Jaguar Land Rover North America, LLC

Financial Statements

For fiscal years ended

31 March 2025 and 2024

Jaguar Land Rover North America, LLC

INDEX TO FINANCIAL STATEMENTS

Financial Statements of Jaguar Land Rover North America, LLC

KPMG LLP
345 Park Avenue
New York, NY 10154-0102

Independent Auditors' Report

The Board of Directors
Jaguar Land Rover North America, LLC:

Opinion

We have audited the financial statements of Jaguar Land Rover North America, LLC (the Company), which comprise the balance sheets as of March 31, 2025 and 2024, and the related statements of income, comprehensive income, changes in equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS) Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise significant doubt about the Company's ability to continue as a going concern for one year after the date that the financial statements are authorized for issuance.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise significant doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

KPMG LLP

New York, New York
June 16, 2025

FINANCIAL STATEMENTS

BALANCE SHEETS

As at 31 March ($)	Note	2025	2024 *
Non-current assets			
Property, plant and equipment*	3	29,354,147	31,744,184
Right-of-use assets*	7	43,318,852	36,894,595
Other financial assets	4	443,676	762,650
Deferred tax assets	5	74,615,035	62,541,229
Total non-current assets		**147,731,710**	**131,942,658**
Current assets			
Inventories	6	650,208,502	793,964,777
Trade receivables	21	197,497,198	138,017,940
Finance receivables	8, 21	1,618,470,590	927,971,151
Other current assets	9	7,965,777	11,131,754
Cash and cash equivalents	10	9,549,363	22,296,305
Current income tax receivables		3,281,960	1,691,776
Total current assets		**2,486,973,390**	**1,895,073,703**
Total assets		**2,634,705,100**	**2,027,016,361**
Current liabilities			
Accounts payable	21	574,334,784	437,814,281
Variable marketing provision	11	158,695,238	74,240,855
Lease obligations - short term	7	4,157,985	3,478,980
Other current liabilities	12	629,450,974	486,694,483
Other provisions	14	6,596,637	6,737,632
Current income tax liabilities		13,592,130	4,587,068
Total current liabilities		**1,386,827,748**	**1,013,553,299**
Non-current liabilities			
Other non-current liabilities	13	168,222,055	174,083,434
Other provisions	14	9,743,120	9,178,872
Lease obligations - long term	7	51,865,903	50,416,110
Total non-current liabilities		**229,831,078**	**233,678,416**
Total liabilities		**1,616,658,826**	**1,247,231,715**
Equity			
Ordinary shares	20	40,000,000	40,000,000
Share premium	20	117,300,000	117,300,000
Retained earnings		859,976,903	621,781,292
Accumulated other comprehensive loss:			
Pension reserve		769,371	703,354
Total equity		**1,018,046,274**	**779,784,646**
Total liabilities and equity		**2,634,705,100**	**2,027,016,361**

*Comparative amounts for the year ended 31 March 2024 have been re-presented for the presentation change during the year ended 31 March 2025 to present right-of-use assets separately in the balance sheet.

See accompanying notes to the financial statements.

INCOME STATEMENTS

Year ended 31 March ($)	Note	2025	2024
Revenue- vehicles		10,218,651,640	7,684,246,476
Revenue- parts, service and accessories		743,917,332	720,478,061
Other income	17	27,775,632	28,584,964
Total Revenue		**10,990,344,604**	**8,433,309,501**
Purchase of vehicles and parts	6	(10,087,446,246)	(7,744,727,812)
Employee costs	15	(52,588,211)	(49,169,465)
Warranty and service costs		(103,412,391)	(109,926,456)
Fixed marketing expense		(358,289,361)	(291,300,675)
Warehouse, handling and distribution costs		(80,811,822)	(67,699,893)
Other expenses	16	(29,843,526)	(20,478,428)
Depreciation	3	(6,526,597)	(8,996,146)
Foreign exchange (expense)/income		(58,960)	523,998
Finance income		59,290,856	49,961,433
Finance costs		(18,257,301)	(14,674,984)
Profit before tax		**312,401,045**	**176,821,073**
Income tax expense	5	(74,205,434)	(45,814,300)
Profit for the year		**238,195,611**	**131,006,773**

STATEMENTS OF COMPREHENSIVE INCOME

Year ended 31 March ($)	2025	2024
Profit for the period	**238,195,611**	**131,006,773**
Items that will not be reclassified subsequently to profit or loss:		
Re-measurement gain net of tax expense of $22,977 and $31,980 for fiscal year ended 31 March 2025 and 2024, respectively	66,017	91,785
Other comprehensive gain for the year	**66,017**	**91,785**
Total comprehensive income for the year	**238,261,628**	**131,098,558**

See accompanying notes to the financial statements.

Year ended 31 March ($)	2025	2024
Cash flows from operating activities:		
Profit for the period	238,195,611	131,006,773
Adjustments for:		
Depreciation	6,526,597	8,996,146
Inventory write-down	12,446,435	13,497,472
Loss on disposal of assets	597,279	-
Gain on lease termination	(3,867,533)	-
Income tax expense	74,205,434	45,814,300
Net finance income	(41,033,555)	(35,286,449)
	287,070,268	**164,028,242**
Changes is assets and liabilities:		
Decrease in Other financial assets	318,974	304,069
Decrease/(increase) in Tax	169,067	(172,421)
Decrease/(increase) in Inventories	131,309,840	(113,047,738)
Increase in Trade receivables	(59,479,258)	(68,636,497)
Decrease/(increase) in Other current assets	3,165,977	(9,093,040)
Increase/(decrease) in Accounts payable	136,520,503	(23,367,043)
Increase in Variable marketing provision	84,454,383	67,445,043
Increase in Other current liabilities	142,756,491	119,797,354
Decrease in Provisions (current)	(140,995)	(752,696)
(Decrease)/increase in Other non-current liabilities	(5,772,385)	23,375,461
Increase/(decrease) in Provisions (non-current)	564,248	(1,547,184)
Cash generated from operating activities	**720,937,113**	**158,333,550**
Income taxes paid net of refunds	(79,056,406)	(34,279,579)
Net cash generated from operating activities	**641,880,707**	**124,053,971**
Cash flows from investing activities:		
Investments in cash pooling account	(10,159,781,133)	(7,667,817,818)
Redemptions of cash invested in pooling account	9,470,761,304	7,532,424,394
Interest received	57,781,133	48,964,506
Payments for property, plant and equipment	(1,473,466)	(1,194,571)
Net cash used in investing activities	**(632,712,162)**	**(87,623,490)**
Cash flows from financing activities:		
Cash payments for leases	(6,806,163)	(6,508,992)
Interest paid	(15,109,324)	(10,309,884)
Net cash used in financing activities	**(21,915,487)**	**(16,818,876)**
Net change in cash and cash equivalents	**(12,746,942)**	**19,611,605**
Cash and cash equivalents, beginning of the year	22,296,305	2,684,700
Cash and cash equivalents, end of the year	**9,549,363**	**22,296,305**

See accompanying notes to the financial statements

STATEMENTS OF CHANGES IN EQUITY

$	Ordinary share capital	Share premium	Retained earnings	Accumulated other comprehensive gain	Total equity
Balance at 31 March 2023	**40,000,000**	**117,300,000**	**490,774,519**	**611,569**	**648,686,088**
Profit for the period	-	-	131,006,773	-	131,006,773
Other comprehensive gain	-	-	-	91,785	91,785
Balance at 31 March 2024	**40,000,000**	**117,300,000**	**621,781,292**	**703,354**	**779,784,646**
Profit for the period	-	-	238,195,611	-	238,195,611
Other comprehensive gain	-	-	-	66,017	66,017
Balance at 31 March 2025	**40,000,000**	**117,300,000**	**859,976,903**	**769,371**	**1,018,046,274**

See accompanying notes to the financial statements

1 BACKGROUND AND OPERATIONS

Jaguar Land Rover North America, LLC (the "Company" or "JLRNA") is a limited liability company registered in the State of Delaware. The registered office address is c/o Corporation Services Company 251 Little Falls Drive Wilmington, DE 19808. JLRNA is an importer and distributor of luxury sedans, sport utility vehicles and parts in the United States market. The Company also offers various vehicle related service plans to end users of its vehicles. The Company's primary areas of business are the distribution, marketing, sales, and service of its products.

JLRNA headquarters is located at 100 Jaguar Land Rover Way Mahwah, New Jersey, and operates in three regions within the United States as well as two dedicated training facilities.

JLRNA is a wholly-owned subsidiary of Jaguar Land Rover Limited ("JLR Limited"), which is a UK company. The ultimate parent and controlling shareholder is Tata Motors Limited ("TML"), registered and domiciled in India.

The vehicles are purchased from JLR Limited and imported into the United States. Parts are primarily sourced from JLR Limited with some domestic procurement.

The parts business is managed under two different relationships with third party logistics providers whereby the third parties manage the warehousing of physical inventory and distribution. JLRNA owns the inventory and manages the sale and collection function.

As described in note 22, the Company pools all of its excess cash with its parent company, JLR Limited under a cash pooling agreement.

2 ACCOUNTING INFORMATION AND POLICIES

Statement of compliance
The Company adopted Disclosure of Accounting Policies (*Amendments to IAS 1 and IFRS Practice statement 2*) from 1 April 2024. The amendments require disclosure of 'material' rather than 'significant' accounting policies. The amendments did not result in any changes to the accounting policies.

These financial statements have been prepared in accordance with International Financial Reporting Standards (referred to as "IFRS") as issued by the International Accounting Standards Board (referred to as "IASB"). The results of the Company are included in the consolidated financial statements of JLR Limited and its ultimate parent, TML and the financial statements of all these entities, including JLRNA, are publicly available.

Basis of preparation
The financial statements have been prepared on historical cost basis. The Company's fiscal year end is 31 March of each year.

All figures are presented in US dollars unless otherwise stated.

Use of estimates and judgements
The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

i) Note 5 - Recoverability/recognition of deferred tax assets – management applies judgement in establishing the timing of the recognition of deferred tax assets and availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilized. The Company also uses judgement and estimates in determining timing and amount of provisions for uncertain tax matters where deemed appropriate.

ii) Note 11 – Variable marketing provisions are estimated at the balance sheet date based on approved programs that are in place to incentivize retailers to meet sales volume requirements. These program needs may change from the initial expectation due to, among other variables, prevailing interest rates, competitive market conditions, macroeconomic factors, supply and demand, etc. Such changes will impact balances previously recorded.

iii) Notes 12 & 13 – Other current liabilities and Other non-current liabilities - the Company applies judgement in estimating the anticipated payments on locally offered vehicle services under such programs as certified pre-owned ("CPO"), scheduled maintenance, and connected car. Revenue related to these programs is deferred and recognized over the life of the service plan in line with when the claims emerge. The timing of the recognition of this deferred revenue requires judgement and the requirement to form appropriate assumptions around expected future costs, which are based on expectations of product failure rates for CPO, and retail customer take rates for scheduled maintenance and connected car.

iv) Note 14 – Other provisions – the Company applies judgement in estimating the provision for anticipated payments on locally offered vehicle services under such programs as roadside assistance and service loaner. The valuation of these provisions requires judgement and the requirement to form appropriate assumptions around expected future costs, which are based on expectations of product failure rates. Additionally, the Company is responsible for some of the residual value risk arising on vehicles sold by retailers under leasing arrangements. The provision is based on the latest available market expectations of future residual value trends. The timing of the outflows will be at the end of the lease arrangements – being typically three years.

Based on the many variables impacting residual values of vehicles, both macroeconomic and microeconomic estimates of residual values will fluctuate up and down over time.

2 ACCOUNTING INFORMATION AND POLICIES (CONTINUED)

Concentration risk
The Company is dependent on JLR Limited for substantially all of the products it sells. This dependency represents a material concentration of supply of vehicles and parts, and without that supply, the Company's ability to continue as a going concern would be limited.

Revenue recognition
Revenue is measured at fair value of consideration received or receivable.

The Company recognizes revenues on the sale of vehicles, net of discounts, sales incentives, customer bonuses and rebates granted, when products are segregated for dispatch to retailers, which is when the Company satisfies the performance obligation and the customer obtains control of the promised good or service. Revenues on the sale of parts is recognized upon shipment. Sale of products is presented net of excise duty where applicable and other indirect taxes.

Revenues are recognized when collectability of the resulting receivable is reasonably assured.

For certain service plans, the Company defers revenue related to cash received for the future services to be provided. In the case of certified pre-owned warranties, cash is explicitly received at the point of vehicle certification; this revenue is deferred and recognized over the life of the service plan in line with when the claims are expected to emerge. In the case of complementary scheduled maintenance programs and connected car, the cost of these services is embedded in the price of the vehicle. The Company defers a portion of the revenue attributable to these service plans and recognizes it when the service is expected to be provided based on historical experience

Cost recognition and presentation
Costs and expenses are recognized when incurred and are classified according to their nature.

Provisions
A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined as follows:

> *i) Locally offered vehicle services*
> The estimated provision for locally offered vehicle services under such programs as roadside assistance and service loaner are recorded when vehicles are sold to retailers. These estimates are established using historical information on the nature, frequency and average cost of claims and management estimates regarding possible future incidences based on actions on product failures. The timing of outflows will vary as and when claims arise, being typically up to five years.
>
> *ii) Variable marketing*
> In the normal course of business, the Company provides opportunities for retailers to earn incentives upon the retail sale of a vehicle. The Company makes a best estimate of the amount expected to be earned by the retailers on their in-stock inventory and records a provision for those expected payments. The timing of these payments will vary based on when the retailers sell their instock inventory, being typically one to three months from the time of provisioning.

Foreign currency
These financial statements are presented in United States Dollars (USD).

Transactions are typically not recorded in foreign currencies; in the rare instance of such a transaction, they would be recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are re-measured into USD at the exchange rate prevailing on the balance sheet date. Exchange differences are recognized in the Income Statements.

Income taxes
Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the Income Statements except, when it relates to items that are recognized outside profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognized outside profit or loss, or where it arises from the initial accounting for business combination.

Current income taxes are determined based on the taxable income of the Company and tax rules applicable for the United States of America.

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Inventories and purchase of vehicles and parts
Inventories consist of finished vehicles and automotive parts and accessories and are valued at the lower of cost and net realizable value. As a limited risk distributor the Company operates under a transfer price agreement with JLR Limited whereby profit before tax is set at 2.3% of revenue for the year ended 31 March 2025 and 1.5% for the year ended 31 March 2024. Profit adjustments, negative or positive, to meet the required profit targets, are reflected in the Income Statements as a component of the purchase of vehicles and parts.

2 ACCOUNTING INFORMATION AND POLICIES (CONTINUED)

Property, plant and equipment
Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any.

Land is measured at cost and is not depreciated.

Cost includes purchase price, taxes and duties, labor cost and direct overheads for self constructed assets and other direct costs incurred up to the date the asset is ready for its intended use. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit and loss. Subsequent expenditures are capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation is provided on a straight-line basis over the estimated useful lives of the assets. Estimated useful lives of the assets are as follows:

Class of property, plant and equipment	Estimated useful life (years)
Buildings and leasehold improvements	Lesser of lease term or useful life
Office machines & equipment	12.5 - 14.5
Computer and IT- related equipment	3 to 10
Software	3 to 8
Furniture & fixtures	12.5
Auto show displays	5

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Impairment – property, plant and equipment
At each reporting date, the Company assesses whether there is any indication that any property, plant and equipment or cash generating unit may be impaired. If any such impairment indication exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Income Statements. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

As of 31 March 2025, none of the Company's property, plant and equipment were considered impaired.

Leases
At inception of a contract, the Company assesses whether a contract is, or contains a lease. 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 consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Company has the right to substantially all of the economic benefits from the use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purposes the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
    - The Company has the right to operate the asset; or
    - The Company designed the asset in a way that predetermines how and for what purposes it will be used.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is allocated, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method over the term of the lease. See additional details provided in Note 7 - Leases.

The lease liability is initially measured at the present value of the lease payments that are not paid at commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as a discount rate. The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Employee benefits

i) Retirement plans
The Company has a supplemental executive retirement plan that provides for a fixed monthly benefit for its participants. This plan is fully funded. The Company also maintains a plan providing post-retirement medical benefits covering certain salaried employees which is unfunded. The Company funds the unfunded benefits plan on a pay-as-you-go basis.

Employee benefits (continued)

ii) Remeasurement gains and losses
Remeasurement gains and losses relating to retirement benefit plans are recognized directly in the Statements of Comprehensive Income in the period in which they arise and subsequently are never reclassified into profit or loss.

iii) Measurement date
The measurement date of retirement plans is March 31.

Financial Instruments

i) Classification, initial recognition and measurement:
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 are classified into categories: financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables and available-for-sale financial assets. Financial liabilities are classified into financial liabilities at fair value through profit or loss and other financial liabilities accounted for at amortized cost on the basis of the effective interest method.

Financial instruments are recognized on the Balance Sheet when the Company becomes a party to the contractual provisions of the instrument.

Initially, a financial instrument is recognized at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognized in determining the carrying amount, if it is not classified as at fair value through profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and which are not classified as financial assets at fair value through profit or loss or financial assets available-for-sale. Subsequently, these are measured at amortized cost using the effective interest method less any impairment losses.

These include trade receivables, finance receivables, balances with banks, short-term deposits with banks, other financial assets and investments with fixed or determinable payments.

Other financial liabilities
These are measured at amortized cost using the effective interest method.

ii) Determination of fair value:
The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method and other valuation models and utilize available market data.

iii) Derecognition of financial assets and financial liabilities:
The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership, and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received. Financial liabilities are derecognized when these are extinguished, that is when the obligation is discharged, cancelled or has expired.

iv) Impairment of financial assets:
The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Loans and receivables:
Objective evidence of impairment includes default in payments with respect to amounts receivable from customers. Impairment loss in respect of loans and receivables is calculated as the difference between their carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Such impairment loss is recognized in the Income Statement. If the amount of an impairment loss decreases in a subsequent period, and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed. The reversal is recognized in the Income Statement.

2 ACCOUNTING INFORMATION AND POLICIES (CONTINUED)

Deferred revenue

In the normal course of business, the Company offers a certified pre-owned warranty program ("CPO") for its vehicles. Upon reported sale of a CPO vehicle by an authorized retailer, the Company defers all revenue received from the retailers for the sale of this service contract. The revenue is released to profits in line with the trend of expected claims payments over the life of the CPO coverage based on historical experience. The Company does not receive any other revenue related to the sale of the vehicle by the retailer.

Additionally, the Company offers a variety of scheduled maintenance plans, either complementary or customer paid, which vary by make/model and model year. For complementary scheduled maintenance offerings, the Company allocates a portion of the wholesale revenue of the vehicle and defers this revenue over the life of the service offerings. This amount is determined on a cost-plus-margin basis. This deferred revenue is recognized over the life of the service plan in line with expected claims emergence based on historical experience. For customer prepaid scheduled maintenance, the proceeds from the sale of the prepaid program is deferred and recognized over the life of the service plan in line with expected claims emergence based on historical experience.

The Company also equips vehicles with "connected car" hardware and software whereby the owner can enable the car as a wifi hotspot, activate on-demand roadside assistance in the event of an emergency, infotainment, vehicle tracking, and vehicle remote control. The Company provides the hardware as a permanent attachment to the vehicle and provides a trial period of software activation. Revenue related to the hardware component is recognized at point of sale as it is owned outright by the customer. Revenue related to the complementary software activation is deferred and recognized over the trial period which ranges from 12 months to 5 years depending on the specific service provided. The owner can activate software features beyond the trial period at their own expense.

New accounting policy pronouncements

(a) Standards, revisions and amendments to standards and interpretations applied for the first time in the year ended 31 March 2025

The following amendments and interpretations have been adopted by the Company in the year ended 31 March 2025:

- Amendments to IAS 7 Statement of Cash Flow and IFRS 7 Financial Instruments: Disclosures - supplier finance arrangements;
- Amendments to IAS 1 Presentation of Financial Statements - Classification of liabilities as current or non-current;
- Amendments to IAS 1 Presentation of Financial Statements - Non-current liabilities with covenants; and
- Amendments to IFRS 16 Leases - lease liability in a sale and leaseback.

The adoption of these amendments and interpretations have not had a significant impact on the financial statements.

(b) Standards, revisions and amendments to standards and interpretations not yet effective and not yet adopted by the Company

The following pronouncements, issued by the IASB are not yet effective and have not yet been adopted by the Company. These amendments are effective for annual report periods beginning on or after 1 January 2025:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates - lack of exchangeability;
- IFRS S1 General Requirements for Disclosure of Sustainability related Financial Information;
- IFRS S2 Climate related Financial Disclosures;
- Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments;
- Annual Improvements to IFRS Accounting Standards - Volume 11;
- IFRS 18 Presentation and Disclosure in Financial Statements; and
- IFRS 19 Subsidiaries without Public Accountability: Disclosures.

The Company is currently assessing the impact of these pronouncements on the financial statements.

3 PROPERTY, PLANT AND EQUIPMENT

$	Land and buildings	Plant and equipment	Vehicles	Computers	Fixtures and fittings	Total
Cost as of 1 April 2023 restated*	**44,804,542**	**5,041,866**	**473,219**	**5,323,802**	**14,566,308**	**70,209,737**
Additions	-	169,241	75,875	-	125,177	370,293
Cost as of 31 March 2024 restated*	**44,804,542**	**5,211,107**	**549,094**	**5,323,802**	**14,691,485**	**70,580,030**
Accumulated depreciation as of 1 April 2023 restated*	**(18,276,631)**	**(2,808,199)**	**(237,151)**	**(4,703,848)**	**(8,439,508)**	**(34,465,337)**
Depreciation charge for the year	(3,092,410)	(319,061)	(42,449)	(104,638)	(811,951)	(4,370,509)
Accumulated depreciation as of 31 March 2024 restated*	**(21,369,041)**	**(3,127,260)**	**(279,600)**	**(4,808,486)**	**(9,251,459)**	**(38,835,846)**
Net book value as of 31 March 2024 restated*	**23,435,501**	**2,083,847**	**269,494**	**515,316**	**5,440,026**	**31,744,184**
Cost as of 1 April 2024 restated*	**44,804,542**	**5,211,107**	**549,094**	**5,323,802**	**14,691,485**	**70,580,030**
Additions	374,814	310,694	-	539,485	248,473	1,473,466
Disposals	(8,969,139)	(793,648)	(80,463)	(73,110)	(572,989)	(10,489,349)
Cost as of 31 March 2025	**36,210,217**	**4,728,153**	**468,631**	**5,790,177**	**14,366,969**	**61,564,147**
Accumulated depreciation as of 1 April 2024 restated*	**(21,369,041)**	**(3,127,260)**	**(279,600)**	**(4,808,486)**	**(9,251,459)**	(38,835,846)
Disposals	8,677,691	621,046	80,462	67,627	445,243	9,892,069
Depreciation charge for the year	(2,011,793)	(301,793)	(48,771)	(119,153)	(784,713)	(3,266,223)
Accumulated depreciation as of 31 March 2025	**(14,703,143)**	**(2,808,007)**	**(247,909)**	**(4,860,012)**	**(9,590,930)**	**(32,210,000)**
Net book value as of 31 March 2025	**21,507,074**	**1,920,146**	**220,722**	**930,165**	**4,776,039**	**29,354,147**

*Comparative amounts for the year ended 31 March 2024 have been re-presented for the presentation change during the year ended 31 March 2025 to present right-of-use assets separately in the balance sheet.

4 OTHER FINANCIAL ASSETS (NON-CURRENT)

Other financial assets consist of assets held in trust for four former Land Rover employees to be paid in monthly installments. This plan is a non-qualified plan. At 31 March 2025 and 2024, these assets amounted to $0.4 million and $0.8 million, respectively. See *Supplemental Death and Retirement Income Plan* as described in Note 18 for additional information.

5 INCOME TAXES

For the years ended 31 March 2025 and 2024 JLRNA utilized a corporate tax rate of 21% in accordance with the provisions of the Tax Cuts and Jobs Act.

The components of income tax expense were:

Year ended 31 March ($)	2025	2024
Current taxes:		
For current year	88,618,437	52,103,580
Prior period adjustments	(2,316,220)	836,159
Deferred taxes:		
For current year	(12,073,806)	(7,093,459)
Prior period adjustments	(22,977)	(31,980)
Total income tax expense	**74,205,434**	**45,814,300**

Income tax expense recognized in the Income Statements consist of the following:

Year ended 31 March ($)	2025	2024
Current	86,302,217	52,939,739
Deferred tax	(12,096,783)	(7,125,439)
Total income tax expense	**74,205,434**	**45,814,300**

The reconciliation of expected income tax to income tax expense is as follows: :

Year ended 31 March ($)	2025	2024
Profit before income taxes	312,401,045	176,821,073
Income tax expense at applicable tax rates	65,604,219	37,132,425
State and local taxes (net of federal benefit)	10,280,265	8,742,525
Total permanent differences	177,087	173,771
Others	(1,856,137)	(234,421)
Income tax expense reported	**74,205,434**	**45,814,300**

.As a limited risk distributor, JLRNA operates under an advanced transfer pricing agreement (“APA”) with JLR Limited and the taxing authorities in the United States and United Kingdom. This APA expired and is in the process of being renewed. For the year ended 31 March 2024, the company continued to operate as if this APA was still in effect in anticipation of renewal at similar terms whereby pre-tax operating profit was set at 1.5% of revenue. Based on further available market trend information as a result of an independent study, it has been determined that the acceptable range for pre-tax operating profit for the year ended 31 March 2025 and forward should be set at 2.3% of revenue.

The effective tax rates during the 12 months ended 31 March 2025 and 31 March 2024 were 23.75% and 25.91%, respectively.

5 INCOME TAXES (CONTINUED)

Deferred tax assets have been recognized in the Balance Sheets in respect of deductible temporary differences. Significant components of deferred tax assets and liabilities for the year ended 31 March 2025 were as follows:

$	Opening balance	Recognized in Income statement	Recognized in/ reclassification from Statement of comprehensive income	Closing balance
Deferred tax assets:				
Expenses deductible in future periods - provisions, allowances for doubtful receivables, finance receivables	23,234,115	15,274,704	-	38,508,819
Lease liability	15,226,395	(761,644)	-	14,464,751
Compensated absences and retirement benefits	513,873	-	(22,977)	490,896
State NOL	1,656,137	-	-	1,656,137
State incentive credit	-	129,951	-	129,951
Deferred Revenue	37,033,363	(5,655,661)	-	31,377,702
Total deferred tax asset	**77,663,883**	**8,987,350**	**(22,977)**	**86,628,256**
Deferred tax liabilities				
Taxable temporary difference - prepaid advertising, Section 481 (a) adjustment	551,843	-	-	551,843
Right-of-use leased asset	(13,950,896)	2,766,446	-	(11,184,450)
Compensated absences and retirement benefits	(747,388)	15,282	-	(732,106)
Depreciation	(976,212)	327,705	-	(648,507)
Total deferred tax liability	**(15,122,654)**	**3,109,433**	**-**	**(12,013,221)**
Net assets	**62,541,229**	**12,096,783**	**(22,977)**	**74,615,035**

Significant components of deferred tax assets and liabilities for the year ended 31 March 2024 were as follows:

$	Opening balance	Recognized in Income statement	Recognized in/ reclassification from Statement of comprehensive income	Closing balance
Deferred tax assets				
Expenses deductible in future periods - provisions, allowances for doubtful receivables, finance receivables	13,459,303	9,774,811	-	23,234,115
Lease liability	14,805,635	420,760	-	15,226,395
Comprensated absences and retirement benefits	545,853	-	(31,980)	513,873
State NOL	6,743,908	(5,087,771)	-	1,656,137
Deferred Revenue	36,495,246	538,117	-	37,033,363
Total deferred tax asset	**72,049,945**	**5,645,918**	**(31,980)**	**77,663,883**
Deferred tax liabilities				
Taxable temporary difference - prepaid advertising, Section 481 (a) adjustment	319,343	232,500	-	551,843
Right-of-use leased asset	(13,848,262)	(102,634)	-	(13,950,896)
Compensated absences and retirement benefits	(785,434)	38,046	-	(747,388)
Depreciation	(2,287,821)	1,311,609		(976,212)
Total deferred tax liability	**(16,602,174)**	**1,479,521**	**-**	**(15,122,654)**
Net assets	**55,447,771**	**7,125,439**	**(31,980)**	**62,541,229**

6 INVENTORIES

Inventories consist of vehicles and automotive parts and are classified as finished goods and were comprised as follows:

As at 31 March ($)	2025	2024
Vehicle inventory	454,905,510	535,565,139
Parts inventory	217,158,839	276,918,646
Adjustment to lower of cost or net realizable value	(21,855,847)	(18,519,008)
Total inventories	**650,208,502**	**793,964,777**

6 INVENTORIES (CONTINUED)

Purchase of vehicles and parts recognized as expense and inventory write-down expense included in the Income Statements were as follows:

Year ended 31 March ($)	2025	2024
Purchase of vehicles	9,197,965,019	6,938,365,603
Purchase of parts	613,786,281	590,008,595
Import duties	263,248,511	202,856,142
Inventory write-down expense	12,446,435	13,497,472
Total	**10,087,446,246**	**7,744,727,812**

7 LEASES

Lease as a Lessee

The Company leases many assets including buildings and computer equipment. Information about leases for which the Company is a lessee which are classified as right-of-use assets is presented below:

$	Buildings
Balance at 31 March 2023	40,695,952
Additions	824,279
Depreciation charge for the year	(4,625,636)
Balance at 31 March 2024	**36,894,595**
Additions	16,881,124
Depreciation charge for the year	(3,260,374)
Derecognition of right-of-use assets	(7,196,493)
Balance at 31 March 2025	**43,318,852**

Derecognition of the right-of-use assets was a result of termination of certain lease agreements during the year ended 31 March 2025.

The maturity analysis of the contractual undiscounted cash flows are as follows:

As at 31 March ($)	2025	2024
Less than one year	7,819,760	5,983,168
Between one and five years	30,913,689	23,228,300
More than five years	40,576,186	34,235,640
Total undiscounted lease liabilities	**79,309,635**	**63,447,109**

The following amounts are included in the balance sheets:

As at 31 March ($)	2025	2024
Lease obligations - short term	4,157,985	3,478,980
Lease obligations - long term	51,865,903	50,416,110
Total lease obligations	**56,023,888**	**53,895,090**

The following amounts are recognized in the income statements:

Year ended 31 March ($)	2025	2024
Interest expense on lease obligation	3,150,869	4,366,768
Depreciations on right-of-use assets	3,260,374	4,625,636
Income from sub-leasing of right-of-use assets	-	60,000
Expenses related to short-term leases	de minimus	de minimus
Expenses related to low-value assets, excluding short-term leases of low-value assets	de minimus	de minimus

The following amounts are recognized in the statements of cash flow:

Year ended 31 March ($)	2025	2024
Cash payments for the principal portion of lease liabilities (within financing activities)	3,655,294	2,966,503
Cash payment for interest expense related to lease liabilities (within financing activities)	3,150,869	3,542,490
Total cash outflow for leases	**6,806,163**	**6,508,992**

8 FINANCE RECEIVABLES

Finance receivables consist of an intercompany loan receivable with the parent company of $1,618.5 million and $928.0 million at 31 March 2025 and 2024, respectively. See Related Party note 22 for further details.

9 OTHER CURRENT ASSETS

Other current assets consist of the following:

As at 31 March ($)	2025	2024
Current tax asset	220,349	225,575
Prepaid warranty insurance	303,928	303,928
Prepaid marketing costs	4,306,344	1,985,950
Prepayments for vehicles	1,540,255	7,587,930
Prepaid expenses - miscellaneous	1,594,901	1,028,371
Other current assets	**7,965,777**	**11,131,754**

10 CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of amounts on deposit with banks for operating purposes. At 31 March 2025 and 2024 the Company had cash of $9.5 million and $22.3 million, respectively.

11 VARIABLE MARKETING PROVISIONS

Variable marketing provisions are comprised of liabilities for dealer incentives. Variable marketing provisions were all current and materialized as follows:

$	
Balance at 31 March 2023	**6,795,812**
Provisions made during the year	456,959,610
Provisions used during the year	(388,958,889)
Other adjustments	(555,678)
Balance at 31 March 2024	**74,240,855**
Provisions made during the year	1,092,967,405
Provisions used during the year	(1,008,513,022)
Balance at 31 March 2025	**158,695,238**

12 OTHER CURRENT LIABILITIES

Other current liabilities consist of the following:

As at 31 March ($)	2025	2024
Variable dealer margin accruals	407,154,595	287,575,239
Fixed marketing accruals	51,888,075	48,926,035
Deferred revenue - customer prepaid plans	9,029,356	7,946,873
Deferred revenue - complementary service plans	14,156,477	14,150,108
Deferred revenue - certified pre-owned programs	48,277,306	50,751,225
Import duties and sales/ use tax	36,795,252	35,635,898
Deferred revenue - connected car	60,631,657	40,295,518
Customer deposits	1,518,256	1,413,587
Total current other liabilities	**629,450,974**	**486,694,483**

13 OTHER NON-CURRENT LIABILITIES

Other non-current liabilities consist of the following:

As at 31 March ($)	2025	2024
Deferred revenue - certified pre-owned programs	54,750,789	54,879,162
Deferred revenue - complementary service plans	36,427,277	36,317,084
Deferred revenue - customer prepaid plans	14,752,546	14,276,778
Deferred revenue - connected car	60,664,284	66,635,433
Defined benefits obligations	1,627,159	1,974,977
Total non-current other liabilities	**168,222,055**	**174,083,434**

14 OTHER PROVISIONS

Other provisions consist of amounts recognized related to expected future cash outflows for locally offered vehicle services under such programs as roadside assistance and service loaner as well as residual risk sharing agreements on leased vehicles. These other provisions mature at various intervals over the next five years. The other provisions were segregated between current and non-current as follows:

($)	
Balance at 31 March 2023	**(18,216,384)**
Provisions made during the year	(182,828,722)
Provisions used during the year	181,537,979
Other adjustments	3,590,624
Balance at 31 March 2024	**(15,916,504)**
Current	(6,737,632)
Noncurrent	(9,178,872)
Provisions made during the year	(273,825,361)
Provisions used during the year	272,427,108
Other adjustments	975,000
Balance at 31 March 2025	**(16,339,757)**
Current	(6,596,637)
Noncurrent	(9,743,120)

As of 31 March 2025 and 31 March 2024, no residual risk provisions were required to be recorded due to the continuing vehicle supply shortages.

15 EMPLOYEE COSTS

Employee costs consist of the following:

Year ended 31 March ($)	2025	2024
Salaries, wages and bonus	45,454,759	42,832,061
Benefits	6,580,678	6,003,894
Defined benefit pensions	202,371	173,439
Other	350,403	160,070
Total employee costs	**52,588,211**	**49,169,465**

16 OTHER EXPENSES

Other expenses consist of the following:

Year ended 31 March ($)	2025	2024
Consulting costs and other purchased services	13,106,693	6,933,899
Facilities costs	3,171,478	3,179,621
Insurance	1,829,377	1,490,804
Retailer conferences	4,468,315	3,431,543
Travel and entertainment costs	1,598,729	1,217,118
Information technology costs	3,431,192	3,183,456
Other general operating expenses	2,237,742	1,041,989
Total other expenses	**29,843,526**	**20,478,428**

17 OTHER INCOME

Other income consisted of the following:

Year ended 31 March ($)	2025	2024
Commissions - extended service plans	1,123,446	1,985,361
Commissions - oil	8,887,100	8,675,687
Satellite radio activation commissions	9,186,554	8,076,499
Tire and navigation revenue share	6,223,435	6,594,316
Autonomous driving partner fees	-	2,797,034
Miscellaneous items, net	2,355,097	456,068
Total other income	**27,775,632**	**28,584,964**

18 EMPLOYEE BENEFITS

Defined benefit plans

The Company has a supplemental executive retirement plan that provides for a fixed annual benefit for its participants. This plan is fully funded. The Company also maintains a plan providing postretirement medical benefits covering certain salaried employees which is unfunded. The Company funds the unfunded benefits plan on a pay-as-you-go basis. These plans have a total liability of $1.6 million and $2.0 million at 31 March 2025 and 31 March 2024, respectively, and are included in Other non-current liabilities on the Balance sheets. During the years ended 31 March 2025 and 31 March 2024 the Company recognized expense of $0.1 million and $0.2 million related to these plans. The Company expects to contribute $0.3 million to these plans during the 12 months ending 31 March 2026.

Defined contribution plan

Additionally, the Company sponsors and administers a 401(k) Retirement Savings Plan (the "Savings Plan") for the benefit of its employees. Recordkeeping services are provided by a third party plan administrator. The Savings Plan covers all eligible employees of the Company and enables eligible participants to contribute up to statutory limitations. An employee may elect to participate in the Savings Plan after having met certain minimum requirements. Participants are fully vested in the Savings Plan at all times with respect to their contributions, after 2 years of service with respect to the Company's contributions (Company Match) and after 3 years of service for the Company's contributions for Profit Sharing and Supplemental Contributions. The Company maintains at its discretion the right to change the level of matching contributions and to amend, modify, or terminate the Savings Plan.

The Company's contribution to The Savings Plan was $2.0 million and $1.8 million for years ended 31 March 2025 and 2024, respectively. The Company contributed $1.8 million and $1.8 million to the profit share plan during the year ended 31 March 2025 and 2024, respectively.

19 COMMITMENTS AND CONTINGENCIES

In the normal course, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel wherever necessary. The Company records a provision for any claims where the Company has a present obligation as a result of a past event where it is probable an outflow of resources will be required to settle the obligation and a reliable estimate can be made and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a provision in its accounts unless the loss becomes probable. Any claims of a product liability nature are assessed and a provision is recorded, if necessary, by JLR Limited.

Management asserts that none of the claims against the Company are probable or estimable, and it believes that none of the contingencies either individually or in the aggregate, would have a material adverse effect on the Company's financial condition, results of operations or cash flows.

Guarantees

The Company does not provide any guarantees for related parties or unrelated third parties.

Commitments

In the normal course of business, the Company contracts with third parties to provide goods and/or services to the Company in order to operate day to day.

For commitments related to leases, refer to Note 7.

Residual Risk

In the normal course of business, the Company has a vehicle residual risk sharing arrangement with a financial institution that underwrites retail leases. The Company is not a party to these retail leases. For all leases initiated under this contract, when vehicles are disposed after the lease end date, the counterparty incurs all losses up to 9.25% and the Company is responsible for all losses above 9.25%. Due to continuing supply shortages during fiscal years 2025 and 2024, no residual risk provisions were required to be recorded as of 31 March 2025 and 31 March 2024, respectively..

Taxing Authority Reviews

In the normal course of business, the Company is subject to income taxes in numerous federal, state and local jurisdictions and judgement is required in determining the appropriate provision, if any, for transactions where the ultimate tax determination is uncertain. In such circumstances the Company recognizes liabilities for anticipated taxes based on the best information available and where the anticipated liability is both probable and estimable.

Income tax related contingent liabilities are assessed continually and as a reliable estimate can be made, or if they become probable, a provision is recognized in the financial statements of the period in which the change in estimate or probability occurs. Where the final outcome of such matters differs from the amount recorded, any differences may impact income taxes in the period in which the final determination is made.

20 CAPITAL MANAGEMENT

The Company is capitalized via investment from its parent company, JLR Limited. The Company purchases the majority of products it sells from JLR Limited and related companies. The cash flow from the sale of vehicles and parts is sufficient to pay JLR Limited and all other suppliers. Any remaining cash after paying all suppliers, vendors and operating expenses is remitted back to JLR Limited in accordance with a cash pooling agreement. As such, no additional financing is required. At both 31 March 2025 and 2024, the Company maintained capital of $157.3 million.

There were no dividends paid during any of the years presented.

21 DISCLOSURES ON FINANCIAL INSTRUMENTS

This section gives an overview of the significance of financial instruments for the Company and provides additional information on Balance Sheet items that contain financial instruments.

The details of material accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 to the financial statements.

a) Financial assets and liabilities

The following table presents the carrying amounts and fair value of each category of financial assets and liabilities as of 31 March 2025 and 2024, respectively.

Year ended 31 March ($)	2025		2024	
	Total carrying value	**Total fair value**	**Total carrying value**	**Total fair value**
Financial Assets				
Cash and cash equivalents	9,549,363	9,549,363	22,296,305	22,296,305
Trade receivables	197,497,198	197,497,198	138,017,940	138,017,940
Finance receivables	1,618,470,590	1,618,470,590	927,971,151	927,971,151
Other financial assets	443,676	443,676	762,650	762,650
Total	**1,825,960,827**	**1,825,960,827**	**1,089,048,046**	**1,089,048,046**
Financial Liabilities				
Accounts payable	574,334,784	574,334,784	437,814,281	437,814,281
Lease obligations - short term	4,157,985	4,157,985	3,478,980	3,478,980
Lease obligations - long term	51,865,903	51,865,903	50,416,110	50,416,110
Total	**630,358,672**	**630,358,672**	**491,709,371**	**491,709,371**

The Company does not have any derivative financial instruments.

The short term financial assets and liabilities are stated at amortized cost which is approximately equal to their fair value.

Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in a sales transaction as of the respective dates. The estimated fair value amounts as of 31 March 2025 and 2024 have been measured as of the respective dates. As such, the fair values of these financial instruments subsequent to the respective reporting dates may be different than the amounts reported at each year-end.

b) Financial risk management

In the course of its business, the Company is exposed primarily to fluctuations in interest rates, credit risk and liquidity risk, which may adversely impact the fair value of its financial instruments.

The Company has a risk management policy which covers risks associated with the financial assets and liabilities like interest rate risks and credit risks. The risk management policy is approved by the board of directors. The risk management framework aims to:

- Create a stable business planning environment – by reducing the impact of currency and interest rate fluctuations on the Company's business plan.
- Achieve greater predictability to earnings – by determining the financial value of the expected earnings in advance.

i) Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rate, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

a. Foreign currency exchange rate risk

The Company does not have any material exchange risk due to limited transactions in currencies other than US dollars, nor does it have any material balances at the period end which are denominated in any currency other than USD.

ii) Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness, as well as concentration risks.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables and finance receivables.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was $1,826.0 million and $1,089.0 million as of 31 March 2025 and 2024, respectively, being the total of the carrying amount of Cash and cash equivalents, Trade receivables, Finance receivables and Other financial assets.

21 DISCLOSURES ON FINANCIAL INSTRUMENTS (CONTINUED)

b) Financial risk management (continued)

iii) Credit risk (continued)

Financial assets that are neither past due nor impaired

None of the Company's cash equivalents, including time deposits with banks, are impaired. Regarding trade receivables and other receivables, and other loans or receivables that are neither impaired, there were no indications as of 31 March 2025, that any defaults in payment obligations will occur.

Credit quality of financial assets and impairment loss

The aging of trade receivables and finance receivables as of the balance sheet date is given below. The age analysis has been considered from the due date.

As at 31 March ($)	2025			2024		
	Gross	Allowance	Total	Gross	Allowance	Total
Trade Receivables						
Period						
Not yet due	193,259,293	-	193,259,293	135,372,325	-	135,372,325
Overdue 1-3 months	2,652,043	-	2,652,043	2,039,269	-	2,039,269
Overdue 3-6 months	1,687	-	1,687	606,346	-	606,346
Overdue more than 6 months	1,584,175	-	1,584,175	-	-	-
Total	**197,497,198**	**-**	**197,497,198**	**138,017,940**	**-**	**138,017,940**

As at 31 March ($)	2025			2024		
	Gross	Allowance	Total	Gross	Allowance	Total
Finance Receivables						
Period						
Not yet due	1,618,470,590	-	1,618,470,590	927,971,151	-	927,971,151
Overdue 1-3 months	-	-	-	-	-	-
Overdue 3-6 months	-	-	-	-	-	-
Overdue more than 6 months	-	-	-	-	-	-
Total	**1,618,470,590**	**-**	**1,618,470,590**	**927,971,151**	**-**	**927,971,151**

iv) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that it is available for use as per requirements.

The Company is primarily funded through the sale of vehicles and parts at a profit. Generally, funds generated through that means are sufficient to cover all obligations. Any excess cash is remitted back to the parent company, Jaguar Land Rover Limited.

The table below provides details regarding the contractual maturities of financial liabilities as of 31 March 2025:

As at 31 March 2025 ($)	Carrying amount	Contractual Cash Flows			
		Total	Due in 1st year	One to five years	More than five years
Accounts payable	574,334,784	(574,334,784)	(574,334,784)	-	-
Lease obligations - short term	4,157,985	(7,819,760)	(7,819,760)	-	-
Lease obligations - long term	51,865,903	(71,489,875)	-	(30,913,689)	(40,576,186)
Total	**630,358,672**	**(653,644,419)**	**(582,154,544)**	**(30,913,689)**	**(40,576,186)**

v) Derivative financial instruments and risk management

The Company does not have any derivative financial instruments.

22 RELATED PARTY TRANSACTIONS

The Company’s related parties principally consist of subsidiaries of Tata Motors Ltd (subsidiaries of JLR Ltd) and other Tata related companies. The Company routinely enters into transactions with these related parties in the ordinary course of business.

The Company purchases the majority of its inventory from subsidiaries of the ultimate UK parent company, primarily Jaguar Land Rover Limited. As a result, the Company will incur payables to those entities. Additionally, the Company has entered into a transfer price arrangement with Jaguar Land Rover Limited whereby pre-tax profitability is fixed as a percentage of revenue. As a result of this arrangement, the Company will transfer profits or losses to this entity to arrive at the appropriate pre-tax profit target by adjusting cost of sales and offsetting payables to affiliated companies. The Company also has various other operation transactions with Jaguar Land Rover Limited that results in payables to or receivables from that entity. All of these transactions are part of a netting agreement and are settled monthly. At 31 March 2025 and 2024, the Company had a payable of $406.5 million and $319.8 million, respectively, with JLR Limited which was recorded in Accounts payable on the Balance Sheets. At 31 March 2025 and 2024, the Company had a receivable of $15.0 million and $11.5 million, respectively, with JLR Limited which was recorded in Trade receivable on the Balance Sheets.

As part of the Company's arrangement as a national sales company for JLR Limited, all excess cash after local expenditure requirements is remitted to a central treasury function in the UK on a daily basis. Similarly, if cash collected is not sufficient to cover local expenditures, the Company will receive funding from the central treasury function in the UK. Upon cash transfer between the Company and the central treasury function, an intercompany note receivable is recorded with the parent company. At 31 March 2025 and 2024, the Company had approximately $1,618.5 million and $928.0 million, respectively, recorded as a finance receivable from the parent company.

Additionally, in the normal course of business, the Company transacts with other subsidiaries of JLR Limited. At 31 March 2025 and 2024, the Company had trade receivables with Jaguar Land Rover Canada in the amount of $0.2 million and $0.8 million, respectively.

The Company also provides various services to Jaguar Land Rover Canada including, but not limited to legal, accounting, information technology, purchasing, tax services and training. These services are charged to Jaguar Land Rover Canada under a service level agreement. During the 12 months ended 31 March 2025 and 2024 the Company charged $3.3 million and $3.1 million, respectively, to Jaguar Land Rover Canada and received these funds in cash.

Additionally, the Company engages various related entities whereby these entities provide outsourced information technology support, technology development, and marketing purchasing to the Company. During the 12 months ended 31 March 2025 and 2024, the Company recognized expense of $2.6 million and $2.1 million, respectively, related to services received during that period. The Company made cash payments to these entities during the 12 months ended 31 March 2025 and 2024 of $2.6 million and $2.2 million, respectively. Additionally, the Company had an outstanding accounts payable balances to these entities of $0.2 million and $0.3 million at 31 March 2025 and 2024, respectively.

Key management personnel is defined as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. Cumulative compensation of those individuals identified as key management personnel was as follows:

Year ended 31 March ($)	2025	2024
Salaries	1,985,224	1,912,265
Incentive compensation	1,537,762	946,342
Other	494,920	537,289
Total key employee compensation	4,017,906	3,395,896

The Company did not have any other transactions with key management personnel.

Refer to Note 18 for information on transactions with post-employment benefit plans.

23 SUBSEQUENT EVENTS

There were no events occurring after the reporting date through 16 June 2025 requiring an accounting adjustment to be disclosed that would have a material impact on the Company's results of operations, financial position or cash flows.

24 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the board of directors and authorized for issue on 16 June 2025.