VST Motors Private Limited	-	500.00

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES:

The Companies activities expose it to variety of Financial risks- interest rate risk, foreign currency risk, market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance and there has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks

The following sections provide the details regarding the Company's exposure to the financial risks associated with financial instruments held in the ordinary course of business and the objectives, policies and processes for the management of these risks.

i. Market Risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity risk. Financial instruments affected by market risk include loans and advances, deposits, investments in debt securities, mutual funds, and other equity funds.

a. Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of the Company and the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from the investment in debt securities, investment in debt mutual funds and cash and cash equivalents and other bank balances.

The Company's policy is to manage its interest rate risk by monitoring of changes in interest rates. Further, as there are no borrowings, the Company's policy to manage its interest cost does not arise.

b. Foreign Currency Risk:

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises when transactions are denominated in foreign currencies.

The Company has transactional currency exposures arising from Exports or imports that are denominated in a currency other than the functional currency. The foreign currencies in which these transactions are denominated are mainly in US Dollars (\$) and Euros (€). The Company's trade receivable and trade payable balances at the end of the reporting period have similar exposures.

Notes to the Standalone Financial Statements

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(All amounts are Rupees in Lakhs, unless otherwise stated)

The Company does not use any financial derivatives such as foreign currency forward contracts, foreign currency options or swaps for hedging purposes.

The following table demonstrates the sensitivity in the USD, GBP and Euro to the Indian Rupee with all other variables held constant. The impact on the Company's profit before tax due to changes in the fair value of monetary assets is given below:

Particulars	Change in Rate	For the year ended March 31, 2025	For the year ended March 31, 2024
USD	5.00%	9.44	-10.38
	-5.00%	-9.44	10.38
GBP	5.00%	16.60	5.18
	-5.00%	-16.60	-5.18
Euro	5.00%	49.27	93.36
	-5.00%	-49.27	-93.36

* Decimals has been rounded to nearest rupees lakhs.

ii. Credit risk:

Credit risk is the risk of loss that may arise on outstanding financial instruments when a counterparty defaults on its obligations. The Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including investment securities, cash and short-term deposit), the Company minimizes the credit risk by dealing exclusively with high credit rating counterparties. The Company's objective is to seek continual revenue growth while minimizing losses incurred due to increased credit risk exposure. The Company trades only with recognized and creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

In addition, Outstanding customer receivables are regularly monitored and any credit to new customers are generally covered by appropriate security in the form of deposits.

a. Exposure to credit risk:

At the end of the reporting period, the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognized in the statement of financial position. No other financial assets carry a significant exposure to credit risk.

b. Credit risk concentration profile:

At the end of the reporting period, there were no significant concentrations of credit risk. The maximum exposures to credit risk in relation to each class of recognized financial assets is represented by the carrying amount of each financial assets as indicated in the balance sheet.

c. Financial assets that are neither past due nor impaired:

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Company. Cash and short-term deposits, investment securities that are neither past due nor impaired are placed with or entered with reputable banks, financial institutions or companies with high credit ratings and no history of default.

d. Financial assets that are either past due or impaired:

Trade receivables that are past due or impaired at the end of the reporting period, for which lifetime expected credit loss has been provided by the company according to its policy. These are shown in the balance sheet at carrying value less impairment/expected credit loss (information provided in note no. 13).

iii. Liquidity risk:

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

The Company ensures that it has sufficient cash on demand to meet expected operational demands, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	Less than 12 months	1 to 3 years	More than 3 years	Total
As at March 31, 2025				
Trade Payables	9,880.30	-	-	9,880.30
Security Deposits	31.00	4,148.78	-	4,179.78
Lease Liability	99.41	101.40	11.33	212.14
Other Financial Liabilities	5,576.44	-	-	5,576.44
As at March 31, 2024				
Trade Payables	9,890.82	-	-	9,890.82
Security Deposits	38.00	4,077.06	80.00	4,195.06
Lease Liability	88.40	56.02	-	144.42
Other Financial Liabilities	4,971.18	-	-	4,971.18

41. INVESTMENT PROPERTY:

The Company as at the end of the reporting period recognizes the income earned from renting of Investment property under the head other income with all the incidental expenditure in relation to the property under their respective sub-heads in other expenses.

Summary of Net Income recognized in Statement of Profit and Loss from Investment Property generating rental income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(A) Rental Income	226.23	215.94
Less: Direct operating expenses incurred		
i. Repairs and Maintenance	9.74	4.01
ii. Property Taxes	12.52	15.22
(B) Total expenses	22.26	19.23
Net Income / (expense) from Investment Property (A-B)	203.97	196.71

Fair Valuation of Investment Property:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Land	13,115.82	11,994.96
b) Building	1,576.08	1,650.49

Note: The fair values of investment properties have been determined by independent valuers. The main inputs used are the rental growth rates, terminal yields and discount rates based on comparable transactions and industry data. All resulting fair value estimates for investment properties are included in level 3.

Depreciation and Useful Life: Depreciation method used by the entity for Investment Property is Straight line method. Useful life of buildings is considered as 30-60 years.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

42. CAPITAL MANAGEMENT:

Capital includes equity attributable to the equity holders of the Company. The primary objective of the capital management is to ensure that it maintain an efficient capital structure and healthy capital ratios in order to support its business and maximize shareholder's value.

The Company manages its capital structure and make adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, Company may adjust the dividend payment to shareholders or return capital to shareholders or issue new shares.

Currently the Company does not have any borrowings and maintains the entire capital in form of equity share capital.

43. UNHEDGED FOREIGN CURRENCY EXPOSURE:

Particulars	As at March 31, 2025			As at March 31, 2024		
	#	Foreign Currency	Amount (₹)	#	Foreign Currency	Amount (₹)
Trade Receivables	\$	2.92	248.3	\$	0.25	20.86
	£	3.04	332.06	£	1.00	103.70
	€	10.76	988.21	€	21.12	1,870.75
Trade Payables	\$	0.70	59.48	\$	2.75	227.21
	€	0.03	2.74	€	0.04	3.51

Denotes currency symbol

44. CONTINGENCIES AND COMMITMENTS:

Particulars	As at March 31, 2025	As at March 31, 2024
Contingent Liabilities		
a. Cases filed by customers in various consumer courts not acknowledged as debts	79.44	142.84
b. Appeals filed by the company in respect of Income tax matters	702.23	671.29
c. Appeals filed by the company in respect of Customs matters	25.68	25.68
d. Bank guarantees issued to Government agencies by way of security	94.46	285.02
e. Indirect Tax matters*	12,596.51	11,481.09
f. Other claims not acknowledged as debts	1,203.66	-
Commitments		
a. Estimated value of contracts remaining to be executed on capital accounts and not provided for (net of advances)	3,321.61	1,185.72

*The Company has received GST Assessment Order and Demand for ₹ 109.92 crores (inclusive of Interest of ₹ 24.78 crores and Penalty of 42.57 crores) for FY 2017-18, FY 2018-19 and FY 2019-20 due to mismatch of Sales as per GSTR 1 and 3B, mismatch of Input tax credit as per GSTR 2A and 3B, Mismatch with E- way bills and non-submission of details for Expenses. The Company has filed an appeal with the relevant authority submitting the grounds of appeal and the supporting documentation. Further, the Management is confident of obtaining favorable orders from appellate authorities.

45. MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT)

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with their customers about the Entrepreneurs Memorandum number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amount payable to such enterprises as at March 31, 2025 has been made in the Standalone financial statements based on the information received and available with the Company. The Company has not received any claim for interest from any

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

supplier under the said acts except as stated below. Further in the Management's view, the impact of interest, if any, that may be applicable in accordance with provisions of the Act is not expected to be material.

Particulars	As at March 31, 2025	As at March 31, 2024
a The principal and the interest due thereon remaining unpaid as at 31 March		
Principal	3,378.45	3,662.07
Interest	-	26.08
b The interest paid by the Company in terms of section 16 of the MSMED Act along with the amount of the payment made beyond the appointed day during the year ending 31 March		
Principal	84.30	-
Interest	21.76	-
c Interest due and payable for the period of delay (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act.	-	-
d Interest accrued and remaining unpaid as at 31 March	-	26.08
e The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006	-	-

46. LEASES

Company as Lessee:

The Company lease assets consist of leases for land, building and computers. The Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration.

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2025.

Particulars	Category of ROU Asset		Total
	Equipment & Building	Land	
Balance as at April 1, 2024	127.93	319.38	447.31
Add: Additions	173.30	-	173.30
Less: Deletions	-	-	-
Depreciation	114.65	3.33	117.97
Balance as at March 31, 2025	186.59	316.05	502.64

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2024.

Particulars	Category of ROU Asset		Total
	Equipment & Building	Land	
Balance as at April 1, 2023	180.22	322.71	502.93
Add: Additions	26.89	-	26.89
Less: Deletions	-	-	-
Depreciation	79.18	3.33	82.51
Balance as at March 31, 2024	127.93	319.38	447.31

The depreciation expenses on ROU assets are included under depreciation and amortization expense in the statement of profit and loss.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

The following is the break-up of current and non-current lease liabilities as at March 31, 2025 and March 31, 2024.

Particulars	As at March 31, 2025	As at March 31, 2024
Current Lease liability	89.95	82.12
Non-current lease liability	106.45	53.33
Total	196.4	135.45

The following is the movement in lease liabilities during the year ended March 31, 2025 and March 31, 2024.

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Lease liability	135.45	188.83
Additions	173.30	26.89
Finance cost accrued during the year	12.62	10.68
Deletions	-	-
Payment of lease liabilities	124.97	90.95
Balance at the end	196.40	135.45

Following amount has been recognized in the statement of profit & loss:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation on right to use asset	117.97	82.51
Interest on lease liability	12.62	10.68
Total amount recognized in the statement of profit and loss	130.59	93.19

The details regarding the contractual maturities of lease liabilities as at March 31, 2025 and March 31, 2024 on an undiscounted basis are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Less than one year	99.41	88.40
One to five years	112.73	56.02
More than five years	-	-

47. CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE:

CSR amount required to be spent by the Company during the year is ₹ 221.85 lakhs (Previous year ₹ 217.62 lakhs). Further, during the year, the Company has spent an amount ₹ 221.85 lakhs related to current year liability, details of which are as follows:

Details of amount spending on CSR activities:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening unspent amount*	97.62	193.31
Amount required to be spent as per section 135(5) of companies Act, 2013	221.85	217.62
Less: Amount spent during the year	221.85	313.31
Balance amount to be spent	97.62	97.62
Unspent Amount transferred to separate bank account	97.62	97.62

* The unspent amount of 97.62 Lakhs has been transferred to unspent CSR account within 30 days from the end of the financial year 2023-24, in accordance with the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended ("CSR Rules").

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

48. DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD 37 "PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS"

a) Movement in provision for warranty

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Carrying amount as at the beginning of the year	169.72	181.50
Add: Additional provision made during the year	237.48	169.72
Less: Provision used during the year	117.90	181.50
Less: Unused amounts reversed during the year	37.42	-
Carrying amount as at the end of the year	251.88	169.72

b) Nature of Obligation

The Company gives warranties for its products, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. The provision made as at March 31, 2025 represents the amount of expected cost of meeting such obligations on account of rectification / replacement. The timing of outflow is expected to be within a period of one year from the end of the year.

The Company generally offers 12 months warranties for tillers products except 135DI and 165DI tillers, 17HP-50HP tractors are offered 24 months warranties. Management estimates the related provision for future warranty claims based on historical warranty claim information as well as recent trends that might suggest that past cost information may differ from future claims.

49. DISCLOSURE PURSUANT TO IND AS 115 – REVENUE FROM CONTRACTS WITH CUSTOMERS

1. Disaggregation of Revenue:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Revenue by type of goods & Services		
Revenue from Products		
- Tillers	57,598.42	55,838.96
- Tractors	22,948.69	21,231.57
- Others	23,520.02	23,399.03
Revenue from Services		
- Job Works	382.41	302.51
- Others	79.99	427.66
Other operating revenue	471.94	493.16
Total	1,05,001.47	1,01,692.89
b) Revenue by geographical region		
Domestic Sales	94,816.12	88,667.32
Export Sales	10,185.35	13,025.57
Total	1,05,001.47	1,01,692.89
c) Revenue by sales Channel		
Dealer Sales	92,955.84	90,535.41
End Customer Sales	7,232.41	7,525.53
Others	4,813.22	3,631.95
Total	1,05,001.47	1,01,692.89
d) Recognition of revenue over the period of time or at a point in time		
Recognition of revenue at a point in time	1,05,001.47	1,01,692.89
Total	1,05,001.47	1,01,692.89

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

2. Contract Balance:

Out of the opening customer advances amounting to ₹712.18 lakhs, ₹352.63 lakhs have been recognized as revenue during the year ended March 31, 2025 (₹ 358.99 lakhs recognized for the previous financial year).

3. Reconciliation of Revenue recognized in the statement of Profit & Loss with contract Price:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Contract Price	1,05,001.47	1,01,692.89
Less:		
Dealer Discount – Products	1,365.71	1,210.25
Dealer Discount – Spares	823.64	706.3
Special Discount	2,824.75	2,366.75
Export Agent Discount	105.67	117.35
Cash Discount	426.83	487.46
Transaction Price	99,454.87	96,804.78

4. Revenue from major customers:

There are no major customers exceeding 10% of the total revenue.

50. AGEING ANALYSIS

A) Ageing schedule of capital work-in-progress

As at March 31, 2025	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
a) Projects in progress	738.25	29.10	83.49	155.46	1006.30
b) Projects temporarily suspended	-	-	-	-	-
Total	738.25	29.10	83.49	155.46	1006.30

As at March 31, 2024	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
a) Projects in progress	237.59	124.16	16.76	145.89	524.40
b) Projects temporarily suspended	-	-	-	-	-
Total	237.59	124.16	16.76	145.89	524.40

B) Ageing schedule of Trade Payables

As at March 31, 2025	Outstanding from the due date of payment				Total
	Less than 1 year*	1-2 years	2-3 years	More than 3 years	
Due to MSME	3,378.45	-	-	-	3,378.45
Due to Others	6,221.88	153.80	121.89	4.28	6,501.85
Disputed dues — MSME	-	-	-	-	-
Disputed dues — Others	-	-	-	-	-

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

As at March 31, 2024	Outstanding from the due date of payment				Total
	Less than 1 year*	1-2 years	2-3 years	More than 3 years	
Due to MSME	3,577.77	-	-	-	3,577.77
Due to Others	6,039.55	131.21	37.36	20.63	6,228.75
Disputed dues — MSME	-	84.30	-	-	84.30
Disputed dues — Others	-	-	-	-	-

* Amount which is "Not due" is considered in less than 1 year.

C) Ageing schedule of Trade Receivables

As at March 31, 2025	Outstanding from the due date of Receipt						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
a) Undisputed trade receivables – considered good	2,920.04	12,387.83	2,461.88	589.77	983.30	1,229.85	20,572.67
b) Undisputed trade receivables – which have significant increase in credit risk	-	9.80	3.05	6.96	150.91	1,529.25	1699.97
c) Disputed trade receivables – credit impaired	0.17	9.44	12.15	0.61	4.78	1578.15	1605.30
Gross Trade Receivables	2,920.21	12,407.07	2,477.08	597.34	1,138.99	4,337.25	23,877.94
Less: Allowance for Expected credit loss							3,313.69
Net Trade Receivables							20,564.25

As at March 31, 2024	Outstanding from the due date of Receipt						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
a) Undisputed trade receivables – considered good	7,326.07	4,429.65	1,166.44	1,331.80	601.71	660.46	15,516.13
b) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	21.21	124.52	1,478.90	1,624.63
c) Disputed trade receivables – credit impaired	-	26.91	4.53	0.23	1.32	1,574.31	1,607.30
Gross Trade Receivables	7,326.07	4,456.56	1,170.97	1,353.24	727.55	3,713.67	18,748.06
Less: Allowance for Expected credit loss							3,231.93
Net Trade Receivables							15,516.13

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

51. SHAREHOLDING OF PROMOTERS:

Sr No.	Name of the Promoter	As at March 31, 2025			As at March 31, 2024		
		No. of Shares	% of Share holding	% change during the year	No. of Shares	% of Share holding	% change during the year
1	V K Surendra	19,34,534	22.38%	-0.01%	19,34,534	22.39%	-
2	V P Mahendra	-	0.00%	-	-	0.00%	-7.26%
3	V V Pravindra	2,24,146	2.59%	-	2,24,146	2.59%	-
4	Arun Vellore Surendra	2,15,630	2.49%	-0.12%	2,25,630	2.61%	0.06%
5	V P Tiruvengadaswamy	2,44,692	2.83%	-	2,44,692	2.83%	0.52%
6	V V Vijayendra	6,26,012	7.24%	-0.01%	6,26,012	7.25%	5.33%
7	S Mahalakshmi	35,375	0.41%	-	35,375	0.41%	-
8	V V Sujay	72,664	0.84%	-	72,664	0.84%	-
9	M Bharathi	61,200	0.71%	-	61,200	0.71%	-
10	P Jayalakshmi	33,750	0.39%	-	33,750	0.39%	-
11	V Lakshmi	33,007	0.38%	-	33,007	0.38%	-
12	V V Anjali	30,123	0.35%	-	30,123	0.35%	-
13	V T Ravindra	29,152	0.34%	-	29,152	0.34%	0.01%
14	V P Rahul	18,076	0.21%	-	18,076	0.21%	-
15	V M Anand	58,859	0.68%	-	58,859	0.68%	0.49%
16	V M Vishnu	58,720	0.68%	-	58,720	0.68%	0.49%
17	V P Karan	15,714	0.18%	-	15,714	0.18%	-
18	Amritha V M Ward	50,898	0.59%	-	50,898	0.59%	0.42%
19	V T Anusuya	2,250	0.03%	-	2,250	0.03%	-
20	Sita Rajgopal	11,500	0.13%	0.11%	1,500	0.02%	-
21	VST Motors Private Limited	3,88,885	4.50%	-	3,88,885	4.50%	-
22	Mitsubishi Heavy Industries Engine And Turbocharger Limited	2,53,125	2.93%	-	2,53,125	2.93%	-
23	Padmanaban Motors LLP	1,36,311	1.58%	-	1,36,311	1.58%	-
24	K S And Sons LLP	85,690	0.99%	-	85,690	0.99%	-
25	V T Velu Investments Private Limited	67,725	0.78%	-	67,725	0.78%	-
26	Gove Finance Limited	66,082	0.76%	-	66,082	0.76%	-
27	Vijayendra Brothers Investments Private Limited	52,470	0.61%	-	52,470	0.61%	-
Total Promoter Holding		48,06,590	55.61%		48,06,590	55.63%	

52. RECONCILIATION OF MONTHLY INFORMATION FILED WITH LENDER

The Company has availed working capital facility from HDFC Bank Limited which is paid within the Financial Year. As per the terms & conditions of the sanction letter, the Company is required to file monthly statement of inventory, trade receivables and trade payables. On reconciliation of books of account and periodical submissions made with the banker, there are no significant variances.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

53. RATIOS

Ratio	Numerator	Denominator	2024-25	2023-24	% Variance	Reason for variance
Current Ratio	Current Assets	Current Liabilities	4.77	4.60	3.72%	
Debt-equity ratio	Total Debt	Shareholders' equity	NA	NA	NA	
Debt Service Coverage Ratio	Earnings available for debt service (Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.)	Debt Service = Interest & Lease Payments + Principal Repayments	NA	NA	NA	
Return on Equity (ROE)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	9.80%	13.90%	-29.50%	Decrease in other Income by ₹ 2,227.30 lakhs i.e 37%
Inventory Turnover Ratio	Cost of goods sold OR sales	Average Inventory	6.26	5.83	7.37%	
Trade receivables turnover ratio	Net Credit Sales = Gross credit sales - Sales returns	Average Accounts Receivable	5.51	6.36	-13.32%	
Trade payables turnover ratio	Net Credit Purchases (Gross credit purchases - Purchase returns)	Average Trade Payables	6.73	5.82	15.77%	
Net capital turnover ratio	Net Sales = Total Sales - Sales returns	Working Capital	1.30	1.44	-9.53%	
Net profit ratio	Net Profit	Net Sales = Total Sales - Sales returns	9.50%	12.55%	-24.34%	
Return on capital employed (ROCE)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred tax liability	12.27%	16.99%	-27.77%	Decrease in EBIT by 21.45% with a corresponding increase in Capital employed by 8.74%
Return on investment (ROI)	Return from investments	Average investments	6.03%	11.38%	-47.02%	Decrease in Fair value gain of Investments by 46.81 %

54. DISCLOSURE REQUIRED UNDER SCHEDULE III AS AMENDED, THAT ARE NOT COVERED ABOVE:

- The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.
- No scheme of arrangement has been approved by the competent authority in terms of section 230 to 237 of the Companies Act, 2013, hence this is not applicable.
- No registration and/or satisfaction of charges are pending to be filed with ROC.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

- There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- The Company does not have any relationship with struck off companies.

55. The Company is engaged only in the business of manufacturing and trading of agriculture machinery and accordingly the business activity falls within a single business segment in terms of Ind AS 108 on Operating Segments.

56. The Board has recommended dividend of ₹ 20 per equity share having face value of ₹ 10 each for the financial year 2024-2025.

57. Corresponding previous year figures have been reclassified / regrouped wherever necessary.

As per our report of even date
For K.S. Rao & Co.,
Chartered Accountants
Firm Registration No.: 003109S

Hitesh Kumar. P
Partner
Membership No.: 233734

Place: Bengaluru
Date: May 13, 2025

For and on behalf of the Board of Directors of
V.S.T. Tillers Tractors Limited

V.T.Ravindra
DIN: 00396156
Managing Director

Antony Cherukara
Chief Executive Officer

Place: Bengaluru
Date: May 13, 2025

Rajen Padukone
DIN: 00262729
Director

Nitin Agrawal
Chief Financial Officer

Chinmaya Khatua
ACS - 21759
Company Secretary

Independent Auditor's Report

To The Members of
V.S.T. Tillers Tractors Limited

Report on the Audit of Consolidated Financial Statements

OPINION

1. We have audited the accompanying consolidated financial statements of M/s. V.S.T. Tillers Tractors Limited ("the Company"), and its joint venture, which comprise the consolidated balance sheet as at March 31, 2025, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended March 31, 2025, and notes to the consolidated financial statements, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the report of the other auditor on separate financial statements of the joint venture, the aforesaid consolidated financial statements for the year ended March 31, 2025 give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs (financial position) of the Company and its joint venture as at March 31, 2025, of the consolidated profit (financial performance including other comprehensive income), the consolidated changes in equity, and the consolidated cash flows of the Company and its joint venture for the year ended on that date.

BASIS FOR OPINION

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company and its joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained along with the consideration of the report of the other auditor referred to in paragraph (a) of the "Other Matters" section below is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

KEY AUDIT MATTERS

4. Key Audit Matters are those matters that, in our professional judgement and based on the consideration of the report of the other auditor on the separate financial statements of the joint venture, were of most significance in our audit of the consolidated financial statements for the year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How the matter was addressed in our Audit
Appropriateness of capitalisation of costs as per Ind AS 16 Property, Plant and Equipment (PPE): The Company has incurred total cost ₹ 1,307.30 lakhs on property, plant and equipment (PPE - representing cost incurred for development of Engines and acquisition of plant & machinery, and other capital equipment) as part of business expansion and product development. This cost needs to be capitalised and depreciated once the assets are ready for use as intended by the management and certainty about the future economic cash flows. Inappropriate timing of capitalisation of the cost and/or inappropriate classification of categories of items of PPE could result in material misstatement of PPE with a consequent impact on depreciation charged.	Our audit procedures to assess appropriate capitalization of such expenditure includes, but were not limited to the following: - Assessed the design and implementation and tested the operating effectiveness of key controls surrounding the capitalization of costs. - Reviewed management's capitalization policy, including application of the aforesaid policy, to assess consistency with the requirements set out by Ind AS 16, Property, Plant and Equipment. - Compared the additions with the budgets and the orders given to the vendors.

Key Audit Matters	How the matter was addressed in our Audit
Owing to the above factors, we have identified this as a key audit matter for current year audit due to the significance of the capital expenditure incurred during the year.	- Tested the additions on a sample basis for their nature and purpose to ensure that the capitalization is as per company's accounting policy. - Assessed the appropriateness and adequacy of the related disclosures in the consolidated financial statements in accordance with the applicable Indian accounting standards.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Annual Report but does not include the consolidated financial statements and auditor's report thereon. The Company's Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Company's Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

6. The Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity, and consolidated cash flows of the Company and its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the Company and its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting

policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Company as aforesaid.

7. In preparing the consolidated financial statements, the respective Board of Directors of the Company and its joint venture are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.
8. The respective Board of Directors of the Company and its joint venture are also responsible for overseeing each company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

9. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - (i) Identify and assess the risks of material misstatement of the consolidated financial

statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- (ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (iv) Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of the consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its joint venture to cease to continue as a going concern.
- (v) Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (vi) Obtain sufficient appropriate audit evidence regarding the financial statements of the joint venture to express an opinion on the consolidated financial statements. The joint venture included in the consolidated financial statements, has been audited by other auditors and such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further

described in paragraph (a) of the section titled "Other Matters" in this audit report.

11. Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.
12. We communicate with those charged with governance of the Company of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance of the Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
14. From the matters communicated with those charged with governance of the Company, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

15. The consolidated financial statements include the Company's share of total net loss after tax of ₹ 149.15 lakhs for the period ended March 31, 2025, in respect of the joint venture whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the joint venture and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint venture is based solely on the report of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to the financial statements of the joint venture.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

16. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and according to the information and explanations given to us and based on the report of the statutory auditors of the joint venture which was not audited by us, the remuneration paid by the Company and its joint venture to their directors/managers during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Company and its joint venture is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

17. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013, we give in "Appendix - A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
18. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements of the joint venture, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditors, except for the matters stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
 - c) The consolidated balance Sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flow dealt with by this Report are

in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of written representations received from the directors of the Company as on March 31, 2025 taken on record by the board of directors of the Company and the report of the report of the statutory auditors of the joint venture, none of the directors of the Company and its joint venture is disqualified as on March 31, 2025 from being appointed as directors in terms of section 164(2) of the Act.
- f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 18(b) above on reporting under section 143(3)(b) of the Act and paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 as amended.
- g) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and its joint venture and the operating effectiveness of such controls, refer to our separate report in "Appendix - B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls of the Company and its joint venture with reference to financial statements.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on consideration of the report of the other auditors on the financial statements of the joint venture as noted in the "Other Matters" paragraph:
 - i. The consolidated financial statements disclose the impact of pending litigations as at March 31, 2025, on the consolidated financial position (Refer Note 45 to the consolidated financial statements).
 - ii. The Company and its joint venture did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Company or its joint venture incorporated in India during the year ended March 31, 2025.
- iv. a. The respective management of the Company and its joint venture have represented to us and the other auditor of the joint venture that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company or its joint venture to or in any persons or entities, including foreign entities ('the Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or its joint venture ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The respective management of the Company and its joint venture have represented that, to the best of their knowledge and belief, no funds have been received by the Company or its joint venture from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company or its joint venture shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances performed by us and

that performed by the auditors of the joint venture whose financial statements have been audited under the Act, nothing has come to our or other auditor's attention that causes us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

- v. The dividend paid by the Company during the year is in accordance with provisions of Section 123 of Companies Act, 2013. The joint venture has neither declared nor paid any dividend.
- vi. The Books of account of the Company are being maintained using an accounting software that has audit trail feature. Based on our examination which includes test checks, barring the instances described below, the audit trail feature has operated throughout the year with respect to all the transactions that are recorded using the software.

Audit trail feature is not there for logging the changes done by the users having privileged access, at the application level for certain tables that relate to the significant financial processes, and the changes done at the data base level.

Further, where audit trail was enabled, we didn't come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **K.S. Rao & Co.,**
Chartered Accountants
ICAI Firm Registration No: 003109S

Hitesh Kumar P
Partner
Place: Bengaluru
Date: May 13, 2025
Membership No.: 233734
UDIN: 25233734BMOHNNX4055

Appendix - A to the Independent Auditors' Report

With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of joint venture included in the Consolidated Financial Statements, to which reporting under CARO is applicable, as provided to us by the Management of the Company, we report that in respect of those companies where audits have been completed under Section 143 of the Act, there are no

qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the Consolidated Financial Statements.

Auditors of the joint venture have reported cash losses in the financial year under clause 3(XVII) of the CARO report. Based on information and explanations provided to us, in our opinion, these observations are not considered unfavourable or qualified or adverse in nature and hence not reported under this clause.

For **K.S. Rao & Co.,**
Chartered Accountants
ICAI Firm Registration No: 003109S

Hitesh Kumar P
Partner
Place: Bengaluru
Date: May 13, 2025
Membership No.: 233734
UDIN: 25233734BMOHNNX4055

Appendix - B to the Independent Auditors' Report

INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls with reference to the consolidated financial statements of M/s. V.S.T. Tillers Tractors Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

OPINION

In our opinion and based on the consideration of report of the other auditors on internal financial controls with reference to the financial statements of the joint venture as was audited by the other auditors, the Company and its joint venture have, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to the financial statements were operating effectively as at March 31, 2025, based on the internal financial controls with reference to the financial statements criteria established by the Company and its joint venture considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to the consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal

Financial Controls over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, and the audit evidence obtained by the auditors of the joint venture in terms of their report referred to in the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE CONSOLIDATED FINANCIAL STATEMENTS.

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that,

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of

management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS.

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial

reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OTHER MATTERS

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to the joint venture, incorporated in India, is based on the corresponding report of the auditors of the joint venture.

Our opinion is not modified in respect of this matter.

For **K.S. Rao & Co.,**
Chartered Accountants
ICAI Firm Registration No: 003109S

Hitesh Kumar P
Partner

Place: Bengaluru
Date: May 13, 2025

Membership No.: 233734
UDIN: 25233734BMOHNNX4055

Consolidated Balance Sheet

as at March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
A ASSETS			
1. Non-current assets			
a) Property, plant and equipment	4(a)	21,145.41	22,159.85
b) Capital work-in-progress	4(b)	1,006.30	524.40
c) Investment property	5	2,127.89	2,156.05
d) Right-of-use assets	4(c)	502.64	447.31
e) Other Intangible assets	6	239.58	227.81
f) Financial assets			
i) Investments	7	3,956.12	4,604.14
ii) Loans	8	4.14	6.35
iii) Other financial assets	9	320.44	226.39
g) Other non-current assets	11	315.45	162.38
Total non-current assets		29,617.97	30,514.68
2. Current assets			
a) Inventories	12	10,072.05	11,780.31
b) Financial assets			
i) Investments	7	48,370.40	43,795.57
ii) Trade receivables	13	20,564.25	15,516.13
iii) Cash and cash equivalents	14	7,117.01	4,367.09
iv) Bank balances other than (iii) above	15	354.18	306.26
v) Loans	8	9.07	7.27
vi) Other financial assets	9	102.23	26.71
c) Current tax asset (net)	10	1,475.01	1,962.46
d) Other current assets	11	8,834.94	8,413.62
Total current assets		96,899.14	86,175.42
Total assets		126,517.11	116,690.10
B EQUITY AND LIABILITIES			
1. Equity			
a) Equity share capital	16	864.34	863.95
b) Other equity	17	99,321.65	91,498.09
Total Equity		100,185.99	92,362.04
2. Liabilities			
Non current liabilities			
a) Financial liabilities			
i) Lease liabilities	18	106.45	53.33
ii) Other financial liabilities	19	4,149.25	4,141.19
b) Provisions	20	896.36	683.84
c) Deferred tax liabilities (net)	21	853.01	696.07
d) Other Non current liabilities	22	5.97	10.44
Total Non current liabilities		6,011.04	5,584.87
Current liabilities			
a) Financial liabilities			
i) Trade payables			
- total outstanding dues of micro enterprises and small enterprises	23	3,378.45	3,662.07
- total outstanding dues of creditors other than micro enterprises and small enterprises	23	6,501.85	6,228.75
ii) Lease liabilities	18	89.95	82.12
iii) Other financial liabilities	19	5,594.44	5,014.61
b) Provisions	20	344.08	257.95
c) Other current liabilities	22	4,411.31	3,497.69
Total Current liabilities		20,320.08	18,743.19
Total Liabilities		26,331.12	24,328.06
Total Equity and Liabilities		126,517.11	116,690.10

The accompanying notes form an integral part of Financial Statements

As per our report of even date

For K.S. Rao & Co.,

Chartered Accountants

Firm Registration No.: 003109S

Hitesh Kumar. P

Partner

Membership No.: 233734

Place: Bengaluru
Date: May 13, 2025

V.T.Ravindra
DIN: 00396156
Managing Director

Antony Cherukara
Chief Executive Officer

Place: Bengaluru
Date: May 13, 2025

For and on behalf of the Board of Directors of

V.S.T. Tillers Tractors Limited
Rajen Padukone
DIN: 00262729
Director

Nitin Agrawal
Chief Financial Officer

Chinmaya Khatua
ACS - 21759
Company Secretary

Consolidated Statement of Profit and Loss

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

Particulars	Note No.	For the Year ended March 31, 2025	For the Year ended March 31, 2024
I Revenue from operations	24	99,454.87	96,804.78
II Other Income	25	3,830.99	6,058.29
III Total Income (I+II)		103,285.86	102,863.07
IV Expenses			
a) Cost of materials consumed		58,053.42	57,857.30
b) Purchase of Stock-in-Trade		8,467.94	8,623.67
c) Change in inventories of finished goods, work in progress and Stock in Trade	26	1,828.15	(730.81)
d) Employee benefit Expenses	27	10,077.40	8,627.87
e) Finance costs	28	196.16	214.92
f) Depreciation and amortisation expenses	29	2,547.69	2,700.59
g) Other expenses	30	9,919.92	10,008.45
Total Expenses		91,090.68	87,301.99
V Profit before exceptional items and tax and before share of profit/(loss) of a Joint Venture (III-IV)		12,195.18	15,561.08
VI Share of profit/(loss) of a Joint Venture		(149.15)	(44.69)
VII Profit before exceptional items and tax (V-VI)		12,046.03	12,216.39
VIII Exceptional Items		-	-
IX Profit before tax (VII-VIII)		12,046.03	15,516.39
X Tax expense:			
a) Current tax		2,584.50	2,947.02
b) Deferred tax		164.88	462.67
XI Profit for the year (IX-X)		9,296.65	12,106.70
XII OTHER COMPREHENSIVE INCOME			
A (i) Items that will not be reclassified to the statement of profit or loss			
a) Remeasurement of Defined employee benefit plans	31	(31.54)	(73.83)
(ii) Income tax on items that will not be reclassified to the profit or loss	31	7.94	18.58
B (i) Items that will be reclassified to the profit or loss		-	-
Total Other Comprehensive Income (net of taxes)		(23.60)	(55.25)
XIII Total Comprehensive Income for the year (XI+XII)		9,273.05	12,051.45
XIV Earnings per share	32		
- Basic (in ₹ per share)		107.60	140.13
- Diluted (in ₹ per share)		107.43	140.10

See accompanying notes forming part of financial statements

As per our report of even date

For K.S. Rao & Co.,

Chartered Accountants

Firm Registration No.: 003109S

Hitesh Kumar. P

Partner

Membership No.: 233734

Place: Bengaluru
Date: May 13, 2025

V.T.Ravindra
DIN: 00396156
Managing Director

Antony Cherukara
Chief Executive Officer

Place: Bengaluru
Date: May 13, 2025

For and on behalf of the Board of Directors of

V.S.T. Tillers Tractors Limited
Rajen Padukone
DIN: 00262729
Director

Nitin Agrawal
Chief Financial Officer

Chinmaya Khatua
ACS - 21759
Company Secretary

Consolidated Statement of changes in Equity

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

I Equity Share capital

Particulars	At the beginning of the year	Changes during the year	At the end of the year
For the year ended March 31, 2024	863.95	-	863.95
For the year ended March 31, 2025	863.95	0.38	864.34

II Other Equity

Particulars	Capital Reserve	General reserve	Share Option Outstanding Account	Surplus in Statement of Profit and Loss	Other comprehensive Income	Total
As at April 01, 2023	264.05	30,000.00	-	51,550.04	(232.86)	81,581.23
Profit for the year	-	-	-	12,106.70	-	12,106.70
Share based payment to employees	-	-	25.30	-	-	25.30
Other comprehensive income	-	-	-	-	(55.25)	(55.25)
Total comprehensive income	-	-	25.30	12,106.70	(55.25)	12,076.74
Dividends	-	-	-	2,159.88	-	2,159.88
Dividend distribution tax	-	-	-	-	-	-
As at March 31, 2024	264.05	30,000.00	25.30	61,496.85	(288.10)	91,498.09
Profit for the year	-	-	-	9,296.65	-	9,296.65
Share based payment to employees	-	-	278.42	-	-	278.42
Other comprehensive income	-	-	-	-	(23.60)	(23.60)
Total comprehensive income	-	-	278.42	9,296.65	(23.60)	9,551.47
Dividends	-	-	-	1,727.91	-	1,727.91
Dividend distribution tax	-	-	-	-	-	-
As at March 31, 2025	264.05	30,000.00	303.72	69,065.59	(311.70)	99,321.65

The accompanying notes form an integral part of Financial Statements

Description of the nature and purpose of Other Equity:

- (i) **Capital reserve:** Capital reserve mainly represents the amount of profit on reissue of shares.
- (ii) **General reserve:** General reserve comprises of transfer of profits from retained earnings for appropriation purposes. The reserve can be distributed/utilised by the Company in accordance with the Companies Act, 2013.
- (iii) **Retained earnings:** Retained earnings comprises of accumulated balance of profits/(losses) of current and prior years including transfers made to/from other reserves from time to time. The reserve can be utilized or distributed by the Company in accordance with the provisions of the Companies Act, 2013.
- (iv) **Employee stock option outstanding account:** Share option outstanding account represents reserve in respect of equity settled share options granted to the Company's employees in pursuance of the Employee Stock Option Plan.

As per our report of even date
For K.S. Rao & Co.,
Chartered Accountants
Firm Registration No.: 003109S

Hitesh Kumar. P
Partner
Membership No.: 233734

Place: Bengaluru
Date: May 13, 2025

For and on behalf of the Board of Directors of
V.S.T. Tillers Tractors Limited

V.T.Ravindra
DIN: 00396156
Managing Director

Antony Cherukara
Chief Executive Officer

Place: Bengaluru
Date: May 13, 2025

Rajen Padukone
DIN: 00262729
Director

Nitin Agrawal
Chief Financial Officer

Place: Bengaluru
Date: May 13, 2025

Chinmaya Khatua
ACS - 21759
Company Secretary

Consolidated Cash flow Statement

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
I Cash flow from operating activities:		
A. Profit before tax	12,046.03	15,516.39
B. Adjustment for:		
a. Depreciation and amortisation	2,547.69	2,700.59
b. Interest income from Investments	(68.44)	(148.24)
c. Dividend Income	(193.70)	(139.19)
d. Share of (profit)/loss of a Joint Venture	149.15	44.69
e. (Profit)/Loss on sale of PPE	7.18	9.91
f. Allowance for expected credit loss	88.20	441.96
g. Rent received	(246.85)	(220.58)
h. (Profit)/Loss on Sale of Investment	(335.60)	(419.86)
i. Provisions Written back	(119.29)	(169.78)
j. Unrealized foreign exchange (gain)/loss	13.70	8.37
k. Other Finance cost	177.77	199.21
l. Interest expense on security deposit	5.76	5.03
m. Interest income on security deposit	(0.70)	(0.54)
n. Deferred rental income on security deposits received	(5.91)	(5.35)
o. Unrealised (gain)/Loss on Investments	(2,468.59)	(4,641.23)
p. Amortisation of Prepaid lease rentals	0.71	0.53
q. Share based Payment to Employees	278.42	25.30
r. Finance cost on lease rentals	12.62	10.68
	11,888.15	13,217.89
C. Adjustment for movements in Working capital		
a. Trade payables, Other liabilities and Provisions (Net of fair value adjustment on deposits)	1,872.37	(2,606.51)
b. Trade receivables	(5,150.02)	(1,042.01)
c. Inventories	1,708.26	(989.45)
d. Financial and other current assets (Net of fair value adjustment on deposits)	(567.07)	(761.98)
D. Cash generated from Operations	9,751.69	7,817.95
Less: Direct taxes Paid (Net of refund)	(2,097.05)	(2,956.53)
Net cash flow from operating activities (I)	7,654.64	4,861.42
II Cash flows from investing activities		
a. Purchase of PPE, including CWIP and Capital Advance	(2,040.71)	(740.56)
b. Proceeds from sale of PPE	-	7.92
c. Redemption/maturity of bank deposits	(47.92)	1,415.51
d. Purchase of investments	(10,336.60)	(14,793.77)
e. Proceeds from sale of Investment/debenture	9,064.82	14,396.33
f. Interest received	45.42	218.65
g. Income from investment	193.70	139.19
h. Rent Received	246.85	220.58
Net cash flow from/ (used in) investing activities (II)	(2,874.44)	863.87

Consolidated Cash flow Statement

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
III Cash flows from financing activities		
a. Interest paid	(177.77)	(199.21)
b. Payment of Lease Liability	(124.97)	(90.95)
c. Dividends paid on equity shares	(1,727.91)	(2,159.88)
d. Proceeds from exercise of stock options	0.38	-
Net cash flow from/ (used in) financing activities (III)	(2,030.27)	(2,450.05)
IV Net Increase/(decrease) in cash and cash equivalents (I + II + III)	2,749.92	3,275.24
Cash and cash equivalents at the beginning of the period	4,367.09	1,091.85
V Cash and cash equivalents at the end of the year	7,117.01	4,367.09
VI Components of cash and cash equivalents:		
a. Cash on hand	-	-
b. With banks		
i. FD with Bank	2,401.00	2,845.00
ii. on current account	4,716.01	1,522.09
Total cash and cash equivalents	7,117.01	4,367.09
Reconciliation of Closing Cash and Cash Equivalents with Balance Sheet:		
Cash and Cash Equivalents as per Balance Sheet	7,117.01	4,367.09
Less: Temporary Overdraft Balance in Current Accounts	-	-
Cash and Cash Equivalents as per Cash Flow Statement	7,117.01	4,367.09

As per our report of even date
For K.S. Rao & Co.,
Chartered Accountants
Firm Registration No.: 003109S

Hitesh Kumar. P
Partner
Membership No.: 233734

Place: Bengaluru
Date: May 13, 2025

For and on behalf of the Board of Directors of
V.S.T. Tillers Tractors Limited

V.T.Ravindra
DIN: 00396156
Managing Director

Antony Cherukara
Chief Executive Officer

Place: Bengaluru
Date: May 13, 2025

Rajen Padukone
DIN: 00262729
Director

Nitin Agrawal
Chief Financial Officer

Chinmaya Khatua
ACS - 21759
Company Secretary

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

01. CORPORATE INFORMATION:

V.S.T. Tillers Tractors Limited ("VTTL" or "the Company") was incorporated on December 18, 1967 in Bangalore, India. It was promoted by the VST Group, a well-known business house in South India, in technical collaboration and joint venture with Mitsubishi Heavy Industries and Mitsubishi Corporation, Japan for the manufacture of Power Tillers and Diesel Engines. The plant went into production in the year 1970.

In 1984, an additional technical and financial collaboration with Mitsubishi Agricultural Machinery Company Ltd, Japan for the manufacture of 18.5 HP, 4-wheel drive Tractor was entered into.

The company was incorporated for the purpose of manufacture and to deal with Tractors, Tillers, Diesel Engines, Harvesters, Reapers, Binders, Transplanters/planters, Trench Cutters, Front end Loaders and all kinds of allied agricultural, plantation and horticultural machinery including attachments, components, accessories, spares & implements, and other equipment required for the satisfactory functioning of the agricultural equipment.

02. BASIS OF PREPARATION:

The consolidated financial statements of the Company and its joint venture are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the section 133 of the Companies Act ("the Act"), the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

These consolidated financial statements were approved by the Company's Board of Directors and authorized for issue on May 13, 2025.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments which have been measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below.

03. MATERIAL ACCOUNTING POLICIES:

a) Basis of consolidation:

Joint arrangements

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have the rights to the net assets of the arrangement. The results, assets and liabilities of a joint venture are accounted using the equity method of accounting. Where the Company's activities are conducted through joint operations (i.e. the parties have rights to the assets and obligation for liabilities relating to the arrangement),

the Company recognizes its share of assets, liabilities, income and expenses of such joint operations incurred jointly along with its share of income from the sale of output.

b) Significant accounting estimates and assumptions

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and the disclosures of contingencies at the end of each reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amounts of assets or liabilities affected in future periods.

Estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation of uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The assumptions and estimates were made by the Company based on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i. Impairment of non-current assets:

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposals and its value in use. The fair value less costs of disposal is calculated based on available data from binding sales transactions, conducted at arm's length price, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow ("DCF") model. The value in use is sensitive to the discount rate (generally weighted average cost of capital) used for the DCF model as well as the expected future cash-inflows and the growth rate used for exploration purposes.

ii. Defined Benefit Plans:

The present value of the gratuity obligation is determined using actuarial valuation. An actuarial

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, rate of increment in salaries and mortality rates. Due to complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All the assumptions are reviewed at each reporting date.

iii. Fair Value measurement of financial instruments:

When the fair values of financial assets and financial liabilities on reporting date cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques i.e., the DCF model. The inputs to these models are taken from observable markets.

iv. Contingencies:

Management judgement is required for estimating the possible inflow/outflow of resources, if any, in respect of contingencies/claim/litigations against the Company/by the Company as it is not possible to predict the outcome of pending matters with accuracy.

v. Property, Plant and Equipment:

Based on evaluations done by technical assessment team, the management has adopted the useful life and residual value of its Property, Plant and Equipment. Management believes that the assigned useful lives and residual value are reasonable.

vi. Intangibles:

Internal technical or user team assesses the useful lives of Intangible assets. Management believes that assigned useful lives are reasonable.

vii. Income Taxes:

Management judgment is required for the calculation of provision for income taxes and deferred tax assets/liabilities. The carrying amount of deferred tax assets/liabilities will be reviewed at each balance sheet date. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the consolidated financial statements.

viii. Provision for Warranty expenditure:

Due to the nature of the industry the Company and its joint venture operate in, warranty

expenditure needs to be incurred on regular basis. The Company applies rational judgement and past experience in determining the extent of provision to be created at the end of each reporting period.

c) Current Vs Non-current classifications:

The assets and liabilities are presented in the Consolidated Balance Sheet based on current/ non-current classification.

An asset is classified as current when it satisfies below criteria:

- i. Expected to be realized or is intended to be sold or consumed in the Company's normal operating cycle;
- ii. Held primarily for the purpose of trading;
- iii. Expected to be realized within twelve months after the reporting period; or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current assets.

A liability is classified as current when it satisfies below criteria:

- i. Expected to settle the liability in the Company's normal operating cycle;
- ii. Held primarily for the purpose of trading;
- iii. Due to be settled within twelve months after the reporting period; or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current liabilities.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

d) Property, Plant and Equipment:

Property, Plant and Equipment are stated at cost net of GST input credit, less accumulated depreciation and

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

impairment losses if any. Cost comprises the purchase price, any attributable cost of bringing the asset to its working condition for its intended use and cost of borrowing till the date of capitalization in the case of assets involving material investment and substantial lead time.

The Company adopted cost model as its accounting policy, in recognition of the Property, Plant and Equipment and recognizes the transaction value as the cost.

Direct expenditure incurred and other attributable costs on projects under construction or in the process of installation are termed as Capital work in progress and shown at cost in the Consolidated Balance Sheet.

Depreciation is provided on the straight-line method as per the useful life prescribed in the schedule II to the Companies Act, 2013 except in respect of the following categories of assets in whose case the life of certain assets has been assessed based on technical advice taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, maintenance supports etc.

Estimated useful life of the assets are as follows:

Type of the Asset	Method of Depreciation	Useful life considered
Buildings	Straight line Method	3 - 60 Years
Plant and Machinery	Straight line Method	2 - 15 Years
Data processing equipment	Straight line Method	3 - 6 Years
Furniture and fixtures	Straight line Method	5 - 10 Years
Vehicles	Straight line Method	8 Years
Office Equipment	Straight line Method	5 Years

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the Consolidated Statement of Profit and Loss. Property, Plant and Equipment which are found to be not usable or retired from active use or when no further benefits are expected from their

use are removed from the books of account and the carrying value if any is charged to the Consolidated Statement of Profit and Loss.

Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of all its Property, Plant, and Equipment recognized as at March 31, 2016 measured as per Previous GAAP as the deemed cost of Property Plant and Equipment.

e) Intangible Assets:

Intangible assets are carried at cost, net of accumulated amortization expenses and impairment losses, if any. The cost of an intangible asset comprises of purchase price and attributable expenditure on making the asset ready for its intended use.

Computer software:

Costs incurred towards purchase of computer software are amortized over the useful life as estimated by the Management, which is about 3 years for all of the intangible computer software assets.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the Consolidated Statement of Profit and Loss when the asset is derecognized.

f) Investment Properties:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefit associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

Investment properties are depreciated using the straight – line method over their estimated useful lives. The estimated useful life of buildings, classified as investment properties, ranges from 30 - 60 years. The useful life has been determined based on technical evaluation performed by the management's expert.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their use. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the Consolidated Statement of Profit and Loss in the period of derecognition.

g) Impairment of tangible and intangible assets:

- The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using appropriate discounting factor. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- When there is an indication previously recognized impairment losses no longer exists or may have decreased such reversal of impairment loss is recognized in the Consolidated Statement of Profit and Loss.

h) Borrowing Cost:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in the Consolidated Statement of Profit and Loss in the period in which they are incurred.

i) Leases:

The Company assesses a contract at inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company as a Lessee:

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-Use Assets:

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

The right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Lease Liabilities:

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments included in the measurement of the lease liability include fixed payments (including in substance fixed payments), variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

balance of the liability. Finance charges are recognized in finance costs in the Consolidated Statement of Profit and Loss.

In the case of a short-term lease contract and lease contracts for which the underlying asset is of low value, lease payments are charged to the Consolidated Statement of Profit and Loss on accrual basis.

j) Inventories:

i. Stock-in-Trade:

Stock-in-Trade is stated at the lower of cost and net realizable value. Net realizable value represents the estimated selling price of inventories less estimated costs of completion and costs necessary to make the sale. Cost is determined on weighted Average basis.

ii. Stores and Spares:

Spare parts, stand-by equipment and servicing equipment are recognized in accordance with Ind AS 16 when they meet the definition of Property, Plant and Equipment. Otherwise, such items are classified as inventory. Spare parts, stand-by equipment and servicing equipment classified as inventory are stated at the lower of cost or net realizable value. Cost is determined on Weighted Average basis.

k) Fair Value Measurement:

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received on selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or the liability if market participants would take those characteristics into account when pricing the asset or the liability at the measurement date. Fair value for measurement and / or disclosure purpose in these consolidated financial statements is determined on such basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value, such as net realizable value in Ind AS 2, or value in use in Ind AS 36.

In addition, for financial reporting purpose, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value

measurement are observable and the significance of the inputs to the fair value measurement in its entirety.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted market prices) in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurements is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

l) Revenue recognition:

i. Revenue from operations:

Revenue is recognized only when it can be reliably measured, and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods and services, net of Goods and Service Tax (GST) and trade discounts, cash discounts and other discounts.

ii. Interest and dividend:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income is recognized when the right to receive payment is established by the balance sheet date.

iii. Rental income:

Rental income is recognized on accrual basis, based on agreements entered by the company as on the reporting date.

m) Foreign currency transactions:

In preparing the consolidated financial statements, transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when fair value is

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognized in the Consolidated Statement of Profit and Loss in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

n) Retirement and other employee benefits:

i. Employer's contribution to Provident Fund, Employee State Insurance and Labour Welfare Fund which is in the nature of defined contribution scheme is expensed off when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

ii. Gratuity liability is in the nature of defined benefit obligation. The Company's Plant Assets comprise of Gratuity fund maintained by Life Insurance Corporation of India and liability is provided based on independent actuarial valuation on projected unit credit method made at the end of each reporting period as per the requirements of Ind AS 19 on "Employee Benefits".

Actuarial gain/(loss) in the valuation are recognized as other comprehensive income for the period.

iii. Compensated absences which are in the nature of defined benefit obligation are provided for based on estimates and provided for on the basis of independent actuarial valuation on projected unit credit method made at the end of each financial year as per the requirements of Ind AS 19 on "Employee Benefits".

iv. Share based payments to employees:

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of the number of equity instruments that will eventually vest, with a corresponding increase in equity.

v. Termination Benefits:

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts

voluntary redundancy in exchange for those benefits. The company recognizes the termination benefits at the earlier of the following dates:

- when the company no longer withdraw the offer of those benefits and
- when the company recognizes the costs for a restructuring that is within the scope of Ind AS 37 and involves payment of termination benefits.

o) Earnings per share:

Basic earnings per share are calculated by dividing the profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p) Provisions:

Provisions are recognized when there is a present legal or constructive obligation that can be estimated reliably, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognized for future operating losses.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset. However, this asset may not exceed the amount of the related provisions.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provisions are reversed. Where the effect of the time of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provisions due to the passage of time is recognized as a finance cost.

q) Contingencies:

Where it is not probable that an inflow or an outflow of economic resources will be required, or the amount

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

cannot be estimated reliably, the asset or the obligation is not recognized in the Consolidated Balance Sheet and is disclosed as a contingent asset or contingent liability, unless the probability of inflow or outflow of economic benefits is remote. Possible outcomes on obligations/ rights, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets or contingent liabilities unless the probability of inflow or outflow of economic benefits is remote.

r) Taxes on Income:

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Current tax includes taxes to be paid on the profit earned during the year and for the prior periods.

Deferred income taxes are provided based on the balance sheet approach considering the temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carried forward tax losses, all deferred tax assets are recognized only if it is probable that they can be utilized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company can write-off the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-off is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.

s) Prior period items:

In case prior period adjustments are material in nature the Company prepares the restated financial statement as required under Ind AS 8 - "Accounting Policies, Changes in Accounting Estimates and Errors". In case of immaterial items pertaining to prior periods, they will

be shown under respective items in the Consolidated Statement of Profit and Loss.

t) Cash and cash equivalents:

Cash and cash equivalents includes cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investment with original maturities of three months or less that are readily convertible to a known amount of cash as are subject to an insignificant risk of changes in value and are held for meeting short-term cash commitments.

For the Consolidated Statement of Cash Flows, cash and cash equivalents consists of short-term deposits, as defined above, net of outstanding bank overdraft (if any) as they being considered as integral part of the Company's cash management.

u) Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets:

A. Initial recognition and measurement:

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

B. Subsequent measurement:

For subsequent measurement, financial assets are classified into following categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through profit and loss
- Equity instruments at fair value through profit and loss

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

a. Debt Instruments at amortized cost:

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in profit or loss. The losses arising from impairment are recognized in the Consolidated Statement of Profit and Loss.

b. Debt instrument at fair value through profit and loss (FVTPL):

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Consolidated Statement of Profit and Loss.

c. Equity Instruments at fair value through profit and loss (FVTPL):

Equity instruments/Mutual funds in the scope of Ind AS 109 are measured at fair value. The classification is made on initial recognition and is irrevocable. Subsequent changes in the fair values at each reporting date are recognized in the Consolidated Statement of Profit and Loss.

C. Derecognition:

A financial asset or where applicable, a part of a financial asset is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement.

D. Impairment of financial assets:

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the debt instruments, that are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

Expected credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive.

The management uses a provision matrix to determine the impairment loss on the portfolio of trade and other receivables. Provision matrix is based on its historically observed expected credit loss rates over the expected life of the trade receivables and is adjusted for forward looking estimates.

Expected credit loss allowance or reversal recognized during the period is recognized as income or expense, as the case may be, in the

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

Consolidated Statement of Profit and Loss.. In case of Consolidated Balance Sheet, it is shown as reduction from the specific financial asset.

Financial liabilities:

A. Initial recognition and measurement:

At initial recognition, all financial liabilities are recognized at fair value and in the case of loans, borrowings and payables, net of directly attributable transaction costs.

B. Subsequent measurement:

a. Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gain or losses on liabilities held for trading are recognized in the Consolidated Statement of Profit and Loss.

The company doesn't designate any financial liability at fair value through profit or loss.

b. Financial liabilities at amortized cost:

Amortized cost, in case of financial liabilities with maturity more than one year, is calculated by discounting the future cash flows with effective interest rate. The effective interest rate amortization is included as finance costs in the Consolidated Statement of Profit and Loss.

Financial liability with maturity of less than one year is shown at transaction value.

C. Derecognition:

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in Consolidated Statement of Profit and Loss, as other income or finance costs.

v) Warranty:

The Company periodically assesses and provides for the estimated liability on warranty given on sale of its products based on past experience of claims.

w) Segment reporting:

The Company and its joint venture has only one reportable business segment, which is manufacturing and trading of agriculture machinery and operates in a single business segment. Accordingly, the amounts appearing in the consolidated financial statements relate to the Company's and its joint venture's single business segment.

x) Exceptional items:

Significant gains/losses or expenses incurred arising from external events that is not expected to recur are disclosed as 'Exceptional Item'.

y) Recent Pronouncements:

Ministry of Corporate affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2025, MCA has notified Ind AS117 Insurance Contracts and amendments to Ind As 116 - Leases, relating to sale and lease back transactions applicable from April 1, 2024. The Company has assessed that there is no significant impact on its financial statements

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

4(A) PROPERTY PLANT AND EQUIPMENT

Particulars	Land	Buildings	Plant & Machinery	Computer Equipments	Office Equipments	Vehicles	Furniture & Fixtures	Total
Gross Block								
At April 01, 2023	4,889.26	9,551.45	21,017.31	943.80	288.16	284.97	294.15	37,269.10
Additions	-	85.68	1,226.59	35.66	5.56	162.95	11.74	1,528.18
Disposals	-	-	17.92	-	-	20.21	-	38.13
At March 31, 2024	4,889.26	9,637.12	22,225.98	979.46	293.73	427.70	305.90	38,759.14
Additions	-	101.40	876.83	17.16	33.05	253.95	24.90	1,307.30
Disposals	-	-	56.83	-	-	-	-	56.83
At March 31, 2025	4,889.26	9,738.53	23,045.98	996.62	326.78	681.66	330.79	40,009.61
Accumulated Depreciation								
At April 01, 2023	-	2,954.44	10,125.74	831.62	220.92	90.11	178.97	14,401.80
Charge for the year	-	312.51	1,758.97	48.67	24.95	44.50	28.19	2,217.79
Disposals	-	-	10.13	-	-	10.16	-	20.29
At March 31, 2024	-	3,266.95	11,874.58	880.29	245.87	124.45	207.16	16,599.30
Charge for the period	-	307.95	1,828.04	51.08	20.49	82.07	24.91	2,314.55
Disposals	-	-	49.65	-	-	-	-	49.65
At March 31, 2025	-	3,574.90	13,652.97	931.37	266.37	206.53	232.07	18,864.20
Net Block								
At March 31, 2024	4,889.26	6,370.17	10,351.40	99.17	47.86	303.25	98.74	22,159.85
At March 31, 2025	4,889.26	6,163.63	9,393.01	65.25	60.41	475.13	98.72	21,145.41

4(B) CAPITAL WORK -IN-PROGRESS

	As at March 31, 2025	As at March 31, 2024
Capital Work In progress	1,006.30	524.40
	1,006.30	524.40

Refer Note 50(A)

4(C) RIGHT-OF-USE ASSETS

Particulars	Lease hold Land	Leasehold Assets	Total
Gross Block			
At April 01, 2023	329.37	267.07	596.44
Additions	-	26.89	26.89
Disposals	-	-	-
At March 31, 2024	329.37	293.96	623.33
Add: Additions	-	173.30	173.30
Less: Disposals	-	-	-
At March 31, 2025	329.37	467.26	796.63
Accumulated Depreciation			
At April 01, 2023	6.66	86.85	93.51
Charge for the year	3.33	79.18	82.51
Disposals	-	-	-
At March 31, 2024	9.99	166.03	176.02
Charge for the period	3.33	114.65	117.97
Disposals	-	-	-
At March 31, 2025	13.32	280.68	293.99
Net Block			
At March 31, 2024	319.38	127.93	447.31
At March 31, 2025	316.05	186.59	502.64

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

5 INVESTMENT PROPERTY

	Land	Buildings	Total
Gross Block			
At April 01, 2023	1,389.18	1,020.44	2,409.62
Additions	-	-	-
Less: Disposals	-	-	-
At March 31, 2024	1,389.18	1,020.44	2,409.62
Additions	-	-	-
Less: Disposals	-	-	-
At March 31, 2025	1,389.18	1,020.44	2,409.62
Accumulated Depreciation			
At April 01, 2023	-	225.40	225.40
Charge for the year	-	28.17	28.17
Disposals	-	-	-
At March 31, 2024	-	253.57	253.57
Charge for the period	-	28.17	28.17
Disposals	-	-	-
At March 31, 2025	-	281.73	281.73
Net Block			
At March 31, 2024	1,389.18	766.87	2,156.05
At March 31, 2025	1,389.18	738.71	2,127.89

6 OTHER INTANGIBLE ASSETS

	Technical Knowhow	Software	Total
Gross Block			
At April 01, 2023	1,407.40	709.07	2,116.47
Add: Additions	-	15.83	15.83
Less: Disposals	-	-	-
At March 31, 2024	1,407.40	724.90	2,132.30
Add: Additions	-	98.76	98.76
Less: Disposals	-	-	-
At March 31, 2025	1,407.40	823.66	2,231.06
Amortisation			
At April 01, 2023	1,075.93	456.43	1,532.35
Add: Charge for the period	235.28	136.85	372.13
Less: Disposals	-	-	-
At March 31, 2024	1,311.21	593.28	1,904.49
Add: Charge for the period	28.32	58.68	87.00
Disposals	-	-	-
At March 31, 2025	1,339.53	651.95	1,991.48
Net Block			
At March 31, 2024	96.19	131.62	227.81
At March 31, 2025	67.87	171.70	239.58

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

7 FINANCIAL ASSETS - INVESTMENTS

Particulars	As at March 31, 2025	As at March 31, 2024
Investments consists of the following		
Non - Current Investments		
a) Investments carried at fair value through profit or loss		
- Fully paid Equity shares (unquoted)	876.20	875.06
- Convertible Preference shares (Zimeno Inc)	2,304.77	2,304.77
b) Investments carried at Amortised Cost		
- Non Convertible Debentures	-	500.00
c) Investments in Joint Venture at Cost		
- VST Zetor Private Limited	969.00	969.00
Add/(less): Share of profit/(Loss) from Joint venture	(193.85)	(44.69)
	775.15	924.31
	3,956.12	4,604.14
Current Investments		
a) Investments carried at fair value through profit or loss		
- Fully paid Equity shares (quoted)	6,982.28	5,820.21
- Mutual funds (quoted)	41,388.12	37,975.36
	48,370.40	43,795.57
Aggregate amount of Quoted Investments and market value thereof	48,370.40	43,795.57
Aggregate amount of Un-Quoted Investments	3,956.12	4,604.14

Refer Note 33

8 FINANCIAL ASSETS - LOANS

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured Loans consists of the following		
Non - Current		
Considered , good		
- Loans to employees	4.14	6.35
	4.14	6.35
Current		
Considered , good		
- Loans to employees	9.07	7.27
	9.07	7.27

9 FINANCIAL ASSETS - OTHERS

Particulars	As at March 31, 2025	As at March 31, 2024
Other financial assets consists of the following		
Non - Current		
a) Deposits with maturity more than 12 months	14.14	1.50
b) Security Deposits	306.30	224.89
	320.44	226.39
Current		
a) Income Accrued but not due	49.73	26.71
b) Other Recievables	52.50	-
	102.23	26.71

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

10 CURRENT TAX ASSET (NET)

Particulars	As at March 31, 2025	As at March 31, 2024
Current tax asset (net)	1,475.01	1,962.46
	1,475.01	1,962.46

11 OTHER ASSETS

Particulars	As at March 31, 2025	As at March 31, 2024
Non - Current		
a) Capital advances	314.86	162.11
b) Prepaid Lease Rentals	0.59	0.27
	315.45	162.38
Current		
a) Advance to suppliers	414.60	285.90
b) Advances to employees	9.67	12.11
c) Prepaid expense	369.15	289.71
d) Pre-paid Lease Rentals	0.54	0.46
e) Indirect tax recoverable	8,040.98	7,825.44
	8,834.94	8,413.62

12 INVENTORIES

Particulars	As at March 31, 2025	As at March 31, 2024
a) Raw material and Components	6,374.72	6,325.92
b) Work-in-Progress	1,234.61	1,150.56
c) Finished Goods	1,184.56	3,232.84
d) Stock in Trade	884.67	748.60
e) Loose Tools	274.30	207.99
f) Machinery Spares and Others	119.19	114.41
	10,072.05	11,780.31

13 TRADE RECEIVABLES

Particulars	As at March 31, 2025	As at March 31, 2024
a) Secured, Considered Good	2,695.74	2,369.23
b) Unsecured, Considered Good	17,868.51	13,146.91
c) Unsecured, Considered Doubtful	3,313.69	3,231.93
Total	23,877.94	18,748.06
Less: Allowance for Expected credit loss	3,313.69	3,231.93
Trade Receivables (Net)	20,564.25	15,516.13

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

14 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2025	As at March 31, 2024
a) Balances with Banks		
- In Current Accounts	4,716.01	1,522.09
- Deposits with original maturity of less than 3 months	2,401.00	2,845.00
b) Cash on Hand	-	-
	7,117.01	4,367.09

15 OTHER BANK BALANCES

Particulars	As at March 31, 2025	As at March 31, 2024
a) Earmarked balances with banks (Unpaid dividend & Unspent CSR Exp)	168.77	160.84
b) Marginal money deposits *	185.41	145.42
c) Deposit with Banks	-	-
	354.18	306.26

* Margin money deposits are held with banks against letters of credit and bank guarantees and are not available for general use.

16 SHARE CAPITAL

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Authorised:		
1,00,00,000 Equity Shares of ₹10/- each.	1,000.00	1,000.00
(b) Issued, Subscribed and Paid-up :		
86,43,358/- Equity Shares of ₹10/- each paid up.	864.34	863.95

(c) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As at March 31, 2025		As at March 31, 2024	
	Nos.	Amount	Nos.	Amount
Equity Shares				
At the beginning of the period	8,639,528	863.95	8,639,528	863.95
Movement during the period	3,830	0.38	-	-
At the end of the year	8,643,358	864.34	8,639,528	863.95

(d) Terms / Rights attached to equity shares

- The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share.
- In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

(e) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2025		As at March 31, 2024	
	Nos.	% Holding	Nos.	% Holding
Equity shares of ₹10/- each fully paid				
V.K.Surendra	1,934,534	22.38%	1,934,534	22.39%
V.V.Vijayendra	626,012	7.24%	626,012	7.25%
Nippon Life India Trustee Ltd	720,083	8.33%	602,009	6.97%
Kotak Small Cap Fund	696,258	8.06%	429,323	4.97%
	3,976,887	46.01%	3,591,878	41.57%

Includes all schemes under their management as per records of the company, including its register of shareholders/ members, the above shareholding represent legal ownership of shares.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

17 OTHER EQUITY

Particulars	As at March 31, 2025	As at March 31, 2024
(A) Capital Reserve :		
Opening Balance	264.05	264.05
Closing Balance	264.05	264.05
(B) General Reserve		
Opening Balance	30,000.00	30,000.00
Closing Balance	30,000.00	30,000.00
(C) Balance in Statement of Profit and Loss		
Opening Balance	61,496.85	51,550.04
Add: Profit/(loss) for the period	9,296.65	12,106.70
	70,793.50	63,656.74
Less: Appropriations		
Dividend on Equity Share	1,727.91	2,159.88
	69,065.59	61,496.85
(D) Employee Stock Option Plan		
VST RSU Plan	303.71	25.30
(E) Other comprehensive income		
On Actuarial Gain/(loss) on post employment benefits		
At the beginning of the period	(288.10)	(232.86)
Add: Actuarial Gain/(loss) for the period	(23.60)	(55.25)
At the end of the period	(311.70)	(288.10)
Closing Other Equity	99,321.65	91,498.09

18 LEASE LIABILITIES

Particulars	As at March 31, 2025	As at March 31, 2024
Non-Current		
a) Lease liabilities	106.45	53.33
	106.45	53.33
Current		
a) Lease liabilities	89.95	82.12
	89.95	82.12

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

19 FINANCIAL LIABILITIES - OTHERS

Particulars	As at March 31, 2025	As at March 31, 2024
Other financial liabilities consists of the following		
Non-Current		
a) Dealer Deposits	4,048.78	4,064.06
b) Rental Deposits	100.47	77.13
	4,149.25	4,141.19
Current		
a) Unclaimed Dividends	60.62	60.84
b) Rental Deposits	18.00	37.80
c) Outstanding expense	4,102.38	3,641.09
d) Incentives and marketing expenses payable	724.16	650.57
e) Employee cost payable	591.66	526.69
f) CSR Payable	97.62	97.62
	5,594.44	5,014.61

20 PROVISIONS

Particulars	As at March 31, 2025	As at March 31, 2024
Non - Current		
a) Provision for gratuity	510.32	360.40
b) Provision for leave benefits	386.04	323.45
	896.36	683.84
Current		
a) Provision for leave benefits	92.20	88.23
b) Provision for warranty	251.88	169.72
	344.08	257.95

21 DEFERRED TAX BALANCES

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax assets		
a) Employee Benefits	317.00	330.00
b) Allowance for expected credit losses	858.00	842.00
	1,175.00	1,172.00
Deferred tax liabilities		
a) Property Plant and Equipment & Intangible Assets	680.00	678.00
b) Fair valuation of financial assets	1,348.01	1,190.07
	2,028.01	1,868.07
Net Deferred tax liability /(Assets)	853.01	696.07

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

22 OTHER LIABILITIES

Particulars	As at March 31, 2025	As at March 31, 2024
Non-Current		
a) Deferred Rental Income	5.97	10.44
	5.97	10.44
Current		
a) Statutory dues	3,629.04	2,780.53
b) Deferred Rental Income	5.76	4.98
c) Advance Received-Customers	776.51	712.18
	4,411.31	3,497.69

23 TRADE PAYABLES

Particulars	As at March 31, 2025	As at March 31, 2024
- Total outstanding dues of micro enterprises and small enterprises	3,378.45	3,662.07
- Total outstanding dues of creditors other than micro enterprises and small enterprises	6,501.85	6,228.75
	9,880.30	9,890.82

24 REVENUE FROM OPERATIONS

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
a) Sale of Products	98,516.52	95,581.46
b) Sale of Services	466.41	730.16
c) Other Operating Revenues	471.94	493.16
Total Income from Operations	99,454.87	96,804.78

25 OTHER INCOME

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
a) Dividend	193.70	139.19
b) Income from Investment		
i. Change in Fair Value	2,468.59	4,641.23
ii. Gain on Sale of Investments	335.60	419.86
c) Rent Received		
i. Rental Income	246.85	220.58
ii. Deferred Rental Income	5.91	5.35
d) Interest Income		
i. On Financial Assets measured at Amortized Cost	45.08	86.91
ii. Others	166.33	131.34
e) Insurance claims	41.24	75.56
f) Sundry credit balances written back	119.29	169.78
g) Gain on Foreign Exchange Fluctuations (Net)	97.41	70.30
h) Bill Discounting	94.82	66.98
i) Miscellaneous Income	16.17	31.22
	3,830.99	6,058.29

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

26 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND TRADING GOODS

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
a) Inventory at the beginning of the period		
- Finished goods	3,232.84	2,278.47
- Stock in Trade	748.60	888.60
- Work in progress	1,150.56	1,234.12
	5,132.00	4,401.19
b) Inventory at the end of the period		
- Finished goods	1,184.56	3,232.84
- Stock in Trade	884.67	748.60
- Work in progress	1,234.61	1,150.56
	3,303.85	5,132.00
(Increase)/Decrease in Inventory	1,828.15	(730.81)

27 EMPLOYEE BENEFIT EXPENSES

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
a) Salaries, Wages and Bonus	8,905.03	7,882.27
b) Contribution to Funds	462.70	395.80
c) Share based payments to employees	278.42	25.30
d) Welfare Expenses	431.25	324.51
	10,077.40	8,627.87

28 FINANCE COST

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
a) Interest expense on Lease Liability	12.62	10.68
b) Interest expense on Financial Liabilities measured at Amortized Cost	5.76	5.03
c) Other interest expenses	177.78	199.21
	196.16	214.92

29 DEPRECIATION AND AMORTISATION EXPENSES

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
a) Depreciation on Property, Plant and Equipment	2,314.55	2,217.79
b) Amortisation on Other intangible Assets	87.00	372.13
c) Depreciation on Right of use Assets	117.97	82.51
d) Depreciation on Investment Property	28.17	28.17
	2,547.69	2,700.59

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

30 OTHER EXPENSES

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
a) Power and Fuel	427.51	432.14
b) Stores & Tools Consumed	623.93	591.04
c) Warranty Expenses	200.05	143.49
d) Consultancy and Legal Charges	1,366.70	1,283.03
e) Payment to Statutory Auditors (excluding GST)		
- Audit Fee	30.50	25.50
- Tax Audit Fee	5.00	5.00
- Reimbursement of expenses	2.85	2.34
f) Fees, Rates and Taxes	101.03	79.14
g) Directors sitting fees	36.50	61.50
h) Insurance	110.26	210.20
i) Rental expenditure		
- Rent	79.50	88.91
- Amortisation of Lease Rental	0.71	0.53
j) Warehousing Services	188.37	170.92
k) Repairs and maintenance		
- IT Expense	600.92	481.45
- Machinery	273.85	344.01
- Buildings	81.71	85.84
- Others	57.12	48.20
l) Research and Development	130.32	131.30
m) Bank Charges	26.32	44.35
n) Travelling and Conveyance	1,331.55	1,106.06
o) Communication expenses	93.47	101.70
p) Advertisement & Promotion	457.42	766.19
q) Freight and Distribution	2,265.73	2,279.51
r) Selling Expenses	566.84	303.10
s) Service Expenses	262.06	238.10
t) Allowance for expected credit loss	88.20	441.96
u) Loss on sale of assets	7.18	9.91
v) CSR Expenditure	221.85	217.62
w) Miscellaneous Expenses	282.47	315.40
	9,919.92	10,008.43

31 OTHER COMPREHENSIVE INCOME

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Actuarial Gain/(Losses) on Gratuity Expense for the period	(31.54)	(73.83)
Taxes on above	7.94	18.58
	(23.60)	(55.25)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

32 EARNINGS PER EQUITY SHARE

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Profit for the period attributable to equity share holders	9,296.65	12,106.70
Weighted average number of equity shares of ₹ 10/-each - basic	86.40	86.40
Weighted average number of equity shares of ₹ 10/-each - diluted	86.54	86.41
Earnings per equity share (Basic)	107.60	140.13
Earnings per equity share (Diluted)	107.43	140.10

33 FINANCIAL ASSETS (INVESTMENTS)

S. No	Particulars	Face value (Amt in ₹)	As at March 31, 2025		As at March 31, 2024	
			No. of Shares/units	Fair Value	No. of Shares/units	Fair Value
	As per Statements					
	Non-Current Investments:					
	I. Investment in Equity instruments (unquoted)					
1	MHI - VST Diesel Engines Private Limited	10	4,150,000	876.20	4,150,000	875.06
	II. Investment in Preference Shares					
	Investment in preference shares (unquoted)					
1	Investment In Zimeno Inc (Monarch)		414,477	2,304.77	414,477	2,304.77
	III. Investment in Non-Convertible Debentures					
1	VST Motors Private Limited	100,000	-	-	500	500.00
	IV. Investment in Equity instruments of Joint Venture (unquoted)					
1	VST Zetor Private Limited	10	9,690,000	775.15	9,690,000	924.31
	Total of Non-Current Investments (I+II+III+IV)			3,956.12		4,604.14
	Current Investments:					
	I. Investment in Equity Shares					
	Investments in Equity Instruments (trade -quoted)					
1	Rane Holdings Limited	10	50,000	637.93	50,000	538.85
2	Asian Paints Limited	1	6,000	140.44	6,000	170.81
3	Infosys Limited	5	33,500	526.17	28,000	419.45
4	Larsen and Toubro Limited	2	20,000	698.46	17,000	639.86
5	Sundaram Finance Limited	10	20,000	914.89	20,000	827.74
6	Tata Consultancy Services Limited	1	14,500	522.89	12,000	465.16
7	Cipla Limited	2	24,000	346.13	17,000	254.48
8	Pidilite Industries Limited	1	8,900	253.59	8,900	268.31
9	Housing Development Finance Corporation Ltd	2	16,800	307.14	16,800	243.25
10	HDFC Life Insurance Company Limited	10	20,000	137.14	20,000	126.67
11	ICICI Bank Limited	2	43,000	579.79	35,000	382.66
12	Kotak Mahindra Bank Limited	5	15,000	325.68	15,000	267.83
13	Mphasis Limited	10	7,000	175.01	4,000	95.52
14	Hindustan Unilever Limited	1	17,000	384.00	14,000	317.01
15	ITC Limited	1	40,000	163.90	40,000	171.34
16	Colgate-Palmolive (India) Limited	1	9,000	215.08	9,000	243.93
17	Tata Consumer Products Limited	1	30,000	300.57	20,000	219.24
18	Reliance Industries	10	15,000	191.27	-	-

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for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

S. No	Particulars	Face value (Amt in ₹)	As at March 31, 2025		As at March 31, 2024	
			No. of Shares/units	Fair Value	No. of Shares/units	Fair Value
19	State Bank of India	1	20,000	154.30	-	-
20	ITC Hotels Ltd	1	4,000	7.90	-	-
	Total I			6,982.28		5,652.10
	II. Investment in Units of Trust (trade-quoted)					
1	Powergrid Infrastructure Investment Trust	100	-	-	177,500	168.11
2	Embassy Office Parks REIT	300	-	-	-	-
	Total II					168.11
	III. Investment in Mutual Funds (trade-quoted)					
	<i>(a) Investments in Debt Mutual funds</i>					
1	Aditya Birla Sun Life Savings Fund - Regular Plan		23,888	128.36	23,888	119.11
2	Axis Corporate Debt Fund - Regular Growth(CO-GP)		1,098,545	183.24	1,098,545	169.14
3	Axis Short term Fund		-	-	7,008,260	1,954.81
4	Franklin India Credit Risk Fund		-	-	-	-
5	Franklin India Dynamic Accrual Fund		-	-	-	-
6	HDFC Floating Rate Debt Fund Short Term Plan-Growth		5,867,649	2,865.52	5,867,649	2,645.36
7	HDFC Short term Debt Fund - Regular Plan - Growth		4,076,446	1,276.31	4,076,446	1,177.50
8	HDFC Ultra Short Term Fund - Regular Growth		49,750,701	7,400.07	49,750,701	6,889.03
9	ICICI Prudential Money Market Fund - Growth		-	-	-	-
10	ICICI Prudential Savings Fund-Growth		448,716	2,388.18	448,716	2,214.51
11	IDFC Corporate Bond Fund Regular Plan-Growth		-	-	-	-
12	IDFC Low Duration Fund-Growth		-	-	-	-
13	Kotak Low Duration Fund Standard Growth		-	-	63,888	1,950.05
14	Nippon India Money Market Fund - Growth Plan Growth Option		87,196	3,549.68	121,118	4,577.34
15	SBI Magnum Ultra Short Duration Fund-Growth		27,545	1,615.62	27,545	1,504.22
16	Hsbc Ultra Short Duration Fund		140,378	1,865.67	140,378	1,736.61
17	HDFC Liquid Fund - Regular Plan -Growth		43,489	2,191.84	36,326	1,706.56
18	HDFC Overnight Fund		14,761	553.71	11,363	400.31
19	Kotak Liquid Fund Regular Plan Growth		25,129	1,304.61		
	Sub-Total (a)			25,322.82		27,044.55
	<i>(b) Investments in Equity Mutual funds</i>					
1	Aditya BSL MNC Fund		-	-	-	-
2	Axis Flexi multi Cap Fund - Regular Growth		902,334	220.17	902,334	202.21
3	Canara Robeco Flexi Cap Fund - Regular Growth(DVGP)		144,637	448.03	144,637	419.35
4	DSP Flexi Cap Fund - Regular Plan - Growth		715,344	687.47	715,344	605.20
5	Franklin India Smaller Companies Fund - Growth		298,846	453.16	298,846	440.30
6	Franklin India Bluechip Fund		-	-	-	-
7	HDFC Flexi Cap Fund- Growth		66,259	1,223.29	55,751	895.19
8	HDFC Large and Mid Cap Fund-Reg-Growth		150,375	466.16	150,375	432.63
9	HDFC Small Cap Fund		651,043	789.73	651,043	765.98
10	ICICI Prudential Blue Chip Fund		889,926	915.91	889,926	855.57
11	ICICI Prudential Value Discovery Fund - Growth		69,686	304.52	69,686	274.98
12	Kotak Blue Chip Fund		38,965	206.67	38,965	191.44
13	Kotak Eq. Opportunities-Gr Reg Plan		-	-	-	-

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

S. No	Particulars	Face value (Amt in ₹)	As at March 31, 2025		As at March 31, 2024	
			No. of Shares/ units	Fair Value	No. of Shares/ units	Fair Value
14	Kotak Equity Saving Fund		10,433,227	2,598.76	2,415,128	566.78
15	Kotak Flexi Cap Fund-Regular Growth		1,078,445	834.38	1,078,445	770.33
16	SBI Large & Mid Cap Fund Regular Growth		138,707	792.33	138,707	712.54
17	Black Rock India Enhanced		4,249,300	901.57	2,819,779	539.85
18	NIPPON INDIA FLEXI CAP FUND - GROWTH PLAN		2,573,520	392.22	1,402,570	202.17
19	Kotak Multicap Fund Regular Plan - Growth		2,313,395	395.41	1,295,375	211.28
20	HSBC Value Fund - Regular Growth		399,109	392.66	221,325	202.48
21	Tata Flexicap Fund - Regular Plan - Growth		922,310	205.20	922,310	186.56
22	IDFC Core Equity fund- Growth		150,128	182.79		
23	HSBC Equity Savings fund		3,265,575	1,018.28		
	Sub-Total (b)			13,428.72		8,474.83
	<i>(c) Investments in Arbitrage Mutual funds</i>					
1	HDFC Arbitrage Fund-Growth		1,091,179	329.11	1,091,179	306.48
2	IDFC Arbitrage Fund-Growth		1,963,155	627.15	1,963,155	584.48
3	Kotak Equity Arbitrage Fund		1,899,189	700.49	1,899,189	651.51
4	Nippon India Arbitrage Fund - Growth Plan		1,280,539	334.74	1,280,539	312.40
5	SBI Arbitrage Opportunities Fund - Regular Plan		1,939,767	645.09	1,939,767	601.11
	Sub-Total (c)			2,636.58		2,455.98
	Total of Investment in Mutual Funds III (a+b+c)			41,388.12		37,975.36
	Grand total of Current Investments (I+II+III)			48,370.40		43,795.57
	Total Investments			52,326.52		48,399.71

34. RETIREMENT BENEFIT OBLIGATIONS

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A. Defined Contribution Plan (Expenses):		
Contribution to Provident Fund	343.04	305.76
Contribution to Employee State Insurance	1.18	4.08
Contribution to Labor Welfare Fund	0.31	0.31
B. Defined Benefit Plans (Gratuity):		
1. Movement in Obligation – Gratuity:		
Present Value of Obligation at the beginning of year	673.63	571.66
Current Service Cost	92.39	70.70
Interest Cost	48.56	42.59
Benefits Paid	(57.33)	(79.89)
Past Service Cost (Vested and Non-Vested)	-	-
Actuarial (Gain)/Loss on Obligation	24.39	68.57
Present Value of Obligation at the end of year	781.64	673.63
2. Movement in Plan Assets – Gratuity:		
Fair Value of Planned assets at the beginning of the year	313.23	370.76
Return of Plan Assets	22.58	27.62
Actuarial Gain/(Loss)	(7.16)	(5.26)
Contributions during the year	-	-
Benefits Paid during the year	(57.33)	(79.89)
Fair Value of Planned assets at the end of the year	271.32	313.23
3. Expenses recognized in Profit and Loss Statement: Gratuity:-		

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current Service Cost	92.39	70.70
Net Interest Cost	25.98	14.97
Past Service Cost	-	-
Expense for the year	118.37	85.67
4. Recognized in Other Comprehensive Income:		
Actuarial (Gain)/Loss for the year	31.54	73.83
5. Actuarial Assumptions for estimating Company's Defined Benefit Obligation:		
a. Attrition Rate	22.00%	22.00%
b. Discount Rate	6.78%	7.21%
c. Expected Rate of Increase in Salary	8%	8%
d. Expected Rate of return on Plan Assets	7.21%	7.45%
e. Mortality Rate	100% of IALM 2012-14	100% of IALM 2012-14
f. Decrement Adjusted Future Service	22.32	22.79
6. Sensitivity Analysis:		
Sensitivity	Change	Effect on obligations
Salary Escalation Rate	+1%	81.98
	-1%	(70.40)
Withdrawal Rate	+1%	(10.03)
	-1%	2.64
Discount Rates	+0.5%	(36.97)
	-0.5%	40.33
The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognized in the Balance Sheet.		
7. Expected Payout – Gratuity:	Amount	
Expected payments – 1 st Year	73.16	
Expected payments – 2 nd Year	61.59	
Expected payments – 3 rd Year	77.89	
Expected payments – 4 th Year	64.62	
Expected payments – 5 th Year	45.18	
Expected payments – After 5 Years	1,522.64	
8. Other Information:		
i.	The Company has invested planned assets with Life Insurance Corporation of India. Expected Return on Assets is based on rate of return declared by fund managers.	
ii.	Present value of defined benefit obligation:	
Present value of the defined benefit obligation is calculated by using Projected Unit Credit method (PUC Method). Under the PUC method a “projected accrued benefit” is calculated at the beginning of the year and again at the end of the year for each benefit that will accrue for all active members of the Plan. The “projected accrued benefit” is based on the Plan's accrual formula and upon service as of the beginning or end of the year, but using a member's final compensation, projected to the age at which the employee is assumed to leave active service. The Plan Liability is the actuarial present value of the “projected accrued benefits” as of the beginning of the year for active members.		

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

- C. Compensated absences amounting to ₹125.12 lakhs (March 31, 2024: ₹ 121.20 lakhs) is recognized as expense and included in the Note 27 'Employee Benefit Expenses'.

Risk Exposure:

- Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase
- Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation
- Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. Overstating withdrawals can understate liabilities, as long-serving employees usually have higher benefit costs.

35. EMPLOYEE STOCK OPTION PLAN

VST Tillers Tractors Limited – Restricted Stock Units Plan 2024

On January 22, 2024, pursuant to the approval by the shareholders through postal ballot, the Board was authorized to introduce, offer, issue and allot share based incentives to the eligible employees of the Company under the "VST Tillers Tractors Limited – Restricted Stock Units Plan 2024" ("the RSU plan"). The maximum number of shares under the RSU plan shall not exceed 50,000 equity shares. These instruments will generally vest equally over a period of 4 years starting from February 26, 2025 for Grant 1 and February 26, 2026 for Grant 2. The options shall be exercisable within the period as approved by the Nomination and Remuneration Committee (NRC). The exercise price of the equity-settled RSUs will be equal to the par value of the shares.

The fair value of the options is estimated using the Black-Scholes Model. The inputs to the model include the share price at date of grant, exercise price, expected volatility, expected dividends, expected term and the risk-free rate of interest. Expected volatility during the expected term of the options is based on historical volatility of the observed market prices of the Company's publicly traded equity shares during a period equivalent to the expected term of the options. Expected volatility of the comparative company have been modelled based on historical movements in the market prices of their publicly traded equity shares during a period equivalent to the expected term of the options.

The fair value of the equity-settled options is estimated on the date of grant using the following assumptions:

Particulars	For options granted in 2024-25	For options granted in 2023-24
Weighted average share price (₹)	3,460.00	3,283.25
Exercise price (₹)	10.00	10.00
Expected volatility	33.82%	34.07%
Expected life of the options (years)*	1-4	1-4
Expected dividend yield (%)	1.18%	1.08%
Risk free interest rate (%)	5.66%	6.92%
Weighted average fair value as on grant date (₹)	3,348.08	3,182.90

*The expected life of the options is estimated based on the vesting and the contractual terms of the RSU and the exercise behavior of the employee who receives the RSU.

The summary of the grants made during the years ended March 31, 2025 and March 31, 2024 is as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Equity settled RSUs (in Nos.)		
Key Managerial Personnel	1,600	9,240
Employees other than KMP	23,960	8,960

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

The activity in the RSU Plan for equity-settled share-based payment transactions during the year ended March 31, 2025 and March 31, 2024 is as follows:

Particulars	Year ended March 31, 2025		Year ended March 31, 2024	
	Shares arising out of options	Weighted average exercise price (₹)	Shares arising out of options	Weighted average exercise price (₹)
Outstanding at the beginning	18,200	10	-	-
Granted	25,560	10	18,200	10
Exercised	3,830	10	-	-
Forfeited and expired	2,880	10	-	-
Outstanding at the end	37,050	10	18,200	10
Exercisable at the end	-	-	-	-

The summary of the equity-settled RSUs outstanding as at March 31, 2025 and March 31, 2024 is as follows:

Range of exercise price per share (₹)	As at March 31, 2025		As at March 31, 2024	
	Shares arising out of options	Weighted average remaining contractual life	Shares arising out of options	Weighted average remaining contractual life
0 – 10*	37,050	2.34	18,200	2.5

*Weighted average exercise price is ₹ 10

The break-up of the employee compensation expense is as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Equity settled RSUs		
Key Managerial Personnel	148.68	12.84
Employees other than KMP	129.74	12.46
Total	278.42	25.30

36. INCOME TAX EXPENSE AND DEFERRED TAXES

Particulars	For the year ended March 31, 2025	For the year Ended March 31, 2024
Income Tax Expense: -		
a. Current Tax	2,584.50	2947.02
b. Deferred Tax (arising on temporary differences)	164.88	462.67
Total Tax Expense for the year	2,749.38	3409.69
Effective Tax Reconciliation: -		
a. Net Profit/(Loss) before taxes	12,195.18	15,561.08
b. Tax rate applicable to the company as per normal provisions	25.168%	25.168%
c. Tax expense on net profit (c = a*b)	3,069.28	3,916.41
d. Increase/(decrease) in tax expenses on account of:		
i. Effect of Unrealized Income	(621.29)	(1,168.11)
ii. Effect of expenses not deductible in determining taxable profits	208.08	314.63
iii. Effect for deduction for expenses earlier disallowed	(67.92)	(67.92)
iv. Effect of Income not forming part of Business income	60.73	5.61
v. Net effect of deductible temporary differences recognized as deferred tax liabilities and assets	164.88	462.67

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for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year Ended March 31, 2024
vi. Other adjustments	(64.38)	(53.61)
Net Increase/(decrease) in tax expenses	(319.90)	(506.72)
e. Income Tax Expense as reported in Statement of Profit and Loss (c + d)	2,749.38	3,409.69
Deferred Tax Expenses/(Income) Recognized for the year ended:		
A. Deferred tax recognized in Profit and Loss	164.88	462.67
B. Deferred tax recognized in Other comprehensive income	(7.94)	(18.58)
C. Deferred tax recognized in Total comprehensive income	156.94	444.09

37. FAIR VALUE OF FINANCIAL INSTRUMENTS

The management assessed that cash and cash equivalents, other bank balances, trade receivables, trade payables, and other current financial assets and financial liabilities approximates to their carrying amount largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is reported at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair value of investment in quoted instruments is measured at quoted price at the reporting date. The fair value of unquoted instruments is valued using inputs based on information about market participants assumptions and other data that are available.
- Fair value of Interest free Security deposits are calculated by discounting future cash flows using rates currently available for debt on similar terms credit risk and remaining maturities.

Description of significant observable inputs to valuation:

- Interest free Security Deposits (assets & liabilities):

Interest Rate factor has been considered at a rate of 6.06% p.a. by the company for discounting the amount receivable at the time of maturity.

The carrying amount of all financial assets and liabilities (except for those instruments carried at fair value) appearing in the financial statements is reasonable approximation of fair values.

Particulars	Carrying Value		Fair value	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Financial Assets				
At Fair value through profit & loss A/c				
Investments	51,551.37	46,975.40	51,551.37	46,975.40
At Amortised cost				
Investments	-	500.00	-	500.00
Loans	13.21	13.62	13.21	13.62
Trade receivables	20,564.25	15,516.13	20,564.26	15,516.13
Cash and Bank Balances	7,471.19	4,673.35	7,471.19	4,673.35
Other Financial assets	422.67	253.10	422.67	253.10
Total Financial Assets	80,022.70	67,931.60	80,022.70	67,931.60
Financial Liabilities				
At Amortised cost				
Trade Payables	9,880.30	9,890.82	9,880.30	9,890.82
Lease Liabilities	196.40	135.45	196.40	135.45
Other Financial liabilities	9,743.69	9,155.80	9,743.69	9,155.80
Total Financial liabilities	19,873.00	19,182.07	19,873.00	19,182.07

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

38. FAIR VALUE HIERARCHY

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities.

Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2025:

Particulars	Total Value	Fair Value measurement using		
		Quoted prices in active markets (Level - 1)	Significant observable inputs (Level - 2)	Significant unobservable inputs (Level- 3)
Financial Assets: -				
Designated at Fair Value through profit or loss:				
Investments in quoted instruments (Equity & Mutual Funds)	48,370.40	48,370.40	-	-
Investments in unquoted instruments	3,180.97	-	-	3,180.97
Designated at Amortized Cost:				
Investments in unquoted instruments	-	-	-	-
Loans	13.21	-	-	13.21

Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2024:

Particulars	Total Value	Fair Value measurement using		
		Quoted prices in active markets (Level - 1)	Significant observable inputs (Level - 2)	Significant unobservable inputs (Level- 3)
Financial Assets: -				
Designated at Fair Value through profit or loss:				
Investments in quoted instruments (Equity & Mutual Funds)	43,795.57	43,795.57	-	-
Investments in unquoted instruments	3,179.83	-	-	3,179.83
Designated at Amortized Cost:				
Investments in unquoted instruments	500.00	-	-	500.00
Loans	13.62	-	-	13.62

39. a. INVESTMENT IN JOINT ARRANGEMENTS

Interests in Joint Venture

Name of the Entity	Place of Incorporation and Place of Operation	Proportion of ownership interest	
		As at March 31, 2025	As at March 31, 2024
VST Zetor Private Limited	India	51.00%*	51.00%*

* The entity has been treated as Joint Venture even though the Company holds more than half of the voting power in the entity as it does not have the unilateral control over the investee, primarily due to existence of arrangements that give the substantive rights to the other investor.

39. b. INVESTMENT IN SUBSIDIARIES

The Company has incorporated VST Americas Inc, an entity in the United States, to address the requirements of the US market in the tractor and farm machinery segment. As of the reporting date, VST Americas Inc. has not issued any share capital and the company has not yet subscribed to its share capital. Further, VST Americas Inc. has not yet commenced any business operations.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

40. RELATED PARTY TRANSACTIONS

Details of the Related Parties and the description of relationship

i) Key Managerial Personnel

Name of the Key Managerial Personnel	Designation
Mr. V. T. Ravindra	Managing Director
Mr. Antony Cherukara	Chief Executive Officer
Mr. Nitin Agrawal	Chief Financial Officer
Mr. Chinmaya Khatua	Company Secretary

ii) Directors of the Company (other than those covered above)

Name of the Director	Designation
Mr. V. S Arun	Chairman
Mr. V. V. Pravindra	Non-Executive Director
Mrs. Siva Kameswari Vissa	Independent Director
Mr. Nandakumar Jairam	Independent Director
Mr. Kula Ajith Kumar Rai	Independent Director
Mr. K M Pai *	Independent Director
Mr. M K Bannerjee *	Independent Director
Mr. Rajen Padukone	Independent Director

* Mr. K M Pai and Mr. M K Bannerjee retired w.e.f 13th August, 2024

iii) Wholly owned subsidiary

VST Americas Inc.

iv) Joint Venture

VST Zetor Private Limited

v) Enterprises over which shareholders of the Company or KMP or relatives of KMP exercise control or significant influence

1. Mitsubishi Heavy Industries - VST Diesel Engines Private Limited
2. India Garage
3. VST & Sons
4. Anand & Associates
5. VST Motors Private Limited
6. Suprajit Engineering Limited
7. Bangalore Motors Private Limited
8. VST Supercars Private Limited
9. Smt. Kamalabai Educational Trust
10. V. S. Thiruvengadaswamy Mudaliar Memorial Trust

Transactions entered during the year

i) Compensation to Key Managerial Personnel

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Short-term Employment Benefits	493.67	424.15
Post Employment Benefits ¹	18.68	16.33
Other long-term benefits ²	-	-
Termination benefits	-	-
Share-based payments	148.68	12.84

1. Does not include gratuity expenses.
2. Does not include leave salary expenses.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

ii) Sitting fee paid to Directors of the Company

The sitting fee paid to Independent Directors and Non-executive Directors for the financial year 2024-25 is ₹36.50 lakhs and for the Financial Year 2023-24 is ₹61.50 lakhs.

iii) Transactions with Other Related Parties

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
VST & Sons		
- Payment of royalty	9.95	9.68
Mitsubishi Heavy Industries - VST Diesel Engines Pvt Ltd		
- Supply of spare parts	21.42	-
- Rental Income from immovable property	96.00	96.00
- Services rendered – Job work	210.92	299.55
- Purchase of diesel engines and other materials	10.67	11.25
- Availing engine testing services	13.40	1.23
India Garage		
- Rental Income from immovable property	31.44	29.04
VST Zetor Private Limited		
- Transfer of Co-developed Product	69.91	1,217.63
- Supply of tractors and spare parts	1848.36	152.48
- Rendering of warranty, sales support and other related services	27.68	2.34
- Rendering of service relating to the use of various functions (Accounting, HR, Legal, and Sales & marketing)	4.90	2.04
- Reimbursement of expenses received	93.87	7.41
- Rental Income from immovable property	2.70	1.28
- Royalty received	8.02	-
Suprajit Engineering Limited		
- Purchase of various components	60.77	9.67
- Tool development cost	-	15.00
Bangalore Motors Private Limited		
- Purchase of car	-	41.39
- Sale of old car	-	9.35
- Repairs & Maintenance availed	0.44	-
VST Supercars Private Limited		
- Rental Income from immovable property	17.92	3.36
VST Motors Private Limited		
- Redemption of debentures	500.00	500.00
- Interest received on debentures	44.38	86.37
Anand Associates		
- Architectural profession Services availed	5.52	-
VST Americas Inc.		
- Reimbursement of expenses	52.50	-
Smt. Kamalabai Educational Trust		
- Corporate Social Responsibility expenditure	86.00	60.00
V.S.Thiruvengadaswamy Mudaliar Memorial Trust		
- Corporate Social Responsibility expenditure	-	60.00

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

Outstanding balances at the end of the year

Particulars	As at March 31, 2025	As at March 31, 2024
Amounts due to related parties		
VST & Sons	9.95	9.68
Mitsubishi Heavy Industries - VST Diesel Engines Pvt Ltd	7.49	-
Suprajit Engineering Limited	8.44	4.91
Key Managerial Personnel	106.85	105.50
Amounts due from related parties		
Mitsubishi Heavy Industries - VST Diesel Engines Pvt Ltd	76.18	67.48
India Garage	8.37	8.09
VST Zetor private limited	278.99	49.06
VST Americas Inc.	52.50	NIL
Investment in non-convertible debentures		
VST Motors Private Limited	-	500.00

41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES:

The Companies activities expose it to variety of Financial risks- interest rate risk, foreign currency risk, market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance and there has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks

The following sections provide the details regarding the Company's exposure to the financial risks associated with financial instruments held in the ordinary course of business and the objectives, policies and processes for the management of these risks.

i. Market Risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity risk. Financial instruments affected by market risk include loans and advances, deposits, investments in debt securities, mutual funds, and other equity funds.

a. Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of the Company and the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from the investment in debt securities, investment in debt mutual funds and cash and cash equivalents and other bank balances.

The Company's policy is to manage its interest rate risk by monitoring of changes in interest rates. Further, as there are no borrowings, the Company's policy to manage its interest cost does not arise.

b. Foreign Currency Risk:

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises when transactions are denominated in foreign currencies.

The Company has transactional currency exposures arising from Exports or imports that are denominated in a currency other than the functional currency. The foreign currencies in which these transactions are denominated are mainly in US Dollars (\$) and Euros (€). The Company's trade receivable and trade payable balances at the end of the reporting period have similar exposures.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

The Company does not use any financial derivatives such as foreign currency forward contracts, foreign currency options or swaps for hedging purposes

The following table demonstrates the sensitivity in the USD, GBP and Euro to the Indian Rupee with all other variables held constant. The impact on the Company's profit before tax due to changes in the fair value of monetary assets is given below:

Particulars	Change in Rate	For the year ended March 31, 2025	For the year ended March 31, 2024
USD	+5.00 %	9.44	(10.38)
	-5.00 %	(9.44)	10.38
GBP	+5.00 %	16.60	5.18
	-5.00 %	(16.60)	(5.18)
Euro	+5.00 %	49.27	93.36
	-5.00 %	(49.27)	(93.36)

* Decimals has been rounded to nearest rupees lakhs.

ii. Credit risk:

Credit risk is the risk of loss that may arise on outstanding financial instruments when a counterparty defaults on its obligations. The Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including investment securities, cash and short-term deposit), the Company minimizes the credit risk by dealing exclusively with high credit rating counterparties. The Company's objective is to seek continual revenue growth while minimizing losses incurred due to increased credit risk exposure. The Company trades only with recognized and creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

In addition, Outstanding customer receivables are regularly monitored and any credit to new customers are generally covered by appropriate security in the form of deposits.

a. Exposure to credit risk:

At the end of the reporting period, the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognized in the statement of financial position. No other financial assets carry a significant exposure to credit risk.

b. Credit risk concentration profile:

At the end of the reporting period, there were no significant concentrations of credit risk. The maximum exposures to credit risk in relation to each class of recognized financial assets is represented by the carrying amount of each financial assets as indicated in the balance sheet.

c. Financial assets that are neither past due nor impaired:

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Company. Cash and short-term deposits, investment securities that are neither past due nor impaired are placed with or entered with reputable banks, financial institutions or companies with high credit ratings and no history of default.

d. Financial assets that are either past due or impaired:

Trade receivables that are past due or impaired at the end of the reporting period, for which lifetime expected credit loss has been provided by the company according to its policy. These are shown in the balance sheet at carrying value less impairment/expected credit loss (information provided in note no. 13).

iii. Liquidity risk:

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

The Company ensures that it has sufficient cash on demand to meet expected operational demands, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	Less than 12 months	1 to 3 years	More than 3 years	Total
As at March 31, 2025				
Trade Payables	9,880.30	-	-	9,880.30
Security Deposits	31.00	4,148.78	-	4,179.78
Lease Liability	99.41	101.40	11.33	212.14
Other Financial Liabilities	5,576.44	-	-	5,576.44
As at March 31, 2024				
Trade Payables	9,890.82	-	-	9,890.82
Security Deposits	38.00	4,077.06	80.00	4,195.06
Lease Liability	88.40	56.02	-	144.42
Other Financial Liabilities	4,971.18	-	-	4,971.18

42. INVESTMENT PROPERTY:

The Company as at the end of the reporting period recognizes the income earned from renting of Investment property under the head other income with all the incidental expenditure in relation to the property under their respective sub-heads in other expenses.

Summary of Net Income recognized in Statement of Profit and Loss from Investment Property generating rental income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(A) Rental Income	226.23	215.94
Less: Direct operating expenses incurred		
i. Repairs and Maintenance	9.74	4.01
ii. Property Taxes	12.52	15.22
(B) Total expenses	22.26	19.23
Net Income / (expense) from Investment Property (A-B)	203.97	196.71

Fair Valuation of Investment Property:

Particulars	As at March 31, 2025	As at March 31, 2024
a) Land	13,115.82	11,994.96
b) Building	1,576.08	1,650.49

Note: The fair values of investment properties have been determined by independent valuers. The main inputs used are the rental growth rates, terminal yields and discount rates based on comparable transactions and industry data. All resulting fair value estimates for investment properties are included in level 3.

Depreciation and Useful Life: Depreciation method used by the entity for Investment Property is Straight line method. Useful life of buildings is considered as 30-60 years.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

43. CAPITAL MANAGEMENT:

Capital includes equity attributable to the equity holders of the Company. The primary objective of the capital management is to ensure that it maintain an efficient capital structure and healthy capital ratios in order to support its business and maximize shareholder's value.

The Company manages its capital structure and make adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, Company may adjust the dividend payment to shareholders or return capital to shareholders or issue new shares.

Currently the Company does not have any borrowings and maintains the entire capital in form of equity share capital.

44. UNHEDGED FOREIGN CURRENCY EXPOSURE:

Particulars	As at March 31, 2025			As at March 31, 2024		
	#	Foreign Currency	Amount (₹)	#	Foreign Currency	Amount (₹)
Trade Receivables	\$	2.92	248.30	\$	0.25	20.86
	£	3.04	332.06	£	1.00	103.70
	€	10.76	988.21	€	21.12	1,870.75
Trade Payables	\$	0.70	59.48	\$	2.75	227.21
	€	0.03	2.74	€	0.04	3.51

Denotes currency symbol

45. CONTINGENCIES AND COMMITMENTS:

Particulars	As at March 31, 2025	As at March 31, 2024
Contingent Liabilities		
a. Cases filed by customers in various consumer courts not acknowledged as debts	79.44	142.84
b. Appeals filed by the company in respect of Income tax matters	702.23	671.29
c. Appeals filed by the company in respect of Customs matters	25.68	25.68
d. Bank guarantees issued to Government agencies by way of security	94.46	285.02
e. Indirect Tax matters*	12,596.51	11,481.09
f. Other claims not acknowledged as debts	1,203.66	-
Commitments		
a. Estimated value of contracts remaining to be executed on capital accounts and not provided for (net of advances)	3,321.61	1,185.72

*The Company has received GST Assessment Order and Demand for ₹ 109.92 crores (inclusive of Interest of ₹ 24.78 crores and Penalty of 42.57 crores) for FY 2017-18, FY 2018-19 and FY 2019-20 due to mismatch of Sales as per GSTR 1 and 3B, mismatch of Input tax credit as per GSTR 2A and 3B, Mismatch with E- way bills and non-submission of details for Expenses. The Company has filed an appeal with the relevant authority submitting the grounds of appeal and the supporting documentation. Further, the Management is confident of obtaining favorable orders from appellate authorities.

46. LEASES

Company as Lessee:

The Company lease assets consist of leases for land, building and computers. The Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2025.

Particulars	Category of ROU Asset		Total
	Equipment & Building	Land	
Balance as at April 1, 2024	127.93	319.38	447.31
Add: Additions	173.30	-	173.30
Less: Deletions	-	-	-
Depreciation	114.65	3.33	117.97
Balance as at March 31, 2025	186.59	316.05	502.64

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2024.

Particulars	Category of ROU Asset		Total
	Equipment & Building	Land	
Balance as at April 1, 2023	180.22	322.71	502.93
Add: Additions	26.89	-	26.89
Less: Deletions	-	-	-
Depreciation	79.18	3.33	82.51
Balance as at March 31, 2024	127.93	319.38	447.31

The depreciation expenses on ROU assets are included under depreciation and amortization expense in the statement of profit and loss.

The following is the break-up of current and non-current lease liabilities as at March 31, 2025 and March 31, 2024.

Particulars	As at March 31, 2025	As at March 31, 2024
Current Lease liability	89.95	82.12
Non-current lease liability	106.45	53.33
Total	196.40	135.45

The following is the movement in lease liabilities during the year ended March 31, 2025 and March 31, 2024.

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Lease liability	135.45	188.83
Additions	173.30	26.89
Finance cost accrued during the year	12.62	10.68
Deletions	-	-
Payment of lease liabilities	124.97	90.95
Balance at the end	196.40	135.45

Following amount has been recognized in the statement of profit & loss:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation on right to use asset	117.97	82.51
Interest on lease liability	12.62	10.68
Total amount recognized in the statement of profit and loss	130.59	93.19

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

The details regarding the contractual maturities of lease liabilities as at March 31, 2025 and March 31, 2024 on an undiscounted basis are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Less than one year	99.41	88.40
One to five years	112.73	56.02
More than five years	-	-

47. CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE:

CSR amount required to be spent by the Company during the year is ₹ 221.85 lakhs (Previous year ₹ 217.62 lakhs). Further, during the year, the Company has spent an amount ₹ 221.85 lakhs related to current year liability, details of which are as follows:

Details of amount spending on CSR activities

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening unspent amount*	97.62	193.31
Amount required to be spent as per section 135(5) of companies Act, 2013	221.85	217.62
Less: Amount spent during the year	221.85	313.31
Balance amount to be spent	97.62	97.62
Unspent Amount transferred to separate bank account	97.62	97.62

* The unspent amount of 97.62 Lakhs has been transferred to unspent CSR account within 30 days from the end of the financial year 2023-24, in accordance with the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended ("CSR Rules").

48. DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD 37 "PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS"

a) Movement in provision for warranty

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Carrying amount as at the beginning of the year	169.72	181.50
Add: Additional provision made during the year	237.48	169.72
Less: Provision used during the year	117.90	181.50
Less: Unused amounts reversed during the year	37.42	-
Carrying amount as at the end of the year	251.88	169.72

b) Nature of Obligation

The Company gives warranties for its products, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. The provision made as at March 31, 2025 represents the amount of expected cost of meeting such obligations on account of rectification / replacement. The timing of outflow is expected to be within a period of one year from the end of the year.

The Company generally offers 12 months warranties for tillers products except 135DI and 165DI tillers, 17HP-50HP tractors are offered 24 months warranties. Management estimates the related provision for future warranty claims based on historical warranty claim information as well as recent trends that might suggest that past cost information may differ from future claims.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

49. DISCLOSURE PURSUANT TO IND AS 115 – REVENUE FROM CONTRACTS WITH CUSTOMERS

1. Disaggregation of Revenue:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Revenue by type of goods & Services		
Revenue from Products		
- Tillers	57,598.42	55,838.96
- Tractors	22,948.69	21,231.57
- Others	23,520.02	23,399.03
Revenue from Services		
- Job Works	382.41	302.51
- Others	79.99	427.66
Other operating revenue	471.94	493.16
Total	1,05,001.47	1,01,692.89
b) Revenue by geographical region		
Domestic Sales	94,816.12	88,667.32
Export Sales	10,185.35	13,025.57
Total	1,05,001.47	1,01,692.89
c) Revenue by sales Channel		
Dealer Sales	92,955.84	90,535.41
End Customer Sales	7,232.41	7,525.53
Others	4,813.22	3,631.95
Total	1,05,001.47	1,01,692.89
d) Recognition of revenue over the period of time or at a point in time		
Recognition of revenue at a point in time	1,05,001.47	1,01,692.89
Total	1,05,001.47	1,01,692.89

2. Contract Balance:

Out of the opening customer advances amounting to ₹712.18 lakhs, ₹352.63 lakhs have been recognized as revenue during the year ended March 31, 2025 (₹ 358.99 lakhs recognized for the previous financial year).

3. Reconciliation of Revenue recognized in the statement of Profit & Loss with contract Price:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Contract Price	1,05,001.47	1,01,692.89
Less:		
Dealer Discount – Products	1,365.71	1,210.25
Dealer Discount – Spares	823.64	706.3
Special Discount	2,824.75	2,366.75
Export Agent Discount	105.67	117.35
Cash Discount	426.83	487.46
Transaction Price	99,454.87	96,804.78

4. Revenue from major customers:

There are no major customers exceeding 10% of the total revenue.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

50. AGEING ANALYSIS

A) Ageing schedule of capital work-in-progress

As at March 31, 2025	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
a) Projects in progress	738.25	29.10	83.49	155.46	1006.30
b) Projects temporarily suspended	-	-	-	-	-
Total	738.25	29.10	83.49	155.46	1006.30

As at March 31, 2024	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
a) Projects in progress	237.59	124.16	16.76	145.89	524.40
b) Projects temporarily suspended	-	-	-	-	-
Total	237.59	124.16	16.76	145.89	524.40

B) Ageing schedule of Trade Payables

As at March 31, 2025	Outstanding from the due date of payment				Total
	Less than 1 year*	1-2 years	2-3 years	More than 3 years	
Due to MSME	3,378.45	-	-	-	3,378.45
Due to Others	6,221.88	153.80	121.89	4.28	6,501.85
Disputed dues — MSME	-	-	-	-	-
Disputed dues — Others	-	-	-	-	-

As at March 31, 2024	Outstanding from the due date of payment				Total
	Less than 1 year*	1-2 years	2-3 years	More than 3 years	
Due to MSME	3,577.77	-	-	-	3,577.77
Due to Others	6,039.55	131.21	37.36	20.63	6,228.75
Disputed dues — MSME	-	84.30	-	-	84.30
Disputed dues — Others	-	-	-	-	-

* Amount which is "Not due" is considered in less than 1 year.

C) Ageing schedule of Trade Receivables

As at March 31, 2025	Outstanding from the due date of Receipt						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
a) Undisputed trade receivables – considered good	2,920.04	12,387.83	2,461.88	589.77	983.30	1,229.85	20,572.67
b) Undisputed trade receivables – which have significant increase in credit risk	-	9.80	3.05	6.96	150.91	1,529.25	1699.97
c) Disputed trade receivables – credit impaired	0.17	9.44	12.15	0.61	4.78	1578.15	1605.30
Gross Trade Receivables	2,920.21	12,407.07	2,477.08	597.34	1,138.99	4,337.25	23,877.94
Less: Allowance for Expected credit loss							3,313.69
Net Trade Receivables							20,564.25

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

As at March 31, 2024	Outstanding from the due date of Receipt						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
a) Undisputed trade receivables – considered good	7,326.07	4,429.65	1,166.44	1,331.80	601.71	660.46	15,516.13
b) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	21.21	124.52	1,478.90	1,624.63
c) Disputed trade receivables – credit impaired	-	26.91	4.53	0.23	1.32	1,574.31	1,607.30
Gross Trade Receivables	7,326.07	4,456.56	1,170.97	1,353.24	727.55	3,713.67	18,748.06
Less: Allowance for Expected credit loss							3,231.93
Net Trade Receivables							15,516.13

51. STATEMENT OF NET ASSETS AND PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME ATTRIBUTABLE TO OWNERS AND NON-CONTROLLING INTEREST

As at March 31, 2025

Name of the Promoter	Net assets, i.e., total assets minus total liabilities		Share of Profit or Loss		Share of Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Parent								
VST Tillers Tractors Limited	100.19%	1,00,379.84	101.60%	9,445.80	100.00%	(23.60)	100.37%	9,422.21
Joint Venture (Indian)								
VST Zetor Private Limited	(0.19%)	(193.85)	(0.60%)	(149.15)	0.00%	0.00	(0.37%)	(149.15)
Total	100%	1,00,185.99	100%	9,296.65	100%	(23.60)	100%	9,273.05

As at March 31, 2024

Name of the Promoter	Net assets, i.e., total assets minus total liabilities		Share of Profit or Loss		Share of Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Parent								
VST Tillers Tractors Limited	100.05%	92,406.73	100.37%	12,151.39	100.00%	(55.25)	100.37%	12,096.14
Joint Venture (Indian)								
VST Zetor Private Limited	(0.05%)	(44.69)	(0.37%)	(44.69)	0.00%	0.00	(0.37%)	(44.69)
Total	100%	92,362.04	100%	12,106.70	100%	(55.25)	100%	12,051.45

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

52. SHAREHOLDING OF PROMOTERS:

Sr No.	Name of the Promoter	As at March 31 2025			As at march 31, 2024		
		No. of Shares	% of Share holding	% change during the year	No. of Shares	% of Share holding	% change during the year
1	V K Surendra	19,34,534	22.38%	-0.01%	19,34,534	22.39%	-
2	V P Mahendra	-	0.00%	-	-	0.00%	-7.26%
3	V V Pravindra	2,24,146	2.59%	-	2,24,146	2.59%	-
4	Arun Vellore Surendra	2,15,630	2.49%	-0.12%	2,25,630	2.61%	0.06%
5	V P Tiruvengadaswamy	2,44,692	2.83%	-	2,44,692	2.83%	0.52%
6	V V Vijayendra	6,26,012	7.24%	-0.01%	6,26,012	7.25%	5.33%
7	S Mahalakshmi	35,375	0.41%	-	35,375	0.41%	-
8	V V Sujay	72,664	0.84%	-	72,664	0.84%	-
9	M Bharathi	61,200	0.71%	-	61,200	0.71%	-
10	P Jayalakshmi	33,750	0.39%	-	33,750	0.39%	-
11	V Lakshmi	33,007	0.38%	-	33,007	0.38%	-
12	V V Anjali	30,123	0.35%	-	30,123	0.35%	-
13	V T Ravindra	29,152	0.34%	-	29,152	0.34%	0.01%
14	V P Rahul	18,076	0.21%	-	18,076	0.21%	-
15	V M Anand	58,859	0.68%	-	58,859	0.68%	0.49%
16	V M Vishnu	58,720	0.68%	-	58,720	0.68%	0.49%
17	V P Karan	15,714	0.18%	-	15,714	0.18%	-
18	Amritha V M Ward	50,898	0.59%	-	50,898	0.59%	0.42%
19	V T Anusuya	2,250	0.03%	-	2,250	0.03%	-
20	Sita Rajgopal	11,500	0.13%	0.11%	1,500	0.02%	-
21	VST Motors Private Limited	3,88,885	4.50%	-	3,88,885	4.50%	-
22	Mitsubishi Heavy Industries Engine And Turbocharger Limited	2,53,125	2.93%	-	2,53,125	2.93%	-
23	Padmanaban Motors LLP	1,36,311	1.58%	-	1,36,311	1.58%	-
24	K S And Sons LLP	85,690	0.99%	-	85,690	0.99%	-
25	V T Velu Investments Private Limited	67,725	0.78%	-	67,725	0.78%	-
26	Gove Finance Limited	66,082	0.76%	-	66,082	0.76%	-
27	Vijayendra Brothers Investments Private Limited	52,470	0.61%	-	52,470	0.61%	-
Total Promoter Holding		48,06,590	55.61%		48,06,590	55.63%	

53. RECONCILIATION OF MONTHLY INFORMATION FILED WITH LENDER

The Company has availed working capital facility from HDFC Bank Limited which is paid within the Financial Year. As per the terms & conditions of the sanction letter, the Company is required to file monthly statement of inventory, trade receivables and trade payables. On reconciliation of books of account and periodical submissions made with the banker, there are no significant variances.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts are Rupees in Lakhs, unless otherwise stated)

54. DISCLOSURE REQUIRED UNDER SCHEDULE III AS AMENDED, THAT ARE NOT COVERED ABOVE:

- The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.
- No scheme of arrangement has been approved by the competent authority in terms of section 230 to 237 of the Companies Act, 2013, hence this is not applicable.
- No registration and/or satisfaction of charges are pending to be filed with ROC.
- There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- The Company does not have any relationship with struck off companies.

55. The Company is engaged only in the business of manufacturing and trading of agriculture machinery and accordingly the business activity falls within a single business segment in terms of Ind AS 108 on Operating Segments.

56. The Board of the Company has recommended dividend of ₹ 20 per equity share having face value of ₹ 10 each for the financial year 2024-2025.

57. Corresponding previous year figures have been reclassified / regrouped wherever necessary.

As per our report of even date
For K.S. Rao & Co.,
Chartered Accountants
Firm Registration No.: 0031095

Hitesh Kumar. P
Partner
Membership No.: 233734

Place: Bengaluru
Date: May 13, 2025

For and on behalf of the Board of Directors of
V.S.T. Tillers Tractors Limited

V.T.Ravindra
DIN: 00396156
Managing Director

Antony Cherukara
Chief Executive Officer

Place: Bengaluru
Date: May 13, 2025

Rajen Padukone
DIN: 00262729
Director

Nitin Agrawal
Chief Financial Officer

Chinmaya Khatua
ACS - 21759
Company Secretary

Notice of the 57th Annual General Meeting

Notice is hereby given that the 57th Annual General Meeting (the "AGM") of the Members of V.S.T. Tillers Tractors Limited (the "Company") will be held on 10th September 2025, at 11 a.m. (IST) through Video Conferencing ("VC") or Other Audio-Visual Means (OAVM), to transact the following businesses:

ORDINARY BUSINESS

- To receive, consider and adopt the Audited standalone Financial Statements of the Company for the Financial Year ended March 31, 2025, together with the Reports of the Board of Directors and Auditors thereon.
- To receive, consider and adopt the Audited consolidated Financial Statements of the Company for the Financial Year ended March 31, 2025, together with the Reports of the Auditors thereon.
- To declare a final dividend of ₹ 20/- per equity share for the Financial Year ended March 31, 2025.
- To consider the appointment of a director in place of Mr. Arun V. Surendra (DIN: 01617103), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible offers, himself for re-appointment.

SPECIAL BUSINESS

- To ratify the remuneration of the Cost Auditors for the Financial Year ending March 31, 2026.

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 148 and any other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force), consent of the members be and is hereby accorded to ratify remuneration of ₹3,00,000/- (Exclusive of applicable GST) per annum plus out of pocket expenses payable to M/s. Rao, Murthy & Associates, Cost Accountants having Firm Registration No. 000065 appointed by the Board of Directors as Cost Auditors of the Company to conduct the audit of cost records of the Company for the FY 2025-26.

RESOLVED FURTHER THAT that Board of Directors the Company be and are hereby authorised to do all acts and take all steps as may be necessary, proper or expedient to give effect to this resolution."

- To consider the appointment of Secretarial Auditors of the Company

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 204, and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, and Regulation 24A of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'), as amended from time to time, consent of the members be and is hereby accorded for the appointment of M/s. Thirupal Gorige & Associates LLP, Practicing Company Secretaries, (ICSI Membership No: FCS No. 6680; CP No.6424), a peer-reviewed firm, as the Secretarial Auditors of the Company for a term of five consecutive years commencing from financial year 2025-2026 to financial year 2029-2030, at such remuneration as may be mutually agreed between the Board of Directors and the Secretarial Auditors."

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and things as may be necessary, proper or expedient for the purpose of giving effect to this Resolution."

By Order of the Board
For **V.S.T. TILLERS TRACTORS LTD.**

Chinmaya Khatua
Company Secretary
Membership No. ACS-21759

Place: Bengaluru
Date: 11 August, 2025

PLOT NO.1, DYAVASANDRA INDL. LAYOUT WHITEFIELD ROAD, MAHADEVAPURA POST BENGALURU KA 560048

NOTES:

- Pursuant to the MCA General Circular No. 09/2024 dated September 19, 2024, and all other relevant circulars issued from time to time (collectively referred to as "MCA Circulars"), MCA has permitted holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue till 30th September, 2025. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and MCA Circulars, the 57th AGM of the Company is being held through VC / OAVM.

Central Depository Services (India) Limited (CDSL) will provide facility for voting through remote e-voting, for participation in the 57th AGM through VC/OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM is explained at Note No. 27 below.

- Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Companies Act, 2013.
- The Company encourages the Members of the Company under the category of Institutional Members to attend and participate in this AGM through VC/ OAVM.
- Since this AGM is being held through VC/OAVM pursuant to MCA Circulars and SEBI Circulars, physical attendance of the Members has been dispensed with and accordingly, the facility for appointment of proxies by the Members is not available for this AGM. Hence Proxy Form, Attendance Slip and route map are not attached hereto.
- The Board of Directors have decided to include the Item No. 5 & 6 of this Notice as it is unavoidable in nature.
- In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, the proceedings of this AGM will be deemed to be conducted at the Registered Office of the Company situated at Plot No-1, Dyavasandra Industrial Layout, Whitefield Road, Mahadevapura Post, Bengaluru – 560 048.
- In compliance with the aforesaid MCA Circulars and SEBI Circulars, the Notice calling AGM along with the Annual Report for the FY 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. The Notice calling the AGM and Annual Report has also been uploaded on the website of the Company at www.vsttractors.com. The same can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India

Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com

Further, in compliance with Regulation 36(1)(b) of the Listing Regulations, a letter providing the web-link, including the exact path, where Annual Report for the financial year 2024-25 is available, is being sent to those members whose e-mail address is not registered with the Company / Registrar and Transfer Agent / Depository Participants / Depositories.

- The Record Date for Dividend and Cut-off date for E-voting: Wednesday, September 3, 2025.
- The Board has recommended a Final Dividend of ₹ 20/- i.e. 200% per share of ₹ 10/- each for the financial year 2024-25 and the same will be paid on or after September 10th, 2025, if approved by the Members at 57th AGM. The dividend, if declared, shall be payable to all those Members whose names appear in the Register of Members or the beneficial owners as per the records of depositories, as at the closing of business hours on September 3, 2025.

SEBI vide its Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024, has mandated that with effect from April 1, 2024, dividend to security holders who are holding securities in physical form, shall be paid only through electronic mode. Such payment shall be made only after the shareholders furnish their PAN, contact details (postal address with PIN and mobile number), bank account details & specimen signature ("KYC") and choice of Nomination. Further, relevant FAQs published by SEBI on its website can be viewed at the following link: <https://www.sebi.gov.in/sebiweb/home/HomeAction.do?doListing=yes&sid=1&ssid=6&smid=0>

- Unpaid/Unclaimed dividend details.
In accordance with the provisions of Sections 124, 125 and other applicable provisions, if any, of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as "IEPF Rules") (including any statutory modification(s) or re-enactment(s) thereof or the time being in force) any dividends unpaid or unclaimed for seven years from the date of transfer to Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund established by the Central Government. The Members are requested to claim their dividends who have not claimed so far. During the year 2024-25, the Company has transferred ₹ 9,96,885 to the Investor Education and Protection Fund. The details of the unclaimed dividend are uploaded to the IEPF website as well as the website of the Company <https://www.vsttractors.com/in/investor/disclosure/?tab=v-pills-disclosure5-tab>.

Accordingly, during the FY 2025-26, the Company will transfer unclaimed final dividend amount for the financial year ended March 31, 2018, on or after September 11, 2025. The Company has already sent notice to all such Members to claim their unclaimed dividend before due date of transfer to IEPF.

Share Transfer to IEPF:

In accordance with Section 124(6) of the Companies Act, 2013 read with the IEPF Rules, all the shares in respect of which dividend has remained unclaimed or unpaid for 7 (seven) consecutive years or more are required to be transferred to the Demat Account of the IEPF Authority. The Company has transferred 7,408 Nos of shares to IEPF during the FY 2024-25 after following the procedure.

The shares and dividends transferred to the IEPF can be claimed back by the concerned Members from IEPF Authority after complying with the procedure prescribed under the IEPF Rules.

- The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date of September 03, 2025.
- In the case of joint holders, the Members whose name appear as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
- Pursuant to Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic / Demat form, the nomination form may be filed with the respective Depository Participant.
- Members holding shares in electronic form are requested to update their E-mail ID with their respective depository participants and Members holding shares in physical form are requested to update their E-mail ID with the Company's registrar and transfer agent (RTA) to enable dispatch of the communications in electronic form from time to time.
- Members holding shares in electronic form are requested to update their Bank Details with their respective depository participants and Members holding shares in physical form are requested to update their Bank Details with the Company's registrar and transfer agent (RTA) to receive the dividends by bank transfers.
- Rule 3 of Companies (Management and Administration) Rules, 2014 (as amended) prescribes that Register of Members should include details pertaining to e-mail,

PAN/CIN, UIDAI, Occupation, Status and Nationality. We request all the Members of the Company to update the said details with their respective depository participants in case of shares held in electronic form and with the Company's Registrar and Transfer Agents in the case of physical holding.

- The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 and other related documents, will be available for inspection electronically. Members seeking to inspect such documents during the AGM can send their request at the mail Id vstagm@vsttractors.com.
- The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item No. 5 & 6 of the Notice, is annexed hereto.
- The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN). Members holding shares in electronic form are, therefore, requested to submit the PAN details to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar & Transfer Agent.
- As per Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), securities of listed companies can be transferred only in dematerialised form with effect from 1st April 2019, except in case of transmission or transposition of securities. Further, SEBI vide its Circular dated 25th January 2022, has mandated that securities shall be issued only in dematerialised mode while processing duplicate/unclaimed suspense/ renewal/ exchange/ endorsement/ sub-division/ consolidation/ transmission/ transposition service requests received from physical securities holders. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings into dematerialized form. Members can contact the Company at investors@vsttractors.com or Company's Registrars & Transfer Agents at irg@integratedindia.in for assistance in this regard.
- The relevant details, pursuant to 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment/ re-appointment at this AGM is also annexed.
- All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for

inspection by the Members electronically by writing an e-mail to vstagm@vsttractors.com.

23. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of Members w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to Members at the prescribed rates. For the prescribed rates for various categories, the Members are requested to refer to the Finance Act, 2020 and amendments thereof. The Members are requested to update their PAN with the Company / Registrar and Transfer Agent (in case of shares held in physical mode) and with the Depository Participants (in case of shares held in Demat mode).

A Resident individual Member with PAN and who is not liable to pay income tax, can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source.

Members are requested to note that if their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident Members can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents.

The Company with M/s. Integrated Registry Management Services Private Limited, Company's Registrar and Transfer Agent has provided the web portal for submission of tax exemption forms/ requested documents. Shareholders can submit their tax exemption forms and supporting documents directly on portal for purposes of tax deduction at source by Clicking the below link and selecting 'VST Tillers Tractors Limited' in the company drop down: <https://www.integratedregistry.in/TaxExemptionRegistration.aspx>. The company had already sent a communication in this regard. We once again request shareholders to upload the relevant documents at aforementioned link on or before September 03, 2025, No communication on the tax determination/deduction received post September 03, 2025 shall be considered for payment of dividend.

24. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.:
- For shares held in electronic form: to their Depository Participants (DPs)
 - For shares held in physical form: to the Company/ Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/ CIR/2023/37

The Company has already sent communication to shareholders in this regard.

25. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate, Claim from Unclaimed Suspense Account, Renewal / Exchange of securities certificate, Endorsement, Sub-division / Splitting of securities certificate, Consolidation of securities certificates/folios, Transmission, Transposition.

Accordingly, Members are requested to make service requests by submitting a duly filled and signed hard copy of Form ISR – 4 to the Company's Registrar and Transfer Agents, Integrated Registry Management Services Private Limited No. 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bengaluru – 560003. It may be noted that any service request can be processed only after the folio is KYC Compliant.

26. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or Integrated Registry Management Services Private Limited for any assistance in this regard.

27. Voting through electronic means

Pursuant to the provisions of section 108 of the Companies Act, 2013, Rule 20 of Companies (Management and Administration) Rules, 2014, and Regulation 44 of the Listing Regulation, the Company is pleased to provide Members, the facility to exercise their right to vote in respect of resolutions which are being considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted at the AGM through e-voting services provided by Central Depository Services (India) Ltd (CDSL). The Members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting'). Mr. Prasannakumar Bhagavanth Bedi, (ACS: 17457 & CP No: 11711), Practicing Company Secretaries, Bengaluru has been appointed as scrutinizer for remote e-voting and e-voting at the AGM.

A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date, i.e. September 03, 2025, only shall be entitled to avail the facility of remote e-voting / voting at AGM and a

person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

Procedure / Instructions for Members voting electronically and attending the AGM through VC/OAVM are as under:

- The remote e-voting facility will be available during the following period: Start of remote e-voting: From 9:00 a.m. (IST) on September 06, 2025, End of remote e-voting: Up to 5:00 p.m. (IST) on September 09, 2025.
- The remote e-voting will not be allowed beyond the aforesaid date and time, and the e-voting module shall be disabled by CDSL upon expiry of aforesaid period.
- Members who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- Pursuant to SEBI Circular No. SEBI/HO/CFD/ CMD/ CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of SEBI Listing Regulations, listed entities are required to provide remote e-voting facility to its members, in respect of all Members' resolutions.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Pursuant to above said SEBI Circular, Login method for e-Voting and for joining virtual meetings for Individual Members holding securities in Demat mode is given below:

Type of Members	Login Method
Individual Members holding securities in Demat mode with CDSL Depository	- Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasitoken/home/login or visit HYPERLINK "http://www.cdslindia.com" www.cdslindia.com and click on Login icon and select New System Myeasi Tab. - After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers i.e. CDSL/ NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. - If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration - Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on https://www.cdslindia.com/ home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.

However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the e-voting service providers (ESPs), thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Members are advised to update their mobile number and email id in their demat accounts in order to access e-Voting facility.

Type of Members	Login Method
Individual Members holding securities in demat mode with NSDL Depository	If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp . You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at the above-mentioned website.

Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Members holding securities in Demat mode with CDSL	Members facing any technical issue in logging in, can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Members holding securities in Demat mode with NSDL	Members facing any technical issue in logging in can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022-4886 7000 and 022-2499 7000

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- Login method for e-Voting and joining virtual meetings for Members other than individual Members & Members holding shares in physical form.
- The Members should log on to the e-voting website www.evotingindia.com
 - Click on “Shareholders” module.
 - Now enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - Next enter the Image Verification as displayed and Click on Login.
 - If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - If you are a first-time user follow the steps given below:

Financial Year	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- After entering these details appropriately, click on “SUBMIT” tab.

with any other person and take utmost care to keep your password confidential.
- Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password
- For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Click on the EVSN of VST TILLERS TRACTORS LTD on which you choose to vote.
- On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(iii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delinked in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively Non Individual shareholders are required mandatorily to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; vstagn@vsttractors.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

- (iv) If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to HYPERLINK “mailto:helpdesk.evoting@cdslindia.com”helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

- (v) Any person, who acquires shares of the Company and become a member after dispatch of the notice and holding shares as on the cut-off date i.e., September 3, 2025 may follow the same procedure as mentioned above for e-Voting.

PROCESS FOR THOSE MEMBERS WHOSE EMAIL ADDRESSES / MOBILE NO. ARE NOT REGISTERED WITH THE DEPOSITORIES / COMPANY FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company on vstagn@vsttractors.com /RTA on irg@integratedindia.in.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

The procedure for attending Meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for Remote e-voting.

The link for VC/OAVM to attend Meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access the same at www.evotingindia.com under shareholders/ members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
3. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination, Compensation and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the 57th AGM without any restriction on account of first-come-first-served principle.
4. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, , the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/ OAVM and cast their votes through e-voting.
6. Members are encouraged to join the Meeting through Laptops / IPads for better experience.

7. Further Members will be required to allow Camera access and use Internet with a good speed to avoid any disturbance during the Meeting.
8. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connections via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
9. Members who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 4 days prior to meeting from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at vstagn@vsttractors.com from September 03, 2025 (9:00 am IST) to September 06, 2025 (5:00pm IST). The Members who do not wish to speak during the AGM but have queries may send their queries in advance i.e. up-to September 06, 2025 mentioning their name, demat account number/ folio number, email id, mobile number at vstagn@vsttractors.com. Members who will participate in the AGM through VC/OAVM can also pose question / feedback through question box option. These queries will be replied by the Company suitably depending on the availability of time at the AGM. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the AGM.
10. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR MEMBERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those Members, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any votes are cast by the Members through the e-voting available during the AGM and if the same Members have not participated in the meeting through VC/OAVM facility, then the votes cast by

such Members shall be considered invalid as the facility of e-voting during the meeting is available only to the Members attending the meeting.

4. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
5. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://www.vsttractors.com/in/investor/disclosure/?tab=v-pills-disclosure4-tab>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com

6. The results of the e-voting along with the scrutinizer's report shall be placed in the Company's website, i.e. www.vsttractors.com and on the website of CDSL within 2 working days of passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchanges where the shares of the Company are listed i.e. BSE & NSE.
7. Corporate/ Institutional Members are entitled to appoint authorized representatives to attend the AGM through VC/ OAVM on their behalf and cast votes through remote e-voting or at the AGM. Corporate/ Institutional Members intending to authorize their representatives to participate and vote at the Meeting are requested to send a certified copy of the Board Resolution / Authorization letter to the Company at vstaggm@vsttractors.com, authorizing its representative(s) to attend and vote through VC/ OAVM on their behalf or at the Meeting, pursuant to section 113 of the Act.

Annexure to the Notice

Explanatory Statement in terms of Section 102 of the Companies Act, 2013

ITEM NO 5

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. Rao, Murthy & Associates, Cost Auditors (Firm Registration No.000065) to conduct the audit of the cost records of the Company for the financial year ending March 31, 2026.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 the remuneration of ₹ 3,00,000/- (Exclusive of applicable GST) per annum plus out-of-pocket expenses payable to the Cost Auditors, as approved by the Board of Directors, must be ratified by the Members of the Company.

The Cost Audit is undertaken by the Cost auditors covering only the manufactured products and not for the traded products, as per the Companies Act, 2013. Even under the manufactured products, not all the products are covered under the Cost Audit. The products which are covered for the Cost Audit are "Power Tiller & Diesel Engine". The remuneration to cost auditors is as per the scope and market standards and not for the overall turnover.

Accordingly, the consent of the Members is sought for passing an Ordinary Resolution as set out in item No. 5 of the notice for approving the remuneration payable to the Cost Auditors for the financial year ending March 31, 2026. None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested (financially or otherwise) in the resolution as set out in item No.5 of the Notice.

The Board of Directors recommends the Ordinary Resolution set out in Item No 5 of the notice for the approval of the Members.

ITEM NO 6

The Board of Directors, at its meeting held on May 13, 2025, has approved the appointment of M/s. Thirupal Gorige & Associates LLP, Practicing Company Secretaries, (ICSI Membership No: FCS No. 6680; CP No.6424), a peer-reviewed firm (Peer Review Certificate No. 1171/2021), subject to the

approval of shareholders as Secretarial Auditors, to conduct a secretarial audit of the Company pursuant to the Section 204 and other applicable provisions of the Companies Act 2013, read with rules made there under and Regulation 24A of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), for a term of five consecutive years starting from the financial year 2025-2026 to financial year 2029-2030.

The proposed fees in connection with the secretarial audit shall be ₹ 1,75,000/- (Rupees One Lakhs Seventy Five Thousand only) plus applicable taxes and other out-of-pocket expenses for FY 2026, and for subsequent year(s) of their term, such fees as may be mutually agreed between the Board of Directors and Thirupal Gorige & Associates LLP. In addition to the secretarial audit, Thirupal Gorige & Associates LLP shall provide such other services in the nature of certifications and other professional work, as approved by the Board of Directors. The relevant fees will be determined by the Board in consultation with the Secretarial Auditors.

M/s. Thirupal Gorige & Associates LLP, Practicing Company Secretaries, (ICSI Membership No: FCS No. 6680; CP No. 6424) with over 25 years of experience in delivering comprehensive professional services across Corporate Laws, SEBI Regulations and FEMA Regulations. Their expertise includes conducting Secretarial Audits, Due Diligence Audits, Compliance Audits etc.

M/s. Thirupal Gorige & Associates LLP, Practicing Company Secretaries, (ICSI Membership No: FCS No. 6680; CP No. 6424) have confirmed that they are eligible for appointment as Secretarial Auditors, are free from any disqualifications, are working independently and maintaining arm's length relationship with the Company.

The Board recommends the passing of the Resolution as set out in Item No. 6 for the approval of the members as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel or their relatives, are in any way concerned or interested in passing the resolution mentioned in Item No. 6 of the Notice.

Annexure A

ADDITIONAL INFORMATION ON DIRECTOR(S) RECOMMENDED FOR APPOINTMENT/RE-APPOINTMENT AS REQUIRED UNDER LISTING REGULATIONS AND APPLICABLE SECRETARIAL STANDARDS:

Mr. Arun V. Surendra				
DIN	Date of Birth	Age	Date of first Appointment on Board	Qualification
01617103	24-08-1975	50	11/05/2018	Graduate & MBA
Brief resume of the director with Expertise in specific functional areas			Mr. Arun V. Surendra holds a Post Graduate Diploma in Management and has over 20 years of experience in automobile franchises, financial services, and the manufacturing of tractors, tillers, and agricultural implements. He is a seasoned and visionary leader, deeply committed to building a diversified portfolio and expanding the global footprint of the 114-year-old VST Group. Mr. Arun V. Surendra holds an MBA degree a BS in International Finance, and a Bachelor of Business Administration in Business Economics. He has also completed multiple executive education programs at Harvard Business School. His global perspective is shaped by extensive international exposure, having lived and worked across various countries and cultures.	
Terms & Conditions of appointment			Mr. Arun V. Surendra was appointed as Director of the company effective from May 11, 2018, and Further he was appointment as Non - Executive Chairman of the Company effective from February 01, 2024.	
Directorship held in other companies including listed companies			- V.S.T. TILLERS TRACTORS LIMITED - V S T MOTORS PRIVATE LIMITED - CHENNAI AUTO AGENCY PRIVATE LIMITED - V S T & SONS PRIVATE LIMITED - BANGALORE MOTORS PRIVATE LIMITED - V S T AUTO ANCILLARIES PRIVATE LIMITED - VST TITANIUM MOTORS PRIVATE LIMITED - VST AVVENTURA PRIVATE LIMITED - GOVE FINANCE LIMITED - VST SUPERCARS PRIVATE LIMITED - VST AAVENTURA PRIVATE LIMITED	
Chairmanship / Membership in the Committees of the Boards of other companies in which he is Director.			Nil	
Chairmanship/Membership in the committees of Board of VST			1	
Shareholding in the Company (in numbers)			2,15,630 equity shares	
Number of Board Meetings attended during FY 25			4	
Inter-se Relationship with other directors and Key Managerial Personnel			Mr. Arun V. Surendra belongs to the promoter group and is related to: - Mr. V. V. Pravindra - Mr. V.T. Ravindra	
Remuneration sought to be paid			NA	
Last drawn remuneration			₹ 5,50,000/- paid as sitting fess during FY25	
Names of listed entities from which Director has resigned in the past three years			NA	

By Order of the Board
For **V.S.T. TILLERS TRACTORS LTD.**

Chinmaya Khatua

Company Secretary

Membership No. ACS-21759

PLOT NO.1, DYAVASANDRA INDL. LAYOUT WHITEFIELD
ROAD, MAHADEVAPURA POST BENGALURU KA 560048

▼Place: Bengaluru
Date: August 11, 2025



V.S.T. TILLERS TRACTORS LTD.

CIN: L34101KA1967PLC001706

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