

**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Financial Results of the Company Pursuant to Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended****Review Report to  
The Board of Directors  
Skoda Auto Volkswagen India Private Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Skoda Auto Volkswagen India Private Limited (the "Company") for the quarter ended September 30, 2024 and year to date from April 01, 2024 to September 30, 2024 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013 as amended ("the Act"), read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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# ***S R B C & C O L L P***

**Chartered Accountants**

5. We draw attention to Note 4 of the Statement relating to certain ongoing litigations with tax authorities wherein demands aggregating to Rs. 20,099.32 million (including interest and penalty where quantifiable) have been raised on the Company, which were challenged and decided partially/completely in favour of tax authorities. These matters are currently pending with the Honourable Supreme Court of India. Pending conclusion of these matters, no incremental provision has been considered in the accompanying Statement.

Our conclusion is not modified in respect of these matters.

**For S R B C & C O L L P**

Chartered Accountants

ICAI Firm registration number: 324982E/E300003

**per Vaibhav Kumar Gupta**

Partner

Membership number: 213935

UDIN:

Place: Pune

Date: October 30, 2024

**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2024**

(in INR Millions)

Sr. No	Particulars	Quarter ended			Half Year ended		Year ended
		Sep 30, 2024	June 30, 2024	Sep 30, 2023	Sep 30, 2024	Sep 30, 2023	March 31, 2024
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1</b>	<b>Income</b>						
	Revenue from operations	48,309.01	48,951.27	52,155.08	97,260.28	94,657.16	189,601.05
	Other income	3,727.74	2,744.11	2,762.12	6,471.85	6,119.65	11,158.44
	<b>Total Income</b>	<b>52,036.75</b>	<b>51,695.38</b>	<b>54,917.20</b>	<b>103,732.13</b>	<b>100,776.81</b>	<b>200,759.49</b>
<b>2</b>	<b>Expenses</b>						
	Cost of raw materials and components consumed	32,188.15	34,635.44	36,565.71	66,823.59	73,642.82	139,211.20
	Purchase of traded goods	6,081.08	6,681.22	8,997.15	12,762.30	16,464.73	29,139.52
	Changes in inventories of finished goods, work-in-progress, traded goods, spare parts and accessories	2,473.35	(952.12)	(1,140.60)	1,521.23	(10,515.11)	(6,981.40)
	Employee benefits expense	2,426.14	2,456.44	2,302.65	4,882.58	4,660.69	9,206.97
	Finance costs	691.29	822.16	607.92	1,513.45	1,045.54	3,158.73
	Depreciation and amortisation expense	2,017.77	1,916.45	2,088.37	3,934.22	4,082.38	8,119.75
	Other expenses	6,205.66	5,238.56	4,383.56	11,444.22	9,190.55	18,616.82
	<b>Total Expenses</b>	<b>52,083.44</b>	<b>50,798.15</b>	<b>53,804.76</b>	<b>102,881.59</b>	<b>98,571.60</b>	<b>200,471.59</b>
<b>3</b>	<b>Profit/(Loss) before Tax (1-2)</b>	<b>(46.69)</b>	<b>897.23</b>	<b>1,112.44</b>	<b>850.54</b>	<b>2,205.21</b>	<b>287.90</b>
<b>4</b>	<b>Tax Expenses:</b>						
	Current Tax	423.15	667.73	284.41	1,090.88	1,262.64	1,427.99
	Deferred Tax (Credit)	(382.14)	(228.04)	(24.29)	(610.18)	(447.08)	(2,098.93)
	<b>Total Tax Expense</b>	<b>41.01</b>	<b>439.69</b>	<b>260.12</b>	<b>480.70</b>	<b>815.56</b>	<b>(670.94)</b>
<b>5</b>	<b>Profit for the period (3-4)</b>	<b>(87.70)</b>	<b>457.54</b>	<b>852.32</b>	<b>369.84</b>	<b>1,389.65</b>	<b>958.84</b>
<b>6</b>	<b>Other Comprehensive Income</b>						
A	Items that will not be reclassified to profit or loss in subsequent periods						
	(a) Remeasurement of defined benefit plans	(14.04)	(14.03)	(14.06)	(28.07)	(28.12)	(56.13)
	(b) Income tax effect	4.91	4.90	4.91	9.81	9.82	19.61
B	Items that will be reclassified to profit or loss in subsequent periods						
	(a) Deferred gain / (loss) on cash flow hedges	(2,204.52)	1,055.38	2,343.51	(1,149.14)	2,955.70	2,107.77
	(b) Income tax effect	770.35	(368.79)	(818.92)	401.56	(1,032.84)	(736.54)
	<b>Other Comprehensive Income (A+B)</b>	<b>(1,443.30)</b>	<b>677.46</b>	<b>1,515.44</b>	<b>(765.84)</b>	<b>1,904.56</b>	<b>1,334.71</b>
<b>7</b>	<b>Total Comprehensive Income for the period (5+6)</b>	<b>(1,531.00)</b>	<b>1,135.00</b>	<b>2,367.76</b>	<b>(396.00)</b>	<b>3,294.21</b>	<b>2,293.55</b>
8	Paid-up equity share capital (Face value of INR 10 each)	7,240.45	7,240.45	7,240.45	7,240.45	7,240.45	7,240.45
9	Other equity						44,657.53
10	Earnings per equity share (not annualised)						
	Basic and Diluted (INR)	(0.12)	0.63	1.18	0.51	1.92	1.32
	See accompanying notes to the financial results						

\*There are no exceptional items for the current quarter and comparable periods.

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**Skoda Auto Volkswagen India Private Limited**

Registered office: E-1, MIDC Industrial Area Phase III, Nigoje Mhalunge, Kharabwadi, Chakan, Khed, Pune, Maharashtra, 410501

CIN: U70102PN2007FTC133117; T: +91 02135 61000 / 331000 F: +91 02135 661049

Email id: vallari.gupte@skoda-vw.co.in Website: www.skoda-vw.co.in

**UNAUDITED STATEMENT OF ASSETS AND LIABILITIES**

(in INR Millions)

Sr. No	Particulars	As at	
		Sep 30, 2024	March 31, 2024
		(Unaudited)	(Audited)
	<b>ASSETS</b>		
1	<b>Non-current assets</b>		
	Property, plant and equipment	38,802.88	39,959.84
	Capital work-in-progress	12,641.54	10,470.16
	Right of use assets	2,413.21	2,385.20
	Intangible assets	149.80	151.46
	Intangible assets under development	299.01	418.86
	Financial assets		
	(a) Government grants	19,765.93	21,268.90
	(b) Other financial assets	4,509.33	7,067.57
	Deferred tax assets (net)	3,634.38	2,612.83
	Income tax assets (net)	8,594.56	9,429.82
	Other non-current assets	10,160.62	10,814.36
	<b>Total</b>	<b>100,971.26</b>	<b>104,579.00</b>
2	<b>Current assets</b>		
	Inventories	37,765.43	41,756.13
	Financial assets		
	(a) Trade receivables	5,862.47	3,877.21
	(b) Cash and cash equivalents	1,656.73	1,112.15
	(c) Bank balances other than (b) above	7,992.35	8,839.21
	(d) Government grants	1,141.00	620.91
	(e) Other financial assets	5,819.92	5,506.13
	Other current assets	5,581.30	7,913.07
	<b>Total</b>	<b>65,819.20</b>	<b>69,624.81</b>
	<b>Total Assets (1+2)</b>	<b>166,790.46</b>	<b>174,203.81</b>
	<b>EQUITY AND LIABILITIES</b>		
3	<b>EQUITY</b>		
	Equity share capital	7,240.45	7,240.45
	Other equity	44,261.53	44,657.53
	<b>Total</b>	<b>51,501.98</b>	<b>51,897.98</b>
4	<b>LIABILITIES</b>		
	<b>Non-current liabilities</b>		
	Financial liabilities		
	(a) Borrowings	7,567.75	7,217.38
	(b) Lease liabilities	1,513.89	1,428.44
	(c) Other financial liabilities	655.24	1,725.12
	Provisions	10,431.73	10,347.24
	Contract Liabilities	2,653.64	2,836.22
	Other non-current liabilities	9,461.70	10,394.90
	<b>Total</b>	<b>32,283.95</b>	<b>33,949.30</b>
5	<b>Current liabilities</b>		
	Financial liabilities		
	(a) Borrowings	18,865.06	21,601.29
	(b) Lease liabilities	255.14	295.48
	(c) Trade payables - Total outstanding dues of:		
	-Micro enterprises and small enterprises	930.15	920.34
	-Creditors other than micro enterprises and small enterprises	45,343.34	46,333.29
	(d) Other financial liabilities	2,933.36	3,541.52
	Provisions	4,219.60	4,312.20
	Contract liabilities	2,414.10	1,668.44
	Other current liabilities	8,043.78	9,683.97
	<b>Total</b>	<b>83,004.53</b>	<b>88,356.53</b>
	<b>Total Liabilities (4+5)</b>	<b>115,288.48</b>	<b>122,305.83</b>
	<b>Total Equity and Liabilities (3+4+5)</b>	<b>166,790.46</b>	<b>174,203.81</b>

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**UNAUDITED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2024**

(in INR Millions)

Particulars	Half year ended	
	Sep 30, 2024 (Unaudited)	Sep 30, 2023 (Unaudited)
<b>A) Cash flows from operating activities</b>		
Profit before tax	850.54	2,205.21
<b>Adjustments to reconcile profit before tax to net cash flows from operating activities</b>		
Depreciation and amortisation expense	3,934.22	4,082.38
Unrealised gain on foreign currency transactions and translations	(56.82)	(69.20)
Interest income from investing activities	(328.20)	(348.79)
Interest costs from financing activities	1,349.31	883.78
Liabilities written back to the extent no longer required	(0.01)	(381.66)
Provision for Litigations including customer claims (net of reversals)	204.01	132.75
Gain on disposal of property, plant and equipment	(79.15)	(97.34)
Unwinding of discount on provisions	118.72	107.20
Provision for onerous contracts	-	34.61
Income from Package Scheme of Incentive (PSI)	(1,236.39)	(1,220.82)
Change in fair value on aligned forward element of foreign exchange derivative contracts	1,659.43	276.87
<b>Working capital adjustments</b>		
(Increase) / Decrease in Trade receivables	(1,928.48)	1,622.52
(Increase) / Decrease in Inventories	3,990.70	(6,676.36)
(Increase) / Decrease in Other financial assets	(1,581.33)	(450.73)
(Increase) / Decrease in Other assets	2,024.75	1,213.49
Increase/ (Decrease) in Trade payables	(989.52)	(367.26)
Increase/ (Decrease) in Other liabilities	(1,337.00)	2,868.55
Increase/ (Decrease) in Other financial liabilities	(370.92)	(402.48)
Increase/ (Decrease) in Contract Liabilities	563.08	724.37
Increase/ (Decrease) in Provisions	(590.61)	(75.00)
<b>Cash generated from operations</b>	<b>6,196.33</b>	<b>4,062.09</b>
Income taxes paid (net of refunds received)	(255.62)	(1,086.68)
<b>Net cash generated from operating activities</b>	<b>5,940.71</b>	<b>2,975.41</b>
<b>B) Cash flows from investing activities</b>		
Purchase of property, plant and equipment and intangibles	(4,312.91)	(6,105.84)
Receipts of government grants	982.88	204.49
Proceeds from sale of property, plant and equipment	373.81	709.16
Changes in balance of term deposits (net)	1,001.20	3,071.57
Interest received	173.86	180.14
Loans granted to related parties	-	(26.00)
Receipt towards loans granted to related parties	-	44.00
<b>Net cash used in investing activities</b>	<b>(1,781.16)</b>	<b>(1,922.49)</b>
<b>C) Cash flows from financing activities</b>		
(Repayment)/Proceeds from borrowings (net)	(2,729.40)	1,259.79
Principal repayment of Lease liability	(120.93)	(57.93)
Interest paid	(792.83)	(572.49)
<b>Net cash generated from financing activities</b>	<b>(3,643.16)</b>	<b>629.37</b>
<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>	<b>516.39</b>	<b>1,682.29</b>
Cash and cash equivalents at the beginning of the year	1,053.36	(927.01)
<b>Cash and cash equivalents at the end of the period</b>	<b>1,569.75</b>	<b>755.28</b>
<b>Reconciliation of cash and cash equivalents as per the Statement of cash flows:</b>		
	<b>Half year ended</b>	
	<b>Sep 30, 2024 (Unaudited)</b>	<b>Sep 30, 2023 (Unaudited)</b>
Cash and cash equivalents	1,656.73	847.78
Effect of exchange difference on cash and cash equivalents	(68.22)	(36.63)
Bank overdraft	(18.76)	(55.87)
<b>Balance as per statement of cash flows</b>	<b>1,569.75</b>	<b>755.28</b>

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**Notes:**

- 1 Skoda Auto Volkswagen India Private Limited (the "Company") is in the business of manufacturing passenger automotive cars, trading of imported cars (purchased from group companies) and spares & accessories. The Company has commenced its operations in India in February 2007.

On September 5, 2019, the Assistant Registrar of National Company Law Tribunal (NCLT), Mumbai Bench duly authenticated a scheme of Amalgamation (the 'Scheme') under Sections 230 to 232 of the Companies Act, 2013, which is effective from appointed date of April 01, 2019. Accordingly, Volkswagen Group Sales India Private Limited (VWGS IPL) and Skoda Auto India Private Limited (SAIPL) have been amalgamated with Volkswagen India Private Limited (VWIPL) and the name of the merged company has been changed to "Skoda Auto Volkswagen India Private Limited".

- 2 These financial results of the Company have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- 3 Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker as defined in Ind AS 108 – Operating Segments. The Board of Directors have been identified as the chief operating decision maker. The Company operates in a single business segment i.e., Automobile cars and parts, which has similar risks and returns and as such there is no separate reportable segment as per Ind AS 108 "Operating Segments".

- 4 The Company has several ongoing litigations with tax authorities, of which, certain matters as listed below are pending with the Honourable Supreme Court.

- a. During earlier years, the Company had received demand notices from the Excise authorities covering period from January 2010 to June 2017 for Rs.11,140.77 million (including penalty Rs. 4,945.12 million but excluding interest not presently quantified). The demands are towards additional excise duty payable on the grounds that the goods sold by the Company were undervalued. The CESTAT, Mumbai, has allowed partial relief in the matter as per order passed in August 2020. The Company has filed an appeal with the Honourable Supreme Court.

On similar grounds, during earlier years, Skoda Auto India Private Limited (SAIPL), an entity now merged with the Company (refer note 1 above), had received show cause notices from the Excise authorities covering period from January 2010 to June 2017 for Rs. 6,104.23 million (excluding penalty and interest not presently quantified). The Company has filed a reply to the notice and a hearing is awaited.

- b. During earlier years, SAIPL had received demand notices from the Customs authorities covering period from year 2001 to 2007 for INR 2,854.32 million (including penalty INR 971.50 million and interest INR 911.32 million), of which INR 554.97 million has been considered as a provision by the management. The demands are towards additional customs duty payable on import of technical know-how pursuant to a Technology Transfer and Trademark Licence Agreement. The CESTAT, Mumbai, has passed an order against the Company in June 2013. The Company has filed an appeal with the Honourable Supreme Court.

Based on the management's assessment including external legal advice with respect to provisions of law, the Company is confident of the above matters being ultimately decided in the Company's favour and accordingly, no provision (except as stated above), has been considered necessary by the Company in this regard till date.

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**5 Disclosures required by Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

Sr. No.	Particular	Formula for computation of ratios	Quarter ended			Half year ended		Year ended
			Sep 30, 2024	June 30, 2024	Sep 30, 2023	Sep 30, 2024	Sep 30, 2023	March 31, 2024
1	Debt Equity Ratio	$= \frac{\text{Total Debt (Total Borrowing + lease liabilities)}}{\text{Total shareholders' Equity (Equity share capital + Other equity)}}$	0.55	0.58	0.50	0.55	0.50	0.59
2	Debt Service Coverage Ratio (DSCR) (not annualised)	$= \frac{\text{Earnings available for debt service (Net profit after tax + finance cost + depreciation and amortisation)}}{\text{Debt service (Finance cost + current maturities of borrowing + lease liabilities)}}$	0.13	0.14	0.18	0.27	0.32	0.49
3	Interest Service Coverage Ratio (not annualised)	$= \frac{\text{Profit before interest and taxes (EBIT)}}{\text{Finance cost}}$	0.93	2.09	2.83	1.56	3.11	1.09
4	Outstanding redeemable preference shares (INR Million) (971,724,552 shares of INR 10 each)	-	9,717.25	9,717.25	9,717.25	9,717.25	9,717.25	9,717.25
5	Capital Redemption reserve (INR Million)	-	1,858.04	1,858.04	1,858.04	1,858.04	1,858.04	1,858.04
6	Net worth (INR Million)	-	51,501.98	53,032.98	52,898.65	51,501.98	52,898.65	51,897.98
7	Current ratio (Number of times)	$= \frac{\text{Total Current assets}}{\text{Total Current liabilities}}$	0.79	0.81	0.88	0.79	0.88	0.79
8	Long term debt to working capital ratio (Number of times)	$= \frac{\text{Long term debt (Non-current maturities of borrowing + Non-current maturities of lease liabilities)}}{\text{Working Capital (Current assets - current liabilities)}}$	(0.53)	(0.56)	(0.74)	(0.53)	(0.74)	(0.46)
9	Bad debts to accounts receivable ratio (%)	$= \frac{\text{Bad Debts written off}}{\text{Average trade receivables}}$	0%	0%	0%	0%	0%	2%
10	Current liability ratio (Number of times)	$= \frac{\text{Current Liabilities}}{\text{Total Liabilities}}$	0.72	0.72	0.71	0.72	0.71	0.72
11	Total debts to total assets ratio (Number of times)	$= \frac{\text{Total Debts (Total borrowing + total lease liabilities)}}{\text{Total Assets}}$	0.17	0.18	0.16	0.17	0.16	0.18
12	Debtors turnover ratio (Number of times) (Annualised)	$= \frac{\text{Revenue from operations}}{\text{Average trade receivables}}$	39.68	44.37	89.71	39.94	68.26	50.85
13	Inventory turnover ratio (Number of times) (Annualised)	$= \frac{\text{Cost of goods sold (Cost of raw materials and components consumed + Purchases of traded goods + Changes in inventories of finished goods, work-in-progress, traded goods, spare parts and accessories)}}{\text{Average inventory}}$	4.10	3.88	4.03	4.08	4.89	4.15
14	Operating margin (%)	$= \frac{\text{Operating profit (EBIT)}}{\text{Revenue from operations}}$	1.33%	3.51%	3.30%	2.43%	3.43%	1.82%
15	Net profit/(loss) margin (%)	$= \frac{\text{Net profit/(loss) after tax}}{\text{Revenue from operations}}$	(0.18%)	0.93%	1.63%	0.38%	1.47%	0.51%

a. **Credit rating:**

Particulars	Rating agency	Rating
Commercial Papers	India Rating	A1+
Commercial Papers	ICRA Limited	A1+

b. **The due dates for the payment of interest and redemption of commercial papers listed on the National Stock Exchange (NSE) are as follows:**

ISIN	Type	Amount (in INR million)	Due date of payment
INE04TA14477	Principal	1,500	November 22, 2024
	Interest	25	

**For and on behalf of the Board of Directors of  
Skoda Auto Volkswagen India Private Limited**

**Piyush Arora**  
Managing Director

DIN: 06991008  
Place : Pune

**Nalin Jain**  
Executive Director (Finance) and Chief Financial Officer

DIN: 06572476  
Place : Pune

Date : October 30, 2024