

SEC/2025/38

4<sup>th</sup> April 2025

<b>BSE Limited</b> Corporate Relationship Department, P. J. Towers, Dalal Street, Fort, Mumbai – 400 001. <b>BSE Scrip Code: 532756</b>	<b>National Stock Exchange of India Limited</b> Corporate Relationship Department, Exchange Plaza, 5 <sup>th</sup> Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051. <b>NSE Scrip Code: CIEINDIA</b>
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Dear Sir/ Madam,

**Sub: Annual Report for financial year ended 31<sup>st</sup> December 2024 including Business Responsibility and Sustainability Report along-with the Notice of the 26<sup>th</sup> Annual General Meeting**

**Ref: Regulations 34(1), 34(2) read with Regulation 30 and paragraph A of Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

This is further to our letters dated 20<sup>th</sup> February, 2025 and 28<sup>th</sup> March, 2025, we wish to inform that, the 26<sup>th</sup> Annual General Meeting (AGM) of the members of CIE Automotive India Limited (the Company) will be held on Wednesday, 30<sup>th</sup> April 2025 at 3:30 p.m. (IST) through Video Conference (VC)/Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue, in compliance with General Circular Nos. 20/2020 dated 5<sup>th</sup> May, 2020, 09/2024 dated 19<sup>th</sup> September 2024, and other relevant circulars issued by Ministry of Corporate Affairs and other applicable provisions of the Companies Act, 2013 (the Act) and Rules made thereunder. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company situated at Suite F9D, Grand Hyatt Plaza (Lobby Level), Off Western Express Highway, Santacruz (E) Mumbai 400055 which shall be deemed to be Venue of the AGM. All the Members holding shares as on the cut-off date i.e. Wednesday, 23<sup>rd</sup> April, 2025 will be able to attend the AGM through VC/OAVM platform provided by KFin Technologies Limited, the Registrar and Share Transfer Agent of the Company ("RTA"/"KFintech") at <https://emeetings.kfintech.com>.

Pursuant to Regulations 34(1), 34(2) read with Regulation 30 and paragraph A of Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the following:

1. copy of the Annual Report for the Financial Year ended 31<sup>st</sup> December 2024 which *inter- alia* comprises the Standalone and Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> December 2024 and Report of the Board of Directors and Auditors thereon (the Annual Report);
2. copy of the Notice calling the 26<sup>th</sup> Annual General Meeting (AGM) inter-alia setting out the Ordinary and Special Businesses to be transacted at the AGM and the explanatory statement thereto (Notice of AGM); and

**CIE Automotive India Limited**

(Formerly known as Mahindra CIE Automotive Limited)

CIN: L27100MH1999PLC121285

**Corporate Office**

602 & 603 Amar Business Park, Baner Road, Pune – 411045, India

Tel: +91 20 29804622

**Registered Office**

Suite F9D, Grand Hyatt Plaza (Lobby Level), Off Western Express Highway, Santacruz (E), Mumbai, India – 400055

Tel: +91 22 62411031 | Fax: +91 22 62411030 | website : [www.cie-india.com](http://www.cie-india.com) | Email: [contact.investors@cie-india.com](mailto:contact.investors@cie-india.com)

3. the Business Responsibility and Sustainability Report (BRSR) for the financial year ended 31<sup>st</sup> December 2024, forms part of the Annual Report.

The Notice of AGM is available on the website of the Company at the web-link: <https://www.cie-india.com/periodic-public-information8.html#General-Meetings> and the Annual Report is available on the website of the Company at the web-link: <https://www.cie-india.com/periodic-public-information8.html#Annual-Reports>.

Kindly take the same on the record.

Thanking you,  
Yours faithfully,

**For CIE Automotive India Limited**

**Pankaj V. Goyal**  
**Company Secretary, Chief Compliance Officer,**  
**and Head- Legal**  
**Membership No.: F13037**

Encl.: As above

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## NOTICE

The **TWENTY SIXTH ANNUAL GENERAL MEETING** of the Members of **CIE AUTOMOTIVE INDIA LIMITED** [formerly known as Mahindra CIE Automotive Limited] (**'the Company'**) will be held on Wednesday, 30<sup>th</sup> April, 2025 at 03:30 p.m. (IST) through Video Conference ("VC") / Other Audio Visual Means ("OAVM") without the physical presence of the Members at a common venue, to transact the businesses mentioned below.

The proceedings of the 26<sup>th</sup> Annual General Meeting ("AGM") shall deemed to be conducted at the Registered Office of the Company situated at Suite F9D, Grand Hyatt Plaza (Lobby Level), Off Western Express Highway, Santacruz (E), Mumbai – 400055 which shall be the deemed venue of the AGM.

### ORDINARY BUSINESS

1. Consideration and adoption of the Audited Financial Statements (along-with Audited Consolidated Financial Statements) of the Company for the Financial Year ended 31<sup>st</sup> December, 2024 along-with the reports of the Board of Directors and Auditors thereon and in this regard to consider and, if thought fit, pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> December, 2024 along-with the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

2. Declaration of Dividend of ₹ 7 per ordinary Equity Share of the face value of ₹ 10 each for the financial year ended 31<sup>st</sup> December, 2024 and in this regard to consider and, if thought fit, pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** Final Dividend of ₹ 7 (Seven rupees only) per Ordinary Equity Share of the face value of ₹ 10 each for the financial year ended 31<sup>st</sup> December, 2024 as recommended by the Board of Directors be declared and that the said Dividend be distributed out of the accumulated balance of retained earnings representing the accumulated surplus in the profit and loss account as at 31<sup>st</sup> December, 2024."

3. To re-appoint Mr. Manoj Mullassery Menon (DIN: 07642469), who retires by rotation and being eligible offers himself for re-appointment, as a Director liable to retire by rotation and in this regard to consider and, if thought fit, pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Manoj Mullassery Menon (DIN: 07642469) who retires by rotation at

this Annual General Meeting and being eligible for re-appointment, be re-appointed as a Director of the Company, liable to retire by rotation."

### SPECIAL BUSINESS

4. Ratification of Remuneration to Cost Auditor and in this regard to consider and, if thought fit, pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force] and in accordance with the recommendation of the Audit Committee and the Board of Directors of the Company, the Company ratifies the remuneration payable to Messrs. Dhananjay V. Joshi & Associates, Cost Accountants, (Firm Registration Number: 000030), appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending 31<sup>st</sup> December, 2025, amounting to ₹ 13,86,000 (Rupees Thirteen Lakhs Eighty Six Thousand Only) plus taxes as may be applicable and reimbursement of such other out of pocket expenses, as may be incurred by them during the course of Audit.

**RESOLVED FURTHER THAT** approval of the members is hereby accorded to the Board of Directors of the Company (referred to as the Board which expression shall include any Committee thereof or person(s) authorized by the Board) to do all such acts, deeds, matters and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this resolution and to settle any questions, difficulties or doubts that may arise in this regard."

5. Appointment of M/s. SVD & Associates, Company Secretaries (Firm Registration Number: P2013MH075200) as the Secretarial Auditors of the Company at the 26<sup>th</sup> Annual General Meeting for a term of 5 consecutive years, including the manner in which the remuneration and other terms of appointment of the Secretarial Auditors shall be fixed and, in this regard, to consider and, if thought fit, pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to Regulation 24A and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"the Listing Regulations"**) read with Circulars issued thereunder from time to time and applicable provisions of the Companies Act, 2013 (**"the Act"**) and Rules made thereunder [including any



statutory modification or re-enactment thereof for the time being in force] and in accordance with the recommendation of the Board of Directors of the Company, M/s. SVD & Associates, a firm of Company Secretaries in practice, (Firm Registration Number: P2013MH075200) be appointed at this 26<sup>th</sup> Annual General Meeting as the Secretarial Auditors of the Company for a term of 5 consecutive years, to conduct the Secretarial Audit of five consecutive financial years respectively ending on 31<sup>st</sup> December, 2025, 31<sup>st</sup> December, 2026, 31<sup>st</sup> December, 2027, 31<sup>st</sup> December, 2028 and 31<sup>st</sup> December, 2029 (**'the Term'**) and to issue (i) the Secretarial Audit Report under Section 204 of the Act for the Term and (ii) the Secretarial Audit Reports under Regulation 24A(1)(a) of the Listing Regulations for the Term, at a remuneration to be determined by the Board of Directors of the Company (referred to as the Board which expression shall include any Committee thereof or person(s) authorized by the Board).

**RESOLVED FURTHER THAT** approval of the members is hereby accorded to the Board to avail or obtain from the Secretarial Auditor, such other services or certificates, reports, or opinions which the Secretarial Auditors may be eligible to provide or issue under the Applicable Laws at a remuneration to be determined by the Board."

6. Approval of re-appointment of Mr. Manoj Mullassery Menon (DIN: 07642469) as Whole time Director of the Company and remuneration payable to him and in this regard to consider and if thought fit, pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to provisions of the Sections 203, 178, 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013, Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) ("the Act"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company and on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, approval of the members be and is hereby accorded for re-appointment of Mr. Manoj Mullassery Menon (DIN:07642469) as a Whole-time Director (designated as Executive Director) of the Company for a period of 3 (Three) years with effect from 17<sup>th</sup> October, 2025, liable to retire by rotation and that the remuneration (excluding the Stock Appreciation Benefit) payable to Mr. Manoj Mullassery Menon (DIN:07642469), as the Whole-time Director (designated as Executive Director) of the Company shall not exceed ₹ 25,000,000 (Rupees Twenty Five Million) per annum by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.

**RESOLVED FURTHER THAT** approval of the members be and is hereby accorded to the Board of Directors of the Company to decide, from time to time, on recommendation of the Nomination and Remuneration Committee of the Company, the salary, perquisites and other allowances and benefits which shall be paid and manner in which those shall be paid to Mr. Manoj Mullassery Menon subject to condition that the aggregate remuneration (excluding the Stock Appreciation Benefit) shall not exceed the limit of remuneration of ₹ 25,000,000 (Rupees Twenty Five Million) per annum as mentioned above.

**RESOLVED FURTHER THAT** Mr. Menon shall be entitled to Stock Appreciation Benefits in accordance with the Stock Appreciation Benefit Policy of the Company and the amount payable under the Stock Appreciation Benefit Policy shall be over and above the aforesaid limits of ₹ 25,000,000 (Rupees Twenty Five Million) per annum; provided that the aggregate remuneration payable to Mr. Menon along-with remuneration payable to other Whole-time Director(s) or Managing Director(s) of the Company, if any, shall be subject to the overall ceiling of 7% of the net profits of the Company in a financial year or such other limits as may be approved by the members of the Company from time to time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (referred to as the Board which expression shall include any Committee thereof or person(s) authorized by the Board) be authorised to do all such acts, deeds, matters and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this resolution and to settle any questions, difficulties or doubts that may arise in this regard."

7. Approval of re-appointment of Mr. Ander Arenaza Alvarez (DIN: 07591785) as Whole-time Director of the Company and remuneration payable to him and in this regard to consider and if thought fit, pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to provisions of the Sections 203, 178, 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013, Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) ("the Act"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company and subject to approval of the Central Government and such other approvals, permissions and sanctions, as may be required and subject to such terms and conditions, as may be prescribed or imposed by the Central Government or any of the authorities while granting such approvals, permissions and sanctions and on the recommendation of the Nomination



and Remuneration Committee and the Board of Directors of the Company, approval of the members be and is hereby accorded for re-appointment of Mr. Ander Arenaza Álvarez (DIN: 07591785) as a Whole-time Director (designated as Executive Director) of the Company for a period of 3 (three) years with effect from 13<sup>th</sup> September, 2025, liable to retire by rotation and that the remuneration payable to Mr. Ander Arenaza Álvarez (DIN: 07591785), as the Whole-time Director (designated as Executive Director) of the Company shall not exceed ₹ 3,000,000 (Rupees Three Million) per annum by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.

**RESOLVED FURTHER THAT** approval of the members be and is hereby accorded to the Board of Directors of the Company to decide, from time to time, on recommendation of the Nomination and Remuneration Committee of the Company, the salary, perquisites and other allowances and benefits which shall be paid and manner in which those shall be paid to Mr. Ander Arenaza Álvarez subject to condition that the aggregate remuneration shall not exceed the limit of remuneration of ₹ 3,000,000 (Rupees Three Million) per annum as mentioned above.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (referred to as the Board which expression shall include any Committee thereof or person(s) authorized by the Board) be authorised to do all such acts, deeds, matters and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this resolution and to settle any questions, difficulties or doubts that may arise in this regard."

8. Approval of material related party transactions of the Company with Mahindra & Mahindra Limited and in this regard to consider and, if thought fit, pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to Regulation 23(4) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the Listing Regulations"), as amended from time to time, read with SEBI Master Circular dated 11<sup>th</sup> November, 2024 and the Company's Policy on materiality of and dealing with related party transactions, and in accordance with the omnibus approval and recommendation of the Audit Committee and recommendation of the Board, approval of the members be and is hereby accorded to material related party transactions of the Company with Mahindra & Mahindra Limited, which inter-alia are in the nature of sale of goods and services, purchase of goods or services, purchase of Assets, payment or receipt of interest for delayed or advance payments, paying the lease or rent

for the property taken on lease by the Company and any other transfer of resources, services or obligation to meet the objectives or requirement ("Transactions"), entered into or to be entered into in ordinary course business and on arm's length basis, which taken together during a financial year may exceed 10% of the Consolidated Turnover of the Company, provided that aggregate amount of all such Transactions taken together during a Financial Year shall not exceed ₹ 23,000 Million (Rupees Twenty Three Thousand Million).

**RESOLVED FURTHER THAT** in accordance with the omnibus approval and recommendation of the Audit Committee and the recommendation of the Board, the approval of the members be and is hereby accorded to Related Party Transactions of the Company with Mahindra & Mahindra Limited which may be entered into by the Company, where the need for related party transaction cannot be foreseen and requisite details are not available, provided that value of such transaction does not exceed ₹ 10 Million per transaction provided that the aggregate value of such transactions taken together with the Transactions during a Financial Year in aggregate shall be within the aforesaid limits of ₹ 23,000 Million (Rupees Twenty Three Thousand Million).

**RESOLVED FURTHER THAT** approval of the members be and is hereby accorded to the Board of Directors of the Company (referred to as the Board which expression shall include any Committee thereof or person(s) authorized by the Board) to do all necessary acts, deeds, things and execute all such documents, undertakings as may be necessary in this regard from time to time to give effect to this resolution."

9. Approval of material related party Transactions of CIE Galfor SA with CIE Automotive SA and in this regard to consider and, if thought fit, pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to Regulation 23(4) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the Listing Regulations"), as amended from time to time, read with SEBI Master Circular dated 11<sup>th</sup> November, 2024 and the Company's Policy on materiality of and dealing with related party transactions and in accordance with the omnibus approval and recommendation of the Audit Committee and recommendation of the Board, approval of the members be and is hereby accorded to the material related party transaction(s) of CIE Galfor SA (a wholly-owned subsidiary of the Company) (hereinafter referred to as Galfor) with CIE Automotive SA (ultimate holding Company of the Company) (hereinafter referred to as CIE), which taken together with previous transactions during a





financial year may exceed 10% of the Consolidated Turnover of the Company, and which are in the nature of :

- i. Cash Pooling Arrangement, provided that:
  - a. the aggregate amount of funds transferred by Galfor to CIE's Common Cash Pool Account during a Financial Year, shall not exceed Euro 250,000,000 (Euro Two Hundred and Fifty Million) and at any point of time during the Financial Year the maximum amount receivable by Galfor from CIE, which is reckoned as Loan given by Galfor to CIE, shall not exceed Euro 50,000,000 (Euro Fifty Million).
  - b. the aggregate of funds drawn by Galfor from CIE's Common Cash Pool Account during a Financial Year shall not exceed Euro 250,000,000 (Euro Two Hundred and Fifty Million) and at any point of time during the Financial Year the maximum amount payable by Galfor to CIE, which is reckoned as borrowing by Galfor from CIE, shall not exceed Euro 50,000,000 (Euro Fifty Million).
  - c. the interest payable/receivable if any on the amount reckoned as loan/borrowing shall be determined, on arm's length basis and shall be calculated on the amount receivable/payable at the end of each day during a Financial Year.
- ii. Purchase of services ("other RPTs") provided that aggregate amount of the other RPTs taken together during a Financial Year shall not exceed Euro 4,000,000 (Euro Four Million).

**RESOLVED FURTHER THAT** in accordance with the omnibus approval and recommendation of the Audit Committee and the recommendation of the Board, the approval of members be and is hereby accorded to the transactions to be entered into between Galfor and CIE where the need of the related party transaction could not be foreseen and requisite details are not available, provided that value of such transaction does not exceed ₹ 10,000,000 (Rupees Ten Million) per transaction (equivalent to Euro 110,424) provided further that aggregate value of such transactions taken together with the value of the Transactions during a Financial Year in aggregate shall be within the aforesaid limits for the Transactions of Euro 4,000,000 (Euro Four Million)."

**RESOLVED FURTHER THAT** approval of the members be and is hereby accorded to the Board of Directors of the Company (referred to as the Board which

expression shall include any Committee thereof or person(s) authorized by the Board) to do all necessary acts, deeds, things and execute all such documents, undertakings as may be necessary in this regard from time to time to give effect to the above resolution."

10. Approval of shifting of Registered Office of the Company from the jurisdiction of Registrar of Companies, Mumbai to the jurisdiction of Registrar of Companies, Pune and in this regard to consider and, if thought fit, pass the following resolution as a **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 12 and all other applicable provisions of the Companies Act, 2013 ('the Act'), Rules made thereunder (including any statutory modification or re-enactment thereof, for the time being in force) and subject to approval of or confirmation by the Regional Director, Ministry of Corporate Affairs, Government of India, Western Region, Mumbai (the Regional Director) and such other approvals, permissions and sanctions, as may be required and subject to such terms and conditions, as may be prescribed or imposed by the Regional Director or any of the authorities while granting such approvals, permissions and sanctions and in accordance with the approval and recommendation of the Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded for shifting of the Registered Office of the Company from E Suite F9D, Grand Hyatt Plaza (Lobby Level), Off Western Express Highway, Santacruz (E), Mumbai – 400055 located in the State of Maharashtra under the jurisdiction of Registrar of Companies, Mumbai, (ROC Mumbai) to 'G' Block, Bhosari Industrial Estate, Near BSNL office, Bhosari, Pune – 411026, located in the State of Maharashtra under the jurisdiction of Registrar of Companies, Pune (ROC Pune).

**RESOLVED FURTHER THAT** approval of the members be and is hereby accorded to the Board of Directors of the Company (referred to as the Board which expression shall include any Committee thereof or person(s) authorized by the Board) to sign the petition, application, affidavit, declaration and such other documents as may be necessary and to authenticate and digitally sign and file necessary e-Forms with the Regional Director, ROC Mumbai, ROC Pune and such other appropriate government authorities and to take all steps and do all acts, deeds and things as may be necessary in relation to completion of all the legal formalities/procedures as may be required for the purpose of shifting the Registered Office address of the Company from ROC Mumbai to ROC Pune and to take all such steps



as may be required in this connection and to settle or remove any questions, difficulties or doubts that may arise in this regard."

By Order of the Board of Directors of  
**CIE Automotive India Limited**

**Pankaj V. Goyal**  
**Company Secretary, Chief Compliance Officer,**  
**and Head - Legal**  
Membership No.: F13037

Pune, 27<sup>th</sup> March, 2025

**Registered Office:**

**CIE Automotive India Limited**

(formerly known as Mahindra CIE Automotive Limited)

CIN: L27100MH1999PLC121285

**Suite F9D, Grand Hyatt Plaza (Lobby Level),  
Off Western Express Highway, Santacruz (E),  
Mumbai - 400055**

E-mail: [contact.investors@cie-india.com](mailto:contact.investors@cie-india.com)

Website: [www.cie-india.com](http://www.cie-india.com)

Tel: +91 22 62411031

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**NOTES:**

1. In compliance with General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020, 09/2024 dated 19<sup>th</sup> September, 2024 and other relevant circulars issued by Ministry of Corporate Affairs, ("**MCA Circulars**"), and other applicable provisions of the Companies Act, 2013 ("**the Act**") and Rules made thereunder the 26<sup>th</sup> Annual General Meeting ("**AGM**" or "**Meeting**") of the Company is being conducted through Video Conferencing/Other Audio Visual Means ("**VC/OAVM**") without physical presence of the Members at a common venue. In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Guidance/Clarification issued by ICSI, the proceedings of the AGM shall deem to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.
2. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf who may or may not be a Member of the Company. However, the AGM is being held pursuant to the MCA Circulars through VC/OAVM and physical attendance of Members has been dispensed with. Hence in accordance with the MCA Circulars and Regulation 44(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**the Listing regulations**"), the facility for appointment of proxies by the Members will not be available for the e-AGM and the Proxy Form and Attendance Slip

are not annexed to this Notice. However, pursuant to Section 113 of the Act, Institutional /Corporate members (i.e., any Body Corporate) may appoint its representative to attend the AGM on their behalf and to vote electronically either during the remote e-voting period or during the AGM. For this necessary Resolution/Authorization should be sent electronically through their registered email address to the Scrutinizer at [sbhagwatcs@yahoo.co.in](mailto:sbhagwatcs@yahoo.co.in) with a copy marked to [contact.investors@cieindia.com](mailto:contact.investors@cieindia.com).

3. Members of the Company under the category of Institutional Shareholders are encouraged to attend and participate in the AGM through VC/OAVM and vote thereat.
4. The Explanatory Statement as required under Section 102 of the Act is annexed to the Notice of AGM. Further, additional information with respect to Item No. 3, pursuant to the Secretarial Standards - 2 on General Meetings and the Listing Regulations is also annexed to the Notice of AGM. The Board of Directors have considered and decided to include the Special Businesses as mentioned under Item Nos. from 4 to 10 of the Notice of AGM, as they are unavoidable in nature.
5. **Attending AGM:** All the Members will be provided with a facility to attend the AGM through VC/OAVM facility provided by KFin Technologies Limited, the Registrar and Share Transfer Agent of the Company ("KFintech" or "KFin" or "RTA"). Kindly refer Note No. 18, 19(C) and 20 below for detailed instructions for participating in the AGM through VC/OAVM facility. A member logging in into the VC/OAVM facility using the remote e-voting credentials provided by KFintech shall be considered for record of attendance of such member at the AGM and such member attending the AGM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. **Remote e-Voting:** The Company is providing facility of remote e-voting during the remote e-voting period to its Members through KFin Technologies Limited, the Registrar and Share Transfer Agent of the Company. Kindly, refer Note No. 18, 19(A) and 19(B) below for detailed instructions for remote e-voting.
7. **Voting during the AGM:** Members who are present at the AGM through VC/OAVM facility but have not cast their vote on resolutions through remote e-voting may cast their vote through e-voting during the AGM. Kindly refer Note No. 18 and 19(C) below for instruction for e-voting during the AGM.
8. Pursuant to Regulation 42 of the Listing Regulations and applicable provisions of the Act, the Company has fixed Wednesday, 23<sup>rd</sup> April, 2025, as the "Record Date" for the purpose of the AGM and determining the shareholders entitled for Final Dividend.



9. Pursuant to Sections 101 and 136 of the Act read with Rule 18(1) of the Companies (Management and Administration) Rules, 2014 (Meeting Rules) read with the MCA Circulars and Regulation 36 of the Listing Regulations, soft copies of the Notice calling the 26<sup>th</sup> AGM *inter-alia* setting out the Ordinary and Special Businesses to be transacted at the AGM and the explanatory statement thereto ("**Notice of AGM**") along-with the Annual Report which *inter-alia* comprises the Standalone and Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> December, 2024 and Report of the Board of Directors and Auditors thereon, management discussion and analysis report and Business Responsibility and Sustainability Report ("the Annual Report") is being sent by email to those Members whose e-mail addresses are registered with the Company or any of the Depository(ies). Further, a letter providing the web-link, including the exact path, where complete details of the Annual Report is available is being sent to those shareholder(s) who have not so registered.
10. Members who wish to obtain printed copies of above-mentioned documents can send a request on [contact.investors@cie-india.com](mailto:contact.investors@cie-india.com). The Notice of AGM and the Annual Report is available on the website of the Company at the weblink <https://www.cie-india.com/periodic-public-information8.html#Annual-Reports>. The Notice of AGM and Annual Report is also accessible from the websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The same is also available on the website of KFin Technologies Limited at <https://evoting.kfintech.com/>.
11. All the members whose names are recorded in the Register of Members or in the List of Beneficial Owners maintained by the depositories as on Friday, 28<sup>th</sup> March, 2025 will be considered for the purpose of sending the Notice of AGM and the Annual Report. However, instructions have been given at Note No. 19(B)(II) to enable those persons who become members after Friday, 28<sup>th</sup> March, 2025 to receive the Notice of AGM and the Annual Report.
12. **Submission of questions / queries prior to AGM:**
  - a) Members desiring any additional information with regard to the Annual Accounts/ Annual Reports or has any question or query in relation to items of businesses as set out in the Notice of AGM, are requested to send an email from their registered email address, to the Company Secretary of the Company, on the Company's investor email address: [contact.investors@cie-india.com](mailto:contact.investors@cie-india.com) at least 24 hours before the date of the AGM i.e., till 5:00 p.m. (IST) on 29<sup>th</sup> April, 2025, so as to enable the Management to keep the information ready. Please note that Members' questions will be answered only if they holds shares as on the cut-off date (as defined herein below).
  - b) Alternatively, shareholders holding shares as on the cut-off date may also visit <https://emeetings.kfintech.com/> and login through the user id and password provided in the email received from KFinTech/generated as per procedure provided in Note No. 19(B)(II). On successful login click on the tab "Post Your Queries Here" to post queries/ views/ questions. The window shall be available from Friday, 25<sup>th</sup> April, 2025 9:00 a.m. (IST) to Tuesday, 29<sup>th</sup> April 2025, 5:00 p.m. (IST).
13. **Speaker Registration before AGM:**

Members of the Company who would like to speak or express their views or ask questions during the AGM needs to register themselves as speaker. For this member holding shares as on the cut-off date should visit <https://emeetings.kfintech.com> and login through the user id and password provided in the email received from KFinTech/generated as per procedure provided in Note No. 19(B)(II). On successful login, select 'Speaker Registration' and follow the process as guided on the screen. The window for Speaker Registration shall open from Friday, 25<sup>th</sup> April, 2025 9:00 a.m. (IST) to Tuesday, 29<sup>th</sup> April, 2025 5:00 p.m. (IST), during which the registration must be completed.

Please note that, only those members holding shares as on the cut-off date who have registered themselves as 'Speaker', by following the procedure as mentioned above, shall only be able to speak and express their views/raise queries, during the meeting. If a member is not registered as 'Speaker', such member attending the AGM will be placed under 'listen only' module. **Due to limitations of transmission and coordination during the AGM, the Company may have to dispense with or curtail the Speaker Session, hence shareholders are encouraged to send their questions etc. in advance as provided in Note No. 12 above.**
14. **Procedure for inspection of documents:**

The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and relevant documents referred to in this Notice of AGM and explanatory statement, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice of AGM will also be available for electronic inspection without any fee by the members from the date of circulation of





this Notice up to the date of AGM i.e. Wednesday, 30<sup>th</sup> April, 2025. Members seeking to inspect such documents can send an email to [contact.investors@cie-india.com](mailto:contact.investors@cie-india.com).

15. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Listing Regulations read with SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11<sup>th</sup> November, 2024, Members are provided with the facility to cast their vote electronically on all resolutions set forth in this Notice, through remote e-voting during the remote e-voting period. It is hereby clarified that a Member may vote either through availing the remote-e voting facility or using the facility of e-voting during the AGM at his/her/its discretion, as per the instructions provided herein below.
16. The remote e-voting facility will be available during the following period:
  - I. Day, date and time of commencement of remote e-voting: Friday, 25<sup>th</sup> April, 2025 at 9:00 a.m. (IST).
  - II. Day, date and time of end of remote e-voting beyond which remote e-voting will not be allowed: Tuesday, 29<sup>th</sup> April, 2025 at 5:00 p.m. (IST)

The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be disabled upon expiry of aforesaid period.

17. The Company has fixed Wednesday, 23<sup>rd</sup> April, 2025 as the **“Cut-off Date”** for identifying the Members who shall be eligible for participation in the AGM through VC/OAVM facility and voting either through remote e-voting during the remote voting period or through e-voting during the AGM. A person whose name is recorded in the Register of Members or in the List of Beneficial Owners maintained by the depositories as on the cut-off date shall be entitled to attend the AGM and to vote on the resolutions as set-forth in the Notice. The voting rights of the Members, in respect of remote e-voting or e-voting during the AGM, shall be reckoned in proportion to their share in the paid-up equity share capital as on the cut-off date. A person who is not a Member as on the cut-off date should treat Notice of this Meeting for information purposes only.
18. For accessing the remote e-voting platform provided by KFinTech and the platform provided for attending the AGM through VC/OAVM (including e-voting during the AGM), the members are provided with the Login ID and Password (Login Credentials) in the following manner:

**a) For individual shareholders holding shares in demat mode:**

- i. for attending the AGM through VC/OAVM and e-voting during the AGM which is integrated with the VC platform - the Login Credentials, as provided in the e-mail received from KFinTech/as may be generated as per procedure provided in Note No. 19(A), shall be required.
- ii. For remote e-voting during the remote e-voting period - such shareholders i.e. Individual Shareholders holding shares in Demat Mode, can use the facility of single login and access the remote e-voting platform from their demat account(s) / website(s) of Depositories / Depository Participants (DPs).

For further details please refer Note No. 19(A) and Note No. 19(C) of this AGM notice.

**b) For non-individual shareholders holding shares in demat mode and all shareholders holding shares in physical mode:**

The Login Credentials, as provided in the mail received from KFinTech as provided in Note No. 19(B)(i)/as may be generated as per procedure provided in Note No. 19(B)(ii), are required for remote e-voting during the remote e-voting period as mentioned above and for attending the AGM through VC/OAVM and e-voting during the AGM which is integrated with the VC platform provided by KFinTech.

For further details please refer Note No. 19 (B) and Note No. 19(C) of this AGM notice.

**19. Instructions for members for remote e-Voting, e-voting during the AGM and for attending the AGM through VC/OAVM:**

**A) Login method for remote e-Voting for Individual shareholders holding Shares in demat mode:**

Pursuant to Section VI-C of the SEBI Master Circular No.: SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11<sup>th</sup> November, 2024 on “e-Voting facility provided by Listed Companies”, all the individual shareholders holding shares in demat mode, may cast their vote electronically through remote e-voting during the remote e-voting period by way of single login credential through their demat accounts / websites of Depositories / Depository Participants (DPs). Individual shareholders holding shares in demat mode, would be able to cast their vote without having to register again with the e-Voting service provider (ESP)







(i.e. KFin Technologies Limited). Shareholders are advised to update their mobile number and e-mail ID with their DPs to access remote e-Voting facility.

**It is hereby clarified that the facility of login through demat accounts / websites of Depositories / Depository Participants**

**(DPs) is only available for remote e-voting. However, for attending the AGM through VC/OAVM and e-voting during the AGM, the remote e-voting credentials as provided by KFin Technologies Limited will be required and members must follow the detailed procedure as provided in Note No. 19(C) below.**

The procedure to login and accessing remote e-voting platform by the Individual shareholders holding Shares in demat mode, as advised by the Depositories, is given below:

Type of shareholders	Login Method
Individual Shareholders holding shares in demat mode with <b>NSDL</b>	<p><b>1. User already registered for IDeAS facility:</b></p> <ol style="list-style-type: none"> <li>Visit URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section.</li> <li>On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting".</li> <li>Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.</li> </ol> <p><b>2. User not registered for IDeAS e-Services:</b></p> <ol style="list-style-type: none"> <li>To register click on link : <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>Select "Register Online for IDeAS" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Proceed with completing the required fields.</li> <li>Follow steps given in point 1.</li> </ol> <p><b>3. Alternatively, by directly accessing the e-Voting website of NSDL:</b></p> <ol style="list-style-type: none"> <li>Open URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a></li> <li>Click on the icon "Login" which is available under 'Shareholder/Member' section.</li> <li>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.</li> <li>Post successful authentication, you will be requested to select the name of the company and the e-Voting Service Provider name, i.e. KFintech. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.</li> </ol> <p><b>4. Shareholders / Members can also download NSDL Mobile App "NSDL Speeds" facility by scanning the QR code mentioned below for seamless voting experience.</b></p> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; align-items: center;">  <span style="margin: 0 10px;">App Store</span>  <span style="margin: 0 10px;">Google Play</span> </div> <div style="display: flex; justify-content: center; align-items: center; gap: 20px;">   </div>



Type of shareholders	Login Method
Individual Shareholders holding Shares in demat mode with <b>CDSL</b>	<p><b>1. Existing user who have opted for Easi / Easiest:</b></p> <p>I. Visit URL: <a href="https://web.cdslindia.com/myeasitoken/Home/Login">https://web.cdslindia.com/myeasitoken/Home/Login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></p> <p>II. Login with your registered user id and password.</p> <p>III. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal.</p> <p>IV. Click on e-Voting service provider name to cast your vote.</p> <p><b>2. User not registered for Easi/Easiest:</b></p> <p>I. Option to register is available at <a href="https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration">https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration</a></p> <p>II. Proceed with completing the required fields.</p> <p>III. Follow the steps given in point 1.</p> <p><b>3. Alternatively, by directly accessing the e-Voting website of CDSL:</b></p> <p>I. Visit URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></p> <p>II. Provide your demat Account Number and PAN No.</p> <p>III. System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account.</p> <p>IV. After successful authentication, user will be provided links for the respective ESP, i.e., KFintech where the e-voting is in progress.</p>
Individual Shareholder login through their demat accounts/ Website of Depository Participant	<p>I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility.</p> <p>II. Once logged-in, 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.</p> <p>III. Click on options available against company name or e-Voting service provider – KFintech and you will be redirected to e-Voting website of KFintech for casting your vote during the remote e-Voting period without any further authentication.</p>

**Important note:** Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding Shares in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Shares held with NSDL	Please contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022-4886 7000
Shares held with CDSL	Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no: 1800 22 55 33

**B) Login method for remote e-Voting for Shareholders other than Individual shareholders holding shares in demat mode and for all shareholders holding shares in physical mode:**

- I. In case of Members holding shares as on Friday, 28<sup>th</sup> March, 2025 and

**receiving this Notice of AGM by email (in cases where email id of member is registered):**

Member will receive an e-mail from KFintech [for Members whose e-mail IDs are registered with the Company/RTA or Depositories] which includes details of E-Voting Event Number ("EVEN"), USER ID



and password. Kindly follow the following steps:

- a. Launch internet browser by typing the URL: <https://evoting.kfintech.com>.
- b. Enter the login credentials (i.e. User ID and password) as mentioned in the email. However, if you are already registered with KFinTech for e-voting, you must use your existing User ID and password for casting the vote.
- c. In case of physical folio, User ID will be EVEN (E-Voting Event Number) followed by Folio Number. In case of Demat account, User ID will be your DP ID and Client ID.
- d. After entering these details appropriately, click on "LOGIN".
- e. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- f. You need to login again with the new credentials.
- g. On successful login, the system will prompt you to select the "EVENT" of "CIE Automotive India Limited".
- h. On the voting page, the item as mentioned in the Notice of AGM shall be listed.
- i. Voting has to be done separately for each folio/demat accounts.
- j. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/ AGAINST" or alternatively, you may

partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as on the Cut-off date for the voting. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

- k. You may then cast your vote by selecting an appropriate option and click on "Submit".
- l. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the resolution(s).
- m. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRIs, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter, etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at e-mail ID: [sbhagwatcs@yahoo.co.in](mailto:sbhagwatcs@yahoo.co.in) copy to [evoting@kfintech.com](mailto:evoting@kfintech.com). They may also upload the same in the e-voting module in their login. The scanned image of the above-mentioned documents should be in the format "Corporate Name\_ EVENT NO."

## II. In case the persons who become member of the Company after Friday 28<sup>th</sup> March, 2025 and holding shares as on the Cut- off Date:

Any person who acquires Shares of the Company and becomes Member of the Company after Friday, 28<sup>th</sup> March, 2025 being the date reckoned for sending the AGM Notice & Annual Report and who holds/continue to hold shares as on the cut-off date i.e. Wednesday, 23<sup>rd</sup> April, 2025, may obtain their User Id and password in the manner as mentioned below:

- a. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member



may send SMS: MYEPWD <space>  
E-Voting Event Number+Folio No. or  
DP ID Client ID to 9212993399.

- Example for NSDL:  
MYEPWD <SPACE>  
IN12345612345678
- Example for CDSL:  
MYEPWD <SPACE>  
1402345612345678
- Example for Physical:  
MYEPWD <SPACE>  
XXXX1234567890

b. **If e-mail address or mobile number of the member is registered against Folio No. / DP ID- Client ID**, then on the home page of <https://evoting.kfintech.com> the member may click "Forgot Password" and enter Folio No. or DP ID-Client ID and PAN to generate a password.

c. **Members whose email addresses and mobile numbers are not registered must follow the process below:**

- First register the same before the cut-off date by following the procedure mentioned below:
- **Physical Holding:** Send relevant documents to the RTA along-with duly filled 'Form ISR I' (please see detailed instructions in Note No. 32 to Note No. 35 regarding updation of KYC details)
- **Demat Holding:** By contacting respective Depository Participant ("DP") and registering e-mail address and mobile number in demat account, as per the process advised by the DP.
- Upon updation of Mobile Number and/or e-mail ID, the shareholders may generate the password by using any of the method mentioned in (ii) above to reset/generate the password.

Once the password is received/retrieved by the shareholder, you may kindly follow the instructions as mentioned under Note No. 19(B)(i) above and cast vote by remote e-voting.

**c) Login Method for attending the AGM through VC/OAVM and e-voting during the AGM for all shareholders including the individual shareholders holding shares in Demat Mode:**

- I. Member will be provided with a facility to attend the AGM through VC / OAVM platform provided by KFintech. Members can access the VC / OAVM platform at <https://emeetings.kfintech.com/>
- II. For attending the AGM all the shareholders (including the individual shareholders holding shares in Demat Mode) need to use the remote e-voting login credentials as provided by KFintech.
- III. The remote e-voting credentials will either be received through email from the Company/KFintech [as mentioned in Note No. 19(B)(i)] or can be generated or retrieved by following the procedure as mentioned in Note No. 19(B)(ii).
- IV. After logging in, using the remote e-voting credentials provided by KFintech, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting.
- V. Members attending the AGM through VC/OAVM and who have not already cast their vote by remote e-Voting shall be able to cast their vote electronically during the AGM (e-voting) when window for e-voting is activated.
- VI. E-voting during the AGM is integrated with the VC platform and no separate login is required for the same. For e-voting, an icon will appear on your screen, once the voting is activated. You will be re- directed to voting page once you click on the icon. You can continue to be part of the meeting while you cast your vote. The shareholders shall be guided on the process during the AGM.
- VII. Members who have voted through Remote e-Voting will be eligible to attend the AGM, however, they shall not be allowed to cast their vote again during the AGM.

**20. Instructions for all the shareholders, for attending the AGM of the Company through VC/OAVM:**

- i. Members can join the AGM through VC/OAVM facility 30 minutes before the scheduled time of the commencement of the AGM by following the procedure mentioned at Note No. 19(C) above in the Notice, and this mode will be available throughout the proceedings of the AGM.





- ii. As per the MCA Circular, up to 2,000 members will be able to join the AGM through VC/OAVM facility on a first-come-first-served basis. However, this restriction shall not apply to large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.
  - iii. Members will be required to grant access to the web-cam, if they intend to speak at the AGM and have registered as 'Speaker Shareholder' (kindly refer Note No. 13 for registration as Speaker Shareholder.)
  - iv. Members may join the Meeting through Laptops, Smartphones, Tablets or iPads for better experience. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of any of Google Chrome, Safari, Internet Explorer 11, MS Edge or Firefox browsers. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting 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 glitches. Members are encouraged to join the Meeting through Laptops with latest version of Google Chrome for better experience.
  - v. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.
  - vi. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member cast votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
  - vii. In case of any query and/or help, in respect of attending AGM through VC/OAVM mode, Members may refer to the Help & Frequently Asked Questions (FAQs) and 'AGM VC/OAVM' user manual available at the download Section of <https://emeetings.kfintech.com/> or contact at [contact.investors@cie-india.com](mailto:contact.investors@cie-india.com) or KFin's toll free No.: 1800-309-4001 for any further clarifications or can email queries to [evoting@kfintech.com](mailto:evoting@kfintech.com) or [contact.investors@cie-india.com](mailto:contact.investors@cie-india.com).
21. **Details of Scrutinizer:** Mr. Sachin Bhagwat, Practicing Company Secretary (Membership No.: ACS 10189) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer's decision on the validity of the vote shall be final.
  22. Once the vote on a resolution stated in this notice is cast by a Members through remote e-voting, the Member shall not be allowed to change it subsequently and such e-vote shall be treated as final. The Members who have cast their vote by remote e-voting may also attend the AGM, however such Member shall not be allowed to vote again during the AGM.
  23. The Scrutinizer after scrutinising the votes cast by remote e-voting and e-voting during the e-AGM will make a consolidated Scrutinizer's Report and submit the same forthwith not later than 48 hours of conclusion of the AGM to the Chairman of the Company or a person authorised by him in writing, who shall countersign the same.
  24. The Results declared along with the consolidated Scrutinizer's Report shall be hosted on the website of the Company i.e., [www.cie-india.com](http://www.cie-india.com) and on the website of KFin Technologies Limited i.e., <https://evoting.kfintech.com/> the results shall simultaneously be communicated to BSE Limited and National Stock Exchange of India Limited. The result shall also be displayed on the Notice Board at the Registered Office of the Company.
  25. The Resolutions shall be deemed to be passed at the Registered Office of the Company on the date of the AGM, subject to receipt of the requisite number of votes in favor of the Resolutions.
  26. Details of persons to be contacted for any queries/ issues:  
  
In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual for Members available in the download section of <https://evoting.kfintech.com> or call on KFinTech's toll free number 1800-309-4001 or can send email to [evoting@kfintech.com](mailto:evoting@kfintech.com). Any grievances connected with the remote e-voting, attending the e-AGM through video conferencing or e-voting during the AGM may be addressed to Mr. Premkumar Maruturi, Senior Manager - Corporate Registry, KFin Technologies Limited, Unit: CIE Automotive India Limited, Selenium Tower B, Plot 31- 32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032. Contact No. 040-67162222/1518, E-mail: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com). The grievances can also be addressed to Mr. Pankaj V. Goyal, Company Secretary, Chief Compliance Officer, and Head-Legal of the Company by sending e-mail to [contact.investors@cie-india.com](mailto:contact.investors@cie-india.com).



Individual Shareholders holding shares in demat mode for any technical issues related to login through Depository i.e., NSDL may contact the helpdesk by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call at.: 022-48867000.

Individual Shareholders holding shares in demat mode for any technical issues related to login through Depository i.e., CDSL may contact the helpdesk by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800-22-55-33.

## 27. **DIVIDEND**

The dividend, as recommended by the Board of Directors, if declared at the AGM, would be paid subject to deduction of tax at source, as may be applicable, on or after 6<sup>th</sup> May, 2025, to those members or their mandates:

- whose names appear as Beneficial Owners as per the data made available by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form at the close of business hours on 23<sup>rd</sup> April, 2025; and
- whose names appear as Members in respect of shares held in Physical Form as per the Register of Members of the Company on the close of business hours 23<sup>rd</sup> April, 2025.

## 28. **ELECTRONIC CREDIT OF DIVIDEND**

SEBI has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the Registrar and Share Transfer Agents for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through the Electronic Clearing Service (ECS)/ National Electronic Clearing Service (NECS)/ National Electronic Fund Transfer (NEFT)/ Real Time Gross Settlement (RTGS)/Direct Credit, etc.

Members holding shares in demat form are requested to update their bank account details with their respective Depository Participant. The Company or KFinTech cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes should be intimated only to the Depository Participants by the Members. Further, instructions, if any, already given in respect of shares held in physical form will not be automatically applicable to shares held in the electronic mode. Members are requested to ensure that their bank account details in their respective demat accounts are updated, to enable the Company to provide timely credit of dividend in their bank accounts.

Kindly note that pursuant to the SEBI Master Circular No.: SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated 7<sup>th</sup> May, 2024 read with SEBI Circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated 10<sup>th</sup> June, 2024 w.e.f. 1<sup>st</sup> April, 2024, the Dividend will be paid only through Electronic mode to the security holders holding securities in physical form, only after furnishing mandatory KYC details (i.e. Valid PAN, contact details, bank account details and specimen signature) against their folios. In the absence of KYC details, the Company shall withhold dividend till the date of Updation of KYC details and the said dividend payment shall be made through Electronic Mode only upon complying with the requirements of updation of KYC as provided in the aforesaid SEBI Circulars.

As directed by SEBI, the Members holding shares in physical form are requested to submit duly filled in form ISR 1 *inter-alia* with the original cancelled cheque in the manner as provided in Note No. 33 herein below to KFinTech to update their KYC details.

## 29. **TDS ON DIVIDEND**

Pursuant to the Income-tax Act, 1961 ("Act"), as amended by the Finance Act, 2020, dividend income has become taxable in the hands of shareholders with effect from 1<sup>st</sup> April, 2020 and therefore, the Company shall be required to deduct tax at source (TDS) from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, shareholders are requested to refer to the Finance Act (No.2), 2024 and amendments in Finance Bill, 2025. Shareholders are requested to update their Permanent Account Number ("PAN") with the Company/KFin (in case of shares held in physical mode) and depositories (in case of shares held in demat mode) on or before Wednesday, 23<sup>rd</sup> April, 2025.

**For Resident Shareholders:** Tax shall be deducted at source under Section 194 of the Income-tax Act, 1961 @ 10% on the amount of Dividend declared and paid by the Company during the Financial Year 2025 (FY 2025-26 as per Income Tax Act, 1961) provided a valid PAN is provided by the shareholder. If PAN is not submitted/ PAN is invalid, TDS would be deducted @ 20% as per section 206AA of the Income-tax Act, 1961.

- a) For Resident Individual:** No TDS shall be deducted on the Dividend payable to a resident Individual if the total dividend to be received during FY 2025-26 does not exceed ₹ 10,000/-, if the Finance Bill, 2025 is enacted as per the proposed increase in the threshold from ₹ 5,000 to ₹ 10,000

Separately, in cases where the shareholder provides Form 15G (applicable to any person other than a Company or a Firm) / Form 15H (applicable to an Individual above the age of



60 years), no tax at source shall be deducted, provided that the eligibility conditions are being met.

Further, if a shareholder has obtained a lower or Nil withholding tax certificate from the tax authorities and provides a copy of the same to the Company, tax shall be deducted on the dividend payable to such shareholder at the rate specified in the said certificate.

Needless to say, PAN is mandatory. Members are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

As per Section 139AA(2) of the Act read with Rule 114AAA of the Income tax Rules, 1962, PAN is required to be linked with Aadhaar. If PAN is not linked with Aadhaar, such PAN will be deemed to be inoperative and tax at source will be required to be deducted at higher rates under section 206AA of the Act.

**b) For Resident Non-Individual:** No tax shall be deducted on the dividend payable to the following resident non-individuals where they provide relevant details and documents:

- i. Insurance Companies: Self declaration that it qualifies as 'Insurer' as per section 2(7A) of the Insurance Act, 1938 and has full beneficial interest with respect to the ordinary shares owned by it along with self-attested copy of PAN card and certificate of registration with Insurance Regulatory and Development Authority (IRDA)/ LIC/ GIC.
- ii. Mutual Funds: Self-declaration that it is registered with SEBI and is notified under section 10(23D) of the Income-tax Act, 1961 along with self-attested copy of PAN card and certificate of registration with SEBI.
- iii. Alternative Investment Fund (AIF): Self-declaration that its income is exempt under section 10(23FBA) of the Income-tax Act, 1961 and they are registered with SEBI as Category I or Category II AIF along-with self-attested copy of the PAN card and certificate of AIF registration with SEBI.
- iv. National Pension Scheme (NPS): Self-declaration that it is exempt under section 10(44) (subsection 1E of section 197A of the Income-tax Act, 1961 read with circular No. 18/2017 along with self-attested copy of the PAN card and registration certificate issued by IRDA.

- v. Recognised Provident Fund, Approved Superannuation Fund, Approved Gratuity Fund: Self declaration that they are a recognised provident fund, approved superannuation fund or approved gratuity fund; as specified in CBDT circular No 18/ 2017 along with self attested copy of PAN and valid order/ approval of commissioner as per circular no. 18/2017.
- vi. Corporation established by or under a Central Act which is, under the law for the time being in force, exempt from income-tax on its income: Self attested copy of documentary evidence specifying the specific Central Act under which such corporation is established and that their income is exempt under the provisions of the Act alongwith self-attested copy of PAN and copy of registration/ exemption certificate.
- vii. Sovereign Wealth Funds and Pension Funds: Self declaration to be provided alongwith copy of the notification issued by the CBDT substantiating the applicability of section 10(23FE) of the Act issued by the Government of India
- viii. Other Non-Individual shareholders: Self-attested copy of documentary evidence supporting the exemption along with self-attested copy of PAN card.

Please note that Section 206AB has been introduced by the Finance Act, 2021 effective 1<sup>st</sup> July, 2021, whereby in case a person has not filed Return of Income for the previous year immediately preceding the financial year in which tax is required to be deducted for which the due date of filing return of income is expired and the aggregate tax deducted at source or tax collected at source is more than ₹ 10,000/- TDS will be higher of the following:

- a) Twice the rate specified in the relevant provision of the Income- tax Act, 1961; or
- b) Twice the rate or rates in force; or
- c) The rate of five per cent.

The non-resident who does not have the permanent establishment is excluded from the scope of a "specified person" i.e., levy of higher TDS under section 206AB of Income-tax Act, 1961.

However, the above provisions are deleted by way of Finance Bill, 2025. Where the Finance Bill, 2025 is enacted with these changes, the above provisions may not be applicable.



- c) **For Non-resident Shareholders:** Taxes are required to be deducted in accordance with the provisions of Section 195 of the Act at the applicable rates in force. As per the relevant provisions of Section 195 of the Act, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of Dividend payable to non-resident shareholders. In case of GDRs and Foreign Portfolio Investors ("FPI")/Foreign Institutional Investors ("FI"), the withholding tax shall be as per the rates specified in section 196C and 196D of the Income-tax Act, 1961 respectively plus applicable surcharge and cess on the amount of Dividend payable to them.

However, as per section 90 read with section 195 of the Income-tax Act, 1961, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") read with applicable Multilateral Instrument ('MLI') between India and the country of tax residence of the shareholder, if they are more beneficial to them.

It is required that the shareholders should independently satisfy their eligibility to claim DTAA benefit including meeting of all the conditions laid down under the DTAA. For this purpose, i.e., to avail the DTAA benefits, **the non-resident shareholder** will have to provide the following:

- a. Self-attested true copy of Tax Residency Certificate ("TRC") obtained from the tax authorities of the country of which the shareholder is resident for the FY 2025-26. In case the TRC is furnished in a language other than English, the said TRC would have to be translated from such other language to English language and thereafter duly notarized and apostilled (or attested by Indian Embassy) copy of the TRC would have to be provided;
- b. Self-declaration of the acknowledgement in electronically filed Form 10F on Indian income tax portal;
- c. Self-attested true copy of the PAN Card if allotted by the Indian Income Tax authorities;
- d. Self-declaration to be provided under Rule 37BC(2) of the Income Tax Rules, 1962;
- e. Self-declaration in the format prescribed by the Company, certifying the following points:
  - i. Shareholders are and will continue to remain tax resident of the

country of its residence during the FY 2025-26.

- II. Shareholders are eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
  - III. Shareholders have no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
  - IV. Shareholder does not have a taxable presence or a Permanent Establishment ("PE") in India during the FY 2025-26. In any case, the amounts paid/payable to the Shareholder are not attributable or effectively connected to the PE or fixed base, if any, which may have got constituted otherwise;
  - V. Shareholder is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and
  - VI. Self-declaration by the shareholder regarding the satisfaction of the place of effective management (POEM), principal purpose test, GAAR, Simplified Limitation of Benefit test (wherever applicable), as regards the eligibility to claim recourse to concerned Double Taxation Avoidance Agreements.
- f. Notwithstanding anything contained in other part of this communication, where any shareholder is a tax resident of any country or territory notified as a notified jurisdictional area under section 94A of the Act, tax will be deducted at source at a higher rate as prescribed under section 94A of the Act.
  - g. In case of FPI/FII, copy of SEBI Registration certificate:

Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by the Non-Resident shareholder.

Members may submit the aforementioned documents at <https://ris.kfintech.com/form15/forms.aspx?q=0> on or before Friday, 25<sup>th</sup> April, 2025 in order to enable the Company to





determine and deduct appropriate tax. No communication on the tax determination / deduction shall be entertained post Friday, 25<sup>th</sup> April, 2025. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details / documents from the Shareholders, there would still be an option available with the Shareholders to file the return of income and claim an appropriate refund, if eligible.

The above referred documents submitted by you will be verified by us and we will consider the same while deducting the appropriate taxes, if any, provided that these documents are in accordance with the provisions of the Act.

In addition to the above, please note the following:

- I. In case you hold shares under multiple accounts under different status / category but under a single PAN, the highest rate of tax as applicable to the status in which shares held under the said PAN will be considered on the entire holding in different accounts.
- II. In case of joint shareholding, the withholding tax rates shall be considered basis the status of the primary beneficial shareholder.
- III. For deduction of tax at source, the Company would be relying on the above data shared by KFinTech as updated up to the record date

It may be further noted that in case tax on dividend is deducted at a higher rate in the absence of receipt of any of the aforementioned details/ documents from the shareholders, the shareholders may consider filing their return of income and claiming an appropriate refund, as may be eligible. No claim shall lie against the Company for such taxes deducted.

In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the shareholder, such shareholders

will be responsible to indemnify the Company and also, provide the Company with all information/ documents and co-operation in any appellate proceedings.

The Company shall arrange to email the soft copy of TDS certificate to the Shareholders at the registered email ID in due course, post payment of the said Dividend. The said certificate can also be viewed in Form 26AS at TRACES <https://www.tdscpc.gov.in/app/login.xhtml> or the website of Income Tax Department of India <https://www.incometax.gov.in/iec/foportal/>

For further details and formats of declaration, please refer FAQs on Dividend Distribution which are available on the Company's website at [www.cie-india.com](http://www.cie-india.com).

#### **GENERAL INSTRUCTIONS AND INFORMATION FOR SHAREHOLDERS**

30. Pursuant to the provisions of section 124 of the Companies Act, 2013 and the Companies (Declaration and Payment of Dividend) Rules, 2014, the Company has transferred the entire unclaimed dividend, pertaining to Transferor Companies which were amalgamated with the Company pursuant to the Integrated scheme and the Composites scheme of Amalgamation, which was transferred in the books of the Company post effectiveness of these Schemes to Investor Education Protection Fund. No claim lies against the Company in respect of these dividends.

Further, the amounts pertaining to unclaimed fractional entitlement of the member(s) of the Transferor Companies has also been transferred to IEPF and therefore no claim lies against the Company in respect of such unclaimed fractional entitlements.

Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as may be amended from time to time, the Company has uploaded the details of said unpaid and unclaimed amounts transferred to IEPF by the Company on its website at <https://www.cie-india.com/periodic-public-information8.html#IEPF> and also on the website of IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in).

The Members whose dividend/fractional entitlement is transferred to the IEPF Authority can claim the same from the IEPF Authority by following the procedure as detailed on the website of IEPF Authority <http://iepf.gov.in/IEPFA/refund.html>.





31. We draw your attention to the SEBI Master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024, read with circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024 ('SEBI Circular'), whereby SEBI has mandated furnishing the following information by holders of securities in physical form:

- a. Valid PAN i.e. PAN linked with Adhaar
- b. choice of nomination – registration by submitting Form SH-13 or Declaration to opt out nomination by submitting Form ISR-3
- c. KYC Details that includes:
  - i. contact details – i.e. present postal address with PIN code and mobile number in all cases and e-mail address for availing online services;
  - ii. bank account details – i.e. bank and branch name, bank account number, IFSC code
  - iii. specimen signature – by submitting duly attested Form ISR- 2:

The SEBI Circular further mandates that any service request or grievance shall be entertained or any payment, including payment of dividends, shall be made electronically to the security holders holding securities in physical form, only upon furnishing of the Valid PAN and the KYC Details, as mentioned above, against their respective folios.

Kindly note that, pursuant to the SEBI circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June

10, 2024, the condition of furnishing or updating of 'Choice of Nomination' against your folio has been relaxed and any service request or grievance shall be entertained or payment of dividend etc. shall be made if all other mandatory information, except the Choice of Nomination, has been furnished. However, the shareholders are encouraged, in their own interest, to provide or update the 'Choice of Nomination' against the folio for ensuring smooth transmission of securities.

You are requested to forward the duly filled in Form ISR-1, Form ISR-2 and Form SH-13/Form ISR-3 along with the related proofs mentioned in the respective forms as the earliest. Kindly refer Note 32 to 35 hereunder.

**Issuance of Securities in dematerialized form in case of Investor Service Requests:**

32. We would further like to draw your attention to SEBI Master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024. Accordingly, while processing service requests in relation to; 1) Issue of duplicate securities certificate; 2) Claim from Unclaimed Suspense Account and Suspense Escrow Demat Account; 3) Replacement / Renewal / Exchange of securities certificate; 4) Endorsement; 5) Sub-division / Splitting of securities certificate; 6) Consolidation of securities certificates/ folios; 7) Transmission; 8) Transposition and 9) Transmission, the Company shall issue securities only in dematerialised form. For processing any of the aforesaid service requests the securities holder/ claimant shall submit duly filled up Form ISR-4/ ISR-5.

33. We hereby request to holders of physical securities to furnish the documents/details, as per the table below for respective service request, to the Registrar and Share Transfer Agents i.e., M/s. KFin Technologies Limited:

Sr. No.	Particulars	Please furnish details in
1	PAN	Form No.: ISR-1
2	Address with PIN Code	
3	Email address	
4	Mobile Number	
5	Bank account details (Bank name and Branch, Bank account number, IFS Code)	
6	Demat Account Number	
7	Specimen Signature	Form No.: ISR-2
8	Nominee details	Form No.: SH-13
9	Declaration to opt out nomination	Form No.: ISR-3
10	Cancellation or Variation of Nomination	Form No.: SH-14



Sr. No.	Particulars	Please furnish details in
11	i. Request for issue of Securities in dematerialized form in case of below: ii. Issue of duplicate securities certificate iii. Claim from Unclaimed Suspense Account & Suspense Escrow Demat Account iv. Replacement/Renewal / Exchange of securities certificate v. Endorsement vi. Sub-division / Splitting of securities certificate vii. Consolidation of securities certificates/folios viii. Transposition ix. Change in the name of the holder	Form No.: ISR-4
12	Transmission	Form No.: ISR-5

A member needs to submit Form ISR-1 for updating PAN and other KYC details to the RTA of the Company. Member(s) may submit Form SH-13 to file Nomination. However, in case a Member do not wish to file nomination 'declaration to Opt-out' in Form ISR-3 shall be submitted.

In case of major mismatch in the signature of the members(s) as available in the folio with the RTA and the present signature or if the signature is not available with the RTA, then the member(s) shall be required to furnish Banker's attestation of the signature as per Form ISR-2 along-with the documents specified therein. Hence, it is advisable that the members send the Form ISR-2 along-with the Form ISR-1 for updating of the KYC Details or Nomination.

All the aforesaid forms can be downloaded from the website of the Company at: <https://www.cie-india.com/investors-faqsl.html> and from the website of the RTA at <https://ris.kfintech.com/clientservices/isc/isrforms.aspx>.

#### 34. Mode of submission of form(s) and documents

##### a) Submitting Hard copy through Post/Courier etc.

Members can forward the hard copies of duly filled-in and signed form(s) along with self-attested and dated copies of relevant documentary proofs as mentioned in the respective forms, to the following address:

KFin Technologies Limited, Unit: CIE Automotive India Limited Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032.

##### b) Through Electronic Mode with e-sign

In case members have registered their email address, they may send the scan soft copies of the form(s) along with the relevant documents, duly e-signed, from their registered email id to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).

[com](mailto:com) or upload KYC documents with e-sign on RTA's website at the link: <https://ris.kfintech.com/clientservices/isc/>.

##### c) Submitting Hard copy at the office of the RTA

The form(s) along-with copies of necessary documents can be submitted by the securities holder (s) / claimant (s) in person at RTA's office. For this, the securities holder/claimant should carry Original Documents against which copies thereof shall be verified by the authorized person of the RTA and copy(ies) of such documents with IPV (In Person Verification) stamping with date and initials shall be retained for processing.

##### Mandatory Self-attestation of the documents

Please note that each page of the documents that are submitted in hard copy must be self-attested by the holder. In case the documents are submitted in electronic mode then the same should be furnished with e-sign of scan copies of the documents.

##### E-Sign

E-Sign is an integrated service which facilitates issuing a Digital Signature Certificate and performing signing of requested data by eSign user. The holder/claimant may approach any of the empanelled eSign Service Provider, details of which are available on the website of Controller of Certifying Authorities (CCA), Ministry of Communications and Information Technology (<https://cca.gov.in/>) for the purpose of obtaining an e-sign.



35. The members holding shares in demat are requested to update with respective Depository Participant, changes, if any, in their registered addresses, mobile number, Bank Account details, e-mail address and nomination details.
36. The RTA of the Company has launched a unified platform 'KPRISM' for the benefit of shareholders. KPRISM is a self-service portal / mobile based application that enables the shareholders to access their portfolios serviced by RTA, and check details like dividend status and make request for annual reports, change of address, update bank mandate, download standard forms, etc. The portal can be accessed at <https://kprism.kfintech.com>. For more assistance on KPRISM, shareholders may contact 040-67162222.
37. A Senior Citizens Investor Cell has been formed by the RTA to assist exclusively the senior citizens (above 60 years of age) in redressing their grievances, complaints and queries. The senior citizens wishing to avail this service can send the communication to [senior.citizen@kfintech.com](mailto:senior.citizen@kfintech.com).

The SCIs availing this service must provide the following details:

- Folio Number
- Company Name
- Nature of Grievance
- Senior Citizen Investor ID proof showing Date of Birth

A dedicated toll-free number 1800 3094 006 is also provided for the convenience of the senior citizens.

QR code for accessing KPRIMS Portal:



**Additional information pursuant to the Secretarial Standards – 2 on General Meetings and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 / Explanatory Statement in respect of the Special Businesses pursuant to Section 102 of the Companies Act, 2013**

**Item No. 3**

Mr. Manoj Mullassery Menon (DIN: 07642469), Executive Director of the Company, is liable to retire by rotation and being eligible, have offered himself for re-appointment.

Mr. Menon was first appointed as Additional Director of the Company with effect from 17<sup>th</sup> October, 2019 and as a Director, liable to retire by rotation, at the 21<sup>st</sup> Annual General Meeting held on 25<sup>th</sup> June, 2020. Mr. Menon had last retired by rotation and was re-appointed by the members of the Company at the 24<sup>th</sup> Annual General Meeting of the Company held on 09<sup>th</sup> June, 2023.

Mr. Menon was first appointed as the Whole-time Director (designated as Executive Director) of the Company w.e.f. 17<sup>th</sup> October, 2019 for a term of 3 years. He was re-appointed as the Whole-time Director of the Company, as approved by the members at the 23<sup>rd</sup> Annual General Meeting of the Company held on 25<sup>th</sup> April, 2022, is from 17<sup>th</sup> October, 2022 to 16<sup>th</sup> October, 2025.

The Board of Directors of the Company at its meeting held on 20<sup>th</sup> February, 2025 has approved the re-appointment of Mr. Menon as Whole-Time Director of the Company for a terms of 3 years from 17<sup>th</sup> October, 2025, details of which are provided in the explanatory statement for resolution at Item No. 6 of this Notice.

**Brief profile of Mr. Menon including the nature of expertise in specific functional area:**

Mr. Manoj Mullassery Menon, 57 years, holds B. Tech in Production Engineering from National Institute of Technology, Calicut and has a Masters in Management Studies from Symbiosis Institute of Business Management. Mr. Menon has experience of more than 35 years from setting up green field projects to heading operations and strategy. Mr. Menon leads the business of the Gears, Composites, Foundry, Stampings & Magnetic Products in India. Prior to this he was the Executive Director and CEO of Mahindra Gears and Transmissions Private Limited (MGTPPL), the erstwhile wholly owned subsidiary of the Company. In 2023, Mr. Menon was also appointed as Executive Director and CEO of CIE Aluminium Casting India Limited, the Wholly Owned Subsidiary Company in India.

**Directorships and Committee positions:**

Apart from the Company, Mr. Menon holds directorships in wholly owned subsidiaries of the Company namely; BF Precision Private Limited (a company under voluntary liquidation), CIE Hosur Limited and CIE Aluminium Casting India Limited. He is Chairman of Corporate Social Responsibility Committee and Risk Management Committee of the Company and a member of Stakeholders' Relationship Committee of the Company.

Further, he is also the Chairman of Corporate Social Responsibility Committee of CIE Aluminium Casting India Limited. Further, he has not resigned from any other listed entity in the past 3 years.

Mr. Menon also holds directorship in Metalcastello S.p.A a wholly owned subsidiary of the Company incorporated outside India.

**Attendance at Board Meeting during the previous financial year:**

During the financial year ended on 31<sup>st</sup> December, 2024, 5 (Five) Board Meetings of the Company were held and Mr. Menon attended all the meetings.

**Remuneration drawn in the previous financial year and Shareholding:**

Mr. Menon was paid an aggregate remuneration, of ₹ 17.81 Million during the Financial Year ended 31<sup>st</sup> December, 2024.

Mr. Menon received remuneration of ₹ 2.67 Million from CIE Aluminium Casting India Limited (CIEALCAST) during the financial year ended 31<sup>st</sup> December, 2024, for his responsibilities as Executive Director and CEO of CIEALCAST. The aggregate remuneration received by Mr. Menon from the Company and CIEALCAST during the financial year ended 31<sup>st</sup> December, 2024 was ₹ 20.48 Million.

Further the Board of Directors has granted 2,00,000 Stock Appreciation Units to Mr. Manoj Menon. The base price for Stock Appreciation Benefit was fixed at ₹ 150/-. The redemption price for determining the Stock Appreciation Benefit was calculated as the volume-weighted average market price of the shares of the Company quoted on National Stock Exchange of India Limited for a period of sixty trading days immediately preceding a Pay-out Date. The pay-out was to be made on two dates viz: 19<sup>th</sup> February, 2023 (first pay-out) and 19<sup>th</sup> February, 2025 (final pay-out reduced by the amount already paid in first pay-out). Accordingly, the first pay-out was made to him post approval of the NRC and the Board in February, 2023 of INR 39.34 million. The final payout of INR 24.33 million is paid in February, 2025.

Mr. Menon holds 23,558 equity shares of the Company as on the date of this notice.

Mr. Menon is not disqualified from being appointed as Director in terms of Section 164 of the Act and he is not restrained from holding the position of Director in any company by virtue of any order of SEBI or any such authority.

Apart from Mr. Menon, who would be interested in his re-appointment and his relatives to the extent of their Shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution as set-out in item no. 3 of the Notice. None of the Directors and Key Managerial Personnel of the Company are inter-se related.



Accordingly, the Board recommends the Resolution as set out at Item No. 3 of this Notice for approval of the Members as an Ordinary Resolution.

#### Item No. 4

The Board of Directors, at their Meeting held on 20<sup>th</sup> February, 2025, on the recommendation of the Audit Committee, approved the re-appointment of M/s. Dhananjay V. Joshi & Associates, Cost Accountants, as Cost Auditors of the Company for conducting the audit of the cost records of the Company, for the Financial Year ending 31<sup>st</sup> December, 2025, at a remuneration of ₹ 13,86,000 (Rupees Thirteen Lakhs Eighty Six Thousand Only) plus taxes as may be applicable and reimbursement of such other out of pocket expenses, as may be incurred by them during the course of Audit.

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, Members are required to ratify the remuneration to be paid to the Cost Auditors of the Company.

Accordingly, the Members of the Company are requested to ratify remuneration payable to the Cost Auditors for conducting the Audit of Cost records, for the Financial Year ending 31<sup>st</sup> December, 2025.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this item.

Accordingly, the Board recommends the Resolution as set out at Item No. 4 of this Notice for approval of the Members as an Ordinary Resolution.

#### Item No. 5

Pursuant to Section 204 of the Companies Act, 2013 ('the Act') the Company has to annex to its Board's Report a Secretarial Audit Report given by a practicing company secretary in the format as may be prescribed. Rule 9 of the Companies (Appointment and Remuneration) Rules 2014 prescribes Form MR-3 for the said Secretarial Audit Report. Further, Section 179 of the Act read with Rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014 provide that the appointment of Secretarial Auditor shall be made by the Board at the meeting of the Board.

SEBI vide its notification dated 12<sup>th</sup> December, 2024 amended Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (the Listing Regulations). The Amended regulation read with the SEBI circular no. SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated 31<sup>st</sup> December, 2024 (the Circular) have *inter-alia* prescribed the term of appointment/re-appointment, eligibility, qualifications and disqualifications of Secretarial Auditor of a Listed Company.

As per the amended Regulation 24A of the Listing Regulations, the Company and its material unlisted subsidiary company incorporated in India (i.e. CIE Aluminium Casting India Limited) is required to undertake Secretarial Audit by a Secretarial Auditor who

shall be a Peer Reviewed Company Secretary and annex a Secretarial Audit Report in such form as specified by SEBI, with the annual report of the Company.

Pursuant to the amended Regulation 24A of the Listing Regulations, w.e.f. 01<sup>st</sup> April, 2025, every Listed Company on the recommendation of the Board of Directors shall appoint or re-appoint (i) an Individual as Secretarial Auditor for not more than one term of five consecutive years or (ii) a Secretarial Audit firm as Secretarial Auditor for not more than two terms of five consecutive years with the approval of its shareholders in its Annual General Meeting.

In accordance with the above, the Board of Directors at its meeting held on 20<sup>th</sup> February, 2025 considered, approved and recommended to the Shareholders of the Company for their approval, the appointment of M/s. SVD & Associates, a firm of Company Secretaries in practice, (Firm Registration Number: P2013MH075200), as Secretarial Auditors of the Company at the ensuing 26<sup>th</sup> Annual General Meeting for a term of 5 consecutive Years, to conduct Secretarial Audit of five consecutive financial years respectively ending on 31<sup>st</sup> December, 2025, 31<sup>st</sup> December, 2026, 31<sup>st</sup> December, 2027, 31<sup>st</sup> December, 2028 and 31<sup>st</sup> December, 2029 **(the Term)** and issue (i) the Secretarial Audit Report under Section 204 of the Act for the Term and (ii) the Secretarial Audit Reports under Regulation 24A(1)(a) of the Listing Regulations for the Term.

The Board of Directors have approved that in addition to issuing the Secretarial Audit Report the Secretarial Auditors shall also issue to the Company (i) the Secretarial Compliance Report under Regulation 24A(2) of the Listing Regulations for the Term (ii) the Compliance certificate regarding compliance of conditions of corporate governance as may be required under Para E of Schedule V of the Listing Regulations for the Terms and (iii) the certificate on qualification of the directors as may be required under sub-clause (i) of clause 10 of Paragraph C of Schedule V of Listing Regulations for the Term and (iv) such other certificates or reports or opinions which can be issued by the Secretarial Auditors under Applicable Laws.

M/s. SVD & Associates have consented to the said appointment and confirmed that their appointment, if made, would be within the limit specified by the Institute of Companies Secretaries of India. They have further confirmed that they are not disqualified to be appointed as Secretarial Auditors in term of provisions of the Companies Act, 2013, the Companies Secretaries Act, 1980 and Rules and Regulations made thereunder and the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and the Circular.

The Board of Directors of CIE Aluminium Casting India Limited a material unlisted subsidiary company incorporated in India has also appointed M/s. SVD & Associates as Secretarial Auditors for the Term.





**Brief profile of M/s. SVD & Associates, Company Secretaries in practice as under:**

SVD & Associates, Company Secretaries, Pune, was formed in 2014 by professionals of varied skill sets, to bring out synergy in corporate legal and corporate advisory services with a pivotal role in Secretarial Audit. Catering to a wide range of clients, including a large number of listed and multinational companies, its strength is its team of qualified, experienced and trained professionals who treasure the value of diligence and knowledge. The firm is peer reviewed in terms of the peer review guidelines issued by the ICSI. More details of the firm are available at their website at the weblink: <https://svdandassociates.com/>.

**Other disclosures**

No order has been passed by ICSI/SEBI/MCA/any other competent authority/Court, both in India or outside India, in past 5 years against the proposed secretarial auditor.

M/s. SVD & Associates did not have any association with the Company, its holding or subsidiary companies or any of the Promoter or Promoter Group entities during the last three financial years.

The Board after taking into account the qualification and experience of M/s. SVD & Associates and the certificate submitted by them, was of the opinion that they are qualified to be appointed as the Secretarial Auditors of the Company in accordance with the Listing Regulations and the Circular, the qualification and experience of M/s. SVD & Associates is commensurate with the size and requirements of the Company and have accordingly recommended their appointment as the Secretarial Auditors for the term, as set out in the proposed resolution, to the members of the Company.

It is further proposed that the remuneration to be paid to the Secretarial Auditor for issuing the Secretarial Audit Report and other report, certificates or opinions as the Board may approve to obtain from the Secretarial Auditors, may be determined, from time to time, by the Board or any committee of the Board or any officer of the Company authorised by the Board in this regard. In addition to the remuneration, the Secretarial Auditor shall be entitled to receive the out of pocket expenses as may be incurred by them during the course of the Audit or issuance of any other certificate or report or opinion.

The consent cum certificate and Peer Review Certificate received from SVD & Associates, and the letter of engagement *inter-alia* containing the terms of engagement including remuneration shall be available for inspection by the members in electronic form up to the date of Annual General Meeting. The members seeking to inspect these documents may send an email request to [contact.investors@cie-india.com](mailto:contact.investors@cie-india.com)

None of the Directors, Key Managerial Personnel of the Company and their relatives, are concerned or interested, financially or otherwise, in this item.

The Board recommends the Ordinary Resolution as set out in Item No. 5 of this Notice for approval of the Members.

**Item No. 6**

Mr. Manoj Menon was appointed as a Whole-time Director (designated as Executive Director) of the Company for a period of 3 (three) years with effect from 17<sup>th</sup> October, 2022 which was approved by the Members at the 23<sup>rd</sup> Annual General Meeting of the Company held on 25<sup>th</sup> April, 2022. Further, the members at the 25<sup>th</sup> Annual General Meeting held on 20<sup>th</sup> June, 2024 had approved revision in remuneration payable to Mr. Menon during his remaining tenure as the Whole-Time Director of the Company from 1<sup>st</sup> April, 2024 till 16<sup>th</sup> October, 2025.

The term of appointment of Mr. Menon as Whole-time Directors of the Company is expiring on 16<sup>th</sup> October, 2025.

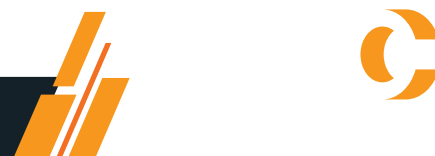
The Board at its meeting held on 20<sup>th</sup> February, 2025 on the recommendation of Nomination and Remuneration Committee and subject to approval of the members, re-appointed Mr. Menon as Whole-time Director (designated as Executive Director) of the Company for further term of 3 (three) years commencing from 17<sup>th</sup> October, 2025. The Board further approved that the terms and conditions of re-appointment of Mr. Manoj Mullassery Menon shall continue to be same.

**Brief profile of Mr. Menon including the nature of expertise in specific functional area:**

Mr. Manoj Mullassery Menon, 57 years, holds B. Tech in Production Engineering from National Institute of Technology, Calicut and has a Masters in Management Studies from Symbiosis Institute of Business Management. Mr. Menon has an experience of more than 35 years from setting up green field projects to heading operations and strategy. Mr. Menon leads the business of the Gears, Composites, Foundry, Stampings & Magnetic Products in India. Prior to this he was the Executive Director and CEO of Mahindra Gears and Transmissions Private Limited (MGTP), the erstwhile wholly owned subsidiary of the Company. In 2023, Mr. Menon was also appointed as Executive Director and CEO of CIE Aluminium Casting India Limited, the Wholly Owned Subsidiary Company in India.

**Directorships and Committee positions:**

Apart from the Company, Mr. Menon holds directorships in wholly owned subsidiaries of the Company namely; BF Precision Private Limited (a company under voluntary liquidation), CIE Hosur Limited and CIE Aluminium Casting India Limited. He is Chairman of Corporate Social Responsibility Committee and Risk Management Committee of the Company and a member of Stakeholders' Relationship Committee of the Company. Further, he is also the Chairman of Corporate Social Responsibility Committee of CIE Aluminium Casting India Limited. Further, he has not resigned from any other listed entity in the past 3 years.



Mr. Menon also holds directorship in Metalcastello S.p.A a wholly owned subsidiary of the Company incorporated outside India.

**Attendance at Board Meeting during the previous financial year:**

During the financial year ended on 31<sup>st</sup> December, 2024, 5 (Five) Board Meetings of the Company were held and Mr. Menon attended all the meetings.

**Remuneration drawn in the previous financial year and Shareholding:**

Mr. Menon was paid an aggregate remuneration, of ₹ 17.81 million by the Company during the Financial Year ended 31<sup>st</sup> December, 2024.

Mr. Menon received remuneration of ₹ 2.67 Million from CIE Aluminium Casting India Limited (CIEALCAST) during the financial year ended 31<sup>st</sup> December, 2024, for his responsibilities as Executive Director and CEO of CIEALCAST. The aggregate remuneration received by Mr. Menon from the Company and the wholly owned subsidiary of the Company i.e. CIEALCAST during the financial year ended 31<sup>st</sup> December, 2024 was ₹ 20.48 Million.

Further the Board of Directors had granted 2,00,000 Stock Appreciation Units to Mr. Manoj Menon. The base price to be considered for Stock Appreciation Benefit was fixed at ₹ 150/-. The redemption price for determining the Stock Appreciation Benefit was calculated as the volume-weighted average market price of the shares of the Company quoted on National Stock Exchange of India Limited for a period of sixty trading days immediately preceding the Pay-out Date. The pay-out was to be made on two dates viz: 19<sup>th</sup> February, 2023 (first pay-out) and 19<sup>th</sup> February, 2025 (final pay-out reduced by the amount already paid in first pay-out). Accordingly, the first pay-out was made to him post approval of the NRC and the Board in February, 2023 of INR 39.34 million. The final payout of INR 24.33 million is paid in February, 2025.

Mr. Menon holds 23,558 equity shares of the Company as on the date of this notice.

**Other details**

Apart from Whole-time Director, Mr. Menon is also appointed as CEO and has been 'Key Managerial Personnel' of the Company in accordance with Section 2(51) of the Companies Act, 2013. Mr. Menon head, oversee and is responsible for the business and operations of Iron Casting, Stampings, Composites, Magnetic Products and Gears Divisions of the Company.

The final pay-out in relation to the Stock Appreciation Units (SAUs) granted to Mr. Menon has been made in February 2025. Thus, the term of the earlier grant is concluded. The Board or the NRC has not, as on the date of this Notice, considered proposal for further grant of SAUs to any of the employees. However, as per the terms of remuneration approved by the Board, Mr. Menon is

eligible to receive the SAUs in accordance with the Stock Appreciation Benefit Policy of the Company.

**Proposal**

Pursuant to Sections 196, 197, 198 and 203 and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V of the Act, the proposal of re-appointment of Mr. Manoj Menon as Whole-time Director (Designated as Executive Director) is now being placed before the Members for their approval including terms of his re-appointment along-with remuneration.

The Members of the Company are requested to consider and approve the maximum limit of remuneration of ₹ 25 million (excluding benefits under the Stock Appreciation Benefit policy) and authorise the Board of Directors of the Company, on recommendation of the Nomination and Remuneration Committee, to fix the remuneration payable to Mr. Manoj Menon within the said limits, in accordance with the Policy of the Company. Further, the Board of Directors, on recommendation of the Nomination and Remuneration Committee, may grant Stock Appreciation Benefits in accordance with the Stock Appreciation Benefit Policy of the Company such that the aggregate remuneration (including Stock Appreciation Benefit) payable to Mr. Menon, along-with remuneration payable to other Whole-time Director(s) or Managing Director(s) of the Company, if any, shall not exceed the overall ceiling of 7% of the net profits of the Company in a financial year as approved by the shareholders at the 19<sup>th</sup> Annual General Meeting of the Company.

In accordance with Section 190 of the Act, letter setting out the terms of re-appointment of Mr. Menon including current remuneration payable to him, as approved by the Board of Directors and a copy of Stock Appreciation Benefit Policy shall be available for inspection by the members in electronic form up to the date of Annual General Meeting. The members seeking to inspect these documents may send an email request to [contact.investors@cie-india.com](mailto:contact.investors@cie-india.com).

Mr. Menon is not disqualified from being appointed as Director in terms of Section 164 of the Act and he is not restrained from holding position of director in any listed company by virtue of any order of SEBI or any such authority.

Apart from Mr. Menon, who would be interested in his re-appointment and his relatives to the extent of their Shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution as set-out in item no. 6 of the Notice. None of the Directors and Key Managerial Personnel of the Company are inter-se related.



Accordingly, the Board recommends the Resolution as set out at Item No. 6 of this Notice for approval of the Members as an Ordinary Resolution.

#### Item No. 7

Mr. Arenaza was first appointed as an Additional Director of the Company with effect from 13<sup>th</sup> September, 2016 and as Director, liable to retire by rotation at the 18<sup>th</sup> Annual General Meeting of the Company held on 27<sup>th</sup> April, 2017. Mr. Arenaza had retired by rotation and was re-appointed by the members of the Company at the 25<sup>th</sup> Annual General Meeting of the Company held on 20<sup>th</sup> June, 2024.

Mr. Arenaza was also appointed as the Whole-time Director (designated as Executive Director) of the Company since 13<sup>th</sup> September 2016 and his current term as the Whole-time Director of the Company, as approved by the members at the 23<sup>rd</sup> Annual General Meeting of the Company held on 25<sup>th</sup> April, 2022, is from 13<sup>th</sup> September, 2022 till 12<sup>th</sup> September, 2025. Mr. Arenaza's appointment is approved by the Central Government from time to time and the approval for the current term was granted on 05<sup>th</sup> October, 2023.

Mr. Arenaza is the head of the management of the Company and is the whole-time key managerial person in accordance with the provisions of Section 203(1)(i) of the Companies Act, 2013 (the Act).

The Board of Directors of the Company, on recommendation of the Nomination and Remuneration Committee, has also appointed Mr. Arenaza as 'Chief Executive Officer' of the Company w.e.f. 2<sup>nd</sup> May, 2024 and redesignated him as "Executive Director and Group CEO". There were no changes in the terms of the appointment of Mr. Arenaza as the Whole-time Director of the Company.

The present term of appointment of Mr. Arenaza as a Whole-time Director (Executive Director) is expiring on 12<sup>th</sup> September, 2025.

The Board at its meeting held on 20<sup>th</sup> February 2025 on recommendation of Nomination and Remuneration Committee and subject to approval of the members and the Central Government, re-appointed Mr. Arenaza as Whole-time Director (designated as Executive Director) of the Company for further term of 3 (three) years commencing from 13<sup>th</sup> September, 2025. In accordance with Section 203(1)(i) of the Companies Act, 2013. Mr. Arenaza shall continue to be the whole-time Key Managerial Personnel of the Company.

#### Brief profile of Mr. Arenaza including the nature of expertise in specific functional area

Mr. Arenaza, 56, holds degree in Industrial Engineering (Industrial Engineering School of Bilbao) and a master's in business administration (MBA) from Deusto University (Bilbao).

Mr. Arenaza has more than 30 years' of experience in the automotive sector and, prior to joining CIE Automotive in

2007, he held relevant positions in different automotive companies. Within CIE Automotive Group, Mr. Arenaza has led Machining and Aluminum HPDC Divisions worldwide with an extensive international businesses.

#### Directorships and Committee positions

As on the date of this notice, Mr. Arenaza holds Directorship in CIE Aluminium Casting India Limited, wholly-owned subsidiary of the Company. Further, he neither holds Directorships in any listed entity other than the Company nor holds any committee positions in Audit Committee or Stakeholders Relationships Committee in any public company including the Company. He is a member of Risk Management Committee of the Company. Further, he has not resigned from any other listed entity in past 3 years. Further, he holds Directorships in other body corporates namely Metalcastello S.p.A., CIE Somaschini, CIE Praga Louny, CIE Zdanice.

#### Attendance at Board Meeting during the previous financial year

During the financial year ended on 31<sup>st</sup> December, 2024, 5 (Five) Board Meetings of the Company were held and Mr. Arenaza attended all the meetings.

#### Remuneration drawn in the previous financial year and Shareholding

Mr. Arenaza does not hold any shares in the Company and is not related to any Director of the Company.

Mr. Arenaza was paid an aggregate remuneration, including the perquisites, of ₹ 2.29 Million in Financial Year ended 31<sup>st</sup> December, 2024. Mr. Arenaza received appropriate compensation from CIE Automotive S.A., the ultimate holding company of the Company, for those of his responsibilities pertaining to CIE group and the Company continues to benefit from the resultant synergy.

#### Proposal

Pursuant to Sections 196, 197, 198 and 203 and all other applicable provisions of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V of the Act, the proposal of re-appointment of Mr. Ander Arenaza as Whole-time Director (Designated as Executive Director) is now being placed before the Members for their approval by way of Special Resolution including terms of his re-appointment along-with remuneration.

Further, Part I of Schedule V to the Act provides certain conditions for appointment of the Whole-time Director of a Company. This inter-alia provides that the Whole-time Director should be resident in India i.e., he should be staying in India for a continuous period of not less than 12 months immediately preceding the date of his appointment and he should come to stay in India for taking up employment in India. Mr. Arenaza is not a



resident in India and hence, in accordance with Section 196(4) of the Act, his proposed re-appointment as the Whole-time Director shall require approval of the Central Government in addition to the approval of the members of the Company.

The Members of the Company are requested to consider and approve the maximum limit of remuneration of ₹ 3,000,000 (Rupees Three Million) authorise the Board of Directors of the Company, on recommendation of the Nomination and Remuneration Committee, to fix the remuneration payable to Mr. Ander Arenaza within the said limits, in accordance with the Policy of the Company.

In accordance with Section 190 of the Act, Employment Contract of Mr. Arenaza setting out the terms of his re-appointment including remuneration payable to him, shall be available for inspection by the members in electronic form up to the date of Annual General Meeting. The members seeking to inspect these documents may send an email request to [contact.investors@cie-india.com](mailto:contact.investors@cie-india.com).

Mr. Arenaza is not disqualified from being appointed as Director in terms of Section 164 of the Act and he is not restrained from holding position of director in any listed company by virtue of any order of SEBI or any such authority.

Apart from Mr. Arenaza, who would be interested in his re-appointment and his relatives to the extent of their Shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution as set-out in item no. 7 of the Notice. None of the Directors and Key Managerial Personnel of the Company are inter-related.

Accordingly, the Board recommends the Resolution as set out at Item No. 7 of this Notice for approval of the Members as a Special Resolution.

#### **Item No. 8**

The Company enters into various transactions with Mahindra & Mahindra Limited (M&M), a related party of the Company in accordance with applicable accounting standards, which *inter-alia* are in the nature of sale of goods and services, purchase of goods or services, Purchase of Assets, payment or receipt of interest for delayed or advance payments, paying the lease or rent for the property taken on lease by the Company and any other transfer of resources, services or obligation to meet the objectives or requirement ("Transactions"). All the Transactions with M&M are in the Ordinary Course

of Company's business and are at Arm's Length basis.

In accordance with the Regulation 23(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') all related party transactions and subsequent material modifications requires prior approval of the Audit Committee. Further as per Regulation 23(4) of the Listing Regulations, all material related party transactions and subsequent material modifications shall require prior approval of the shareholders through resolution.

Pursuant to Regulation 23 of the Listing Regulations read with Company's Policy on Materiality of and dealing with Related Party Transactions ('the RPT Policy'), Material Related Party Transaction means a transaction with a Related Party where the transaction/transactions to be entered into individually or taken together with previous transactions with a Related Party during a financial year, exceeds rupees one thousand crore or ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower ('materiality threshold').

The aggregate value of the Transactions of the Company with M&M in a financial year exceeds the Materiality Threshold.

Pursuant to Regulation 23(4) of the Listing Regulations, the Members of the Company by a resolution passed at the 25<sup>th</sup> Annual General Meeting held on 20<sup>th</sup> June 2024 had approved material related party transactions of the Company with M&M for an aggregate amount not exceeding ₹ 23,000 million (Rupees Twenty Three Thousand Million) in a financial year.

In accordance with SEBI Master Circular bearing reference no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11<sup>th</sup> November 2024 ('the SEBI Master Circular') the said approval of the members is valid upto this 26<sup>th</sup> Annual General Meeting of the Company.

In view of the above, approval of the members of the Company is being sought for the Material Related Party transaction entered into or to be entered into by the Company during a financial year with M&M, the aggregate value of which exceeds the materiality threshold of the Company.

The Audit Committee and Board of Directors of the Company, at their respective meetings held on 27<sup>th</sup> March, 2025 considered the matter of seeking shareholders' approval to the Material Related Party Transactions and recommended the resolution as set out in Item No. 8 of the Notice to the members for their approval.





The information provided to the Audit Committee in accordance with Section III-B of SEBI Master Circular SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11<sup>th</sup> November, 2024 for its review and recommendation to the members, in relation to the material related party transactions of the Company with M&M, is as below:

Particulars	Remarks																												
Name of the related party;	Mahindra & Mahindra Limited (“M&M”)																												
Nature of relationship with the Company including nature of its concern or interest (financial or otherwise)	<p>M&amp;M is an Entity exercising significant influence over CIE Automotive S.A. the Ultimate Holding Company of the Company.</p> <p>The Company does not have any shareholding or other concern or interest in M&amp;M.</p> <p>M&amp;M do not have any shareholding or other concern or interest in the Company.</p>																												
Name of the Director or Key Managerial Personnel who is related, if any;	<p>None of the Directors, Key Managerial Personnel or their relatives are interested or concerned, financially or otherwise, in the proposed transactions.</p> <p>However, Mr. Shriprakash Shukla, Non-Executive Chairman of the Company may be concerned or interested in the proposed transactions to the extent of his employment or the number of shares held by him in M&amp;M.</p>																												
Total amount of all the transactions undertaken by the Company with M&M during each of the last three financial years.	<table><tr><th>Nature of Transaction</th><th>FY ending 31<sup>st</sup> December, 2024</th><th>FY ending 31<sup>st</sup> December, 2023</th><th>FY ending 31<sup>st</sup> December, 2022</th></tr><tr><td>Purchase of Goods and Services</td><td>4</td><td>0</td><td>3</td></tr><tr><td>Rent paid</td><td>19</td><td>17</td><td>34</td></tr><tr><td>Sales of Goods</td><td>16,371</td><td>16,453</td><td>15,829</td></tr><tr><td>Sale of Services/ Reimbursements Received</td><td>54</td><td>-</td><td>-</td></tr><tr><td>Interest Paid on early payment of receivables</td><td>24</td><td>2</td><td>16</td></tr><tr><td><b>Total</b></td><td><b>16,472</b></td><td><b>16,472</b></td><td><b>15,882</b></td></tr></table>	Nature of Transaction	FY ending 31 <sup>st</sup> December, 2024	FY ending 31 <sup>st</sup> December, 2023	FY ending 31 <sup>st</sup> December, 2022	Purchase of Goods and Services	4	0	3	Rent paid	19	17	34	Sales of Goods	16,371	16,453	15,829	Sale of Services/ Reimbursements Received	54	-	-	Interest Paid on early payment of receivables	24	2	16	<b>Total</b>	<b>16,472</b>	<b>16,472</b>	<b>15,882</b>
Nature of Transaction	FY ending 31 <sup>st</sup> December, 2024	FY ending 31 <sup>st</sup> December, 2023	FY ending 31 <sup>st</sup> December, 2022																										
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Sale of Services/ Reimbursements Received	54	-	-																										
Interest Paid on early payment of receivables	24	2	16																										
<b>Total</b>	<b>16,472</b>	<b>16,472</b>	<b>15,882</b>																										
Type, material terms and particulars of the proposed transactions	<p>The transactions entered into or proposed to be entered into with M&amp;M are in the nature of sale of goods and services, purchase of goods or services, Purchase of Assets, payment or receipt of interest for delayed or advance payments, paying the lease or rent for the property taken on lease by the Company and any other transfer of resources, services or obligation to meet the objectives or requirement (“Transactions”).</p> <p>M&amp;M is one of the main customer for most of the company’s products in India. Sale of Goods primarily include castings, forgings, sheet metal, gears and other components/parts, specific toolings developed for components/parts. The sale of services primarily includes services in the nature of refurbishment of tools. Similarly the Purchase of Goods or Services, availing or rendering of services, reimbursements to be made or received or any other transfer of resources, services or obligation are all largely connected with the manufacture and supply of components/parts to M&amp;M.</p> <p>Payment or receipt of interest is towards the delayed or advance payments of Trade Receivables from M&amp;M.</p>																												





Particulars	Remarks																																										
	<p>Payment of rent is in relation to the premises taken on Lease basis from M&amp;M including the security deposit kept with M&amp;M for the said lease</p> <p>All the transactions are on arm’s length basis and in the ordinary course of business.</p> <p><b>Approval of the Audit Committee for transactions of the Company with M&amp;M for CY2025</b></p> <p>Subject to the approval of the members of the Company, the Audit Committee at its meeting held on 05<sup>th</sup> December, 2024 and 27<sup>th</sup> March, 2025 has granted its omnibus approval to the related party transaction with M&amp;M, to be entered into during 1<sup>st</sup> January, 2025 to 31<sup>st</sup> December, 2025 as per below monetary limits:</p> <table><tr><th colspan="3">(₹ in million)</th></tr><tr><th>Type of the transaction</th><th>Maximum value of proposed transaction in FY</th><th>The maximum value of a single transaction during FY</th></tr><tr><td>Purchase of Goods</td><td>30</td><td>10</td></tr><tr><td>Purchase of Services</td><td>20</td><td>10</td></tr><tr><td>Rent paid</td><td>40</td><td>10</td></tr><tr><td>Sales of Goods</td><td>22,710</td><td>50</td></tr><tr><td>Sale of Services</td><td>70</td><td>10</td></tr><tr><td>Reimbursements Received</td><td>10</td><td>5</td></tr><tr><td>Reimbursements Paid</td><td>10</td><td>5</td></tr><tr><td>Interest Received</td><td>10</td><td>10</td></tr><tr><td>Interest Paid</td><td>50</td><td>50</td></tr><tr><td>Purchase of Fixed Assets</td><td>10</td><td>10</td></tr><tr><td>Any other transfer of resource, services or obligation</td><td>40</td><td>10</td></tr><tr><td><b>Total</b></td><td><b>23,000</b></td><td></td></tr></table> <p>Further, the Audit Committee has accorded its omnibus approval to transactions where the need for related party transaction cannot be foreseen, and requisite details are not available, subject to the value of such transaction does not exceed Rupees One Crore per transaction.</p> <p>The transactions to be entered into by the Company with M&amp;M upto 30<sup>th</sup> April, 2025 shall be within the approval limits granted by the shareholders vide their resolution dated 20<sup>th</sup> June, 2024 i.e. the same shall not exceed ₹ 23,000 Million.</p> <p><b>Approval of the Audit Committee for transactions between Company and M&amp;M proposed for approval of the members</b></p> <p>It is hereby clarified that, in addition to the omnibus approval granted by the Audit Committee, which in accordance with Regulation 23(3) of the Listing Regulations is valid for a period of one year, the Audit Committee have also considered and approved at its meeting held on 27<sup>th</sup> March, 2025, the proposed related party transactions of the Company with M&amp;M to be entered into from the date of 26<sup>th</sup> AGM till the date of 27<sup>th</sup> AGM to be held in the year 2026, and have accordingly recommended for the approval of the members the resolution as set out at Item no. 8 of the Notice of 26<sup>th</sup> AGM.</p>	(₹ in million)			Type of the transaction	Maximum value of proposed transaction in FY	The maximum value of a single transaction during FY	Purchase of Goods	30	10	Purchase of Services	20	10	Rent paid	40	10	Sales of Goods	22,710	50	Sale of Services	70	10	Reimbursements Received	10	5	Reimbursements Paid	10	5	Interest Received	10	10	Interest Paid	50	50	Purchase of Fixed Assets	10	10	Any other transfer of resource, services or obligation	40	10	<b>Total</b>	<b>23,000</b>	
(₹ in million)																																											
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Purchase of Goods	30	10																																									
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Reimbursements Received	10	5																																									
Reimbursements Paid	10	5																																									
Interest Received	10	10																																									
Interest Paid	50	50																																									
Purchase of Fixed Assets	10	10																																									
Any other transfer of resource, services or obligation	40	10																																									
<b>Total</b>	<b>23,000</b>																																										



<b>Particulars</b>	<b>Remarks</b>
Value of proposed transactions during a financial year	₹ 23,000 million in aggregate
percentage of the Company's annual consolidated turnover, for the immediately preceding financial year ended 31 <sup>st</sup> December 2024, that is represented by the value of the proposed transaction	25.7%
Tenure of the proposed transaction (particular tenure shall be specified)	<p>The proposed transactions are repetitive in nature and will be transacted throughout a year. Accordingly, omnibus approval of the members of the Company is requested for the proposed transactions.</p> <p>The Audit Committee of the Company considered and granted omnibus approval to the Related Party Transactions which are repetitive in nature before the commencement of a Financial Year, which is valid for one Financial Year in accordance with Regulation 23(3) of the Listing Regulations. The transactions to be entered into pursuant to the Omnibus Approval are to be placed before the Audit Committee on quarterly basis for review.</p> <p>In line with the same, the Audit Committee, at its meeting held on 5<sup>th</sup> December, 2024 and 27<sup>th</sup> March, 2025 has granted its omnibus approval for the transactions to be entered into during 1<sup>st</sup> January, 2025 to 31<sup>st</sup> December, 2025 with M&amp;M.</p> <p>Further the Audit Committee of the Company at its meeting held on 27<sup>th</sup> March, 2025 has considered and granted the approval to the RPTs as proposed to the members for their approval at the 26<sup>th</sup> Annual General Meeting. In accordance with Regulation 23(4) read with the SEBI Master Circular SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11<sup>th</sup> November, 2024, the approval of the members granted at this 26<sup>th</sup> AGM shall be valid for upto the date of the 27<sup>th</sup> AGM to be held in the year 2026 subject to the period not exceeding fifteen months from the date of the 26<sup>th</sup> AGM.</p>
Justification for why the proposed transaction is in the interest of the Company	<p>The Company, being an auto component maker, targets to have all key OEMs in its customer portfolio. M&amp;M is one of the leading Original Equipment Manufacturer in India and has been a major customer for the Company which is also substantiated by the sale of goods to M&amp;M during CY2024 which accounted for around 18% of the consolidated sales of the Company. The Company always looks for opportunities to participate in new programs launched by the OEMs as well as increasing the Share of Business in the Existing Programs. The Company also makes similar efforts for its business with M&amp;M.</p> <p>Other transactions are also linked to or relevant for ensuring smooth supply of products to M&amp;M.</p> <p>All the Transactions with M&amp;M are in Ordinary Course of Company's Business and are at arm's length basis.</p>
Where the transaction relates to any loans, inter-corporate deposits, advances, or investments made or given by the Company or its subsidiary?, If yes, provide the specified details as below:	No



<b>Particulars</b>	<b>Remarks</b>
Details of the source of funds in connection with the proposed transaction	Not Applicable
Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances, or investments (Nature of indebtedness, cost of funds, tenure)	Not Applicable
Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Not Applicable
If the transaction relates to any loans, inter-corporate deposits, advances, or investments made or given by the listed entity or its subsidiary, then the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
A statement that the valuation or other external report, if any, relied upon by the Company in relation to the proposed transaction will be made available through the registered email address of the shareholders;	All the Transactions with M&M are regular business transactions and predominantly are of P&L nature and are in the Ordinary Course of Company's business and are at Arm's Length basis. Therefore, no valuation report or other external report is obtained for the same or relied upon by the Company
A summary of the information provided to the Audit Committee	All the information as provided in this table was presented to the Audit Committee at its meeting held on 27 <sup>th</sup> March, 2025.

Based on the information on Related Party Transactions, summarised in this explanatory statement hereinabove and the omnibus approval granted by the Audit Committee, the Board of Directors of the Company has recommended the Resolution set out at Item No. 8 for the approval of the members.

The Audit Committee and the Board of Directors are of the opinion that the related party transactions between the Company and M&M shall not be detrimental to the interest of minority members and are in the best interest of the Company and its members.

The details of transactions entered into by the Company pursuant to the said approval shall be placed before the Audit Committee of the Company as per the requirements of the Listing Regulations and shall remain within the limits as approved by the members. Any subsequent material modifications in the proposed transactions, as defined by the Audit committee, which forms part of the RPT Policy, shall be placed before the members for approval, in terms of Regulation 23(4) of the Listing Regulations.

In accordance with the Circular the approval of the members of the Company shall be valid upto the date of the 27<sup>th</sup> AGM subject to maximum period of fifteen months from the date of this 26<sup>th</sup> AGM. The Company shall seek

fresh approval of the members, before the expiry of this approval in case of need.

Pursuant to Regulation 23 of the Listing Regulations, members may also note that no related party of the Company shall vote to approve the resolution at Item No. 8 whether the entity is a related party to the particular transaction or not. Accordingly, no Member of the Company being a Related Party of the Company as per the Listing Regulations shall vote to approve the said resolution.

None of the Directors, Key Managerial Personnel or their relatives are interested or concerned, financially or otherwise in the Resolution set out at Item No. 8. However, Mr. Shriprakash Shukla, Director of the Company may be concerned or interested in the proposed transactions to the extent of his employment or shareholding in M&M.

Accordingly, the Board recommends the Resolution as set out at Item No. 8 of this Notice for approval of the Members as an Ordinary Resolution.

#### **Item No. 9**

CIE Galfor S.A., Spain (Galfor) is a wholly owned subsidiary of the Company. CIE Automotive S.A. (CIE) is the ultimate holding company of the Company and Galfor. Galfor and CIE both incorporated under Laws of Spain have



been entering into various transactions in their Ordinary Course of Business which are in the nature of Cash Pooling Arrangement and purchase of services during the course of the year. All these transactions are governed and are in compliance with Spanish Law including transfer pricing.

The transactions amongst Galfor and CIE are related party transactions as per Regulation 2(zc) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') w.e.f. 1<sup>st</sup> April, 2022. As per Regulation 23(4) of the Listing Regulations, all material related party transactions, to which the Company and/ or any subsidiary of the Company is a party, requires approval of the Shareholders.

Further, Regulation 2(1)(zc) of the Listing Regulations defines "Related Party Transactions" to mean, transfer of resources, services or obligations between related entities. Further, pursuant to Regulation 23(1) of the Listing Regulations read with Company's Policy on Materiality of and Dealing with Related Party Transactions ('the RPT Policy'), a transaction with a Related Party, undertaken by the Company and any of its subsidiaries, shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds INR 1,000 crore or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower ("materiality threshold").

The aggregate amount of funds transferred to or drawn from the cash pool account as a part of Cash

Pooling Arrangement, as explained below, exceeds the materiality threshold.

With effect from 1<sup>st</sup> April, 2022, prior approval of members of the Company is required for all material related party transactions to which subsidiary of the Company is a party (even if the Company is not a party to such transaction), in terms of Regulation 23 of the Listing Regulations.

Accordingly, in accordance with Regulation 23(4) of the Listing Regulations and the RPT Policy, the Company had secured approval of shareholders for the said Material Related Party Transactions of Galfor with CIE at the 25<sup>th</sup> Annual General Meeting (AGM) held on 20<sup>th</sup> June, 2024.

In accordance with SEBI Master Circular bearing reference no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11<sup>th</sup> November, 2024 ('the Circular') the said approval of the members is valid upto the date of the 26<sup>th</sup> Annual General Meeting of the Company.

In view of the above, approval of the members of the Company is being sought for the Material Related Party transaction entered into or to be entered into between Galfor and CIE, the aggregate value of which exceeds the materiality threshold of the Company.

The Audit Committee and Board of Directors of the Company, at their respective meetings held on 27<sup>th</sup> March, 2025 considered the matter of seeking shareholders' approval to the Material Related Party Transactions and recommended the resolution as set out in Item No. 9 of the Notice to the members for their approval.

The information provided to the Audit Committee in accordance with Section III-B of SEBI Master Circular SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11<sup>th</sup> November, 2024 for its review and recommendation to the members, in relation to the material related party transactions of the Galfor with CIE, is as below:

Particulars	Remarks
Name of the related party;	CIE Automotive S.A. (the ultimate holding Company of the Company). CIE Galfor S.A. (wholly-owned subsidiary of the Company) is entering into the Transactions with CIE Automotive S.A. (CIE).
Nature of relationship with the Company including nature of its concern or interest (financial or otherwise);	CIE Automotive SA is the ultimate holding Company of the Company. It holds through it's subsidiary 65.7% of the paid-up equity share capital of the Company and is one of the entity belonging to Promoter Group of the Company. The Company is seeking approval since its wholly owned subsidiary namely CIE Galfor S.A. is entering into transactions with CIE.
Name of the director or key managerial personnel who is related, if any;	None of the Directors, Key Managerial Personnel or their relatives are interested or concerned, financially or otherwise in the proposed transactions. However, Mr. Ander Arenaza Director of the Company is in whole-time employment of CIE. Further, Mr. Shriprakash Shukla, Director of the Company, is also Director of CIE. Hence, they may be concerned or interested in proposed transactions to the extent of their Directorship, employment or number of shares, if any, held by them in CIE as may be applicable.



Particulars	Remarks			
Total amount of all the transactions undertaken by Galfor with CIE during each of the last three financial years.	Nature of Transaction	FY ending 31 <sup>st</sup> December, 2024 (€ Million)	FY ending 31 <sup>st</sup> December, 2023 (€ Million)	FY ending 31 <sup>st</sup> December, 2022 (€ Million)
	Intercompany loan given (Lending) being the aggregate Amount transferred to Cash Pool Account	37.30	198.30	133.54
	Inter Corporate Loan taken (borrowing) being the aggregate Amount drawn from Cash Pool Account	103.60	-	1.53
	Purchase of Services	1.72	2.02	1.96
Type, material terms and particulars of the proposed transactions	<p>The nature of Transaction of Galfor with CIE is broadly of two categories:</p> <ol style="list-style-type: none"> <li>Cash Pooling Arrangement</li> <li>Other Transactions – Purchase of Services</li> </ol> <p><b>i. Details of Cash Pooling Arrangement</b></p> <ol style="list-style-type: none"> <li>What is Cash Pooling Arrangement <ul style="list-style-type: none"> <li>Galfor transfers the funds, as may be available in its own bank accounts at the end of a day, to a Common Cash Pool Account of CIE; and</li> <li>Galfor draws funds from the Common Cash Pool Account of CIE as may be required by Galfor for its business operations.</li> </ul> <p>The Cash Pool Account is a reciprocal current account between CIE and various entities in the CIE group. Galfor generates cash from its business operations, such as receipts against sales made to its customers. It also requires cash to meet various operational requirement such as payments to Suppliers etc.</p> <p>On a daily basis, Galfor may either have a positive cash position (when payments are lower than receipts) or a negative cash position (when payments are more than receipts).</p> <p>When Galfor has a positive cash position, the balance at the end of day in its bank account is transferred to the Cash Pool Account of CIE. In case Galfor has a negative cash position, Galfor draws funds as it may require from the Cash Pool Account of CIE to meet its operational requirements.</p> </li> <li>The nature of transactions in Cash Pooling arrangement and its monetary limits <p><b>Loan by Galfor to CIE</b></p> <p>At end of a certain day, on cumulative basis if the total amount transferred by Galfor to the Cash Pool Account of CIE is more than the aggregate amount drawn from the said Common Cash Pool Account, then Galfor will have receivable from CIE, <b>which is reckoned as Loan given by Galfor.</b></p> <p>In such scenario,</p> <ul style="list-style-type: none"> <li>Each instance of amount transferred by Galfor to the Cash Pool Account shall be reckoned as a Transaction as per Regulation 2(1)(zc).</li> <li>the amount drawn by Galfor from the Common Cash Pool Account, will be a repayment of Loan by CIE.</li> </ul> <p>The amount receivable by Galfor (i.e. Loan by Galfor) at any point during a year is not expected to cross EURO 50 Million, but the aggregate of amount transferred by Galfor to the Cash Pool Account on gross level is expected to be around Euro 250 Million.</p> </li> </ol>			





Particulars	Remarks																									
	<p><b>Borrowing by Galfor from CIE</b></p> <p>At end of a certain day, on cumulative basis, if the total amount transferred by Galfor to the Cash Pool Account of CIE is lower than the aggregate amount drawn from the said Common Cash Pool Account, then Galfor will have Payable to CIE, <b>which is reckoned as Borrowing by Galfor.</b></p> <p>In such scenario,</p> <ul style="list-style-type: none"><li>- Each instance of amount drawn by Galfor from the Cash Pool Account shall be reckoned as a Transaction as per Regulation 2(1)(zc).</li><li>- the amount transferred by Galfor to the said Common Cash Pool Account, will be a repayment of Borrowing by Galfor.</li></ul> <p>The amount payable by Galfor (i.e. Borrowing by Galfor) at any point during a year is not expected to cross EURO 50 Million, but the aggregate of amount drawn by Galfor from the Cash Pool Account on gross level is expected to be around Euro 250 Million.</p> <p><b>Monetary value of the Actual Transaction entered into in CY2024</b></p> <p>The actual amount of transactions involved in cash pooling arrangement during CY2024 is as under:</p> <table><tr><th></th><th>Type of transaction</th><th>Approval given in CY24 (€ Million)</th><th>Actual transactions during CY2024 (€ Million)</th><th>Maximum Peak during a year since 1<sup>st</sup> January, 2019 till 31<sup>st</sup> December 2024 (€ Million)</th></tr><tr><td>a.</td><td>Intercompany loan given (Lending) being the aggregate Amount transferred to Cash Pool Account</td><td>250</td><td>37.30</td><td>198.27</td></tr><tr><td>b.</td><td>Inter Corporate Loan taken (borrowing) being the aggregate Amount drawn from Cash Pool Account</td><td>200</td><td>103.60</td><td>145.61</td></tr><tr><td>c.</td><td>Max Outstanding Payable</td><td>50</td><td>49.33</td><td>59.90</td></tr><tr><td>d.</td><td>Max Outstanding Receivable</td><td>40</td><td>26.59</td><td>49.41</td></tr></table> <p>Please note that at the beginning of CY2024 i.e. 1<sup>st</sup> January, 2024, Galfor had receivable position i.e. Loan receivable of Euro 45.56 Million. Further, as on 31<sup>st</sup> December, 2024 Galfor has a Payable Position of Euro 25.52 Million.</p> <p><b>ii. Transactions other than Cash Pooling Arrangement</b></p> <p>Other Related Party Transactions of Galfor with CIE, are in the nature of purchase of services which were in the nature of charges paid towards sharing or usage of CIE’s resources like employees, infrastructure including IT assets, cyber security, manpower, management and management support services, and reimbursements.</p> <p>The aggregate value of the other Transactions during financial year ended 31<sup>st</sup> December, 2024 was Euro 1.72 Million.</p>		Type of transaction	Approval given in CY24 (€ Million)	Actual transactions during CY2024 (€ Million)	Maximum Peak during a year since 1 <sup>st</sup> January, 2019 till 31 <sup>st</sup> December 2024 (€ Million)	a.	Intercompany loan given (Lending) being the aggregate Amount transferred to Cash Pool Account	250	37.30	198.27	b.	Inter Corporate Loan taken (borrowing) being the aggregate Amount drawn from Cash Pool Account	200	103.60	145.61	c.	Max Outstanding Payable	50	49.33	59.90	d.	Max Outstanding Receivable	40	26.59	49.41
	Type of transaction	Approval given in CY24 (€ Million)	Actual transactions during CY2024 (€ Million)	Maximum Peak during a year since 1 <sup>st</sup> January, 2019 till 31 <sup>st</sup> December 2024 (€ Million)																						
a.	Intercompany loan given (Lending) being the aggregate Amount transferred to Cash Pool Account	250	37.30	198.27																						
b.	Inter Corporate Loan taken (borrowing) being the aggregate Amount drawn from Cash Pool Account	200	103.60	145.61																						
c.	Max Outstanding Payable	50	49.33	59.90																						
d.	Max Outstanding Receivable	40	26.59	49.41																						



Particulars	Remarks
	<p><b>Approval of the Audit Committee for transactions between Galfor and CIE for CY2025</b></p> <p>Subject to the approval of the members of the Company, the Audit Committee at its meeting held on 05<sup>th</sup> December, 2024 has granted its omnibus approval to the related party transaction of Galfor with CIE, to be entered into during 1<sup>st</sup> January, 2025 to 31<sup>st</sup> December, 2025 as per below details:</p> <ol style="list-style-type: none"> <li>i. Cash Pooling Arrangement, provided that– <ol style="list-style-type: none"> <li>a) the aggregate amount of funds transferred by Galfor to CIE’s Common Cash Pool Account during a Financial Year, shall not exceed Euro 250,000,000 (Euro Two Hundred Fifty Million) and at any point of time during the Financial Year the maximum amount receivable by Galfor from CIE which is reckoned as Loan given by Galfor to CIE, shall not exceed Euro 50,000,000 (Euro Fifty Million).</li> <li>b) the aggregate of funds drawn by Galfor from CIE’s Common Cash Pool Account during a Financial Year shall not exceed Euro 250,000,000 (Euro Two Hundred and Fifty Million) and at any point of time during the Financial Year the maximum amount payable by Galfor to CIE, which is reckoned as borrowing by Galfor from CIE, shall not exceed Euro 50,000,000 (Euro Fifty Million).</li> <li>c) the interest payable/receivable if any on the amount reckoned as loan/ borrowing shall be determined, on arm’s length basis and shall be calculated on the amount receivable/payable at the end of each day during a Financial Year.</li> </ol> </li> <li>ii. Purchase of services (“other RPTs”) provided that aggregate amount of the other RPTs taken together during a Financial Year shall not exceed Euro 4,000,000 (Euro Four Million).</li> </ol> <p>Further, the Audit Committee have accorded its omnibus approval to transactions where the need for related party transaction cannot be foreseen, and requisite details are not available, subject to the value of such transaction does not exceed rupees one crore per transaction, provided that the aggregate value of such transactions taken together with the value of the Transactions during a Financial Year in aggregate shall be within the aforesaid limits for the Transactions of Euro 4,000,000 (Euro Four Million).</p> <p>The transactions to be entered into by Galfor with CIE upto 30<sup>th</sup> April, 2025 shall be within the approval limits granted by the shareholders vide their resolution dated 20<sup>th</sup> June, 2024.</p> <p><b>Approval of the Audit Committee for transactions between Galfor and CIE proposed for approval of the members</b></p> <p>It is hereby clarified that, in addition to the omnibus approval granted by the Audit Committee, which in accordance with Regulation 23(3) of the Listing Regulations is valid for a period of one year, the Audit Committee have also considered and approved at its meeting held on 27<sup>th</sup> March, 2025, the proposed related party transactions of Galfor with CIE to be entered into from the date of 26<sup>th</sup> AGM till the date of 27<sup>th</sup> AGM to be held in the year 2026, and have accordingly recommended for the approval of the members the resolution as set out at Item no. 9 of the Notice of 26<sup>th</sup> AGM.</p>



Particulars	Remarks	
Value of proposed transactions during a financial year	<b>Type of transaction</b>	<b>Maximum Value proposed for approval (€ Million)</b>
	a. Intercompany loan given (Lending) being the aggregate Amount transferred to Cash Pool Account	250
	b. Inter Corporate Loan taken (borrowing) being the aggregate Amount drawn from Cash Pool Account	250
	c. Max Outstanding Payable (in case of borrowing)	50
	d. Max Outstanding Receivable (in case of lending)	50
	e. Purchase of Services	4
Tenure of the proposed transaction (particular tenure shall be specified)	<p>The proposed transactions are of a repetitive nature and will be transacted throughout a year. Accordingly, omnibus approval of the members of the Company is requested for the proposed transactions.</p> <p>The Audit Committee of the Company considers and grants approval to the Related Party Transactions which are repetitive in nature before the commencement of a Financial Year, which is valid for one Year in accordance with Regulation 23(3) of the Listing Regulations. The transactions entered pursuant to the Omnibus Approval are to be placed before the Audit Committee on a quarterly basis for review.</p> <p>In line with the same, the Audit Committee at its meeting held on 05<sup>th</sup> December, 2024 had granted its Omnibus Approval to the Material Related Party transactions between Galfor and CIE for the period from 1<sup>st</sup> January, 2025 till 31<sup>st</sup> December, 2025.</p> <p>Further the Audit Committee of the Company at its meeting held on 27<sup>th</sup> March 2025 has considered and granted the approval to the RPTs as proposed to the members for their approval at the 26<sup>th</sup> Annual General Meeting.</p> <p>In accordance with Regulation 23(4) read with the SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11<sup>th</sup> November, 2024, the approval of the members at this AGM shall be valid for up to the date of the next AGM i.e. 27<sup>th</sup> AGM to be held in 2026 subject to period not exceeding fifteen months from this 26<sup>th</sup> AGM.</p>	
Justification for why the proposed transaction is in the interest of the Company	<p>The Cash Pooling Arrangement is a part of Galfor's daily cash management while optimizing its financial costs/returns.</p> <p>For Galfor, this arrangement provides for a secure, liquid, optimal return, based on market linked rate, on its daily surpluses when it has a positive balance in the cash pool account. While borrowing, it provides quick and flexible access to liquidity at a market linked cost with clear visibility on repayment obligation.</p> <p>For the Company's subsidiaries in Europe, CIE's scale provides access to bank funds wherever required at very competitive rates. Long term surpluses of Company's subsidiaries are deployed to maximize stakeholder returns by deploying them at appropriate locations avoiding exchange and tax inefficiencies.</p> <p>The Common services availed from CIE provides benefits of synergies and cost optimization to Galfor.</p>	



Particulars	Remarks					
Where the transaction relates to any loans, inter-corporate deposits, advances, or investments made or given by the Company or its subsidiary, provide the specified details as below:	(in Mio)					
		<b>Approval Requested For Basis Estimation for CY25:</b>	<b>€ Million</b>	<b>% to Company's Consolidated Sales of CY2024*</b>	<b>% to Galfor Sales of CY 2024</b>	<b>% to CIE Consolidated Sales of CY2024</b>
	a.	Intercompany loan given (Lending) being the aggregate Amount transferred to Cash Pool Account	250	25.26%	167.85%	6.31%
	b.	Inter Corporate Loan taken (borrowing) being the aggregate Amount drawn from Cash Pool Account	250	25.26%	167.85%	6.31%
	c.	Max Outstanding Payable	50	5.05%	33.57%	1.26%
	d.	Max Outstanding Receivable	50	5.05%	33.57%	1.26%
Note: CIE India consolidated sales are presented in INR. To calculate the % above, average conversion rate of CY2024 is used which is Euro 01 = INR 90.56						
Details of the source of funds in connection with the proposed transaction	The Source of funds for Cash Pooling Arrangement is Cash generated by Galfor from its operations.					
Where any financial indebtedness is incurred to make or give loans, inter- corporate deposits, advances, or investments (Nature of indebtedness, cost of funds, tenure)	Not applicable, since Galfor would not be incurring financial indebtedness specially for giving any loans to CIE.					
Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	<p>The Cash Pooling Arrangement is unsecured.</p> <p><b>Repayment Terms:</b></p> <p>Payable amounts by Galfor (i.e. when borrowing) are due on 1<sup>st</sup> January, 2029 with a one year prior notice.</p> <p>Receivable amounts to Galfor (Loan made) can be called back by Galfor at any time.</p> <p>Since the loan by Galfor to CIE or borrowing from CIE is part of Cash Pool Arrangement the same do not have any maturity date, however the contract is valid upto 1<sup>st</sup> January, 2029 with automatic renewal for successive and equal periods of 5 years. The same can be terminated by an advance notice of 1 year.</p>					



Particulars	Remarks
	<p><b>Interest Rate</b></p> <p>The interest is accrued on daily basis and is calculated on the net-outstanding in the Common Cash Pool Account at the end of each day. The rate of interest is determined on arm's length, every six months, on the basis of Bank Interest Rates published by European Central Bank. It is linked to "Bank Interest Rate – Loans to euro area non-financial corporations with an IRF period over one and upto three years – euro area". You may kindly refer the same at the link below:</p> <p><a href="https://data.ecb.europa.eu/publications/financial-markets-and-interest-rates/3030664">https://data.ecb.europa.eu/publications/financial-markets-and-interest-rates/3030664</a></p> <p>At present, the applicable rate of interest is 4.2%. The rate of interest for Borrowing and Loan is the same. Interest is paid once per year within 10 days after yearly closing.</p>
If the transaction relates to any loans, inter-corporate deposits, advances, or investments made or given by the listed entity or its subsidiary, then the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	Transaction of loan is part of Cash Pooling arrangement, and funds are parked in common cash pool account of CIE for cash optimization.
A statement that the valuation or other external report, if any, relied upon by the Company in relation to the proposed transaction will be made available through the registered email address of the shareholders;	<p>Galfor and CIE both incorporated under Laws of Spain have been entering into the proposed transactions which are in the nature of Cash Pooling Arrangement and availing of services in their Ordinary Course of Business. All these transactions are governed and are in compliance with Spanish Law including transfer pricing.</p> <p>Accordingly, valuation report or other external report is not required or relied upon by transacting parties or the Company.</p> <p>All the Transactions including under the Cash Pooling Arrangement are in the Ordinary Course of business and are at Arm's Length basis.</p>
A summary of the information provided to the Audit Committee	All the information as provided in this table was presented to the Audit Committee

Based on the information on Related Party Transactions, summarised in this Explanatory Statement, omnibus approval granted by the Audit Committee, the Board of Directors of the Company has recommended the resolution set out at Item No. 9 for approval of the members.

The Audit Committee and the Board of Directors are of the opinion that the related party transactions between Galfor and CIE shall not be detrimental to the interest of minority members and is in the best interest of the Company and its members.

The details of transaction entered into by the Company pursuant to the said approval shall be placed before the Audit Committee of the Company as per requirements of the Listing Regulations and shall remain within the limits as approved by the members. Any subsequent material modifications in the proposed transactions, as defined by the Audit committee, which forms part of the Policy,

shall be placed before the members for approval, in terms of Regulation 23(4) of the Listing Regulations.

The approval of the members of the Company shall be valid upto the date of the 27<sup>th</sup> AGM to be held in the year 2026 subject to maximum period of fifteen months from the date of this 26<sup>th</sup> AGM. The Company shall seek fresh approval of the members, before the expiry of this approval if required as per the Applicable Laws in force at the relevant time.

Pursuant to Regulation 23 of the Listing Regulations, members may also note that no related party of the Company shall vote to approve the resolution at Item No. 9 whether the entity is a related party to the particular transaction or not. Accordingly, no Member of the Company being a Related Party of the Company as per the Listing Regulations shall vote to approve the said resolution.





None of the Directors, Key Managerial Personnel or their relatives are interested or concerned, financially or otherwise in the Resolution set out at Item No. 9. However, Mr. Ander Arenaza, Director of the Company is in whole-time employment of CIE. Further, Mr. Shriprakash Shukla, Director of the Company is also Director of CIE. Hence, they may be concerned or interested in the resolution to the extent of their Directorship, employment or shareholding in CIE as may be applicable.

Accordingly, the Board recommends the Resolution as set out at Item No. 9 of this Notice for approval of the Members as an Ordinary Resolution.

#### **Item No. 10**

The Registered Office of the Company is presently situated at Suite F9D, Grand Hyatt Plaza (Lobby Level), Off Western Express Highway, Santacruz (E), Mumbai - 400055 in the State of Maharashtra within the jurisdiction of Registrar of Companies, Mumbai. This premises is taken by the Company on leave and license basis. The term of the leave license is expiring in H1FY2026. The management reviewed the situation of the registered office and explored various options available for the same.

In view of ensuing expiry of present leave and license in H12026 and for ease of administration and cost effectiveness, the Board of Directors of the Company at their meeting held on 20<sup>th</sup> February, 2025 has approved and decided to shift the Registered Office of the Company from Suite F9D, Grand Hyatt Plaza (Lobby Level), Off Western Express Highway, Santacruz (E), Mumbai - 400055, located within the State of Maharashtra, under the jurisdiction of Registrar of Companies, Mumbai ('Registrar of Companies, Mumbai') to 'G' Block, Bhosari Industrial Estate, Near BSNL office, Bhosari, Pune - 411026 located within the State of Maharashtra under the jurisdiction of Registrar of Companies, Pune ('Registrar of Companies, Pune').

Pursuant to the provisions of Section 12 of the Companies Act, 2013 (the Act) and rules made thereunder, shifting of Registered Office of the Company outside the local limits requires approval of the Members by way of

Special Resolution. Further, any change in the place of registered office of the Company from the jurisdiction of one Registrar to the jurisdiction of another Registrar within the same State requires confirmation by the Regional Director. Further, the change shall take effect from the date of the certificate issued by Registrar of Companies (RoC) certifying registration of the confirmation granted by the Regional Director. Further, pursuant to provisions of Section 110 of the Act read with rules made thereunder, since the Company is providing the e-voting facility to its members in accordance with Section 108 of the Act, this item of business may be transacted at a general meeting by a Company.

Therefore, the Board recommends the Resolution as set out in Item No. 10 for approval of the Members as Special Resolution at the ensuing Annual General Meeting.

None of the Directors, Key Managerial Personnel of the Company and their relatives, are concerned or interested, financially or otherwise, in this item.

By Order of the Board of Directors of  
**CIE Automotive India Limited**

**Pankaj V. Goyal**  
**Company Secretary, Chief Compliance Officer**  
**and Head - Legal**  
Membership No.: F13037

Pune, 27<sup>th</sup> March, 2025

**Registered Office:**  
**CIE Automotive India Limited**  
(formerly known as Mahindra CIE Automotive Limited)  
CIN: L27100MH1999PLC121285  
**Suite F9D, Grand Hyatt Plaza (Lobby Level),**  
**Off Western Express Highway, Santacruz (E),**  
**Mumbai - 400055**  
E-mail: [contact.investors@cie-india.com](mailto:contact.investors@cie-india.com)  
Website: [www.cie-india.com](http://www.cie-india.com)  
Tel: +91 22 62411031  
Fax: +91 22 62411030



## NOTES

[illegible]

## NOTES

[illegible]

## NOTES

[illegible]



**CIE** India



# Moving Ahead

2024 ANNUAL REPORT

**FORGINGS • STAMPINGS • ALUMINIUM • GEARS • CASTINGS • COMPOSITES • MAGNETICS**





# CIE India

CIE Automotive India Limited is a subsidiary of CIE Automotive, Spain. CIE Automotive is an industrial group specialised in managing high value-added processes in a sustainable, profitable and efficient way. Listed on the Madrid Stock Exchange, CIE Automotive is a global full-service supplier for automotive components and sub-assemblies.

# 2024 ANNUAL REPORT

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Dear Shareholders,

As I look back at the year gone by, I am struck by a sense of déjà vu. When we began 2024, we were looking forward to a global economy emerging steadier from an extended period of geopolitical uncertainties and conflicts, starting with the covid pandemic in 2020. But 2024 has flattered to deceive and uncertainties continue to dominate the headlines about the global automotive industry. 2025 promises to be no better, with the most powerful country in the world going through a leadership change.

The European automotive industry is facing challenges of rising costs, transition to Electric Vehicles (EVs) and competition from China. Renowned European auto makers announced plant closures in Europe that sent shock waves through the industry. While the medium-term demand situation in the Indian automotive market continues to be strong, there were some interesting twists & turns in 2024. The light vehicle market slowed down as the supply chain got overburdened with inventory even as there was a growth revival in the two wheeler market.

The automotive industry is faced with multifarious medium term challenges. The three most important are as follows. The transition to EVs is not happening as smoothly as predicted. Automotive customers are looking for more premium features and for better safety & comfort. The supply chain is being transformed by digitisation and Industry 4.0.

We strive to be future ready as many new opportunities and risks emerge in this changing environment. Our approach has been to optimally balance growth, investments and returns to actively manage the uncertainties surrounding these changes. The company continues to have a strong balance sheet, good cash flow and healthy margins.

I place on record my appreciation for the Board of Directors, for their counsel and support. I whole heartedly thank the employees of the Company for their tremendous contribution during the year. I am grateful to our customers for giving us an opportunity to be a partner in their growth.

On behalf of the team and myself, I thank you for your continued support and trust placed in us.

Yours Sincerely,

S. Shukla

SP Shukla

Chairman of the Board  
CIE Automotive India Limited



CHAIRMAN'S  
STATEMENT





Dear Shareholders,

CIE Automotive India Ltd during the last calendar year, continued on its quest to become a world class automotive component company that delivers sustainable growth & profits. Our India business, for example, has achieved EBITDA margins that are quite close to CIE Automotive's global benchmarks.

Demand growth in the Indian automotive market moderated in 2024. After few years of high growth, the light vehicle market in India slowed down to low single digit growth. Tractors and trucks saw negative growth in 2024 though both segments are expected to recover in the coming year. The silver lining was the two wheeler segment which bounced back with double digit growth after posting lacklustre numbers over the past few years. The growth of our India business closely mirrored these market trends. After handsomely outgrowing the market in 2021, 2022 & the early part of 2023, our India business has largely followed the market after that. We expect to get back to being ahead of the market soon. We continue to be optimistic about the medium-term growth in the Indian automotive market. We will continue to invest in expanding capacity in India. The Electric Vehicle (EV) transition continued on a slow pace in India but there were some exciting new model launches in this space, especially by our anchor customers.

The European automotive market began 2024 with a good first quarter but the growth trends turned negative in the second half of the year. The transition to Electric Vehicles (EV) is slowing even as pollution norms on internal combustion engine (ICE) vehicles are proposed to be made punitive. Add to this the challenge from dynamic Chinese EV companies. The European auto market is thus facing a prolonged medium-term uncertainty and a no growth scenario. With contrasting signals to contend with, European OEMs are cutting production and even contemplating the unprecedented response of shutting down plants. Our response is to optimise our operations and protect profit margins as much as possible, adapting our factories to the new volume scenario.

Though EV penetration varies widely across regions and segments, we are focused on ensuring a smooth transition for the company. We have a comprehensive strategy to develop a range of products for EVs: shafts & gears for transmission; housings for motors & electronics; battery trays and parts for the cooling & auxiliary systems of batteries.

The automotive industry continues to transform with vehicle buyers looking for more premium features. Factors such as safety, comfort & lightweighting standards are advancing rapidly. Further, the automotive supply chain is being transformed by digitisation and Industry 4.0. We positively look forward to these changes as they will inevitably throw up risks as well as opportunities for the company.

I commend my team for continuously improving the operations of the company year on year. We are confident that we can utilise emerging opportunities and face future challenges with agility. Thank you for the continued trust reposed in us in these changing times.

Yours Sincerely,

Ander Arenaza Alvarez  
Executive Director and Group CEO



CEO'S  
STATEMENT



## KEY PRODUCTS

### FORGINGS



CRANKSHAFTS CV JOINTS KNUCKLES DIFF CROWNS SPINDLES

### ALUMINIUM



CRANK CASE PUMP HOUSING TURBO COVER (GDC) BRAKE PANEL

### GEARS



GEARS & SHAFTS E-DRIVE COMPONENTS FLANGES/ END YOKES CLUTCH HUBS

### IRON CASTINGS



CRANKSHAFTS DIFFERENTIAL HOUSINGS TURBINE HOUSINGS AXLE HOUSINGS GEAR CARRIER

### COMPOSITES



FRONT LID WIND SHIELD - ELECTRIC -3WH ELECTRIC BOX TOP TRAY FRONT BUMPER

### MAGNETS



HARD MAGNETS SOFT MAGNETS

### STAMPINGS



CHASSIS & STRUCTURAL PARTS BIW PANELS & ASSEMBLIES CROSS CAR BEAM SAFETY ASSEMBLIES FUEL TANK

## EV PRODUCTS

### MOTOR AND GEARBOX



ALUMINIUM

ALUMINIUM

FORGINGS + GEARS

FORGINGS + GEARS

FORGINGS + GEARS

### ELECTRONIC AREA



ALUMINIUM

ALUMINIUM

ALUMINIUM

STAMPINGS

STAMPINGS

COMPOSITES

### BATTERY



ALUMINIUM

STAMPINGS

COMPOSITES

FORGINGS

### BATTERY (COOLING AND AUXILIARIES)



ALUMINIUM

ALUMINIUM

STAMPINGS

STAMPINGS

Part images are indicative of the capabilities



## ESG



◀ SOLAR ROOF TOP AT BILL FORGE HARIDWAR



▶ SOLAR ROOF TOP AT STAMPINGS RUDRAPUR



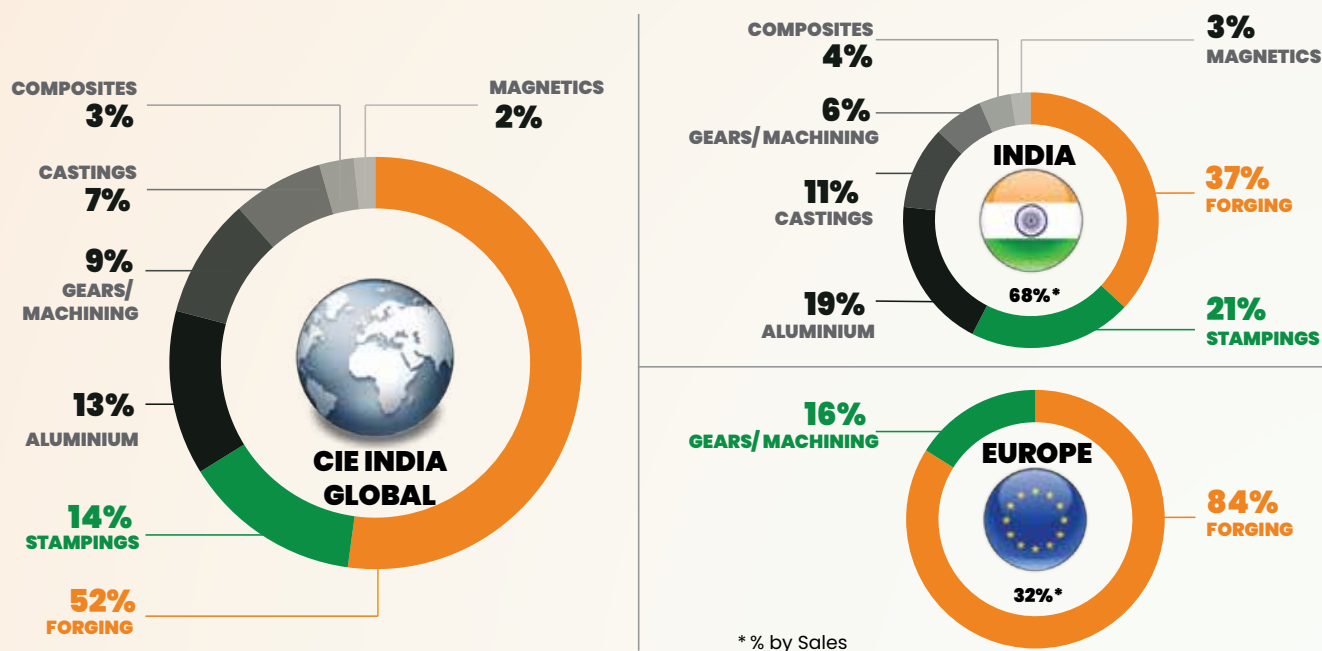
▶ RAINWATER COLLECTION CUM STORAGE  
AT COMPOSITE KANHE - 1800KL

◀ BIOGAS PLANT GEARS- CHAKAN (70KG/DAY)



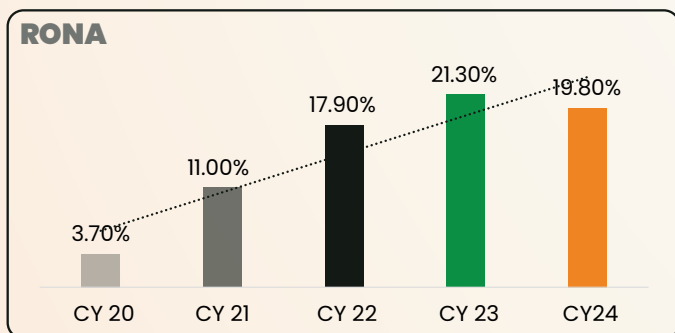
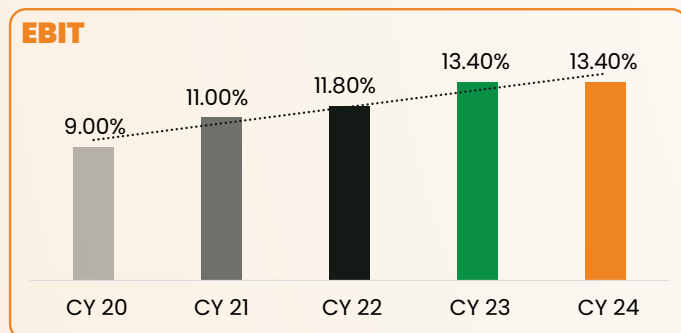
# CY 2024 HIGHLIGHTS : GEOGRAPHY AND TECHNOLOGY

## SALES CONTRIBUTION

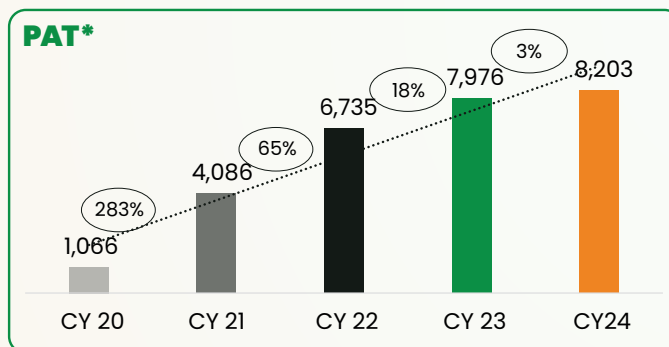


## PERFORMANCE TRENDS

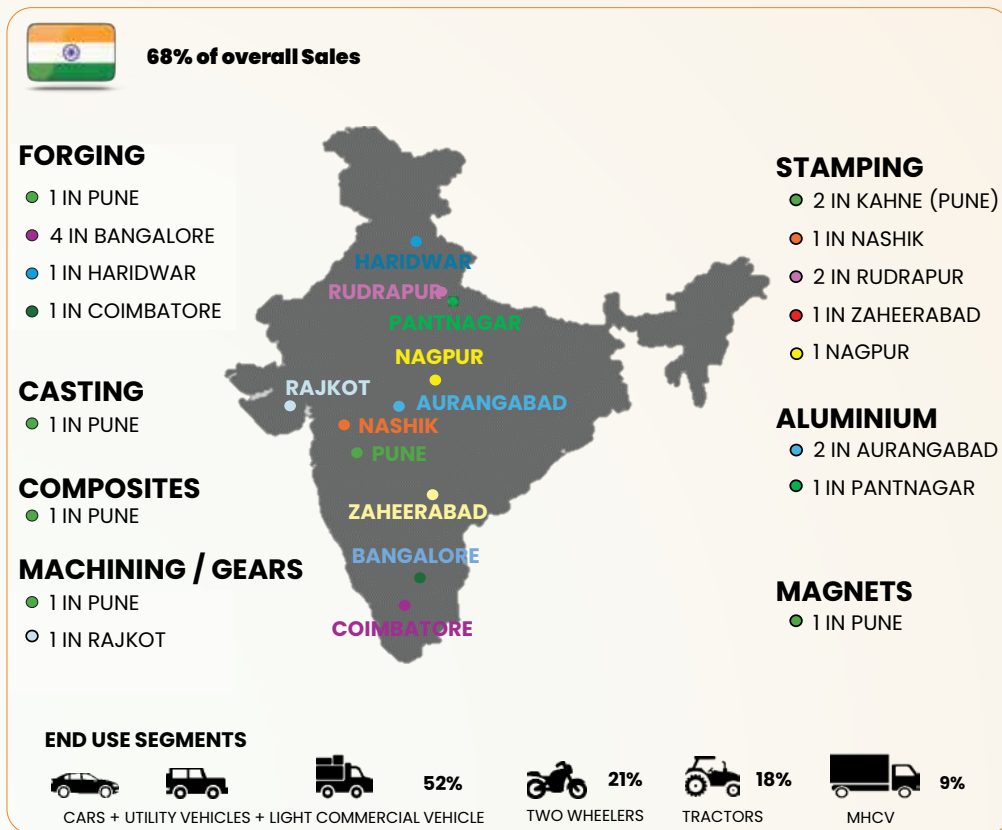
### FOCUSED ON PROFITABILITY



\*PAT on continued operations excluding exceptional items



## PLANT LOCATIONS







# SHORT & MEDIUM TERM STRATEGY

## INDIA BUSINESS

### MARKET

#### SHORT TERM

- Light Vehicles : Steady single digit growth after a period of strong growth
- 2W: Growth revival after a period of low growth
- Tractor: Low growth on high base

#### MEDIUM TERM

- Healthy growth in the medium term as per capita ownership of vehicles lower than global average
- CAGR C24-29 for Light Vehicles : 4-5%, 2W: 5-7%, Tractors : 4-6%

#### ELECTRIC VEHICLES

- Steady expansion; good models being launched
- Penetration C24 vs 29 - e4W: 3% to 18%; e2W : 5% to 25%; e3W: 9% to 40%



### STRATEGY

#### SHORT TERM

- Grow with Anchor customers
- Ramp up existing order book

#### MEDIUM TERM

- Continue to invest in capacity on confirmed orders
- Focus on customer diversification and on Operational Excellence to match CIE Standards

#### ELECTRIC VEHICLES

- ICE part dependence low; EV transition more opportunity than risk
- Orders for Aluminium & steel castings, steel forgings, gears, stampings, and composite parts for e2W, e3W and e4W segments





# SHORT & MEDIUM TERM STRATEGY EUROPE BUSINESS

## MARKET

### SHORT TERM

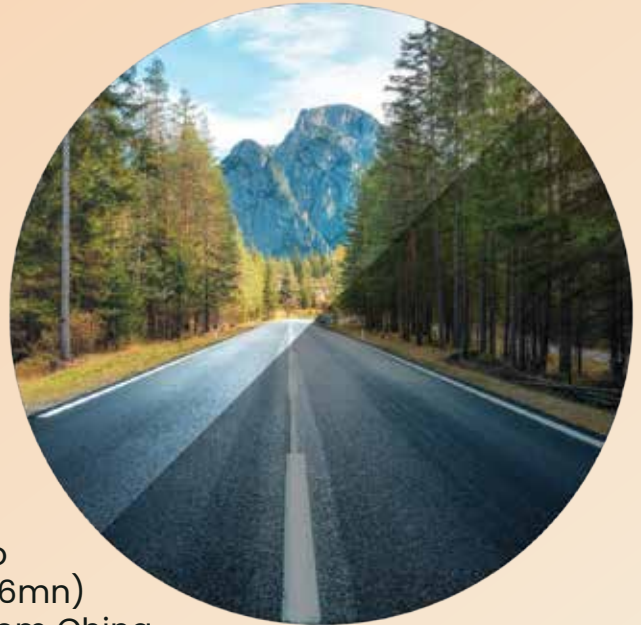
- Light vehicles: Negative growth in C24 & C25
- European CV and US Off-Road market both have large declines
- Large penalties on strict pollution norms on ICE vehicles and customer anxiety about EVs leading to OEMs scaling down production

### MEDIUM TERM

- In the next 3-5 years, light vehicles demand to remain steady between 16-17mn units (C24: 16mn)
- Rising costs, transition to EVs & competition from China

### ELECTRIC VEHICLES

- After initial spurt, increase in EV penetration slows
- EV penetration : C24 : 13% (same as C23); C29 : 43% (vs. 56% forecasted earlier)



## STRATEGY

### SHORT TERM

- Protect/ Optimise Margin

### MEDIUM TERM

- Adapt our factories to the new volume scenario
- Focus on EV components development

### ELECTRIC VEHICLES

- Large dependency on forged crankshafts
- Substitute crankshafts with Aluminium forged parts and steel parts used in EVs
- Gears plant developing electric vehicle transmission parts
- EV orders delayed as EV penetration slows





## Board of Directors

Mr. Shriprakash Shukla - Chairman  
 Mr. Ander Arenaza Alvarez  
 Mr. Manoj Menon  
 Mr. Anil Haridass  
 Mrs. Roxana Meda Inoriza  
 Mr. Alan Savio D'Silva Picardo  
 Mr. Jairaj Purandare  
 Dr. Nuria Gisbert Trejo

## Chief Financial Officer Mr. K. Jayaprakash

## Company Secretary, Chief Compliance Officer and Head-Legal Mr. Pankaj V. Goyal

## Committees of the Board Audit Committee

Mr. Alan Savio D'Silva Picardo - Chairman  
 Mr. Jairaj Purandare  
 Mrs. Roxana Meda Inoriza  
 Dr. Nuria Gisbert Trejo

## Nomination and Remuneration Committee

Mr. Alan Savio D'Silva Picardo - Chairman  
 Mr. Anil Haridass  
 Mrs. Roxana Meda Inoriza

## Stakeholders Relationship Committee

Mr. Jairaj Purandare - Chairman  
 Mr. Anil Haridass  
 Mr. Manoj Menon

## Corporate Social Responsibility Committee

Mr. Manoj Menon - Chairman  
 Mr. Jairaj Purandare  
 Mr. Anil Haridass

## Risk Management Committee

Mr. Manoj Menon - Chairman  
 Mr. Ander Arenaza Alvarez  
 Mr. Alan Savio D'Silva Picardo  
 Dr. Nuria Gisbert Trejo

## Registered Office

Suite F9D, Grand Hyatt Plaza (Lobby Level),  
 Off Western Express Highway,  
 Santacruz (E) Mumbai - 400 055  
 CIN: L27100MH1999PLC121285  
 Tel: 022 62411031  
 Fax: 022 62411030  
 Website: [www.cie-india.com](http://www.cie-india.com)  
 Email: [contact.investors@cie-india.com](mailto:contact.investors@cie-india.com)

## Pune Office

Office No. 602 & 603, Amar Business Park,  
 Opp. Sadanand Resort,  
 above Westside showroom  
 Baner, Pune - 411 045  
 Tel: 020-29804621

## Statutory Auditors

B S R & Co. LLP  
 8th Floor, Business Plaza,  
 Westin Hotel Campus,  
 36/3-B, Koregaon Park Annex,  
 Mundhwa Road, Ghorpadi, Pune - 411 001

## • Bankers

ICICI Bank Limited  
 Kotak Mahindra Bank Limited  
 Bank of America  
 Barclays Bank  
 Sumitomo Mitsui Banking Corporation (SMBC)

## • Registrar and Share Transfer Agents

KFin Technologies Limited  
 Selenium, Tower B, Plot 31 & 32,  
 Financial District, Gachibowli,  
 Hyderabad, 500 032  
 Website: [www.kfintech.com](http://www.kfintech.com)  
 E-mail: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)



# BOARD'S REPORT



## NOTES

[illegible]



## BOARD'S REPORT

### Dear Shareholders

The Board of Directors present their Report together with the Audited Financial Statements of CIE Automotive India Limited (formerly known as Mahindra CIE Automotive Limited) ('the Company') for the Financial Year ended 31<sup>st</sup> December, 2024 (the financial year under review).

### A. FINANCIAL SUMMARY AND HIGHLIGHTS

(₹ in Million)

PARTICULARS (STANDALONE)	FY ended 31 <sup>st</sup> December, 2024	FY ended 31 <sup>st</sup> December, 2023
Total Income	47,362.70	47,202.52
Profit before Interest, Depreciation, Exceptional Items and Tax	9,047.46	8,632.27
Less: Depreciation	1,436.60	1,357.19
Profit before Interest, Exceptional Items and Tax	7,610.86	7,275.08
Less: Finance cost including interest	116.73	109.83
Profit before Exceptional Items and Tax	7,494.13	7,165.25
Less: Exceptional items	-	-
Profit before tax	7,494.13	7,165.25
Profit after tax	5,834.13	5,623.44

During the financial year under review, total standalone income of the Company was ₹ 47,362.70 Million as against ₹ 47,202.52 Million for the previous year. Profit before Interest, Depreciation, Exceptional Items and Tax was ₹ 9,047.46 Million as against ₹ 8,632.27 Million for the previous financial year. The profit before exceptional items & tax for the financial year under review was ₹ 7,494.13 Million as against ₹ 7,165.25 Million for the previous financial year.

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year under review and the date of this Report.

### Dividend

The extant Dividend Distribution Policy provided that the dividend pay-out will be determined based on available financial resources, business environment, funds required

for organic as well as inorganic growth and other factors which will ensure optimal shareholder return. Within these parameters, the Company would endeavour to maintain a total dividend pay-out ratio of upto 25% of the Annual Consolidated Profit After Tax (Consolidated PAT) of the Company for the corresponding year.

The Board of Directors of the Company at its meeting held on 20<sup>th</sup> February, 2025, reviewed the Dividend Distribution Policy of the Company, especially the Financial Parameters that shall be considered while declaring dividend. After Considering strong cash flows and operational performance, the internal and external factors as provided in the Dividend Distribution Policy, the Board considered it appropriate to enhance the dividend pay-out ratio from upto 25% to upto 33% of the Consolidated PAT.

In accordance with the same, the Board is pleased to recommend dividend of ₹ 7/- (Rupees Seven only) per equity share of face value of ₹ 10/- for the financial year under review out of the Standalone Profit After Tax of the Company for the financial year under review. The final dividend for the financial year ended 31<sup>st</sup> December, 2024 would absorb a sum of ₹ 2,655.54 Million.

Dividend will be payable, subject to approval of members at the ensuing 26<sup>th</sup> Annual General Meeting and deduction of tax at source, as may be applicable, to those members or their mandates whose names appear as Beneficial Owners as per the data made available by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) or as members in the Register of Members as on the close of business hours of Wednesday, 23<sup>rd</sup> April, 2025.

### Transfer to Reserves

The Board of Directors has decided not to transfer any amount to the General Reserve for the year under review.

### B. OPERATIONAL PERFORMANCE – THE COMPANY AND SUBSIDIARIES

#### India

The light vehicle market growth slowed down to single digits vis-a-vis CY 23 while, the two wheeler market experienced a revival growing by double digits. The overall market (for our mix of segments) grew marginally in CY24 (4.2%), and our business growth was in line with that. EBITDA Margins in the India business improved (17.9% in CY24 v/s 16.7% in CY23) through focus on initiatives like increasing labour productivity using smart automation, improving asset utilisation by optimising working capital, enhancing machine throughput and using flexible machines. To keep expanding the order book, emphasis is on improving new product development with higher value add and the skills required for it. The Indian market is expected to grow in the medium term and we continue to expand capacities across business verticals.

#### Europe

The growth in the European automotive industry slowed in CY24 as compared to CY23. The automotive industry



is dealing with rising costs, uncertainty around transition to Electric Vehicles (EVs) and competition from cheaper Chinese imports. There are also concerns around CAFE norms, the penalties of which have kicked in from 1<sup>st</sup> January, 2025. The Company has taken proactive corrective measures to optimize cost in line with the current market situation. The strategy is to protect EBITDA margins (16.1% in CY24) as much as possible and focus on cash generation in Europe.

### C. INVESTOR RELATIONS (IR)

The Company strives for excellence in its investor relations ("IR") engagement with international and domestic investors. There is a structured conference call every quarter to discuss published results. The management has periodic interactions with the financial community including investors and analysts, through individual meetings and investor conferences. The Company participated in several investors meets, conferences and roadshows organized by reputed global and domestic broking houses, during the year. It is ensured that critical information related to the Company is uploaded on the Company's website and made available to the stock exchanges so that they can be accessed easily and equally by all.

### D. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated total Income of the Company (from continued operations) for the financial year under review stood at ₹ 91,037.14 Million as against ₹ 93,623.59 Million in the previous year. Profit before Interest, Depreciation, Exceptional Items and Tax (from continued operations) for the financial year under review stood at ₹ 14,902.19 Million as against ₹ 15,059 Million for the previous year. The profit before exceptional items & tax for the financial year under review (from continued operation) stood at ₹ 10,846.73 Million for the financial year under review as against ₹ 10,758.51 Million in for the previous year.

The subsidiary companies continue to contribute to the overall growth of the Company.

CIE Galfor S.A.'s consolidated revenue from continued operations (excluding intercompany transactions) was ₹ 32,144.57 Million for the financial year under review as compared to ₹ 33,818.39 Million in the previous year. The consolidated net profit after tax from continued operations (excluding intercompany transactions) for the financial year under review was ₹ 2,346.83 Million as compared to ₹ 3,064.90 Million in the previous year.

CIE Aluminium Casting India Limited (formerly known as Aurangabad Electricals Limited), revenue from operations (excluding intercompany transactions) was ₹ 11,503.51 Million during the financial year under review as compared to ₹ 10,315.90 Million in the previous year and the net profit after tax for the financial year under review (excluding intercompany transactions) was ₹ 1,076.10 Million as compared to ₹ 791.50 Million in the previous year.

CIE Hosur Limited's revenue from operations (excluding intercompany transactions) was ₹ 1,392.98 Million during

the financial year under review and the net loss after tax for the year stood at ₹ (148.75) Million.

The Company's consolidated revenue from the continuing operations was ₹ 89,640.67 Million for the financial year under review, of which about 49.09% was derived from the Subsidiaries whereas about 50.91% was derived from operations of the Company.

The Consolidated Financial Statement of the Company and of all the Subsidiaries and associate companies, for the financial year ended 31<sup>st</sup> December, 2024 prepared in accordance with the Companies Act, 2013 (hereinafter referred to as **"the Act"**) and applicable Accounting Standards and the Auditors' Report thereon forms a part of the Annual Report of 2024.

In accordance with Section 136 of the Act, separate annual accounts in respect of each of the Subsidiaries are uploaded on the website of the Company and is accessible at the web-link: <https://www.cie-india.com/subsidiaries-annual-reports.html> and soft copies of the same shall be provided to shareholders of the Company on request for such copies.

### Subsidiary Companies

As on 31<sup>st</sup> December, 2024, the Company has 9 subsidiaries namely CIE Galfor S.A.U. (Spain), CIE Legazpi S.A. (Spain), UAB CIE LT Forge (Lithuania), CIE Forging Germany GmbH (Germany), Metacastello S.p.A. (Italy), Bill Forge de Mexico S. A. de. CV (Mexico), BF Precision Private Limited (India) (under voluntary liquidation), CIE Aluminium Casting India Limited (formerly known as Aurangabad Electricals Limited) (India) and CIE Hosur Limited (India).

Except CIE Forging Germany GmbH and BF Precision Private Limited, all other subsidiaries are operational.

### Update on voluntary liquidation of BF Precision Private Limited (BFPPL)

The liquidation process of BFPPL has been completed and the liquidator has filed requisite application for its dissolution before the Hon'ble National Company Law Tribunal, Chennai Bench ('NCLT') on 19<sup>th</sup> September, 2024 in accordance with the Insolvency and Bankruptcy Code, 2016 read with Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017. The matter came up before the Hon'ble NCLT, Chennai bench (Court II) on 10<sup>th</sup> February, 2025. After hearing the matter in detail, the court reserved the matter for orders.

### Associate Companies

The Company (including its subsidiaries) had Nine Associates as on 31<sup>st</sup> December, 2024 namely Clean Max Deneb Power LLP (Deneb), Sunbarn Renewables Private Limited (Sunbarn), Renew Surya Alok Private Limited (Renew), Gescrap India Private Limited (Gescrap), Strongsun Solar Private Limited (Strongsun), Sunseed Solar Private Limited (Sunseed), Galfor Eolica SL, Ojha Renewables Private Limited (Ojha) and ReNew Green (MHK Two) Private Limited (ReNew MHK Two). The Company does not have any joint-venture.





During the financial year under review, ReNew Green (MHK Two) Private Limited (ReNew MHK Two) became an Associate of the Company w.e.f. 29<sup>th</sup> October, 2024 and Ojha Renewables Private Limited (Ojha) became an Associate of CIE Hosur Limited w.e.f. 25<sup>th</sup> April, 2024.

Sunseed Solar Private Limited (Sunseed) is an Associate of CIE Aluminium Casting India Limited and Galfor Eolica S.L. is an Associate Company of CIE Galfor S.A.

The Company and its subsidiaries have been taking various steps to optimize its power cost and to increase the proportion of green energy in the total energy consumption of the Company. The investments in Deneb, Sunbarn, Strongsun, Renew, Sunseed, Ojha and ReNew MHK Two are in furtherance of this objective. All these entities are major contributors for use of renewable source of energy in operations of the Company and its subsidiaries in India and will also results in savings in energy cost.

Gescrap is engaged in metal recycling and total waste management in India. The investment is made with the objective of preventing disruption in supply/demand of scrap for the business divisions of the Company and to enhance transparency and add best practices to scrap management in the group.

A Report on the performance and financial position of each of the subsidiaries and associate companies included in the Consolidated Financial Statement and their contribution to the overall performance of the Company is provided in Note No. 39 of the Consolidated Financial Statements of the Company and in Form AOC-1 attached to the Financial Statements.

The Company has formulated a Policy for determining Material Subsidiaries and Governance Requirements in respect of Subsidiaries and the same has been uploaded on the website of the Company and is accessible at the web-link: <https://www.cie-india.com/governance3.html#Policies>

### Credit Rating

During the year under review ICRA Limited, a Credit Rating Agency, reviewed the credit rating assigned for various bank facilities being fund based/non-fund based working capital facilities. Basis the review, ICRA have re-affirmed the long-term rating at [ICRA]AA (pronounced ICRA double A). ICRA has also reaffirmed the short-term rating at [ICRA]A1+ (pronounced ICRA A one plus). The outlook on the long-term rating was reaffirmed as Stable.

Further, since there was no outstanding amount against the commercial paper, as per the request of the Company, the rating has been reaffirmed by ICRA and the same stands withdrawn as per ICRA's letter dated April 23, 2024.

The details of the Credit Ratings are uploaded on the website of the Company and is accessible at the web-link:

<https://www.cie-india.com/periodic-public-information8.html#Credit-Rating>

The Company has not been identified as a "Large Corporate" as per the criteria specified under Chapter XII of SEBI Master circular no. SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated 22<sup>nd</sup> May, 2024.

### E INTERNAL FINANCIAL CONTROLS

The Company has put in place adequate internal financial controls commensurate with the size and complexity of its operations. The internal controls ensure the reliability of data and financial information and accountability of assets.

The Company uses ERP System as a business enabler and to maintain its books of accounts. The transactional controls built in ERP System provide segregation of duties, appropriate level of approval mechanism and maintenance of supporting records. It is further supplemented by documented policies, guidelines and procedures. These are reviewed by the management regularly and strengthened wherever required. These systems and controls are subject to internal audit program arrived at basis risk review and approved by the Audit Committee. Action plan is prepared by the management for all the audit findings and the same is reviewed by the Audit Committee periodically.

The controls have been assessed during the year under review, basis guidance note issued by the Institute of Chartered Accountants of India on Audit of Internal Financial Controls over Financial Reporting. Based on the results of such assessments carried out by the management, no reportable or significant deficiencies, no material weakness in the design or operation of any control was observed. Nonetheless, the Company recognizes that any internal control framework, no matter how well designed, has inherent limitations and in a dynamic environment needs continuous review and upgrade.

### F. MANAGEMENT DISCUSSION AND ANALYSIS

Management discussion and analysis of financial condition and results of operations of the Company along-with the performance and financial position of each of the Subsidiaries is provided in the Management Discussion and Analysis Report which forms part of the Annual Report-2024.

### G. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Details of the related party transactions entered into by the Company is provided in Note No. 31 of the Notes to the Standalone Financial Statements for the financial year under review.

All transactions entered into with Related Parties of the Company, during the year under review, were in ordinary course of business and were transacted at arm's length basis.

Except the Holding Company of the Company, the Company did not have any person or entity belonging to the promoter/promoter group which held 10% or more shareholding during the financial year under review.



Further, the Company had entered into Material Related Party Transactions i.e., transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statements of the Company with Mahindra & Mahindra Limited (M&M). These transactions were in Ordinary Course of Business of the Company and were at arm's length basis. The details of these transactions, as required to be provided under Section 134(3)(h) of the Act, are disclosed in Form AOC-2 as **Annexure I** and forms part of this Report.

The Policy on materiality of and dealing with Related Party Transactions as approved by the Board is uploaded on the website of the Company and is accessible at the web-link: <https://www.cie-india.com/governance3.html#Policies>

## **H. PARTICULARS OF INVESTMENTS, LOANS, GUARANTEES AND SECURITIES**

Particulars of investments made by the Company, as required under Section 186 of the Act, are provided in Note No. 8 of the Notes to the Standalone Financial Statements of the Company for the for the financial year under review.

Further, disclosure required pursuant to Regulation 34(3) read with Part A of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as **"the Listing Regulations"**) in respect of loans or advances in the nature of loans given by the Company to its Subsidiaries is provided at the end of this report. Apart from the loans or advances in the nature of loans given to the Subsidiaries of the Company as provided at the end of its report, the Company has not provided any loans or advances in the nature of loans to any of its Associates or any other person or body corporate including to any firms/body corporates in which Directors of the Company are interested.

The particulars of loans given by the Company, as required under Section 186 of the Act, are also provided in Note No. 8B of the Notes to the Standalone Financial Statement of the Company for the for the financial year under review.

During the year under review, the Company has not provided any guarantee or security in connection with the loan to any other person or body corporate.

## **I. PUBLIC DEPOSITS**

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013 during the year under review.

## **J. AUDITORS**

### **Statutory Auditors Report**

The members of the Company at the 23<sup>rd</sup> Annual General Meeting (AGM) had appointed M/s. B S R & Co. LLP, Chartered Accountants (B S R LLP) (ICAI Firm No. 101248W/W – 100022) as the Statutory Auditors of the Company to hold office from the conclusion of 23<sup>rd</sup> AGM

for a term of consecutive five years till the conclusion of 28<sup>th</sup> AGM of the Company to be held in the year 2027.

The Auditor's Report on the Financial Statement for the year ended 31<sup>st</sup> December, 2024, is unmodified i.e., it does not contain any qualification, reservation or adverse remark disclaimer and notes thereto are self-explanatory and do not require any explanations.

### **Secretarial Audit's Report**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed Mr. Sachin Bhagwat, Practicing Company Secretary (Certificate of Practice No. 6029), Secretarial Auditor to undertake the Secretarial Audit for the Financial Year ended 31<sup>st</sup> December, 2024 and issue a Secretarial Audit Report in accordance with Section 204 of the Act and Regulation 24A of the Listing Regulations.

The Secretarial Audit Report for the Financial Year ended 31<sup>st</sup> December, 2024, issued as aforesaid, is appended to this Report as **Annexure II**. The report does not contain any qualification, reservation, adverse remark or disclaimer.

### **Secretarial Audit Report of Material Unlisted Indian Subsidiary**

CIE Aluminium Casting India Limited (formerly known as Aurangabad Electricals Limited) (CIEALCAST), is a Material Unlisted Subsidiary of the Company in India. The Secretarial Audit of CIEALCAST for the financial year ended 31<sup>st</sup> December, 2024 was carried out pursuant to Section 204 of the Act by Mr. Sachin Bhagwat, Practicing Company Secretary (Certificate of Practice No. 6029). The Secretarial Auditor's Report of CIEALCAST, does not contain any qualification, reservation, adverse remark or disclaimer and the same is enclosed herewith as **Annexure III** in accordance with Regulation 24A of the Listing Regulations.

### **Annual Secretarial Compliance Report**

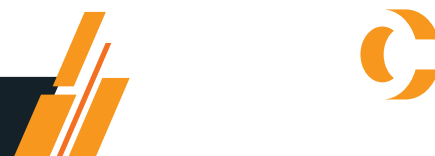
The Annual Secretarial Compliance Report issued by Mr. Sachin Bhagwat, Practicing Company Secretary (Certificate of Practice No. 6029) in accordance with Regulation 24A of the Listing Regulations read with Circulars issued thereunder by Securities and Exchanges Board of India has been submitted to the Stock Exchanges within the prescribed timelines. The report does not contain any observation, reservation, adverse remark or disclaimer.

The same is also uploaded on the website of the Company and is accessible at the web-link:

<https://www.cie-india.com/documents-and-disclosure.html#Secretarial-Compliance-Report>

### **Secretarial Auditors**

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 notified vide SEBI circular No. SEBI/LAD-NRO/GN/2024/218 *inter-alia* prescribes



detailed norms for the appointment, re-appointment, and removal of Secretarial Auditors in listed entities and its material Indian subsidiaries. All the appointments or continuation of Secretarial Auditors w.e.f. 1<sup>st</sup> April, 2025 must be as per these norms.

In accordance with the Regulation 24A(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended by SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 (the Listing Regulations), the Board of Directors of the Company at its meeting held on 20<sup>th</sup> February, 2025 considered the matter of appointment of the Secretarial Auditor and have approved and proposed to the members for their consideration and approval at the ensuing 26<sup>th</sup> Annual General Meeting (AGM), appointment of M/s SVD & Associates (Firm Registration No. P2013MH075200) as the Secretarial Auditors of the Company for a term of five consecutive years to conduct the Secretarial Audit of five consecutive financial years respectively ending on 31<sup>st</sup> December, 2025, 31<sup>st</sup> December, 2026, 31<sup>st</sup> December, 2027, 31<sup>st</sup> December, 2028 and 31<sup>st</sup> December, 2029 (**the Term**) and to issue (i) the Secretarial Audit Report under Section 204 of the Companies Act 2013 for the Term and (ii) the Secretarial Audit Reports under Regulation 24A(1)(a) of the Listing Regulations for the Term. Accordingly, a resolution seeking Members' approval for appointment of M/s. SVD & Associates (Firm Registration No. P2013MH075200) as the Secretarial Auditors of the Company is placed before the members for their consideration at the 26<sup>th</sup> Annual General Meeting.

#### Cost Records

During the year under review, the Company maintained cost accounts and records as required under Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014 as amended.

#### Cost Auditors

The Board had appointed Messrs. Dhananjay V. Joshi & Associates, Cost Accountants, Pune, (Firm Registration Number 000030) as Cost Auditor for conducting the audit of Cost Records of the Company for Financial year ended 31<sup>st</sup> December, 2024.

In accordance with Section 148 of the Act, the Board of Directors of the Company, on recommendation of the Audit Committee, re-appointed Messrs. Dhananjay V. Joshi & Associates, Cost Accountants, Pune (Firm Registration Number 000030) as the Cost Auditors of the Company to conduct the Audit of the Cost Accounting Records maintained by the Company for the Financial Year ending 31<sup>st</sup> December, 2025. Messrs. Dhananjay V. Joshi & Associates have confirmed that their appointment is within the limits of Section 141(3)(g) of the Act and have also certified that they are free from any disqualifications specified under section 141(3) read with Section 148(5) of the Act.

As per the provisions of the Act, the remuneration payable to the Cost Auditor is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a resolution seeking Members' ratification

for the remuneration payable to Messrs. Dhananjay V. Joshi & Associates, Cost Auditors is placed before the members for their consideration at the 26<sup>th</sup> Annual General Meeting.

#### Reporting of Frauds by Auditors

During the year under review, the Statutory Auditors, the Cost Auditors and the Secretarial Auditor have not reported any instance of fraud committed in the Company by its Officers or Employees to the Audit Committee under Section 143(12) of the Act, details of which needs to be mentioned in this Report.

#### K. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

In accordance with Section 124 of the Act and rules made thereunder, the details in relation to unclaimed amounts of dividend declared for the Financial Year ended 31<sup>st</sup> December, 2021, 31<sup>st</sup> December, 2022 and 31<sup>st</sup> December, 2023 that were transferred to Unclaimed Dividend Account along-with a statement containing the names, last known addresses, the unpaid dividend to be paid to each person and the date when such unpaid Dividend is due for transfer to the Investor Education and Protection Fund (IEPF) has been placed on the website of the Company and the same is accessible at the web-link:

<https://www.cie-india.com/periodic-public-information8.html#IEPF>

During the year under review, the Company was not required to transfer any amount to IEPF.

Further, details of all the unclaimed amounts transferred by the Company to IEPF in earlier years are uploaded on the website of the Company and is accessible under the sub-tab 'Unclaimed Amount Transferred to IEPF' at the web-link:

<https://www.cie-india.com/periodic-public-information8.html#IEPF> and is also available on the website of IEPF.

No claim lies against the Company in respect of these unclaimed amounts.

For any claims that are lodged with IEPF for unclaimed amounts, the Company has nominated Mr. Pankaj V. Goyal, the Company Secretary, Chief Compliance Officer and Head-Legal of the Company as Nodal Officer for the purposes of verification of claims and coordination with Investor Education and Protection Fund Authority as required under Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, the Contact details of the Nodal Officer are available on the website of the Company at the aforementioned web-link.

#### L. EMPLOYEES

##### Key Managerial Personnel (KMP)

During the financial year, the following officers were the Key Managerial Personnel of the Company in accordance with Section 203 of the Act read with Section



2(51) of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

1. Mr. Ander Arenaza - Executive Director and Group CEO
2. Mr. Manoj Menon - Executive Director and CEO
3. Mr. Sunil Narke - Chief Executive Officer - Forgings Division (w.e.f. 1<sup>st</sup> April, 2024)
4. Mr. Hari Krishnan - Chief Executive Officer - Forgings and Bill Forge Division (upto 31<sup>st</sup> March, 2024)
5. Mr. Rahul Desai - CEO - Stampings, MPD and Composites Division (from 2<sup>nd</sup> May, 2024 till 19<sup>th</sup> February, 2025)
6. Mr. Rajendra Vadlapudi - CEO - Iron Casting Division (w.e.f. 2<sup>nd</sup> May, 2024)
7. Mr. K. Jayaprakash - Chief Financial Officer
8. Mr. Pankaj V. Goyal - Company Secretary, Chief Compliance Officer and Head-Legal

The Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee at its Meetings held on 02<sup>nd</sup> May, 2024 reviewed the Organizational Structure and Succession plan and approved certain changes in the Organizational Structure of the Company to build a stronger leadership pipeline to support the long-term growth strategy of the Company. Mr. Ander Arenaza was redesignated as "Executive Director and Group CEO" by way of his appointment as "Chief Executive Officer" of the Company under Section 203(1)(i) of the Companies Act, 2013, with effect from 02<sup>nd</sup> May, 2024. Mr. Rahul Desai and Mr. Rajendra Vadlapudi were promoted and were respectively appointed as 'CEO - Stampings, Magnetics Products and Composites Divisions' and CEO - Iron Casting Division w.e.f. 2<sup>nd</sup> May, 2024. Both Mr. Desai and Mr. Vadlapudi continued to report to Mr. Manoj Menon, who was redesignated as "Executive Director and CEO" from "Executive Director and CEO - Iron Casting, Stampings, Composites, MPD and Gears Divisions" w.e.f. 2<sup>nd</sup> May, 2024.

Mr. Hari Krishnan had tendered his resignation and ceased to be CEO - Forgings and Billforge Division w.e.f. 31<sup>st</sup> March, 2024 and accordingly he ceased to be Key Managerial Personnel of the Company. After the close of the financial year, Mr. Rahul Desai has tendered his resignation from his position as CEO - Stampings, MPD and Composites Divisions of the Company with effect from close of business hours on 19<sup>th</sup> February, 2025 and accordingly he ceased to be Key Managerial Personnel of the Company.

Details regarding the aforementioned changes is available on website of the Company at the weblink:

<https://www.cie-india.com/periodic-public-information8.html#Stock-Exchange-Communication>

#### Particulars of Employees and related disclosures

Disclosures with respect to the remuneration of Directors, KMPs and employees as required under Section 197(12) of

the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, are given in **Annexure IV** to this Report.

Further, as required under the provisions of Section 197(12) of the Act read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement including the names and other details of the top ten employees in terms of remuneration drawn and the name of every employee, who were in receipt of remuneration not less than ₹ 10,200,000/- per annum during the year ended 31<sup>st</sup> December, 2024 or employees who were employed for a part of the Financial Year and were in receipt of remuneration of not less than ₹ 8,50,000/- per month during any part of the said year is annexed as **Annexure V** to this report.

The Company had no employee who was employed throughout the Financial Year or part thereof and was in receipt of remuneration, which in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole-Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the Company.

#### Industrial Relations

The relationship between the Management and Worker's Union continued to remain cordial.

The Management Discussion and Analysis Report gives an overview of the developments in Human Resources/ Industrial Relations during the year.

#### M. BOARD AND COMMITTEES

##### Retirement by rotation

Mr. Manoj Mullassery Menon (DIN: 07642469) is liable to retire by rotation and being eligible, have offered himself for re-appointment at the 26<sup>th</sup> Annual General Meeting of the Company.

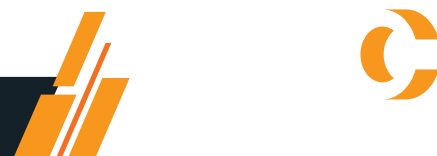
##### Re-appointment of Executive Directors

The Board of Directors at its meeting held on 20<sup>th</sup> February, 2025, on recommendation of nomination and remuneration committee, have approved re-appointments of Mr. Ander Arenaza Álvarez (DIN: 07591785) and Mr. Manoj Mullassery Menon (DIN: 07642469) as Whole-time Director (designated as Executive Director) of the Company for a period of 3 (Three) years with effect from 13<sup>th</sup> September, 2025 and 17<sup>th</sup> October, 2025 respectively and have recommended the same to the members for their approval at the ensuing Annual General Meeting.

##### Changes in Board during the year under review

##### Completion of term of appointment of Independent Directors

Mr. Manojkumar Madangopal Maheshwari (DIN:00012341) completed his term of appointment as Independent





Director of the Company on close of business hours on 28<sup>th</sup> September, 2024 and ceased to be Independent Director of the Company from 29<sup>th</sup> September, 2024. Mr. Suhail Amin Nathani (DIN: 01089938) completed his term of appointment as Independent Director of the Company on close of business hours on 11<sup>th</sup> December, 2024 and ceased to be Independent Director of the Company from 12<sup>th</sup> December, 2024.

The Board of Directors of the Company places on record its sincere appreciation of the contributions Mr. Maheshwari and Mr. Nathani made towards the success of the Company during their tenure.

### Re-appointment of Independent Director

During the year under review, the Board at its meeting held on 19<sup>th</sup> February, 2024, on recommendation of the Nomination and Remuneration Committee, recommended the re-appointment of Mr. Alan Savio D'Silva Picardo (DIN: 08513835) and Mrs. Roxana Meda Inoriza (DIN: 08520545), as the Independent Directors of the Company for consideration and approval of the member.

The Members of the Company at the 25<sup>th</sup> Annual General Meeting held on 20<sup>th</sup> June, 2024, approved the re-appointment of Mr. Alan Savio D'Silva Picardo and Ms. Roxana Meda Inoriza as an Independent Directors to hold the office of the Independent Directors for the second term of Five consecutive years from 29<sup>th</sup> September, 2024 to 28<sup>th</sup> September, 2029.

### Appointment of Independent Director

During the year under review, the Board at its meeting held on 2<sup>nd</sup> May, 2024, on recommendation of the Nomination and Remuneration Committee, recommended the appointment of Dr. Nuria Gisbert Trejo (DIN: 10607049) as an Independent Director of the Company for consideration and approval of the member. The Members of the Company at the 25<sup>th</sup> Annual General Meeting held on 20<sup>th</sup> June, 2024, approved her appointment as Independent Director to hold the office of the Independent Director for the first term of Five consecutive years from 1<sup>st</sup> July, 2024 to 30<sup>th</sup> June, 2029.

### Resignation from Directorship

During the year under review, Mr. Jesus Maria Herrera Barandiaran (DIN:06705854), Non-Executive Director of the Company tendered his resignation as Director of the Company with effect from close of working hours on 20<sup>th</sup> June, 2024 and ceased to be Non-Executive Director of the Company w.e.f. 21<sup>st</sup> June, 2024.

The Board of Directors of the Company placed on record its sincere appreciation of the contributions Mr. Herrera made towards the success of the Company during his tenure.

### Declaration of the Independent Directors

In accordance with Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations, all the Independent Directors have submitted declarations

confirming that they meet the criteria as mentioned in Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act. The Independent Directors have also confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. Further, the Board after taking these declaration/disclosures on record and acknowledging the veracity of the same, opined that the Independent Directors of the Company, including the Independent Director appointed during the year, are persons of integrity and possess the relevant expertise and experience (including the proficiency), fulfils the conditions specified in the Listing Regulations and the Act for appointment of Independent Directors and are Independent of the Management.

### Directors' Responsibility Statement

Pursuant to Section 134(5) of the Act, the Board of Directors, based on the representation received from the Operating Management and after due enquiry, confirm that:

- in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> December, 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments 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 ended on 31<sup>st</sup> December, 2024 and of the profit and loss of the Company for that financial year ended on that date;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors had prepared the annual accounts on a going concern basis;
- the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively during the financial year ended 31<sup>st</sup> December, 2024;
- the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively during the financial year ended 31<sup>st</sup> December, 2024.

### Board, Committee and Annual General Meeting

A calendar of Meetings is prepared and circulated in advance to the Directors.





The Board of Directors of the Company met Five times during the financial year under review on 19<sup>th</sup> February, 2024, 02<sup>nd</sup> May, 2024, 18<sup>th</sup> July, 2024, 24<sup>th</sup> October, 2024 and 09<sup>th</sup> December, 2024. The 25<sup>th</sup> Annual General Meeting of the Company was held on 20<sup>th</sup> June, 2024 through Video Conference ("VC") / Other Audio Visual Means ("OAVM") without the physical presence of the Members at a common venue.

Details of attendance of meetings of the Board, its Committees and the AGM are included in the Report on Corporate Governance, which forms part of the Annual Report-2024.

### Meeting of Independent Directors

The Independent Directors of the Company met on 16<sup>th</sup> February, 2024 and 05<sup>th</sup> December, 2024 without the presence of the Chairman, Executive Directors, other Non-Independent Director(s) and any other Managerial Personnel.

### Performance Evaluation

During the year under review, the Nomination and Remuneration Committee and Independent Directors have ascertained and reconfirmed that the deployment of "Questionnaire" as a methodology, is effective for evaluation of performance of Board, its Committees and Individual Directors including Non-Independent Directors and the Chairman.

Accordingly, feedback was sought on the structured questionnaire from all the Directors of the Company, through electronic platform provided by an Independent Agency, covering various aspects, on performance evaluation of the Board, Committees of Board, Independent Directors, Non-Independent Directors, and the Chairman. A report aggregating the responses of all the Directors of the Company was generated by the system.

### Performance Evaluation of Individual Directors

The reports of the performance evaluation of Individual Directors were shared with respective Directors and Chairman of the Nomination and Remuneration Committee (NRC). Based on the same the NRC evaluated the performance of all individual Directors.

The Independent Directors at their meeting separately evaluated the performance of Non-Independent Directors and the Chairman.

### Performance Evaluation of the Board and Committees of Board

The report of the feedback received from all the Directors on performance evaluation of Board and Committees of Board was shared with the Chairman of the Board and the Chairman of the respective Committees. The Board reviewed the reports and evaluated its own performance and performance of the Committees of the Board.

The Independent Directors at their meeting separately evaluated the performance of the Board. For details, please refer to the Report on Corporate Governance, which forms part of the Annual Report-2024.

### Familiarisation Programme for Independent Directors

The details of programmes for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, and related matters are given in the Report on Corporate Governance.

The familiarisation programme and other disclosures as specified under Regulation 46 of the Listing Regulations is available on the website of the Company at the link:

<https://www.cie-india.com/governance3.html#Familiarisation-Program>

### Policy on Appointment and Remuneration

In line with the principles of transparency and consistency, the Company has adopted the following Policies which, *inter-alia* includes criteria for determining qualifications, positive attributes and independence of a Director.

- i) Policy on appointment of Directors, Key Managerial Personnel and Senior Management Employees and succession planning and
- ii) Policy on the remuneration of Directors, Key Managerial Personnel and other employees of the Company.

Salient features of these policies are enumerated in the Corporate Governance Report which forms part of the Annual Report-2024.

During the year under review, the Policy on the remuneration of Directors, Key Managerial Personnel and other employees and Policy on Appointment of Directors, Key Managerial Personnel and Senior Management Employees and succession planning of the Company was reviewed as per the policy review cycle and amendments were made to align with the changes in the organization structure of the Company.

The Policies mentioned above are also uploaded on the website of the Company and is accessible at the web-link:

<https://www.cie-india.com/governance3.html#Policies>

### Committees of the Board

The Company has duly constituted the Committees required under the Companies Act, 2013 read with applicable Rules made thereunder and the Listing Regulations. Detailed disclosure in respect of all the Committees of the Board which includes the Constitution of the Committees, the terms of references of each of the Committee, the number of meetings held during the year and attendance etc. is provided in the Corporate Governance Report which forms part of the Annual Report-2024.

### Audit Committee

The Committee comprises of four Independent Directors as on 31<sup>st</sup> December, 2024 namely Mr. Alan Savio D'Silva Picardo – Chairman, Mr. Jairaj Purandare, Mrs. Roxana Meda Inoriza and Dr. Nuria Gisbert Trejo.



Mr. Manojkumar Madangopal Maheshwari ceased as a Member of the Committee with effect from 19<sup>th</sup> July, 2024. Mr. Jairaj Purandare and Dr. Nuria Gisbert Trejo were appointed as the Members of the Committee with effect from 19<sup>th</sup> July, 2024.

All the Members of the Committee are Independent Directors and possess strong accounting and financial management knowledge.

The Company Secretary is the Secretary to the Committee. All the recommendations of the Audit Committee were accepted by the Board during the financial year under review.

## N. GOVERNANCE

### Corporate Governance

The Company believes in attainment of highest levels of transparency in all facets of its operations and maintains an unwavering focus on imbibing good Corporate Governance practices. The Company continues to strengthen its governance principles to generate long-term value for its various stakeholders on a sustainable basis thus ensuring ethical and responsible leadership both at the Board and at the Management levels.

A Report on Corporate Governance along with a Certificate regarding the compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations issued by Mr. Sachin Bhagwat, Practicing Company Secretary (ACS Number - 10189, CP Number - 6029) and Secretarial Auditor of the Company for the financial year under review forms part of the Annual Report-2024.

### Vigil Mechanism

The Vigil Mechanism as envisaged in the Companies Act, 2013, the Rules prescribed thereunder and the Listing Regulations is implemented through the Company's Whistle Blower Policy to enable the Directors, Employees and all Stakeholders of the Company to report their genuine concerns, to provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairman of the Audit Committee. The detail of the Policy is explained in the Corporate Governance Report and has been uploaded on the website of the Company and is accessible at the web-link:

<https://www.cie-india.com/ethical-channel.html>

### The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act) and Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment at all workplaces of the Company in compliance with the provisions of the POSH Act. All employees (permanent, contractual, temporary, trainees) are covered under this Policy.

The framework ensures complete anonymity and confidentiality.

During the year under review, one complaint of sexual harassment was received by the Internal Complaints Committee of a workplace and the same was dealt with and closed in accordance with the POSH Act and Policy made thereunder by the ICC. No complaint was pending as at the end of the year.

### Risk Management

The Board has constituted a Risk Management Committee which comprises of Four members as at the end of the financial year namely, Mr. Manoj Mullassery Menon - Executive Director & CEO (Chairman of the Committee), Mr. Ander Arenaza Alvarez - Executive Director & Group CEO, Mr. Alan Savio D'Silva Picardo - Independent Director and Dr. Nuria Gisbert Trejo - Independent Director. The Committee also has invitees from Senior Management team. The other details including the terms of reference of the Committee are covered under the Corporate Governance report which forms part of the Annual Report-2024.

In accordance with the requirements of the Act and Listing Regulations, the Company has developed and implemented a Risk Control and Management Policy which establishes general framework for action, as well as the procedures and responsibilities to control and manage the risks which the Company must face efficiently and effectively. The said policy can be accessed from the weblink: <https://www.cie-india.com/governance3.html#Policies> The risk management system of the Company ("RMS") allows it to reasonably ensure that all significant risks, both financial and non-financial, including those which in the opinion of the Board may threaten the existence of the Company, are prevented, identified, assessed, subjected to ongoing control and reduced to the defined levels of risk appetite and tolerance and are approved by the Risk Management Committee and ultimately by the Board.

The Risk Management Committee, Audit Committee as well as the Board reviews the risks and RMS periodically. The Company has established procedures to periodically place before the Board, the risk assessment and minimisation procedures being followed by the Company and steps taken by it to mitigate the Risks.

Important elements of risks are provided in the Management Discussion and Analysis which forms part of the Annual Report-2024.

## O. SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY

### Sustainability

Stakeholders' growing expectations have placed sustainability performance under scrutiny. Simply having good intentions about ESG is no longer enough—delivering measurable outcomes is critical to long-term success and credibility.

As a subsidiary of CIE Automotive S.A. Spain, the Company is committed to a 5-year Strategic ESG plan, adhering to 79 KPIs across four pillars: CIE Culture, Ethical



Commitment, Eco-Efficiency, and Active Listening. These pillars align with the UN's 17 Sustainable Development Goals. Apart from this India Specific ESG Goals & targets have been formulated as a roadmap towards achieving our identified Sustainability Goals.

The Company has undertaken several key ESG initiatives, including building a responsible supply chain with local sourcing, environmental assessments of identified partners, and promoting a circular economy by reducing raw material consumption, managing waste, minimizing environmental impact, and enhancing energy efficiency.

The Company is committed to achieving carbon neutrality by 2050, adopting ISO 14001 and ISO 50001 standards, and focusing on renewable energy, material circularity, and responsible resource use. In CY 2024, CIE India conducted Life Cycle Assessments for six strategic products, provided ESG awareness training for all identified junior, middle, senior management levels including the Board of Directors. In CY-2024, the Company conducted Zero Waste to Landfill gap assessment across all plants. High-energy intensive units have certified for Energy Management System i.e. ISO 50001:2018. 58.29% of energy was sourced from renewables and 24,305 trees were planted within plants and through CSR activities. These efforts reflect Company's commitment to sustainability and ESG goals.

### Safety and Health

The Company is deeply committed to ensuring the health and safety of all employees and workers at its manufacturing sites, with a goal of achieving zero incidents. Prioritizing health and safety are vital not only for the well-being of employees but also for enhancing operational efficiency. Beyond maintaining a safe and healthy work environment across all manufacturing plants and offices, the Company focused on several key initiatives in CY 2024. These initiatives include ongoing training programs, thorough safety audits, safety culture assessments, and the adoption of advanced safety technologies, all aimed at preventing incidents and fostering a strong safety culture throughout the organization.

In CY 2024, the Company took significant strides in reinforcing its commitment to health and safety. The Back-to-Basics safety campaign, launched across all plants, aimed to maintain the momentum and motivation of shop floor employees, emphasizing the importance of discipline in manufacturing facilities. The successful program on 12 Life Saving Rules, introduced in CY2023, continued in CY2024, with the addition of an E-module for refresher training to ensure sustained awareness and adherence.

Recognizing that safety performance cannot be solely improved by better infrastructure and technology, the Company undertook a safety cultural assessment. This evaluation was designed to measure the effectiveness of past safety initiatives and identify areas where further interventions and programs were necessary to advance the Company's position on the safety cultural ladder.

All plants achieved ISO 45001 and ISO 14001 certifications, demonstrating a commitment to both occupational health and safety and environmental management. To further bolster safety measures, the Company underwent a series of external audits, including those for electrical safety, chemical safety, fire safety, energy efficiency, and compliance with ISI4489 standards.

In terms of employee well-being, the Company implemented a range of health initiatives, including annual health check-ups, yoga sessions, stress management workshops, and a de-addiction program for workers. The overarching focus throughout the year was on continuous training, regular communication, employee recognition, and the active involvement of shop floor employees in safety activities. These efforts were instrumental in working toward the achievement of safety targets and fostering a culture of safety at all levels of the organization.

### Business Responsibility and Sustainability Report

Pursuant to Regulation 34(2)(f) of the Listing Regulations read with SEBI Master circular reference No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11<sup>th</sup> November, 2024 as amended, the Business Responsibility and Sustainability Report (BRSR), including the BRSR Core, in the prescribed format for the Financial Year ended on 31<sup>st</sup> December, 2024, forms part of the Annual Report-2024.

### Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The information pertaining to energy conservation, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 are provided in **Annexure VI** to this Report.

### Corporate Social Responsibility (CSR)

The Company has constituted Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Act. As on 31<sup>st</sup> December, 2024, the CSR Committee comprises of Mr. Manoj Mullassary Menon (Chairman of CSR Committee), Mr. Anil Haridass and Mr. Jairaj Purandare (inducted in CSR Committee with effect from 19<sup>th</sup> July, 2024). During the year under review, Mr. Alan Savio D'Silva Picardo ceased as Member of the CSR Committee with effect from 19<sup>th</sup> July, 2024.

The CSR Policy developed and implemented by the Company including a brief overview of the projects or programs undertaken by the Company in pursuance of the CSR Policy are available on the Company's website and is accessible at the web-link: <https://www.cie-india.com/csrOLD1.html>. During the year under review, no changes were made in the policy except the amendment made in the Annexure I of the policy, in line with the Annual Action Plan approved by the Board, which includes the details of the major CSR Activities undertaken by the Company.

During the year under review the Company was required to spend ₹ 9,01,58,008/- (after set-off of excess spent



of ₹ 57,42,168/- pertaining to financial year ended 31<sup>st</sup> December, 2023) in accordance with Section 135(1) of the Companies Act, 2013.

The Company has spent ₹ 7,60,22,191/- on the CSR projects during the Financial Year. The Company had planned to spend the entire CSR Amount during the financial year under review, however the expenditure on some of the approved CSR projects was deferred to CY2025 due to various reasons including change of implementing partner, delay in procurement of certain assets required for the project etc. The implementation of these approved project is now on track, although with some delays, the Company is confident of achieving its social objectives.

The unspent amount of ₹ 1,41,35,817/- has been allocated and shall be spent on the Ongoing CSR projects, implementation of which shall be continued in CY2025. Accordingly, this unspent amount is transferred by the Company to unspent CSR account in accordance with Section 135(6) of the Companies Act, 2013.

The Company reiterates its commitment to discharge its social obligation and shall continue to implement meaningful CSR projects in the CSR thrust areas which have been identified and where the Company wishes to create equity.

The CSR Committee affirmed that the implementation and monitoring of the CSR projects during the year was in compliance with the CSR objectives and CSR policy of the Company.

In accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, the Annual Report on CSR Activities *inter-alia* providing the salient features of the CSR Policy and details of CSR activities undertaken by the Company during the year is annexed herewith as **Annexure VII**.

## P. SECRETARIAL

### Shifting of the Registered office of the Company

The Board of Directors of the Company at its meeting held on 20<sup>th</sup> February, 2025 considered and approved shifting of the Registered Office of the Company from Suite F9D, Grand Hyatt Plaza (Lobby Level), Off Western Express Highway, Santacruz (E), Mumbai – 400055 to G Block, Bhosari Industrial Estate, Near BSNL office, Bhosari, Pune – 411026, subject to approval of the Members of the Company at the ensuing 26<sup>th</sup> Annual General Meeting and approval of the Regional Director, Ministry of Corporate Affairs, Government of India, Western Region, Mumbai and other appropriate authority.

### Compliance with the provisions of Secretarial Standard-1 and Secretarial Standard-2

The Company have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively. During the year under review

the Company was in compliance with the Secretarial Standards, i.e., SS-1 and SS- 2, relating to “Meetings of the Board of Directors” and “General Meetings” respectively.

### Compliance with Downstream Investment conditionalities

The Company is a Foreign Owned and Controlled Company within the meaning of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 (“FDI Regulations”). All the Downstream Investments made by the Company are in compliance with the conditionalities of Downstream Investment stipulated in the FDI Regulations.

During the year under review, the Company has obtained a certificate from the Statutory Auditors of the Company for compliance with the FDI Regulations in respect of the downstream investment made by the Company during financial year 2023. The Auditors have affirmed compliance with downstream investment conditionalities by the Company and have issued an unqualified report.

### Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, copies of the Annual Returns of the Company prepared in accordance with Section 92(1) of the Act read with Rule 11 of the Companies (Management and Administration) Rules, 2014 are placed on the website of the Company and is accessible at the web-link: <https://www.cie-india.com/documents-and-disclosure.html>

### Dividend Distribution Policy

Pursuant to Regulation 43A of the Listing Regulations, the Company has formulated a dividend distribution policy which became effective from 1<sup>st</sup> January, 2017 stipulating factors to be considered in case of Dividend declaration. As stated earlier, the Policy was reviewed and amended by the Board at its meeting held on 20<sup>th</sup> February, 2025.

The Dividend Distribution Policy forms part of this report as **Annexure VIII**.

The same has also been hosted on the website of the Company and is accessible at the web-link:

<https://www.cie-india.com/governance3.html#Policies>

### Other Policies under Listing Regulations

In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has framed various policies and have hosted these policies on the website of the Company at the web-link: <https://www.cie-india.com/governance3.html#Policies>

## Q. GENERAL

No disclosure or reporting is required in respect of the following items as there were no transactions/events relating to these items during the year under review:





1. Disclosure under Section 197(14) of the Act since None of the Executive Directors (Whole-time Director) were in receipt of any commission from the Company.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of Shares (including Employees' Stock Option Scheme and sweat Equity shares) to employees of the Company under any Scheme.
4. Significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operation in future.
5. No application was made, or any proceedings is pending under the Insolvency and Bankruptcy Code, 2016 during the year in respect of the Company.
6. There has been no change in the nature of business of the Company.
7. There was no one-time settlement of loan obtained from Banks or Financial Institutions.
8. Voting rights which are not directly exercised by the

employees in respect of shares for the subscription/ purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under section 67(3)(c) of the Act).

### **Acknowledgement**

The Board of Directors wish to place on record their sincere appreciation to the Company's Customers, Investors, Vendors and to the Bankers for their continued support during the year.

The Directors also wish to place on record their appreciation for the dedication and contribution of all employees at all levels and look forward to their support in future as well.

For and on behalf of the Board of Directors  
**CIE Automotive India Limited**

**Shriprakash Shukla**  
**Chairman**  
(DIN: 00007418)

Date: 20<sup>th</sup> February, 2025  
Place: Mumbai





**Particulars of loans/advances, etc. pursuant to Para A of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Loans and advances in the nature of loans to subsidiaries

(₹ in million)

<b>Name of the subsidiary</b>	<b>Balance as on 31<sup>st</sup> December, 2024</b>	<b>Maximum outstanding during the year</b>
CIE Aluminium Casting India Limited (formerly known as Aurangabad Electricals Limited)	1,215.00	1,390.00
CIE Hosur Limited	749.51	847.01

The Company has not provided any Loans and advances in nature of loans to Associates or to firms/companies in which Directors of the Company are interested. Further, none of the entities to which the Company has given Loan or advance in the nature of loan, as mentioned above, has made any investments in the shares of the Company or any of its Subsidiaries when the Company has made such loan or advance in the nature of loan.



## Annexure I

### Form No. AOC-2

#### (Pursuant to clause (h) of sub-section (3) of Section 134 of the Act 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-

There were no contracts or arrangements or transactions entered into during the financial year ended 31<sup>st</sup> December, 2024, which were not at arm's length basis.

#### 2. Details of material contracts or arrangement or transactions at arm's length basis-

The details of material contracts or arrangements or transactions at arm's length basis for the financial year ended 31<sup>st</sup> December, 2024 are as follows:

Sr. No.	Name(s) of the related party & Nature of relationship	Nature of contracts/ arrangements/ transactions	Value of contracts/ arrangements/ transactions (in ₹ Million)	Duration of contracts/ arrangements/ transactions	salient terms of contracts/ arrangements/ transactions	Date of approval by the board, if any	Amount paid as advance (in ₹ Million)
1.	<b>Name</b> Mahindra & Mahindra Limited  <b>Nature of Relationship</b> Significant influence over the ultimate Holding Company	Rent paid Sale of Goods Sale of Services  Purchase of Goods and Services Interest Paid <b>Total</b>	19.25 16,371.27 54.29  3.48 23.64 <b>16,471.93</b>	Jan-Dec 24	The Related Party Transactions (RPTs) entered during the year were repetitive in nature and were in the ordinary course of business and on arm's length basis.	These RPTs are in the ordinary course of business and are at arm's length basis, hence provisions of Section 188 of the Act requiring approval of the board is not applicable.  The Transactions with M&M are repetitive in nature and the Audit Committee of the Company considered and granted its omnibus approval to these transactions from time to time.  Further, as required under the provisions of Regulation 23(4) of the Listing Regulations Approval of shareholders was obtained for entering into these Transactions with Mahindra & Mahindra Limited upto aggregate limit of ₹23,000 Million per annum at the 25 <sup>th</sup> Annual General Meeting of the Company.	Nil

For and on behalf of the Board,  
**CIE Automotive India Limited**

**Shriprakash Shukla**  
Chairman  
(DIN: 00007418)

Date: 20<sup>th</sup> February 2025  
Place: Mumbai



## Annexure II

### SECRETARIAL AUDIT REPORT

For the financial year ended December 31, 2024

**[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,

#### **CIE Automotive India Limited**

*(Formerly Mahindra CIE Automotive Limited)*

Suite F9D, Grand Hyatt Plaza (Lobby Level)

Off Western Express Highway, Santacruz (E)

Mumbai 400055

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by CIE Automotive India Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

#### **Auditor's Responsibility:**

My responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. I have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of audit including internal, financial and operating controls, there is an unavoidable risk that some material misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

#### **Unmodified opinion:**

Based on my 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 authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on December 31, 2024, 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.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on December 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (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 regulations and bye-laws framed thereunder to the extent of foreign direct investment and overseas direct investment. The provisions related to external commercial borrowings did not apply to the Company during the audit period;
- (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 to the Company during the audit period)*



- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; *(Not applicable to the Company during the audit period)*
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021; *(Not applicable to the Company 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 to the Company during the audit period)* and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; *(Not applicable to the Company during the audit period)*

I 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, no law was applicable specifically to the Company.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) Listing Agreements entered into by the Company with BSE Ltd. and the National Stock Exchange of India Ltd. and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I 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 was carried out in compliance with 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.

As per the minutes of the meetings, duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I 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.

I further report that during the audit period no specific events / actions took place having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

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

Signature:

**Sachin Bhagwat**

ACS: 10189

CP: 6029

Place: Pune

Date: 20 February 2025

UDIN: A010189F003963701

PR Certificate No.: 6175/2024



To,  
The Members,

**CIE Automotive India Limited**

(Formerly Mahindra CIE Automotive Limited)

Suite F9D, Grand Hyatt Plaza (Lobby Level)

Off Western Express Highway, Santacruz (E)

Mumbai 400055

My report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the process and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained 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. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Signature:

**Sachin Bhagwat**

ACS:10189

CP: 6029

Place: Pune

Date: 20 February 2025

UDIN: A010189F003963701

PR Certificate No.: 6175/2024





## Annexure III

### SECRETARIAL AUDIT REPORT

For the financial year ended 31 December, 2024

**[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members,

**CIE Aluminium Casting India Ltd.**

*(Formerly Aurangabad Electricals Ltd.)*

Office No. 602 & 603, Amar Business Park

Baner Gaon, Pune 411045

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by CIE Aluminium Casting India Ltd. (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

#### **Auditor's Responsibility:**

My responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. I have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of audit including internal, financial and operating controls, there is an unavoidable risk that some material misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

#### **Unmodified opinion:**

Based on my 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 authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 December 2024, 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.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 December, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; *(Not applicable to the Company during the audit period)*
- (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. The provisions related to overseas Direct Investment and external commercial borrowings did not apply to the Company during the audit period;
- (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; *(Not applicable to the Company during the audit period)*
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; *(Not applicable to the Company during the audit period)*
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; *(Not applicable to the Company during the Audit period)*



- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; *(Not applicable to the Company during the Audit period)*
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021; *(Not applicable to the Company 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; *(Not applicable to the Company during the Audit period)*
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; *(Not applicable to the Company during the Audit period)*; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; *(Not applicable to the Company during the Audit period)*

I further report that having regard to the compliance system prevailing in the Company, the certificates of compliance placed before the Board at every meeting duly signed by the Executive Director of the Company, the representation made by the Company to me and on examination of the relevant documents, no law was applicable specifically to the Company.

I 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable to an unlisted material subsidiary of a listed entity.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that -

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors. The Company is exempted from appointment of Independent Directors pursuant to Rule 4(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014. No change in the composition of the Board of Directors took place during the period under review.

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. 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I 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.

I further report that during the audit period no events / actions took place having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

**CS Sachin Bhagwat**

ACS: 10189

CP: 6029

Place: Pune

UDIN: A010189F003962885

Date: 19 February 2025

PR No.: 6175/2024



To,  
The Members,

**CIE Aluminium Casting India Ltd.**

*(Formerly Aurangabad Electricals Ltd.)*

Office No. 602 & 603, Amar Business Park

Baner Gaon, Pune 411045

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I 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. My 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 has conducted the affairs of the Company.

**CS Sachin Bhagwat**

ACS: 10189

CP: 6029

UDIN: A010189F003962885

PR No.: 6175/2024

Place: Pune

Date: 19 February 2025



## Annexure IV

## DETAILS OF REMUNERATION

**Details pertaining to remuneration as required under Section 197 (12) of the Act and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

The ratio of the remuneration of each director to the median remuneration of employees of the Company for the financial year	Name of Director	Designation	The ratio of the remuneration of each director to the median remuneration of employees
	Mr. Shriprakash Shukla	Non - Executive Director (Chairman)	NA
	Mr. Ander Arenaza Alvarez	Executive Director and Group CEO	3.37
	Mr. Manoj Mullassery Menon	Executive Director and CEO	26.59
	Mr. Anil Haridass	Non-Executive Director	3.67
	Mr. Jesus Maria Herrera Barandiaran <sup>3</sup>	Non - Executive Director	NA
	Mr. Manojkumar Madangopal Maheshwari <sup>4</sup>	Independent Director	5.46
	Mr. Suhail Amin Nathani <sup>4</sup>	Independent Director	6.49
	Mrs. Roxana Meda Inoriza	Independent Director	7.34
	Mr. Alan Savio D'Silva Picardo	Independent Director	7.34
	Mr. Jairaj Purandare	Independent Director	7.34
	Dr. Nuria Gisbert Trejo <sup>5</sup>	Independent Director	3.69
	<b>Note:</b> 1. Except Mr. Anil Haridass, Non-Executive Non-Independent Directors are not entitled to any remuneration or sitting fees for attending the meetings. 2. Independent Directors were entitled to remuneration by way of sitting fees for attending meeting of Board and committees and profit linked commission. The commission for CY 2024 as approved by the Board of Directors of the Company, on recommendation of the nomination and remuneration committee will be paid to the Independent Directors during CY 2025. For the purpose of calculating above ratios the sitting fees paid during CY 2024 and commission payable for CY 2024 is considered. 3. Mr. Jesus Maria Herrera Barandiaran ceased to be Director of the Company with effect from 21 <sup>st</sup> June, 2024. 4. Mr. Manojkumar Madangopal Maheshwari and Mr. Suhail Amin Nathani ceased to be Director of the Company with effect from 29 <sup>th</sup> September, 2024 and 12 <sup>th</sup> December, 2024 respectively. 5. Dr. Nuria Gisbert Trejo was appointed as Independent Director of the Company w.e.f. 1 <sup>st</sup> July, 2024.		
The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Name of Director/KMP	Designation	% increase in Remuneration
	Mr. Ander Arenaza Alvarez	Executive Director	Nil
	Mr. Manoj Mullassery Menon	Executive Director	9%
	Mr. Shriprakash Shukla	Non-Executive Director	Not Applicable
	Mr. Anil Haridass	Non-Executive Director	Not Applicable
	Mr. Jesus Maria Herrera Barandiaran	Non-Executive Director	Not Applicable
	Mr. Manoj Madangopal Maheshwari	Independent Director	Nil
	Mr. Suhail Amin Nathani	Independent Director	Nil
	Mr. Alan Savio D'Silva Picardio	Independent Director	Nil
	Mrs. Roxana Meda Inoriza	Independent Director	Nil
	Mr. Jairaj Purandare	Independent Director	Nil
	Dr. Nuria Gisbert Trejo	Independent Director	Not Applicable



	Mr. Sunil Narke	Chief Executive Officer - Forgings Division	20%
	Mr. Rahul Desai	CEO-Stampings, Magnetics Products, Composites Division	21%
	Mr. Rajendra Vadlapudi	CEO-Iron Casting Division	16%
	Mr. K. Jayaprakash	Chief Financial Officer	18%
	Mr. Pankaj Goyal	Company Secretary, Chief Compliance Officer and Head-Legal	40%
	<b>Note:</b> 1. Non-Executive Non-Independent Directors, were not entitled to any remuneration from the Company or sitting fees for attending the meetings. 2. Independent Directors were entitled to remuneration by way of sitting fees for attending meeting of Board and committees and profit linked commission. 3. Mr. Anil Haridass became Non-Executive Director w.e.f. 22 <sup>nd</sup> February, 2022. Further, by way of Special Resolution passed at 23 <sup>rd</sup> Annual General Meeting of the Company held on 25 <sup>th</sup> April, 2022, the shareholders of the Company approved payment of remuneration not exceeding INR 2.5 Million to Mr. Anil Haridass as Non-Executive Director of the Company for the period of 3 years from 23 <sup>rd</sup> February, 2022 to 22 <sup>nd</sup> February, 2025. 4. During the year, Mr. Manoj Madangopal Maheshwari and Mr. Suhail Amin Nathani were ceased to be the Director of the Company with effect from 29 <sup>th</sup> September, 2024 and 12 <sup>th</sup> December, 2024 respectively and Dr. Nuria Gisbert Trejo was appointed as Independent Director of the Company to held office with effect from 1 <sup>st</sup> July, 2024, hence they were eligible for the remuneration in terms of sitting fees and commission for the period they were holding office of Independent Director.		
The percentage increase in the median remuneration of employee in the financial year	4.67% increase in median employee remuneration.		
The number of permanent employees on the rolls of Company as on 31 <sup>st</sup> December, 2024	4,190		
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	<p>On an average, employees other than the managerial personnel (i.e. Executive and Non-Executive Directors) received an annual increase of 10.54% whereas there was 9% increase in the remuneration payable by the Company to the Executive Director Mr. Manoj Menon during FY2024.</p> <p>The remuneration of the Executive Directors is decided based on the individual performance, inflation, prevailing industry trends and benchmarks.</p> <p>The remuneration of Non-Executive Directors consists of commission and sitting fees. While deciding the remuneration, various factors such as Director's participation in Board and Committee Meetings during the year, other responsibilities undertaken, such as Membership or Chairmanship of Committees, time spent in carrying out other duties, role and functions as envisaged in Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other factors as the Nomination and Remuneration Committee may deem fit etc., were taken into consideration.</p>		
Affirmation that the remuneration is as per the remuneration policy of the Company	It is hereby affirmed that the remuneration paid is as per the Policy for Remuneration of the Directors, Key Managerial Personnel and other Employees.		

For and on behalf of the Board  
**CIE Automotive India Limited**

**Shriprakash Shukla**  
 Chairman  
 (DIN: 00007418)

Date: 20<sup>th</sup> February 2025  
 Place: Mumbai





## Annexure V

## STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(in ₹ Million)

Sl. No.	Name of the employees	Designation@	Remuneration received [in ₹ Million] (Excluding perquisite value pursuant to exercise of ESOPs of the Company), if any	Qualification	Experience in years	Age in years	Date of commencement of current employment	Last employment held
1	2	3	4	5	6	7	8	9
1	Mr. Manoj Menon!	Executive Director & Chief Executive Officer	17.81	B. Tech, MMS	35	57	01-09-2013	Anand Auto Ltd.
2	Mr. Vikas Chandra Sinha	Sr. Vice President – Strategy and Chief Investor Relations Officer	15.89	MBA, BE	31	52	10-12-2014	Mahindra & Mahindra Limited
3	Mr. K. Jayaprakash#	Chief Financial Officer	11.54	CWA and CS	41	60	29-03-2007	Pantaloon Retail India Limited
4	Mr. Vinayak Kadaskar#	Head HR and IR	10.42	MPM, LLB	36	59	17-09-1997	Apollo Tyers Limited
5	Mr. Rahul Desai	Chief Executive Officer-Stampings, Magnetics Products, Composites Division	10.30	B E - Mech	29	50	24-09-2015	GKN Sinter Metals Ltd
6	Mr. Anup Mishra!	Chief Business Controller and CIO	10.21	CA and CWA	35	56	01-12-2005	Karnavati Engineering Limited
7	Mr. Sunil Narke*	Chief Executive Officer -Forgings Division	9.21	BE Mechanical	26	50	16-04-2018	Anand I-Power Limited
8	Mr. Lalmani Shukla	COO	9.02	BE Mechanical	34	58	16-08-2006	JBM Group Faridabad
9	Mr. Rajendra Vadlapudi*	Chief Executive Officer-Iron Casting Division	7.76	Diploma in Mechanical Engineering	22	39	28-06-2010	Gabriel India Limited
10	Ram Mohan S	Senior General Manager-Special Projects, Forgings, Bangalore	7.38	BE-Production Engineering	35	56	23-06-2022	Shanthi Gears-Coimbatore
11	Mr. Srithar Sambasivam\$	Chief Operating Officer	9.34	Diploma In Mechanical Engineering	16	47	04-09-2008	EL Forge Ltd.
12	Mr. Hari Krishnan\$	Chief Executive Officer – Forging and Bill Forge Division	7.53	BE Mechanical	35	58	30-05-2007	MGM Forgings (P) Ltd

@ last designation held in the Company as on 31<sup>st</sup> December, 2024.

# Employee(s) of Mahindra Hinoday Industries Limited (MHIL) which was merged into the Company pursuant to the Scheme of Amalgamation which came into effect from 10<sup>th</sup> December, 2014. The date of commencement of employment is the date of joining MHIL. Further, last employment refers to the employment before joining MHIL.

\* Employees of Bill Forge Private Limited (Bill Forge), wholly-owned subsidiary of the Company which was merged with the Company pursuant to scheme of amalgamation which came into effect from 15<sup>th</sup> November, 2019. The date of commencement of employment is the date of joining Bill Forge. Further, last employment refers to the employment before joining Bill Forge.

! Employee(s) of Mahindra Gears and Transmission Private Limited (MGTPPL), the wholly owned subsidiary of the Company which was merged into the Company pursuant to the Scheme of Amalgamation which came into effect from 31<sup>st</sup> December, 2017. The date of commencement of employment is the date of joining MGTPPL. Further, last employment refers to the employment before joining MGTPPL.

\$ Employees who were employed for a part of the financial year 2024 and were in receipt of remuneration for part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month.

**Notes:**

- i) All the employees included in the table above are permanent employees of the Company. All appointments are / were non-contractual.



- ii) None of the Director / employees referred to in the above table is related inter-se or related to any Director of the Company.
- iii) During the year, the Company has no employee who was employed throughout the Financial Year or part thereof and was in receipt of remuneration, which in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the Company.
- iv) There were no employees who were posted outside and working in a country outside India and drawing remuneration from the Company more than ₹ 1.02 Crore per financial year or ₹ 8.5 lakh per month, as the case may be.
- v) The remuneration included in column 4 above is calculated as per section 17(1) and 17(2) of the Income Tax Act, 1961, the contribution made by the Company to retiral funds i.e. Provident Fund, Superannuation and NPS.
- vi) During the year, no amount was due for payment towards Stock Appreciation Benefit (SAR) as per Stock Appreciation Benefit Policy approved by the Board of Directors.

For and on behalf of the Board  
**CIE Automotive India Limited**

**Shriprakash Shukla**  
Chairman  
(DIN: 00007418)

Date: 20<sup>th</sup> February, 2025  
Place: Mumbai



## Annexure VI

### **Conservation of energy, Technology Absorption and Foreign exchange earnings and outgo**

Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is forming part of the Board's Report for the Financial Year ended 31<sup>st</sup> December, 2024

#### **A) Conservation of energy**

The Company places a strong emphasis on energy conservation as a core element of its sustainability initiatives. By implementing targeted measures to reduce energy consumption per ton of production, the Company not only contributes to environmental preservation but also achieves significant cost savings and enhances operational efficiency. The Company conducts regular energy audits to pinpoint areas with the highest energy usage. These audits provide critical insights, enabling the Company to prioritize energy-saving measures in the most energy-intensive areas. To replace outdated systems, the Company continues to invest in advanced, energy-efficient technologies and equipments. These investments help reduce overall energy consumption intensity and improve system reliability and performance.

A key component of the Company's energy conservation strategy is fostering a culture of awareness and active participation among employees. Regular training programs are held to educate employees on the significance of energy conservation and empower them to take meaningful actions to contribute to sustainability goals. These programs not only inform employees about energy-saving practices but also encourage them to actively participate in reducing energy consumption across all levels of the organization.

The Company consistently monitors its energy conservation achievements, tracking progress toward established energy reduction targets. A feedback loop is in place to evaluate the effectiveness of energy-saving initiatives, using performance data to continuously refine and enhance strategies. In CY 2024, 3 of our high energy intensive plants have achieved Energy Management Certification (ISO 50001:2018).

#### **i. The steps taken or impact on conservation of energy**

During the year under review, various initiatives for conservation of energy were implemented. Some of the initiatives undertaken by the Company were as below:

- Reduction in Grinding Machine motor capacity
- Operation of 5HP pump to eliminate gravity flow from main tank.
- Capacity of CNC Panel cooler for one KW is increased from 24 Deg to 44 Deg for 22 m/c
- Dummy Billet implementation in Version 1.2.3 & V4
- Interlink BKO motor control with press operation
- Elimination of 1<sup>st</sup> stage BKO motor
- Elimination of Electric pump in all 3 polymer machines
- Sharing load with single transformer which was previously 2000 KVA Transformer
- Conversion of regular lights to LED
- Dyna Furnace Cooling Tower Water recirculation pump capacity changed 15HP to 7.5 HP with same discharge rate
- Reduced cycle time for YS input shafts have improved productivity.
- Power Factor Improvements (SVG panel Installation, Harmonic Filters Installation etc.)
- Normal Air Compressor replaced with VSD Air compressor
- Switching off the gun coolant motor during non-operation
- Controlling of air pressure in Air gun
- Implementation of SMC air gun
- Arresting air leakages
- Air cleaning Pneumatic gun Nozzle ø 5mm to be replaced with Nozzle ø2 mm gun.
- Dia 75 coil incorporated for 4000T ERFURT Press line IBH(D#1904)



- Bofco furnace – a) Modification in 4RC fan, Motor capacity reduction from 15 HP to 3 HP
- 100 Dia coil installation on 5000T press line IBH
- Introduction of Box type billet heating furnace 250X250X500
- Quenching pump of induction hardening machines modification
- Presetting A.C
- VFD Installation
- Energy Efficient motors installation
- Replacement of 1000 KVA transformers with energy efficient transformers
- Power Factor Improvements
- Timer to be introduced for all lighting load
- To stop the hydraulic system when it is not required
- B2 Ball Mill – Energy savings through cycle time reduction while unloading. (kWh / Month)
- Timer for vacuum pump which is used for removing water from Tank and Vessel
- Heat recovery for dryer box
- Replacement of Induction lights by LED lights
- HVLS Fan Installation in Weld Shop

## ii. The steps taken by the Company for utilizing alternate sources of energy

The Company continued its focus on increasing the share of green energy in total energy consumption during CY-2024. The aggregate capacity of captive power plants, including wind energy stood at 98.68 MW for the CY 2024. Additionally, the Company has installed rooftop solar panels with a capacity of 6.74 MW.

The Company has generated 155.60 million units in green energy from the group captive plants and roof top solar power plants.

During the Year under review, the overall proportion of the renewable energy consumption to the total energy consumption stood at 58.29%.

## iii. The capital investment in energy conservation equipments

The Company continued investing in modern technology for improving the specific energy consumption. During the year under review, the Company has invested an amount of approximately ₹ 12.99 million on Energy conservation projects & initiatives.

## B) Technology absorption

Your Company is committed towards technology driven innovation and lays strong emphasis on inculcating an innovation driven culture within the organization harnessing internal skills and competencies. During the year under review, your Company continued to work on technology upgradation and capability development in the critical areas of product quality, process improvements and value addition.

The Company at its various divisions adopted new technologies to improve efficiencies, conserve energy and to reduce wastages. The following are some of the major steps undertaken towards technology absorption.

### (i) The efforts made towards technology absorption:

#### Iron Castings Division

##### Automation and Robotisation

- to improve ergonomics and reduce fatigue, robotization is taken place in fettling shops for material handling
- Installed SPMs & Robotic machining cells for efficiency and ergonomics for heavy components
- Automation in resin and Hardner to fill day tank.



**Safety, Sustainability and EHS**

- Recycling Shell and Cold Box Sand through reclamation to reuse in production of cores
- Erection of New Secondary Fume extraction system in each foundry melt shop to improve air quality.
- Installed portable dust collection system for Pedestal grinders in fettling shop.
- Installed Lab set up to monitor STP and ETP parameters.
- IoT and Industry 4.0 initiatives to monitor efficiency and improve productivity
- Analytics for capturing process parameters improve casting quality using predictive trends

**Aluminum Division****Automation and Robotisation**

- Installed Robotic Automation in HPDC machines.
- Auto Trimming process to eliminate manual fettling.
- Implementation of SPM to eliminate manual runner cutting in HPDC & GDC.
- Use of advanced processes like conformal cooling, thermoregulation and robotic spray in high pressure die casting to improve casting quality.
- Implementation of robotic pouring in Gravity die casting process to reduce the risk

**Safety, Sustainability and EHS**

- Fire suppression system is installed at electrical panel.
- Upgradation of Hazardous waste yard to have better compliance
- Furnace Oil to LPG fuel conversion of furnace and dual fuel kit for DG is installed.
- Illumination and ventilation improvement in the Plant.
- Established state of the art training center “Gurukul” for skill training and safety for new operators.

**Magnetic Product Division****Technology**

- Investment in High Gauss Magnetic technology for advanced magnets.
- Introduction in Grinding technology to enable small Magnet grinding.
- Upgraded slurry manufacturing to ensure consistent moisture.
- Start of Production of Ferrite Magnets for Traction motors as replacement to Rare Earth Magnet.
- Serial production for High grade 9 series power magnets.

**Composites Division****Technology**

- Developed expertise in producing EV battery box & Battery covers.
- Developed high temperature compounds for Automotive applications.
- Introduction of Robotic post-molding.
- Expanded DMC kneader capacity with extruder to improve the labour productivity.
- SMC charge slitting machine installed which will feed charges to 2000/1500 MT Press.
- Gang drilling machine introduced for Tank Panel business to improve the labour productivity.

**Stampings Division**

- Fully robotic press line with 2000 MT header press followed by three 1000 MT Presses with blank washing unit is made operational to enable supply of large panels.
- Achieved 85% robotic welding in Kanhe plant.





- De-coiler with auto blanking made operational for small press shop.
- Invested in new 1200 MT hydraulic press in Rudrapur Plant.
- Developed Design capability for Tool/Fixture design, manufacturing & Installation.

### **Gears Division**

#### **Process upgradation**

- Introduction of environmentally friendly dry hobbing and high-speed cutters for quality and productivity
- Implemented integrated Shaving & Chamfering Deburring operation
- Introduction of CBN grinding process for quality and productivity upgradation.
- Introduction of Gear Polishing for NVH reduction.

#### **Safety, Health & Environment & Sustainability**

- Installation of Fume extraction exhaust piping or Induction hardening process
- Installation of roof top Solar system above admin building
- Introduction of Heat pump in washing machine to reduce energy consumption
- Installation of Biogas plant – gas generation from canteen waste
- Installation of DOJO center & Safety Kiosk
- Installation of OHC in both Rajkot & Pune

#### **Automation and Robotization**

- Long Shaft for Gear manufacturing

### **Forgings Division – Bangalore**

- Successfully developed Double Offset Type Outer Races for High Efficiency & High Angle CV Joint for EV Application Half Shafts.
- Successfully developed a Tripod Housings for Compact, Anti Shudder & High Angle CV Joint for EV Application Half Shaft.
- Successfully developed premium Tripod Joint that is Shudder less Triglide with improved NVH performance & robustness for both ICE & EV application Half Shafts.
- Added Stem Shaft & Retainer Bush as new product family in the Half Shaft Assembly segment.
- Successfully developed Low Pressure Fuel Rail for a 1.2 Liter Petrol Engine.
- Successfully developed a new kind of Inner Race with S – Track Ball Groove for High Efficiency & High Angle CV Joint for EV Application Half Shafts.
- Successfully developed Synchronizer Sleeves for Engine Application.
- Commissioned state-of-the-art Dexterity Centre for training new joining employees.
- Successfully started mass production of Schuler Press Warm Forging line in Walking Beam Type Part Transfer system Automation.
- Introduced Automation in Polymer Coating Line and in RP Oiling Line and started mass production.

### **Forgings Division – Chakan**

- **Added a Semi-Automatic 4000T Forging Line for the exclusive manufacture of Crankshafts.**

Added Erfurt press line with robotics for loading of the parts on below stations.

- Transferring of cut billets on to IBH.
- Transferring of heated parts from IBH to Forging press
- Robot for auto lubrication



- Transferring the parts from Forging press to Trimming press
- For unloading the parts from conveyor.

With these addition of automation of this press line we are ready for the future order booking.

- **Modern Crankshaft Machining Line added, compatible with Euro-6 norms with a capacity of 6K/month.**

We have established turning module, added heller machine for grooved crankshaft and high speed Toyoda machine for the enhanced capacity of grinding with which we can reach the capacity of 6k/month.

These addition of machines have helped us in following manner-

- Heller- Enhanced capacity for grooved crankshafts by 20% per month.
- Toyoda- Increased capacity for the crankshaft grinding by 13.3% per month.

- **Breakthrough in Connecting rods for heavy-duty new part.**

- We have established the connecting rod forging on our 3000T press with reduced rolling technology and started the supply.
- New part family added and customer portfolio added.

- **Commissioned state-of-the-art Dexterity Centre for training new joining employees.**

- Established fully equipped dexterity center with process models and equipment's to train the newly appointed employee.
- Reduction in on machine training time, better understanding of the process and more exposure to the safety.

- **Metallurgical laboratory has been updated with contemporary equipment.**

We have added mobile spectro meter for identification of the material mix up issue. This addition of equipment will help us to mitigate the risk of material mix up of different parts with different steel grades.

- **Two Forging Lines upgraded with a modern induction billet heater.**

- We have added upgraded billet heating process on 2501, 2502 and 4000T Press line.
- This addition is helping us to reduce the power cost and reduced maintenance cost also.

- **Tool Room equipped with additional machines for intricate die-making.**

- New welding booth added for inhouse refurbishment of cassettes and bolsters.
- Reduced dependency on external agency.

- **Automated Magnetic Particle Testing unit added.**

- We have added semi-automated magnetic particles testing equipment at finishing department.
- Reduction in manpower and improved quality.

**(ii) the benefits derived like product improvement, cost reduction, product development or import substitution:**

The efforts taken by your Company towards technology absorption will result in improved productivity, increased efficiency and overall improvement in quality of products manufactured. These efforts will also support Company's sustainability efforts by reducing power consumption, emission and waste. With the automation and digitization drive the Company is optimizing its cost and increasing efficiency. The development of new critical products with enhanced value addition is possible with the advance technology.

**(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year):**

The Company has not imported technology during the last three years and therefore details including the details of technology imported, the year of import, whether the technology been fully absorbed and if not fully absorbed, areas where absorption has not taken place, and the reasons thereof are not applicable.



**(iv) the expenditure incurred on research and Development:**

The Company has not spent on R&D during the year.

**(v) Foreign Exchange Earnings and outgo:**

Foreign exchange earned in terms of actual inflow: ₹ 3,263.17 million

Foreign exchange outgo in terms of actual outflows: ₹ 992.78 million

For and on behalf of the Board  
**For CIE Automotive India Limited**

**Shriprakash Shukla**

Chairman  
(DIN: 00007418)

Date: 20<sup>th</sup> February, 2025  
Place: Mumbai



## Annexure VII

### Annual Report on CSR activities for the financial year ended 31<sup>st</sup> December, 2024

#### 1. Brief outline on CSR policy of the Company:

Corporate Social Responsibility (CSR) has been an integral part of the way CIE Automotive India Limited, ("CIE INDIA or the Company") has been doing business. The Company is committed to its social responsibilities and takes initiatives to serve society as a good corporate citizen.

The Policy inter-alia provides the approach, direction and guiding principles given by the Board of Directors of the Company, taking into account the recommendations of the CSR Committee, for selection, implementation and monitoring of CSR activities as well as formulation of the Annual Action Plan. The objective of this policy is to:

- Promote a unified and strategic approach to CSR
- Encouraging employees to participate in the Company's CSR Activities and giving back to society in an organized manner thereby increasing employee satisfaction.

The Company focuses its CSR activities in the areas of (i) Education and Skill Development (ii) Promotion of Health Care and Sanitation (iii) Environment and (iv) Community Development ("the Thrust Areas"). The Company may also make contributions to Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund, or any other fund set up by the Central Government for socio economic development and relief and welfare which qualifies the criteria as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time ("CSR Rules") and the relevant provisions of the Companies Act, 2013 ("the Act"). The Company encourages its employees to participate in the Employee Social Engagement Program (ESEP), which is designed to drive positive change in society by helping marginalized community through conducting health check-up camps, blood donation camps, awareness on seasonal diseases. Various activities addressing environmental concerns such as tree plantation, cleanliness drives, etc. are also undertaken. The employees are also taking initiatives to provide vocational guidance to school children in the nearby schools, providing educational aid like books, school bags etc. ESEP activities are designed to benefit the economically and socially disadvantaged communities like support to Old Age home, Orphanage etc. and involve employees to participate in Company's CSR Activities.

#### 2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year*	Number of meetings of CSR Committee attended during the year
1.	Mr. Manoj Menon	Chairman	5	5
2.	Mr. Anil Haridass	Member	5	5
3.	Mr. Alan Savio D'Silva Picardo	Member (upto 19 <sup>th</sup> July, 2024)	3	3
4.	Mr. Jairaj Purandare	Member (w.e.f. 19 <sup>th</sup> July, 2024)	2	2

\* During the year under review, Mr. Alan Savio D'Silva Picardo ceased to be a member of the Committee w.e.f. 19<sup>th</sup> July, 2024 and Mr. Jairaj Purandare was appointed as a member of the Committee w.e.f. 19<sup>th</sup> July, 2024. Accordingly, the number of meetings held during the year and number of meetings attended during the year are mentioned as per the respective term for which a director was a member of the Committee during the year under review.

#### 3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company.

The Composition of CSR Committee is available at the link: <https://www.cie-india.com/governance3.html>

The CSR Policy and CSR projects as approved by the Board is available at the link: <https://www.cie-india.com/csrOLD1.html>

#### 4. Provide the executive summary along with web-link(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: ₹ 4,79,50,08,791/-
- (b) Two percent of average net profit of the Company as per sub-section (5) of section 135: ₹ 9,59,00,176/-
- (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: Nil
- (d) Amount required to be set-off for the financial year, if any: ₹ 57,42,168/-
- (e) Total CSR obligations for the financial year [(b)+(c)-(d)]: ₹ 9,01,58,008/-

## 6.

- (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 7,60,22,191/-
- (b) Amount spent in Administrative Overheads: Nil
- (c) Amount spent on Impact Assessment, if applicable: Nil
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 7,60,22,191/-
- (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135 of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135 of the Act		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
7,60,22,191	1,41,35,817	30-01-2025	Nil	Nil	Nil

- (f) Excess amount for set-off, if any: ₹ 57,42,168/-

Sl. 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	9,59,00,176
(ii)	Total amount spent for the Financial Year	7,60,22,191
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil





**7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

1	2	3	4	5	6		7	8
Sl. No	Preceding Financial Year(s)	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 as 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	2023	Nil	Nil	Nil	Nil	Nil	Nil	-
2	2022	1,08,44,608	Nil	Nil	Nil	Nil	Nil	-
3	2021	1,98,88,280	Nil	Nil	Nil	Nil	Nil	-

**Note:** Amount transferred to Unspent CSR Account under sub-section (6) of section 135 for FY 2021 and FY2022 have been entirely spent in previous financial years as per the approved Annual Action Plan.

**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

2 (Two)

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:



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	CSR amount spent (₹)	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
1	<b>Project Lakshya</b> <b>Short particulars of the Asset</b> ACE CNC LATHE MACHINE MODEL: SLT 10 LM – Fanuc <b>Address</b> at CIE India Institute of Skills, Bhosari Industrial Estate, Near BSNL Exchange, Pune – 411026, Maharashtra	411026	31.12.2024*	22,42,000	CSR00002914	Pramith Foundation	B/8, Rajapur, Sammilani Park, E Block, PO Santoshpur, Santoshpur, Kolkata-700075, West Bengal
2	<b>Harit Gram Project</b> <b>Short particulars of the Asset</b> Waste Management Unit and Plastic Processing Unit <b>Address</b> at Survey No. 525, Behind Kuber Farm, Opp. Essen Specialty Film Gate, Bharat Agro Engineering Road, Rajkot Gondal Highway No. 27, Shapar Gram Panchayat, Shapar Veraval – 360026, Gujarat. Area: 8094 Sq. M. (02 Acre) Boundary: 22°08'50.6"N 70°47'14.9"E	360024	31.12.2024*	52,64,634	CSR00001160	Center for Youth Development & Activities (CYDA)	Flat No.1, A4 Gardenia, Phase-3, Somnath Nagar, Vadgaonsheri, Pune-411014, Maharashtra

Note:

- \*Date of creation of capital assets mentioned as 31.12.2024, are the projects where the construction / equipment installation was still in progress as at end of the financial year 2024 and hence, handover was pending on 31<sup>st</sup> December, 2024. The date will be updated after Completion and handover of the respective capital assets.



2. The following Assets were created or acquired through CSR amount spent in the Financial Year 2023 and details thereof including Particulars of Asset, amount spent thereon, registered owner etc. were part of the Annual Report on CSR Activities for the financial year ended 31<sup>st</sup> December, 2023. These assets were handed over to the registered owners during the year under review, however no CSR amount was required to be spent during the current financial year.

- A. Asset 1 - Utkarsh – 4.1 Construction of Boundary wall and Entrance gate – handed over to Shree Girija Shankar High School on 20<sup>th</sup> June, 2024
- B. Asset 2 - Road construction and high mast light installation – handed over to Gram Panchayat Buchinelly on 24<sup>th</sup> January, 2025.

**9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub- section (5) of Section 135:**

During the year under review the Company was required to spend ₹ 9,01,58,008/- (after set-off of excess spent of ₹ 57,42,168/- pertaining to financial year ended 31<sup>st</sup> December, 2023) in accordance with Section 135(1) of the Companies Act, 2013.

The Company has spent ₹ 7,60,22,191/- on the CSR projects during the Financial Year. The Company had planned to spend the entire CSR Amount during the financial year under review, however the expenditure on some of the approved CSR projects was deferred to CY2025 due to various reasons including change of implementing partner, delay in procurement of certain assets required for the project etc. The implementation of these approved project is now on track, although with some delays, the Company is confident of achieving its social objectives.

The unspent amount of ₹ 1,41,35,817/- has been allocated and shall be spent on the Ongoing CSR projects, implementation of which shall be continued in CY2025. Accordingly, this unspent amount is transferred by the Company to unspent CSR account in accordance with Section 135(6) of the Companies Act, 2013.

The Company reiterates its commitment to discharge its social obligation and shall continue to implement meaningful CSR projects in the CSR thrust areas which have been identified and where the Company wishes to create equity.

**Ander Arenaza**

Executive Director and Group CEO  
(DIN: 07591785)

**Manoj Menon**

Chairman - CSR Committee  
(DIN: 07642469)

Date: 20<sup>th</sup> February, 2025

Place: Mumbai



## Annexure VIII

### Dividend Distribution Policy

#### 1. Introduction

The Board of Directors ("Board") of CIE Automotive India Limited (the Company) at its meeting held on 24<sup>th</sup> October 2016 has approved and adopted the Dividend Distribution Policy ("Policy") as required in terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Policy came into force for accounting periods beginning from 1<sup>st</sup> January 2017.

The Company has not paid any dividend to the shareholders in the past and have been conserving cash to fund its organic as well as inorganic growth.

The Board recognizes the need to pay regular dividend while continuing to grow the Company, both organically and inorganically.

Hence, the Board of Directors at its meetings held on 29<sup>th</sup> April, 2021 and 20<sup>th</sup> February, 2025 reviewed the Policy and amended the same.

#### 2. Scope and Objective

The Policy establishes the principles to ascertain amounts that can be distributed to equity shareholders as dividend by the Company as well as enable the Company strike balance between pay-out and retained earnings, in order to address future needs of the Company. The Policy sets out the circumstances and different factors for consideration by the Board at the time of taking such decisions.

#### 3. General Policy on Dividend

The Dividend will generally be considered by the Board and recommended to shareholders for their approval once a year in the Board Meeting that considers and approves the Audited Financial Statement of the Company **(the Final Dividend)** as may be permitted by the Companies Act, 2013 **(the Act)**.

The Board may also declare interim dividends as may be permitted by the Act.

Dividend would be declared on per share basis on the Ordinary Equity Shares of the Company having face value ₹ 10 each. The Company currently has no other class of shares. Therefore, dividend declared will be distributed amongst all shareholders, based on their shareholding on the record date.

#### 4. The financial parameters that shall be considered while declaring dividend

Subject to the provisions of the applicable laws, the Company's dividend pay-out will be determined based on available financial resources, business environment, funds required for organic as well as inorganic growth and other factors which will ensure optimal shareholder return.

While considering the Interim Dividend, if any, the Board shall consider the consolidated profits generated in the financial year till the quarter preceding the date on which the Interim Dividend is being considered by the Board, the financial position of the Company and outlook for the financial year. While considering the Final Dividend, if any, the Board shall factor the Interim Dividend that it might have declared during the Financial Year in respect of which the Final Dividend is being considered.

Within these parameters, going forward, the Company would endeavor to maintain a total dividend pay-out ratio of up to 33% of the annual consolidated Profits after Tax (PAT) of the Company for the corresponding year.

**Explanation:** The annual consolidated Profits after Tax (PAT) shall mean Profit for the year from continuing operations, as per the Audited Consolidated Financial Statement of the Company for the corresponding financial year excluding the exceptional and/or extra-ordinary items.

#### 5. Internal and external factors that shall be considered for declaration of dividend

While determining the nature and quantum of the dividend pay-out, including amending the suggested pay-out range as above, the Board would take into account the following factors:

##### A. Internal Factors:

- i. Profitable growth of the Company and specifically, profits earned during the financial year as compared with:
  - a. Previous years and
  - b. Internal budgets
- ii. Cash flow position of the Company
- iii. Accumulated reserves



- iv. Earnings stability
- v. Future cash requirements for organic growth/expansion and regular capital expenditure
- vi. Future cash requirements for inorganic growth,
- vii. Current and future debt levels
- viii. Under exceptional circumstances provision for any contingent liabilities,
- ix. Investment opportunities in new business(es)

**B. External Factors:**

- i. Business cycles,
- ii. Economic environment,
- iii. Cost of external financing,
- iv. Regulatory constraints for external financing
- v. Applicable taxes including tax on dividend,
- vi. Industry outlook for the future years,
- vii. Inflation rate, and
- viii. Changes in the Government policies, industry specific rulings & regulatory provisions.

Apart from the above, the Board also considers sense of shareholders' expectations while determining the rate of dividend. The Board may additionally recommend special dividend in special circumstances.

**6. the circumstances under which the shareholders of the listed entities may not expect dividend;**

The Board may, in its absolute discretion and taking into account the advice of the Executive Management, consider not declaring dividend or may recommend a lower pay-out for a given financial year, after analyzing the prospective opportunities and threats and in the event of challenging economic circumstances, regulatory and/or financial environment. In such event, the Board will provide rationale in the Annual Report.

**7. The retained earnings of the Company may be used in any of the following ways:**

- i. Capital expenditure
- ii. Working capital requirement
- iii. Expansion and Organic growth
- iv. Inorganic growth
- v. Investment in new business(es) and/or additional investment in existing business(es),
- vi. Declaration of dividend,
- vii. Buy back of shares,
- viii. General corporate purposes, including contingencies,
- ix. Reduction of debt
- x. Correcting the capital structure,
- xi. Any other permitted usage as per the Companies Act, 2013.

**8. Review and Disclosure**

This policy may be reviewed periodically by the Board. Any changes or revisions to the policy will be communicated to shareholders in a timely manner.

The policy will be available on the Company's website at: <https://www.cie-india.com/governance3.html#Policies>

The policy will also be disclosed in the Company's annual report.

**9. Disclaimer**

The Policy does not constitute a commitment regarding future dividends of the Company, but only represents a general guidance regarding payment of dividend. The Policy does not in any way restrict right of the Board to use its discretion in the recommendation of the dividend to be distributed considering various factors mentioned in the Policy. Further, subject to the provisions of applicable laws, the Board reserves the right to depart from the policy as and when circumstances so warrant.







# MANAGEMENT DISCUSSION & ANALYSIS



## MANAGEMENT DISCUSSION AND ANALYSIS

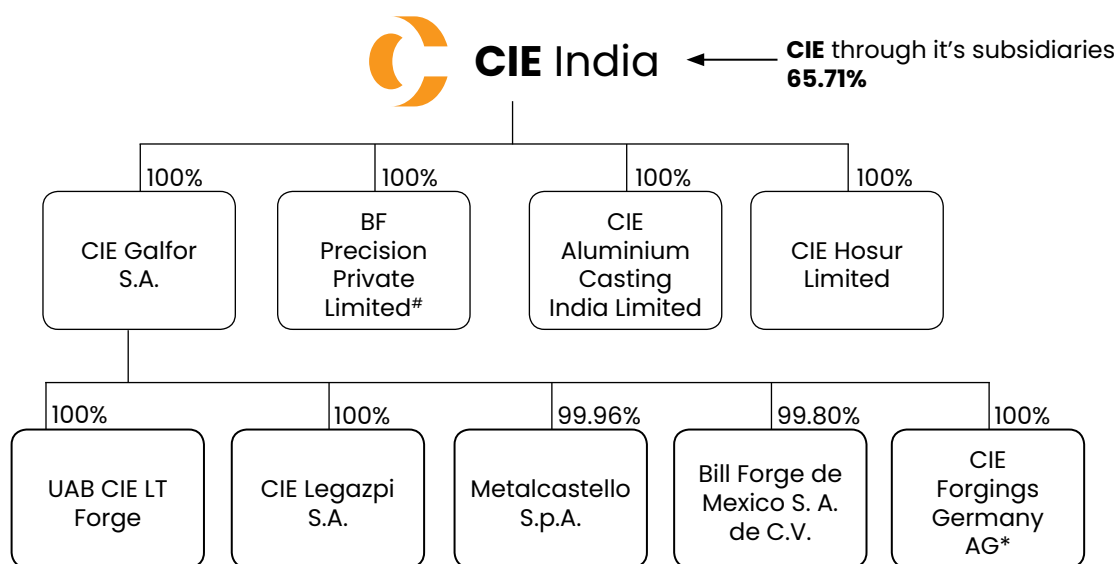
### BACKGROUND

CIE India is a multi-location and multi-technology automotive components Company with manufacturing facilities and engineering capabilities of its own and its subsidiaries in India and in Spain, Lithuania, and Italy in the European continent as well as a plant in Mexico, North America. It has an established presence in each of these locations and supplies to automotive Original Equipment Manufacturers (OEMs) and their Tier 1 suppliers. The Company is listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) and currently has about 379 million shares listed.

The Company is part of the CIE Automotive Group of Spain, which has identified our Company's Indian operations as a strategic growth driver for its global business. CIE India therefore draws from the vast and varied experience of the CIE Automotive Group in partnering and co-developing products for the rapidly evolving automotive industry. As part of CIE Automotive, CIE India's strength lies in a solid business model, based on commercial and technological diversification, and on a strong financial culture securing high returns and high cash-flow generation.

Exhibit 1 presents a graphical representation of the Company and its subsidiaries (together referred to as the Company in this report).

#### Exhibit 1: Legal Structure of the Company:



\*- Non Operational

#- Under voluntary liquidation



The list of subsidiaries and their ownership interest is provided in Exhibit 2.

## Exhibit 2: The Subsidiary Companies of the Company as on 31<sup>st</sup> December 2024

Subsidiary Companies Information			
Sr. No.	Name of the Subsidiary	Proportion of Ownership Interest	Remarks
1	CIE Galfor S.A.#	100%	Collectively known as CIE Forgings
1	UAB CIE LT Forge	100%	
2.	CIE Legazpi S.A.	100%	
3.	CIE Forging Germany AG*	100%	Forgings, Germany
4.	Metalcastello S.p.A.	99.96%	Gears, Italy
2	CIE Aluminium Casting India Limited	100%	(Formerly Aurangabad Electricals Limited)
3	BF Precision Private Limited**	100%	Collectively known as Bill Forge
4	Bill Forge de Mexico S. A. de C.V.##	99.99%	
5	CIE Hosur Limited	100%	

Please note: \*- Dormant company

Note: #- CIE Galfor SA is the Holding Company for all businesses in Europe and Mexico

\*\* - Under Voluntary liquidation

## - Includes Direct and Indirect holding

### GROUP OVERVIEW

CIE Automotive India Limited is a large, diversified auto-components group with presence across many processes/ product lines, geographies and customers. It manufactures complex components and sub-assemblies with significant value add. CIE India is focused on the automotive market across and operates in four segments - light vehicles, commercial vehicles, two wheelers and tractors.

Our Company has multiple manufacturing facilities in India, Europe and Mexico. The manufacturing locations are optimally located close to major automotive manufacturing hubs to facilitate supplies to customers. In certain instances, we also provide services such as value analysis and value engineering to add value to the customers' products. CIE India's unique combination of specialization in high value-added products, which is usually delivered directly to OEMs and presence across multiple production technologies, also differentiates it from other component suppliers.

CIE India largely operates in the automotive markets of Europe and India. In Europe, the Company supplies components mainly to the light vehicles with a comparatively small business in the off-road sector. In India, The Company is more diversified and supplies components to the light vehicles segment (both passenger vehicles and light commercial vehicles), two wheelers, tractors, medium and heavy commercial vehicles, in order of dependence.

A brief description of the key businesses of the Company is presented in Exhibit 3.



## Exhibit 3: Lines of Business

Geography	Product	Focus Areas	Key Customers	CY 2024 Revenue (₹ in Million)
<b>Forgings</b>				
India	Light Vehicles: Crankshafts , knuckles, constant velocity joints, tulips, steering shafts, steering yokes and wheel hubs 2 Wheelers: Steering races and engine valve retainers All parts are forged & machined Tractor: Crankshafts	Light Vehicles, Two Wheelers, Tractors	M&M, Maruti Suzuki, Tata Motors, Hero, Bajaj, Honda Two Wheelers, TVS, Ford, GKN, NTN, Nexteer, Rane NSK, Renault Nissan, Stellantis, ZF, Royal Enfield, Hyundai, Stellantis (EV), Ola Electric (EV)	22,788
Spain + Lithuania	Crankshafts, Common Rail, Stubs, Tulips	Light Vehicles	Renault, VW Group, Daimler, GKN, JLR, GM, Fiat, DAF, Bosch, NTN, Fau- recia, Dana, ZF, BMW	24,475
<b>Aluminium Castings</b>				
India	Crankcase , Pump Housing, Brake panel, Housings used in EVs. (Parts made by high pressure & gravity die casting and then machined)	Two & Three Wheelers, Light Vehicles, Commercial Vehicles	Bajaj, Nidec GPM, Brembo, Bajaj (EV), TACO (EV), Bosch (EV)	11,504
<b>Stampings</b>				
India	Panels & Assemblies, Chassis & Structural Parts, Fuel Tanks, Cross Car Beams. (Stamped parts made from sheet metal)	Light Vehicles, Commercial Vehicles and Tractors	M&M (incl. EVs), Tata Motors (incl. EVs) and Ashok Leyland	12,225
<b>Castings</b>				
India	Differential Housings, Turbine Housings, Crankshafts, Diff carriers	Light Vehicles, Commercial Vehicles, Tractors, Construction Equipment & Earthmoving	M&M, Hyundai, JCB, Ford, Automotive Axle, Cummins, Dana, John Deere and CNH	6,293
<b>Magnetic Products</b>				
India	Soft and Hard Magnets	Light Vehicles, Two Wheelers (Tier 1 largely)	Denso, Sumida, Varroc, Intica, Mitsuba, Lucas TVS and Sona Comstar	1,516
<b>Composites</b>				
India	Composite Compounds and Components, Three-Wheeler Body panel Parts, Battery trays and covers	Electrical Switchgear, Light Vehicles, Three Wheelers	Lauritz Knudsen Switchgear, Novatuer, Schneider, Siemens, GE Healthcare, M&M (Three Wheeler EVs), Hyundai	2,398



Gears				
India	Gears & Shafts, motor shafts, E-Drive Components, Flanges & End Yokes, Clutch Hubs	Light Vehicles, Tractors, Construction & Earthmoving Equipment	M&M (incl. EVs), Eaton, Caterpillar, American Axles, CNH, Dana	3,819
Italy	Gears & Shafts, Sleeves & Hubs, Welded Components	Tractors, Construction & Earthmoving Equipment, Light Vehicles (EVs)	Caterpillar, CNH, Meritor, General Dynamics, Allison Transmission (EV), Axle Tech (EV)	4,622

## THE GLOBAL ECONOMY

In their January 2024 blog, IMF had this to say about the global economy, "The clouds are beginning to part. But the pace of expansion remains slow, and turbulence may lie ahead." The forecast turned out pretty accurate. IMF has titled its January 2025 report, "Global Growth: Divergent & Uncertain". It summarises the current global economic outlook nicely.

IMF projects global growth to be 3.3% both in 2025 and 2026, below the historical (2000–19) average of 3.7%, but a healthy performance, nevertheless. Global headline inflation is expected to decline to 4.2% in 2025 and to 3.5% in 2026, converging back to target earlier in advanced economies than in emerging market and developing economies. If one looks at the global growth and inflation numbers, they seem healthy enough. But it seems that the people feel differently. More than 60 countries went to the polls in 2024 and in an overwhelming majority of these, incumbent governments were ousted or had their wings clipped.

With a new administration in office in the strongest economy of the world, all eyes are on the United States and its policy changes that have the potential to disproportionately impact the global economic situation. United States is growing well (~3% in the last three years) with low unemployment but fuelled by large fiscal deficits and debt. A healthy American economy usually leads to good global demand. But the big bounce in American treasury bond & equity markets in 2024 have led to most currencies weakening against the dollar and investments being directed away from emerging markets to the United States. Add to this, the uncertainty around the enhanced tariff structure that the new US administration wants to bring in on imports. This new policy may apply to many countries and China, the second largest economy, seems to be the biggest focus. China is an export powerhouse and any changes in the tariff structure may lead to China redirecting its exports to other countries in potentially disruptive ways.

The European economy grew by a subdued 0.8% in 2024 as per IMF with Germany's performance lagging that of other euro area countries. This reflects continued weakness in manufacturing and exports of goods even as consumption picked up in line with the recovery in

real incomes. Some sluggish recovery is expected as the growth is forecast to increase to 1% in 2025 & 1.4% in 2026. Manufacturing in Europe has weaker than expected momentum and Europe continues to be weighed down by geopolitical uncertainties at its doorstep, in Ukraine as well as West Asia.

India has been a bright spot in the gloomy global firmament for the last few years. The Indian economy outpaced the world average handsomely in 2022 and 2023 but the growth slowed down to 6.5% in 2024 as per the latest IMF report and is expected to be at the same level in the next two years.

The euphoria around the India growth story may have dialled down but an annual growth rate of 6.5% should be considered quite healthy in the current global environment. This is especially true as it is accompanied by a stable inflation rate in the range of 5%, which must be admitted is a tad on the higher side of the general public's tolerance. The balance sheets of banks & corporates are also healthy even though that of households might be a little stretched with debt. The Reserve Bank of India (RBI) has been clamping down on urban household indebtedness which may have contributed to slowing down consumption and growth.

Economists are a bit disappointed that the growth trend in India may be below what the country is capable of. There are a few cyclical factors that can explain the slowdown. Govt expenditure in the first half of 2024 was down significantly as the country went through general elections. Urban consumption slowed down as RBI took a hard look at consumer loans on offer. But there are other factors which may drive the recovery. Rural consumption recovered after a good monsoon and the festival & marriage season proved to be good for business. With the union government being voted back, the focus on infrastructure building in India that has driven the economy continues.

Beyond cyclical factors, there might be some structural issues that may be shackling the Indian economy. Manufacturing has been growing slower than the nominal GDP and the share of manufacturing in the economy has reduced. The Make in India & PLI programs have made progress in few sectors like defence, automotive, electronics etc. but manufacturing in India





suffers from low productivity and there is need to further improve ease of doing business. Private sector capex has lagged even though corporate balance sheets are healthy, as private consumption growth has not been enough to improve capacity utilisation. The recent household survey throws light on the consumption story. The good news is that the gap between rural and urban consumption is decreasing, perhaps helped by the many cash transfer schemes launched by state governments in the last few years. Consumption trends at the lower end of the consumer pyramid is increasing faster than others. Middle class consumption may be slowing a bit as income growth has been sluggish in the last few years given the turmoil that the economy has gone through, starting with demonetisation almost a decade ago to the implementation of GST, the covid pandemic & after. The Finance Minister while presenting the union budget for FY26 has sought to kickstart consumption by providing a hefty tax rebate to people earning upto ₹ 1.2mn per annum. A renewed bout of investment from the private sector is thus the need of the hour and what many expect. While the probable default mode of the Indian economy is optimism, there remains much to be done.

### TRENDS IN THE AUTOMOTIVE INDUSTRY

The global automotive industry has been facing uncertainty for the last few years. Starting with the Covid pandemic in 2020, there have been a series of crises like the global chip shortage and the conflicts in Ukraine & West Asia that have negatively impacted the industry. The market environment continues to be volatile.

The European automotive market is struggling with a slow transition to Electric Vehicles (EV) even as pollution norms on internal combustion engine (ICE) vehicles are proposed to be made punitive. Add to this the challenge from dynamic Chinese EV companies and the European auto market is facing a prolonged medium-term uncertainty and a no growth scenario. This uncertainty in the business environment led to few European auto makers announcing plant closures in Europe, a measure that was least expected and with a potential to negatively affect the global supply chain.

The Indian automotive market continues to be healthy in this turbulent scenario. The Indian economy is expected to keep growing at a fair clip. Ownership of cars, scooters and tractors are much below global averages, on a per capita basis. This ratio will continue to improve, as incomes increase on account of a growing economy and many first-time buyers benefit from increased affordability of vehicles.

The global automotive industry is committed to move to low emission powertrains, in response to concerns around climate change. Electric Vehicles (EVs) are largely seen as the way forward with other options like hybrids, CNG engines etc. being seen as intermediates in the journey to EVs. The transition to EVs is not happening as smoothly as predicted. Users still have concerns around charging infrastructure, range, service, resale value and initial cost of acquisition. For some years, governments across

the world have offered subsidies on buying EVs but this subsidy regime is being modified in many countries, leading to confusion. Traditional ICE vehicles are facing more stringent norms and penalties.

The European automotive industry provides an interesting case study. The Corporate Average Fuel Economy (CAFE) regulation in Europe sets limits on the average CO2 emissions of new vehicles. These limits are set to become more stringent from the beginning of 2025. Manufacturers who exceed the limits must pay stiff penalties. Thus, both customers and producers of cars and light vehicles in Europe are not sure about how the automotive industry will shape up in the medium term. This is limiting the growth potential of the industry.

China is emerging as a technology leader in manufacturing cars, especially in the EV space. Chinese manufacturers are launching state of the art EVs which are being well received in every major global auto market. In a stagnating European market, traditional leaders are facing the heat and loss of market share. This creates problems for the automotive suppliers too as they need to reorient themselves to these Chinese OEMs. Policy makers in many countries are imposing or contemplating tariffs on Chinese car imports. All these moves are adding another layer of uncertainty to the automotive market.

Car buyers are looking for more premium features like connected cars, space and driver assistance and not just power and pick up. Safety, comfort & lightweighting standards are advancing rapidly. Digitisation and Industry 4.0 are transforming the supply chain.

Technology is changing at a pace that is strenuous to keep up – automation, digitization, artificial intelligence etc. are reshaping businesses completely. These trends also require huge investments to be made by firms and governments alike, leading to long term cost inflation and the consequent pressure on individual incomes & ability to buy, as well as business margins.

Companies are increasingly expected to mind their carbon footprints and thus there is a push for localisation – parts being sourced from the same region rather than from far off, local for local. Near-shoring also helps minimise some of the supply chain bottlenecks that have bedevilled the automotive industry in the last few years. On the other hand, as developed nations seek to meet stringent CO2 reduction targets, some processes like steel and aluminium castings are migrating to emerging countries. We think both these issues could lead to more opportunities for our Indian operations.

### COMPANY STRATEGY

The global automotive industry is throwing up risks and opportunities in ample measure as exemplified by the contrasting market trajectories of our two main markets – Europe & India. In Europe, our strategy is to optimise and protect our margins as much as possible, adapting our factories to the new volume scenario in the medium term and look for additional business as supply chain



consolidates. On the other hand, we continue to be optimistic about the medium- and long-term growth in the Indian automotive market and will continue to invest in expanding capacity in India.

The CIE Group with its global presence has always followed a pragmatic approach that helps balance risks with opportunities. CIE India's approach has been to attain an optimal balance across growth, investments and returns. We pursue a judicious mix of organic and inorganic growth. Mergers & acquisitions are targeted to fill strategic gaps in our products, customers, technology or skills portfolio. An important element is our disciplined approach to capital expenditure. Investments are key to growth but at the same time we are careful not to overextend ourselves. Thus, as a rule we aim to spend 5-6% of sales as CAPEX every year. Projects where we have greater visibility and stability in terms of future order projections are prioritized. Improving operations and margins of our Indian plants is key.

Lightweighting, safety and electrification are the key themes transforming the automotive industry. There is expected to be a move towards materials like aluminium forgings & castings and composites, all three of which are focus areas for us. There will be requirement for components with higher precision, closer tolerances and better quality. Our strategy is to upgrade our processes and productivity levels to best in class. In recent years, we have upgraded most of our plants in India and some of the improvements are highlighted in the section on operations. We have developed a comprehensive strategy for EVs that we will discuss in a later section.

The success of our strategy can be gauged by the fact that the Company continues to have a strong balance sheet, good cash flow and healthy margins in an uncertain market environment.

## ELECTRIC VEHICLES

After an initial spurt in the last few years, the European light vehicle market witnessed a stagnation in EV penetration in 2024, at 13%. Current forecasts suggest that this ratio will move up to 43% in 2029, down from earlier estimates of 56%. With European customers weighing their options between EVs & others, the overall European automotive market is expected to decline or stagnate in the next 2-3 years.

We have a large dependency on forged crankshafts in our European business. There is a significant risk posed by electrification in our European operations and our mitigation plan in Europe is to substitute production of crankshafts by Aluminum forged parts and steel parts that will not be affected by transition to electric vehicles. We have interesting new orders on those, and some of them are already in production on our plants. In addition, the Gears plant in Europe is developing a healthy order book in electric vehicle transmission parts. Some of these orders have been delayed as the pace of growth of EVs in Europe and US slows down.

In India, the transition to electric mobility is expected to increase gradually. Many exciting new EV models were launched both in 4W and 2W segments in 2024 and this should spur EV penetration in India. Some of these exciting new model launches were by our anchor customers. It is expected that e4W will increase from 3% in 2024 to 18% in 2029, e2W from 5% in FY24 to 25% in FY30 and e3W from 9% in FY24 to 40% in FY30.

The exposure of our India business to internal combustion engine (ICE) parts is much lower than in Europe. In India, transition to EVs is more an opportunity than a risk. Our EV order book in India is spread across aluminum & steel castings, steel forgings, gears, stampings, and composite parts for e2W, e3W and e4W segments. Our diversified technology, product and customer portfolio allows us to address the requirements and risks emerging from EV transition in an effective manner. We are working with major European and Indian OEMs and Tier 1s in the EV space across vehicle segments.

As the supplier ecosystem of EVs is at a nascent stage, EV OEMs are looking to partner with suppliers who have quality and pedigree. Therefore, as a high-quality supplier of automotive parts, we consider the transition to EVs to be more of an opportunity than a risk.

## THE AUTOMOTIVE MARKET

The two key geographies that we operate in are India (~68% of consolidated sales) and Europe (~32% of consolidated sales). Please note that we have a small unit in Mexico which is covered under India sales (₹ 3 bn).

## INDIA

In India, we supply to a variety of segments with the segment wise dependence of our India sales shown in bracket – light vehicles (52%), two & three wheelers (21%), tractors (18%) and trucks (9%). Different segments of the Indian automotive market behaved differently. The exciting growth shown by the light vehicles segment has shown some tempering and the segment has grown at about 4% this year. Two wheelers has shown good growth this year at 16% but the previous two years had shown little growth. Tractors overall remained flattish albeit on a higher base. Trucks have seen degrowth of about 9% in this year. On the demand side the light vehicles and two-wheeler markets are expected to grow well and tractors will also slightly grow while the trucks segments may remain subdued.

## Light Vehicles

The Indian light vehicles market has shown significant growth following the pandemic. The market has grown by the market which has seen a slew of new launches has been buoyant due to the demand for all new models being strong. Higher inventory levels in the retail chain has slowed down the overall demand in the second half of the year.



**Light Vehicles (Production Million Units)**

Period	2024	2023	Change
Full Year	5.65	5.45	3.8%
Oct-Dec	1.34	1.29	3.2%
Jul-Sep	1.42	1.46	-2.5%
Apr-Jun	1.37	1.30	4.8%
Jan-Mar	1.52	1.39	9.9%

Source: IHS

Most agencies have estimated positive forecasts for the Indian passenger vehicle market with IHS in its latest update forecasting the Indian light vehicle to grow by 5.8% in CY25. The light vehicle segment is expected to grow on the back of continuous improvement of economic activities, increasing average income and affordability of vehicles along with recovery of entry level consumer sentiments. Despite subdued sentiments among entry-level buyers which continue to face income constraints and regulatory factors that have caused entry-level cars to become significantly expensive, the strong traction in the UV segment is expected to support growth. The long-term picture for the car market remains healthy, given the current low ownership levels and as per capita income continues to grow, it will increase the Indian household's ability to afford a car. IHS global, expects the Indian light vehicles (less than 6T) to grow at a CAGR of 4.6% over a period of 2024-29 which will mean new highs every year for annual production. Crisil expects the long-term growth to be even higher.

Battery Electric Vehicles (EVs) were still less than 1% of overall market in CY 24 and are expected to increase to 4-5% by CY25. The number of models available has increased to 12 from just 3 last year, which should spur sales. Crisil also expects EV penetration to increase in the next few quarters, supported by increase in charging stations, lower cost of acquisition and newer model launches from OEMs.

**Two Wheelers**

The two-wheeler industry production has shown a strong recovery in growth of 16.0% in CY24 as compared to the previous year (source: SIAM). The quarter-wise performance reveals that there was a bit of a pent up demand at the start of the year which over the quarters has stabilised and customers coming to terms with the higher cost of acquisition. The next year is also forecasted to show double digit growth by CRISIL research.

**Two Wheelers (Production Units)**

Period	2024	2023	Change
Full Year	23,561,393	20,312,955	16.0%
Oct-Dec	5,917,177	5,481,195	8.0%
Jul-Sep	6,260,137	5,563,997	12.5%
Apr-Jun	5,859,186	4,898,422	19.6%
Jan-Mar	5,524,893	4,369,321	26.4%

Source: SIAM

Scooter sales are to be supported by robust urban incomes and rising demand for scooters in rural market. Premiumization is also another driver for volumes across both scooters and motorcycles. Exports which are roughly 16% of total production are also projected to grow in the high teens adding to the production growth due to the improved demand in Africa and Latin America. Crisil forecasts a healthy CAGR of 7-9% between FY24-29 for domestic two-wheeler sales. An important point to be noted is that a major part of this growth will come from Electric Vehicles (EVs) and not from Internal Combustion Engine (ICE) vehicles. ICE 2 wheelers are forecasted to grow at a CAGR of 3-5% and EV 2Wheelers at 35-40% between FY24-29. EV penetration has started to increase in this segment and is expected to jump to 10% by CY26 from the current 6% (to check), as customer acceptability of these vehicles is rapidly increasing and there are many new launches in this segment.

**Tractors**

Tractor production in India has remained flattish at about -0.4% in CY24 albeit on a high base (source: Tractor Manufacturers Association/ TMA). This year as well, the tractors cumulative production is almost 1 million which is a strong showing for the industry. Replacement demand is a major portion of sales (70%+) and its growth is dependent on the economic health of the farming community who are the main buyers.

**Tractors (Production Units)**

Period	2024	2023	Change
Full Year	982,146	985,968	-0.4%
Oct-Dec	219,211	195,466	12.1%
Jul-Sep	282,677	274,009	3.2%
Apr-Jun	261,628	259,038	1.0%
Jan-Mar	218,630	257,455	-15.1%

Source: TMA

Domestic tractor sales were buoyed by an above normal monsoon and this has resulted in a recovery in growth in the second half of CY24. Favourable rainfall boosted kharif crop output, with higher reservoir levels expected to aid rabi crop. Government measures, including increased crop procurement and higher minimum support prices (MSP), will boost farmers cash flow thereby leading to healthy retail momentum.

On the other hand, the level of farm mechanization in India is still sub optimal and there is large scope for growth. CRISIL projects domestic tractor sales to expand at 4-6% compound annual growth rate (CAGR) between FY24-29. Exports which account for about 10% of Tractor sales are also projected to grow at a CAGR of 3-5% in the same period. Tractor sales are cyclical and we may need to factor in a few years of erratic monsoon during the period.



## Medium & Heavy Commercial Vehicles (MHCV)

Heavy truck production in India declined by 9.4% in 2024 on a base which was already significantly lower than the historical high achieved pre pandemic in 2018.

### MHCV (Production Units)

Period	2024	2023	Change
Full Year	380,980	420,647	-9.4%
Oct-Dec	104,134	119,286	-12.7%
Jul-Sep	87,659	96,616	-9.3%
Apr-Jun	90,638	91,442	-0.9%
Jan-Mar	98,549	113,303	-13.0%

Source: IHS

A shift towards higher tonnage vehicles accompanied amidst increasing efficiencies in the logistics sector might be a possible explanation. Recent studies by the National Council of Applied Economic Research (NCAER) suggest that logistics spend as a percentage of India's GDP had declined by almost 1% in recent years due to rising efficiencies in the sector.

IHS has forecast that in CY25 MHCV production in India would grow by 13.5% albeit on a lower base. For the longer term, IHS estimates this to grow at a conservative rate of 6.8% CAGR over CY24-29. Crisil again is similarly forecasting a CAGR of 1-5% for FY24-FY29.

## EUROPE

In Europe our operations cater largely to the light vehicle market (83% of sales of our European business), with a small portion of the revenue being supplied to the off-highway, farm equipment and tractors market.

### Light Vehicles

This year the light vehicle market in Europe has seen a consistently growing decline in the demand a trend continued from the slowing in Q4 last year.

Period	2024	2023	Change
Full Year	15.75	16.79	-6.2%
Oct-Dec	3.89	4.31	-9.7%
Jul-Sep	3.40	3.62	-6.0%
Apr-Jun	4.15	4.41	-5.8%
Jan-Mar	4.30	4.45	-3.3%

Source: IHS Global

For light vehicles (<3.5T incl. cars, utility vehicles & light commercial vehicles), the data from IHS shows that the production in Europe has dropped cumulatively by 6.2% in CY24 v/s CY23 to 15.7mn units. In the second half of CY24 the demand was even more down as compared to H1 of CY24. There seems to largely be a confusion in the consumers mind on what is emerging in the industry, as they have postponed purchases and extended their purchase cycles. Also, as per IHS data the passenger vehicle market in Europe is forecasted to slow in degrowth to -4.8% in CY25 v/s CY24 to 14.99 mn units. However, the

pre pandemic market of 19-22mn units is not expected to be reached in the coming years with IHS forecasting production to be in the range of 15-16mn units per year till 2030.

Electric powertrains in Europe has seen a bit of a slowdown in their growth trajectory due to the confusion in the consumers mind and the early adopters already having purchased their EVs. We are waiting to see what will emerge though Electrification is still the future.

## OPERATIONAL PERFORMANCE & STRATEGY

### INDIA

The light vehicle market growth slowed down to single digits in 2024 vis-a-vis the previous year after a strong recovery post Covid which saw 20%+ growth rates in 2021 and 2022 and high single digit growth in 2023. The pent up demand following the pandemic drove some of the earlier high growth and is now petering out. There has also been a declining trend in urban consumption. We expect the growth rate in 2025 in the light vehicles segment to be similar to the previous year. The two wheeler segment, on the other hand, bounced back with double digit growth, after posting lacklustre numbers over the past few years. We expect this segment to have good growth in 2025 as well. Some boost to demand for cars & two wheelers could also come due to expected increase in consumption on account of the tax rebates announced in the union budget for FY26. Tractors and trucks saw negative growth in 2024 though both segments are expected to recover in the coming year. The slowing automotive markets across the globe resulted in our export business being sluggish in 2024. Some of our new orders have been delayed, especially export & EV related orders. The growth of our India business closely mirrored these market trends. After handsomely outgrowing the market in 2021, 2022 & the early part of 2023, our India business has largely followed the market after that. We expect to get back to being ahead of the market soon.

We continue to be optimistic about the medium-term growth in the Indian automotive market. The order book situation in India is good and new orders generated in a year amount to 15-20% of our sales generally. We will continue to invest in expanding capacity in India to support these new orders. In 2024, we expanded our capacity in all our verticals.

To safeguard margins and returns, the Company is focusing on improving plant operations and increasing labour productivity through optimising plant layouts, automating machines and especially material handling, improving cycle times, eliminating unnecessary operations & manning and digitizing data capture so that quality and production data other issues can be detected at an early stage. To keep expanding the order book, emphasis is being laid on improving new product development and the skills required for it. We have identified two verticals where there will be specific focus on improving margins – aluminum die casting and the Hosur plant of Forgings. Teams from the parent CIE Automotive provide all help in terms of know-how



transfer in these projects.

India is one of the priority global markets identified by our parent CIE Automotive and the Indian operations will continue to be a focus area. In CY 24, our Indian operations grew by 5% and generated an EBITDA margin of 17.9% (vs 16.7% in CY23). The share of the India business in the overall sales of CIE India stood at 67% in CY24.

## EUROPE

The European automotive market experienced negative growth in 2024. The year began with a good first quarter but the growth trends turned negative in the second half of the year. The off-highway market (which is served by Metalcastello) also remained depressed, especially the US market. These adverse trends have led to a decline in sales at our European business by 14% in C24. We have maintained a healthy EBITDA margin of 16.1% in C24 despite a steep decline in sales.

The European light vehicles production was in the range of 19-22mn units every year between CY2010-19. IHS expects the demand five years ahead forecasted to be in the range of 16-17mn units. These forecasts are lower than

what they had put out the previous year. The stagnation in demand is accompanied by a penetration of EVs but not at the rapid pace that was forecasted earlier. There is a big delay at the customer in all our EV related projects.

The off-highway market, especially in the US, is expected to experience a revival towards the end of 2025. This market has always seen cycles with steep highs & big lows. This factor has always to be considered while forecasting trends in this segment.

The uncertainty in the markets served by our European business is accompanied by a lingering inflation in electricity prices and other costs. Our response is to protect our margins as much as possible, adapting our factories to the new volume scenario and focus on EV components development.

## FINANCIAL PERFORMANCE

The financial performance of the entity for the year ended 31<sup>st</sup> December 2024 and 31<sup>st</sup> December 2023 is presented below:

### CIE India's abridged P&L Statement for the Financial Year 2024

(₹ in Million)

Sr. No.	Particulars	Standalone		Consolidated	
		Year Ended		Year Ended	
		December '24	December '23	December '24	December '23
		Audited	Audited	Audited	Audited
1	Income from operation				
	(a) Revenue from operations	45,634.70	45,698.43	89,640.67	92,803.49
	(b) Other Income	1,728.00	1,504.09	1,396.47	820.10
	Total Income	47,362.70	47,202.52	91,037.14	93,623.59
2	Expenses				
	(a) Cost of material consumed	23,223.29	24,171.73	46,470.12	48,533.60
	(b) Change of inventories of finished goods and work-in progress	66.52	86.94	234.86	574.69
	(c) Employee benefit expenses	4,490.54	4,278.21	10,104.73	9,944.15
	(d) Finance cost	116.73	109.83	775.98	1,073.68
	(e) Depreciation and amortization expenses	1,436.6	1,357.19	3,306.45	3,221.96
	(f) Other Expenses	10,534.89	10,033.37	19,325.24	19,512.15
	Total expenses	39,868.57	40,037.27	80,217.38	82,860.23
3	Profit/(loss) from operation share of profits of associates, exceptional items and taxes (1 - 2)	7,494.13	7,165.25	10,819.76	10,763.36
4	Share of profit / (loss) of associates	-	-	26.97	(4.85)





Sr. No.	Particulars	Standalone		Consolidated	
		Year Ended		Year Ended	
		December '24	December '23	December '24	December '23
		Audited	Audited	Audited	Audited
5	Profit/(Loss) from ordinary activities before exceptional items	7,494.13	7,165.25	10,846.73	10,758.51
6	Exceptional items	-	-	-	-
7	Profit/(Loss) from ordinary activities before tax (7-8+9)	7,494.13	7,165.25	10,846.73	10,758.51
8	Current Tax	1,642.35	1,502.58	2,643.46	2,741.89
	Deferred Tax (Credit) / Charge	17.65	39.23	0.21	40.32
9	Net Profit/(Loss) for the period from continuing operations	5,834.13	5,623.44	8,203.06	7,976.30
10	Discontinued operations				
	Profit/ (Loss) from discontinued operations	-	-	72.08	5,340.53
	Loss on fair valuation of assets and liabilities of Discontinued operations	-	-	-	(1,536.45)
	Profit/ (Loss) before tax from discontinued operations	-	-	-	3,804.08
	Current tax	-	-	-	257.29
	Deferred tax expense/ (reversal)	-	-	-	271.60
	Tax expense on discontinued operations	-	-	-	528.89
11	Profit/ (Loss) from discontinued operations (after tax)	-	-	72.08	3,275.19
	Net Profit/(Loss) after taxes	5,834.13	5,623.44	8,275.14	11,251.49
12	Paid - Up equity share capital (Face value of ₹ 10 per equity share)	3,793.62	3,793.62	3,793.62	3,793.62
13	Earnings per share (after extraordinary items) (of ₹ 10/- each)				
	(a) Basic	15.38	14.82	21.81	29.66
	(b) Diluted	15.38	14.82	21.81	29.66

Information for our Indian and Overseas operations are summarized in the table below:

**Segment wise results for 2024**

(₹ in Million)

Sr. No.	Particulars	Year ended	
		31 <sup>st</sup> December 2024	31 <sup>st</sup> December 2023
		Audited	Audited
1	<b>Segment Revenue</b>		
	a) India	60,589.66	59,459.08
	b) Europe	29,097.77	44,570.80
	<b>Total</b>	<b>89,687.43</b>	<b>104,029.88</b>
	Less: Inter Segment Revenue	(46.76)	(473.98)
	<b>Net Sales / Income from Operations</b>	<b>89,640.67</b>	<b>103,555.90</b>
	Less: from discontinued operations	-	10,752.41



Sr. No.	Particulars	Year ended	
		31 <sup>st</sup> December 2024	31 <sup>st</sup> December 2023
		Audited	Audited
	<b>Net/Sales income from continuing operations</b>	<b>89,640.67</b>	<b>92,803.49</b>
2	<b>Segment Profit/(Loss) before tax and interest from</b>		
	a) India	8,146.95	7,087.84
	b) Europe	3,547.86	10,161.74
	<b>Total</b>	<b>11,694.81</b>	<b>17,249.68</b>
	Less: from discontinued operations	(72.08)	(5,417.49)
	<b>Profit/ (loss) before tax and interest from Continuing operations</b>	<b>11,622.73</b>	<b>11,832.19</b>
	Less:		
	(i) Un-allocable expenditure	775.98	1,073.68
	(ii) Un-allocable income	-	-
	<b>Total Profit Before Tax</b>	<b>10,846.73</b>	<b>10,758.51</b>
3	<b>Capital Employed</b>		
	(Segment Assets- Segment Liabilities)		
	a) India	66,901.19	63,260.23
	b) Europe	30,784.03	34,358.91
	<b>Total</b>	<b>97,685.22</b>	<b>97,619.14</b>
4	<b>Segment Liabilities</b>		
	a) India	16,322.68	21,669.00
	b) Europe	15,594.70	16,070.73
	<b>Total</b>	<b>31,917.38</b>	<b>37,739.73</b>

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

Ratio	Standalone		Consolidated	
	CY-24	CY-23	CY-24	CY-23
(i) Debtors Turnover (Days)	35	39	28	27
(ii) Inventory Turnover (Days)	43	44	52	54
(iii) Interest Coverage Ratio (times)	65	66	15	11
(iv) Current Ratio (times)	2.6	2.2	1.6	1.0
(v) Debt Equity Ratio (times)	-	0.01	0.08	0.13
(vi) Operating Profit Margin (%)	20.8%	20.3%	17.3%	17.1%
(vii) Net Profit Margin (%)	13.4%	13.2%	9.5%	9.1%
(viii) Return on net worth (%)	10.9%	11.4%	12.6%	18.8%



**Interest Coverage Ratio:**

Improvement due to debt reduction in Mexico.

**Current Ratio:**

Cash generated during the year has resulted in the current ratio improving, both in Standalone and Consolidated results.

**Debt Equity Ratio:**

Improved due to reduction of debt in Mexico.

**Return on Net Worth (RONW):**

While standalone RONW has dropped marginally, the consolidated RONW drop is largely due to the exceptional profit (write back of foreign currency translation reserve of ₹ 2,090 Mio) made in discontinued operation in the year 2023. RONW from continued operations has shown marginal drop to 12.5% (PY 13.3%) during the year due to the very difficult situation in Europe.

**HEALTH & SAFETY**

The Company is deeply committed to ensuring the health and safety of all employees and workers at its manufacturing sites, with a goal of achieving zero incidents. Prioritizing health and safety is vital not only for the well-being of employees but also for enhancing operational efficiency.

The Company focused on several key initiatives in CY 2024. These initiatives include ongoing training programs, thorough safety audits, safety culture assessments, and the adoption of advanced safety technologies, all aimed at preventing incidents and fostering a strong safety culture throughout the organization. The "Back to Basics" safety campaign, launched across all plants, aimed to maintain the momentum and motivation of shop floor employees, emphasizing the importance of discipline in manufacturing facilities. The successful program on 12 Life Saving Rules, introduced in 2023, continued in CY 2024, with the addition of an E-module for refresher training to ensure sustained awareness and adherence.

Recognizing that safety performance cannot be solely improved by better infrastructure and technology, the Company undertook a safety cultural assessment. This evaluation was designed to measure the effectiveness of past safety initiatives and identify areas where further interventions and programs were necessary to advance the Company's position on the safety cultural ladder.

All plants achieved ISO 45001 and ISO 14001 certifications, demonstrating a commitment to both occupational health and safety and environmental management. To further bolster safety measures, the Company underwent a series of external audits, including those for electrical safety, chemical safety, fire safety, energy efficiency, and compliance with ISI4489 standards.

In terms of employee well-being, the Company implemented a range of health initiatives, including annual health check-ups, yoga sessions, stress

management workshops, and a de-addiction program for workers. The overarching focus throughout the year was on continuous training, regular communication, employee recognition, and the active involvement of shop floor employees in safety activities. These efforts were instrumental in working toward the achievement of safety targets and fostering a culture of safety at all levels of the organization.

**HUMAN RESOURCES AND INDUSTRIAL RELATIONS CLIMATE**

CIE India is focused on improving our people management practices to promote greater employee engagement and enhanced employee experience. Our working environment is harmonious, and employees are provided with numerous opportunities to build upon their skills. The organization has put in place a Diversity, Equity and Inclusion framework to build a more inclusive working environment and has incentivized achieving higher levels of gender diversity. Our Employee Value Proposition is centered on four pillars of Care & Wellness, Advancement opportunities for Career Growth, Respect & Dignity and Structured Reward and Recognition. While CIE India is well integrated with the people strategy of our parent Company, CIE Automotive, we would like to highlight some specific initiative that we have undertaken at our Indian business.

In India, the Company has implemented a comprehensive 'HR Scorecard' which measures HR Performance across all plants covering all HR processes and initiatives. This year, as a part of standardizing practices across locations, we have successfully put in place a common gradation structure. Employees can now seamlessly move across divisions and locations.

In accordance with our Employee Value Proposition, we have rolled out career development programs for employees in India through Individual Development Action Plans (IDAPs). One key element of the IDAP program is close collaboration with CIE teams worldwide for continuing training and skill upgradation. Coaching has been introduced in the organization; senior managers have been trained as coaches who in turn coach the employees on their IDAPs. 268 employees have designed their career aspirations through IDAPs, and 56 managers have been trained as coaches. The process for succession planning has been designed, implemented and rolled out across the organization. We have specially crafted annual learning plans for young engineers who have been hired as freshers from campuses. We plan to create a cohort of trained engineers to support the Company's future plans. We have inducted 34 Graduate trainee Engineers in the current year. This year we also implemented the HR-MT program wherein 5 young HR graduates were hired from campus. They are being groomed to strengthen the HR function in the future.

A portion of our permanent labor workforce in certain locations in India is part of labor unions. We have signed collective bargaining and other agreements with labor unions at several plants where we have agreed to certain guaranteed bonuses, guaranteed wage increases, and



wages linked to productivity. A detailed breakup of the composition of the workforce in India is provided in the BRSR report.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Under Indian regulations, a Company has to mandatorily spend minimum 2% of the profit on social projects. While this may be a regulatory requirement, the Company views it as an opportunity to improve the lives of the communities among whom we operate. We have multiple plants in India and many of these are located in semi urban and rural areas and our CSR projects are a small effort to help the communities living around our plants.

Our CSR projects focus primarily on four areas: (1) Promoting Education & Skill Development; (2) Improving Health & Sanitation; (3) Contributing to Environmental Sustainability & (4) Rural Development.

Some of the key CSR projects in 2024 are as follows. Our Bill Forge division has built a modern school in suburban Bengaluru. At Pune and Chhatrapati Sambhajnagar, the Company has planted more than 15,000 trees, thus improving the ability of forests to sequester carbon, helping to mitigate the impacts of climate change and improving air quality. Similarly, our Company is implementing Waste Management projects at Rajkot and Chhatrapati Sambhajnagar to ease the burden of accumulated wastes on the community. Some other impactful CSR initiatives of our Company are: Training programs for school children on Green Education, Training on Water, Sanitation & Hygiene, Providing Indian Sign Language (ISL) training to hearing impaired students, Awareness programs for rural women towards Menstrual hygiene, Retrofitting of Washroom facilities in rural schools etc. A snapshot of images of our CSR projects is shown in the early pages of the annual report.

We engage with competent delivery partners to implement these CSR projects. Each project is assessed to evaluate if it has made the desired impact on the target audience. The CSR plan and performance is monitored by the CSR committee of the board every quarter.

### **ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) APPROACH**

Stakeholders' growing expectations have placed sustainability performance under scrutiny. Simply having good intentions about ESG is no longer enough—delivering measurable outcomes is critical to long-term success and credibility.

As a subsidiary of CIE Automotive, we are committed to a 5-year Strategic ESG plan, adhering to 79 KPIs across four pillars: CIE Culture, Ethical Commitment, Eco-Efficiency, and Active Listening. These pillars align with the UN's 17 Sustainable Development Goals. Apart from this India Specific ESG Goals & targets have been formulated as a roadmap towards achieving our identified Sustainability Goals.

CIE India is dedicated to several key ESG initiatives, including building a responsible supply chain with local

sourcing and environmental assessments of identified partners, and promoting a circular economy by reducing raw material consumption, managing waste, minimizing environmental impact, and enhancing energy efficiency.

The Company is committed to achieving carbon neutrality by 2050, adopting ISO 14001 and ISO 50001 standards, and focusing on renewable energy, material circularity, and responsible resource use. In CY 2024, CIE India conducted Life Cycle Assessments for six strategic products, provided ESG awareness training for all identified junior, middle, senior management levels including the Board of Directors. In CY-2024, we conducted Zero Waste to Landfill gap assessment across all plants. Additionally, mandatory sustainability projects were completed, high-energy intensive units have certified for Energy Management System i.e. ISO 50001:2018. 57% of energy was sourced from renewables and 24,305 trees were planted within plants and through CSR activities. These efforts reflect CIE India's commitment to sustainability and ESG goals.

### **DIGITALISATION & IT STRATEGY:**

Digital transformation in the automotive industry helps manufacturers to optimize manufacturing processes, improve supply chain management, enable predictive maintenance, enhance product development and create data-driven insights for better decision-making. Companies are leveraging technologies like IoT, big data analytics, machine learning, and cloud computing to increase efficiency, quality, and customer satisfaction. Automotive companies aim to consolidate their competitive advantage and attract new customers by embracing digital transformation.

CIE India has successfully implemented "Hyperconverged Technology" in 2024. This system combines computing, storage, and networking into a single software-defined platform. It's a modern way to manage data centers, and it can improve scalability, flexibility, and performance. In 2024 the Company moved to SAP RISE platform and has started to upgrade the SAP version to enhance data security and reliability.

We have automated the logistics function by implementing the transport management system which provides an online vehicle utilization report. It also enables the Company to reduce its carbon footprint. Automating such processes is also helping us move towards paperless offices that is an important part of our green initiative.

The Company has started the use of Power BI tools for various analytical dashboards like Sales, Inventory etc. and for various process control monitoring systems. This enables the real time availability of information about a process for the person in charge.

### **RISK MANAGEMENT**

The business has a specific set of risk characteristics which are managed through an internal risk management practice. The first line of defence in the risk practice are



the operational managers who are tasked with identifying risks and reporting breaches that can put the Company at risk. The second line are processes and policies that are assessed periodically by the board and its audit & risk management committees. Key processes and policies include internal controls, data security & privacy, statutory compliances, and ethical framework (code of conduct & whistleblower policies). Internal audit process is the third line of defence that continuously reviews the efficacy of the first two lines. The senior management periodically reviews the risk management process as well as the actual management of risks identified. They report their findings every quarter to the risk management and audit committees of the board. The risk management committee reviews the identification, assessment, management, and monitoring of risks. The audit committee closely looks at the processes associated with risk management. Both these committees report to the board which provides directions to strengthen the overall risk management practice.

The process to identify risks is also well defined. Senior executives of CIE Automotive across the globe participate in an annual risk assessment survey to identify key risks associated with the business. This is supplemented by periodic internal assessment to identify risks under different categories – strategic & reputational, commercial, technological, operational, financial, people related, regulatory/compliance and ESG (Environmental, Social & Governance), etc. Risks under these categories are classified as short term and long term and monitored periodically.

Risks are prioritized based on the following criteria:

- Probability of occurrence: based on past experience and analysis of the future.
- Impact along three dimensions of economic, organisational and/or reputational.
- From the standpoint of residual risk: considering the controls already in place to mitigate the potential impact of their materialisation.

Some of the key risks identified by CIE Automotive India Limited globally for 2025 are as follows:

- Market trend change: The Company is highly dependent on the performance of the automotive industry in India and Europe. The automotive industry is going through a phase of uncertainty and the market situation can be quite volatile. The European light vehicle market is projected to stagnate or degrow in the next few years. We evaluate market trends carefully and proactively optimise costs to protect our margins.
- Geopolitical situation: The geopolitical situation continues to be grim with both the wars in Ukraine & West Asia continuing. There has also been a leadership change in the USA, the largest economy in the world, and the new President is expected to change quite a few existing US policies including on

tariffs and work visas. The policies that US adopts will have a large bearing on how the global economy will fare in the near future.

- Cybersecurity and data privacy & reliability: As digitization & automation increase in the business, there is a growing concern around data being breached by inimical third parties. The Company attaches great importance to securing its digital & IT systems and the IT team strives to deploy the available best practices in countering such threats.
- Green supply chain: ESG has become an imperative aspect of business and investors are paying attention to this along with financial performance of the Company. The Company's ESG strategy is detailed in an earlier section of this management discussion. The detailed BRSR report also shows the importance that the Company attaches to ESG.
- Human capital for Company's growth: As the automotive industry goes through the throes of change, volatility & uncertainty; the challenges thrown up can only be met by a team that is both skilled and motivated. There is strong competition for talent in some of the key auto hubs in India that we operate in viz. Pune & Bengaluru. Our HR strategy to meet this challenge is detailed in an earlier section of this management analysis.

Along with the above, the Company has identified the following other risks that can affect its growth & profitability:

- The loss of certain principal customers or a significant reduction in purchase orders from certain customers or delay in ramp up of our existing orders could adversely affect business, results of operations, financial condition and prospects.
- The dependence on a few key customers & vehicle platforms in some business verticals is high and leaves these verticals reliant on the performance of these OEMs – the Stampings business in India and Gears business in Italy are two examples. Overall, both the Indian and European operations of the Company are now well diversified and customer concentration risk is pertinent to a few verticals as stated above.
- Potential inability to pass-through to its customers increase in costs like labour, energy, etc. could reduce future profitability.
- As part of its growth strategy, the Company aims to develop many new parts for both existing and new customers. Managing the new product development process in an efficient manner is a key challenge.
- As part of our strategy, we strive to invest in incremental capacity in an optimal manner. Nevertheless, volatility in market demand could be such that we end up in situations of either overcapacity or not enough capacity. In both





these situations, our ability to maintain growth and profitability will be impaired.

- Implementation of the new labour code in India may lead to increase in minimum wages for workmen that can potentially have a negative impact on margins.

To summarise, the risks to growth and capex efficiency are the key ones to monitor in India in CY25 while in Europe we need to protect our margins in an uncertain market environment.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

In the opinion of the Management, CIE India has adequate internal audit and control systems to ensure that all transactions are authorized, recorded and reported correctly. The internal control systems comprise extensive internal and statutory audits. The Corporate Governance practices instituted by the Company are discussed in detail in the chapter on Corporate Governance of this Annual Report. Report on statutory compliances has also been provided.

#### **LOOKING AHEAD**

The automotive industry is faced with significant uncertainty both in the immediate and long term. The European automotive industry is facing stagnating demand and the challenges of rising costs, transition to Electric Vehicles (EVs) and competition from China. While the medium-term demand situation in the Indian

automotive market continues to be strong, there are short term challenges in some of the segments like trucks. The automotive industry is faced with multifarious technological challenges. The three most important are as follows. The transition to EVs is not happening as smoothly as predicted. Automotive customers are looking for more premium features and for better safety & comfort. The supply chain is being transformed by digitisation and Industry 4.0. We strive to be future ready as many new opportunities and risks emerge in this changing environment. Our approach has been to optimally balance growth, investments and returns to actively manage the uncertainties surrounding these changes.

#### **CAUTIONARY STATEMENT**

*Certain statements in the Management Discussion & Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ from those express or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors.*





# REPORT ON CORPORATE GOVERNANCE



## CORPORATE GOVERNANCE

### I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is based on preserving core beliefs and ethical business conduct while maintaining a strong commitment to maximise long-term stakeholder value. The Company is focused towards bringing transparency in all its dealings, adhering to well-defined corporate values and leveraging the corporate resources for long term value creation.

The Company continues to strengthen its governance principles to generate long-term value for its various stakeholders on a sustainable basis thus, ensuring ethical and responsible leadership both at the Board and at the Management levels.

A report on compliance with the Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (hereinafter referred to as "the Listing Regulations") is given below.

### II. BOARD OF DIRECTORS

The composition of the Board is in conformity with Regulation 17 of the Listing Regulations and provisions of the Companies Act, 2013 (hereinafter referred to as "the Act"), as amended from time to time.

The Board has an optimum combination of Executive and Non-Executive Directors with the Chairman being Non-Executive Director and fifty percent of the Board comprising of Independent Directors including Two-woman Independent Directors. The Board reviews and approves strategy and oversees performance of the Management to ensure that the long-term objectives of enhancing Stakeholders' value are achieved.

Mr. Shriprakash Shukla, the Non-Executive, Non-Independent Director, is the Chairman of the Board.

The Management of the Company is entrusted in the hands of Key Managerial Personnel(s), headed by Mr. Ander Arenaza, Executive Director and Group CEO, who operate under the supervision and control of the Board.

As at 31<sup>st</sup> December, 2024, the Company had Four Non-Executive, Independent Directors who are professionals from diverse fields, possess requisite qualifications and experience which enable them to discharge their responsibilities, provide effective leadership to business and enhance the quality of Board's decision making process.

The maximum tenure of Independent Directors is in compliance with the Act and the Listing

Regulations. All the Independent Directors have confirmed that they meet the criteria as mentioned in Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act. The Independent Directors have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. Further, the Board after taking these declaration/disclosures on record and acknowledging the veracity of the same, opined that the Independent Directors are persons of integrity and possess the relevant expertise and experience, fulfil the conditions specified in the Listing Regulations and the Act for appointment of Independent Directors and are Independent of the Management.

Apart from reimbursement of expenses incurred in the discharge of their duties, the remuneration that the Independent Directors were entitled to under the Act and the remuneration that a firm had received, in which an Independent Director was a partner, for professional services rendered by the firm to the Company, none of the Independent Directors had any other pecuniary relationships with the Company, its Subsidiaries or Associates or their Promoters or Directors, during the three immediately preceding financial years or during the current financial year.

None of the Directors of the Company are *inter-se* related to each other.

During the year under review, no Independent Director of the Company resigned before the expiry of their tenure.

The Senior Management of the Company has made disclosures to the Board confirming that there are no material financial and commercial transactions between them and the Company which could have potential conflict of interest with the Company at large.

#### A. Composition of the Board

The Board of the Company comprises of Eight Directors as on 31<sup>st</sup> December, 2024.

During the year under review, the Board at its meeting held on 2<sup>nd</sup> May, 2024, on recommendation of the Nomination and Remuneration Committee, recommended the appointment of Dr. Nuria Gisbert Trejo (DIN: 10607049) as an Independent Director of the Company to hold the office of the Independent Director for the first term of Five consecutive years from 1<sup>st</sup> July, 2024 to 30<sup>th</sup> June, 2029. The Members of the Company at their 25<sup>th</sup> Annual General Meeting held on 20<sup>th</sup> June, 2024, approved her appointment as a Director (Independent) to hold the office of the Independent Director for the first term of five consecutive years from 1<sup>st</sup> July, 2024 to 30<sup>th</sup> June, 2029.



Mr. Jesus Maria Herrera Barandiaran (DIN: 06705854), Non-Executive Director of the Company tendered his resignation as Director of the Company with effect from close of working hours on 20<sup>th</sup> June, 2024. Accordingly, he ceased to be Non-Executive Director of the Company from 21<sup>st</sup> June, 2024.

Mr. Manojkumar Madangopal Maheshwari (DIN: 00012341) completed his second term of appointment as Independent Director of the Company on close of business hours on 28<sup>th</sup> September, 2024 and ceased to be Independent Director of the Company from 29<sup>th</sup> September, 2024. Mr. Suhail Amin Nathani (DIN: 01089938) completed his second term of appointment as Independent Director of the Company on close of

business hours on 11<sup>th</sup> December, 2024 and ceased to be Independent Director of the Company from 12<sup>th</sup> December, 2024.

The names and categories of Directors, DIN, the number of Directorships and Committee positions held by them, as on 31<sup>st</sup> December, 2024 are given in Table 1 below.

All the Directors of the Company comply with the conditionalities relating to maximum number of Directorships as specified in Regulation 17A of the Listing Regulations and Section 165 of the Act, and the conditionalities relating to committee positions as specified in Regulation 26 of the Listing Regulations.

**Table 1: Composition of the Board of Directors as on 31<sup>st</sup> December, 2024:**

Name of the Directors, Category and DIN	Total number of Committee Memberships of as on 31 <sup>st</sup> December, 2024@	Total number of Committee Chairmanships of which the Director is member as on 31 <sup>st</sup> December, 2024@	Total number of Directorships of Public Companies as on 31 <sup>st</sup> December, 2024*	Name of other listed entities where the Director is a Director along-with the category of Directorship excluding the Company
<b>NON – EXECUTIVE, NON-INDEPENDENT<sup>s</sup></b>				
Mr. Shriprakash Shukla (DIN - 00007418)	Nil	Nil	3	Mahindra EPC Irrigation Limited (Non-executive Chairman)
Mr. Anil Haridass (DIN - 00266080)	1	Nil	2	None
<b>NON – EXECUTIVE, INDEPENDENT</b>				
Mrs. Roxana Meda Inoriza - (DIN - 08520545)	1	Nil	3	None
Mr. Alan Savio D'Silva Picardo - (DIN - 08513835)	1	1	1	None
Mr. Jairaj Purandare (DIN: 00159886)	7	4	4	1. HDFC Asset Management Company Limited - (Independent Director) 2. Piramal Pharma Limited - (Independent Director) 3. Indegene Limited - (Independent Director)
Dr. Nuria Gisbert Trejo (DIN - 10607049)	1	NIL	1	None
<b>EXECUTIVE<sup>s</sup></b>				
Mr. Ander Arenaza Alvarez - (DIN - 07591785)	Nil	Nil	2	None
Mr. Manoj Menon - (DIN - 07642469)	1	Nil	3	None

\* Excludes Directorships in companies registered under Section 8 of the Act and companies registered outside India but includes directorship in the Company.

@ Chairpersonship and membership of the Audit Committee and the Stakeholders' Relationship Committee held in all the public limited companies including that of the Company is considered. The Committee Chairmanship(s) are counted out of the Committee Membership(s) held by the respective Director.



- \$ None of the Directors of the Company are related to the Promoter of the Company. Mr. SP Shukla is one of the Director in of CIE Automotive S.A. ("CIE"), the ultimate holding company of the Company and an entity belonging to the Promoter Group of the Company. Further, Mr. Ander Arenaza is in the whole-time employment of CIE. All the Directors of the Company are acting as Directors of the Company in their professional capacity.

### Board Procedure

A detailed agenda, setting out the business to be transacted at the Meeting(s), supported by detailed notes on Agenda is sent to each Director at least seven days before the date of the Board Meeting(s) and of the Committee Meeting(s). The Directors are also provided the facility of video conferencing to enable them to participate effectively in the Meeting(s), as and when required.

To enable the Board to discharge its responsibilities effectively and take informed decisions, the Executive Directors along-with Chief Executive Officers of respective business divisions apprise the Board at every meeting on the performance of the Company, followed by presentations by other Senior Executives of the Company.

The Board periodically reviews, *inter alia*, strategy and business plans, annual operating and capital expenditure budget(s), compliance report(s) of all laws applicable to the Company as well as steps taken by the Company to rectify instances of non-compliances, if any, review of major legal issues, minutes of the Committees of the Board, minutes of board meetings of subsidiary companies, significant transactions and arrangements entered into by the unlisted subsidiary companies, approval of quarterly/half-yearly/annual financial results, significant labour problems and their proposed solutions, systems for risk management, transactions pertaining to purchase/disposal of property(ies), sale of investments, subsidiaries, assets which are material in nature and not in normal course of business, remuneration of key managerial personnel, major accounting provisions and write-offs, corporate restructuring, details of any joint ventures or collaboration agreement, material default in financial obligations, if any, fatal or serious accidents, any material effluent or pollution problems, transactions that involve substantial payment towards goodwill, brand equity or intellectual property, any issue that involves possible public or product liability claims of substantial nature, including judgement or order which may have passed strictures on the conduct of the Company, quarterly details of foreign exchange exposures and the steps taken by Management to limit the risks of adverse exchange rate movement and information on recruitment of senior officers just below the Board level.

The Board sets annual performance objectives, oversees the actions and results of the management, evaluates its own performance and performance of its committees on an annual basis and monitors the effectiveness of the Company's governance practices for enhancing the Stakeholders' value.

Apart from the Directors and the Company Secretary, the Board and Committee meetings are generally attended by the Chief Executive Officers of each Business Divisions of the Company, the Chief Financial Officer, the Chief Business Controller and the Head of Strategy and Investors Relations. The Chairperson of the Board or Chairperson of the Committees of the Board also invite other officers of the Company or of its Subsidiaries as and when necessary.

### B. Number of Board Meetings, Attendance of the Directors at Meetings of the Board and at the last Annual General Meeting (AGM)

The Board of Directors met Five (5) times during the Financial Year under the review i.e., on 19<sup>th</sup> February, 2024, 02<sup>nd</sup> May, 2024, 18<sup>th</sup> July, 2024, 24<sup>th</sup> October, 2024 and 09<sup>th</sup> December, 2024. The Board met at least once in a calendar quarter and the gap between any two meetings did not exceed one hundred and twenty days.

The Twenty-Fifth Annual General Meeting (AGM) of Members of the Company was held on 20<sup>th</sup> June, 2024 through Video Conference ("VC") / Other Audio Visual Means ("OAVM") without the physical presence of the Members at a common venue, in compliance with General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020, 09/2023 dated 25<sup>th</sup> September, 2023 and other relevant circulars issued by Ministry of Corporate Affairs.





The attendance of the Directors at these meetings is presented in Table 2 below.

**Table 2: Number of Meetings and Attendance**

Sr. No	Directors	No. of Board Meetings Attended	Attendance at the last AGM through VC / OAVM
1	Mr. Shriprakash Shukla	5	Yes
2	Mr. Ander Arenaza Alvarez	5	Yes
3	Mr. Manoj Menon	5	Yes
4	Mr. Anil Haridass	5	Yes
5	Mr. Jesus Maria Herrera Barandiaran (Up to 20 <sup>th</sup> June, 2024)	1	No
6	Mr. Manoj Maheshwari (Up to 28 <sup>th</sup> September, 2024)	3	Yes
7	Mrs. Roxana Meda Inoriza	5	Yes
8	Mr. Alan Savio D'Silva Picardo	5	Yes
9	Mr. Suhail Nathani (Up to 11 <sup>th</sup> December, 2024)	3	Yes
10	Mr. Jairaj Purandare	5	Yes
11	Dr. Nuria Gisbert Trejo (w.e.f. 01 <sup>st</sup> July, 2024)	3	NA

#### C. Meeting of Independent Directors

The Independent Directors of the Company met on 16<sup>th</sup> February, 2024 and 05<sup>th</sup> December, 2024 without the presence of the Chairman, Executive Directors, other Non-Independent Director(s) or any other Managerial Personnel.

The Independent Directors ascertained and reconfirmed that the deployment of questionnaire as a methodology, is effective for evaluation of performance of Non-Independent Directors and the Board as a whole and the evaluation of performance of the Chairman. Accordingly, feedback was sought from all the Directors of the Company, by way of a structured questionnaire covering various aspects and on the basis of the reports the performance was evaluated by the Independent Directors in their separate meeting.

Further, the Independent Directors, *inter alia*, assessed the quality, quantity and timeliness of flow of information between the Company's Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

#### D. Directors seeking appointment /re-appointment

Mr. Manoj Menon (DIN: 07642469) is liable to retire by rotation and has offered himself for re-appointment.

Further, the Board of Directors at its meeting held on 20<sup>th</sup> February, 2025, on recommendation of nomination and remuneration committee, have approved re-appointments of Mr. Ander Arenaza Álvarez (DIN: 07591785) and Mr. Manoj Mullassery Menon (DIN: 07642469) as Whole-time Director (Executive Director) of the Company for a period of 3 (Three) years with effect from 13<sup>th</sup> September, 2025 and 17<sup>th</sup> October, 2025 respectively and have recommended the same to the members for their approval at the ensuing Annual General Meeting.

As required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2, particulars of Director seeking appointment/re-appointment at ensuing 26<sup>th</sup> Annual General Meeting (AGM), as mentioned above, shall be provided in the Notice of AGM.

#### E. Matrix setting out the core skills/ expertise/ competence of the Board of Directors

A chart/ matrix setting out the core skills/expertise/competencies identified by the Board of Directors in the context of the Company's businesses and sectors as required for it to function effectively and those actually available with the Board along with skills/expertise/competence, possessed by the Board members, are given as below:



Table 3:

Sr. No.	Skill / expertise / competencies	Particulars	MR. S.P. SHUKLA	MR. ANDER ARENAZA	MR. ANIL HARIDASS	MR. MANOJ MENON	MR. ALAN D'SILVA	MRS. ROXANA MEDA	MR. JAIRAJ PURANDARE	DR. NURIA GISBERT TREJO
1.	Strategy and Planning	Review and Monitor Strategy & Succession Plan to ensure long term sustainable growth.	✓	✓	✓	✓	✓	✓	✓	✓
2.	Leadership	Leadership Skill to ensure effective guidance to and monitoring of the management and to set a corporate culture and the values by which executives throughout the group should behave.	✓	✓	✓	✓	✓	✓	✓	✓
3.	Financial Discipline and Risk Oversight	Understanding of Financial Management, Financial Reporting Process and Financial & Operational controls. Ensuring focus on returns.	-	✓	✓	✓	✓	✓	✓	✓
		Understand and Oversee internal and external risks associated with the Business and to put in place appropriate policies and procedures to effectively manage such risks.								
4.	Manufacturing Excellence and Technology	Understanding the manufacturing processes and optimizing the same.	-	✓	✓	✓	✓	-	-	✓
		Anticipate Technological Trends and creating new business models.								
5.	Mergers and Acquisition	Creating and enhancing shareholders value through acquisitions and other business combinations with ability to assess fit of the target with Company's Strategy and Culture, Valuations, Integration Process.	✓	✓	✓	✓	✓	✓	✓	✓
6.	Governance and Regulatory Oversight	Monitoring the system for ensuring compliance with all applicable laws to the Company and review the effectiveness of such system.	✓	✓	✓	✓	✓	✓	✓	✓
		Reviewing governance practices and policies to ensure high ethical standards, to safeguard the interests of all stakeholders while ensuring right balance of conflicting interest of the stakeholders.								



## F. Codes of Conduct

The Board of Directors of the Company has adopted 'Internal Code of Professional Conduct' ("the Code") which is applicable to all Directors (whether Executive, Non-Executive or Independent), Senior Management Personnel, Key Managerial Personnel, all other employees and workers of the Company and provides guidance and ethical principles to them in determining the values and commitments that must govern their work activities within the Group.

The Code is available on the Company's website at <https://www.cie-india.com/assets/pdf/governance/policies/Internal%20Code%20of%20Professional%20Conduct.pdf>. All the Board Members and Senior Management Personnel have affirmed compliance with the Code. A declaration signed by Mr. Ander Arenaza, Executive Director and Group CEO to this effect is enclosed at the end of this Report.

## G. CEO/CFO Certification

As required under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Ander Arenaza, Executive Director & Group CEO and Mr. K Jayaprakash, Chief Financial Officer of the Company have certified to the Board that the Financial Statement for the year ended 31<sup>st</sup> December, 2024 do not contain any untrue statement and that these statements represent a true and fair view of the Company's affairs and other matters as specified thereunder.

## H. Performance evaluation of Board, its Committees and Directors

During the year under review, the Nomination and Remuneration Committee ascertained and reconfirmed that the deployment of questionnaire as a methodology, is effective for evaluation of performance of Board, its Committees and Individual Directors. Feedback was sought from all the Directors of the Company, by way of a structured questionnaire covering various aspects, on performance evaluation of the Board, Committees of Board, Independent Directors, Non-Independent Directors, and the Chairman.

The Board evaluated performance of its own and of its committees based on the feedback so received. Similarly, the Nomination and Remuneration Committee carried out the performance evaluation of Individual Directors.

The performance evaluation of Independent Directors was carried by the entire Board of Directors (excluding the Director being evaluated) which included the performance of the Directors and fulfilment of the independence criteria as specified in the Listing Regulations and their independence from the management.

The criteria of performance evaluation of Independent Directors, Non-Independent Directors, the Board, Committees of Board and the Chairman is disclosed separately in this report.

## I. Familiarisation programme for Independent Directors

The Company updates the Board Members on a continuing basis on any significant changes and provides them an insight into their expected roles and responsibilities so as to be in a position to take a well-informed and timely decisions and contribute significantly to the Company.

All Directors are apprised of any changes proposed in the codes or policies of the Company. The Directors have access to the information within the Company which is necessary to enable them to perform their role and responsibilities diligently.

The Executive Director / Senior Managerial Personnel regularly apprise the Board and its Committees of the business strategies, operational and financial performance, budgets, Internal Controls and Risk Management Plans, statutory compliances and regulatory updates, performance of the Subsidiaries etc.

Such presentations also provide an opportunity to the Independent Directors to interact with the Senior Management team of the Company and its Subsidiaries and help them to understand the Company's policies, its long-term vision and strategy, business model, operations and such other areas as are relevant from time to time.

Thus, the Company ensures that there is an adequate mechanism to ensure that the Directors remain familiar with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., and continue to be updated on the state of the Company's affairs and the industry in which it operates.

During the year under review, a special session was organized for Dr. Nuria Gisbert Trejo, Independent Director inducted in her first tenure. During the session she was briefed on the background of the Company, its business, segments, customer, product-technologies, market, industry, business overview and geographical business presence. She was further familiarized with roles and responsibilities of the directors as prescribed under the Companies Act, 2013 and the Listing Regulations, Various committees of Board and their terms of references and various policies framed by the Board of Directors of the Company.

Further, a session was organised for all the members of the Board of Directors on ESG Strategy during which the Board was *inter-alia*, briefed on various aspects related to ESG including criteria



used to measure sustainability and societal impact of a business or investment, changing expectations from the stakeholders etc.

As required under Regulation 46 of the Listing Regulations the details of familiarisation programme for the Independent Directors has been hosted on the Company's website and can be viewed by visiting the following link: <https://www.cie-india.com/governance3.html#Familiarisation-Program>.

## J. Risk Management

The Company has a well-defined Risk Control and Management Policy which lays down the Risk Management Framework and Systems. The Company has established procedures to periodically place before the Board, the risk assessment and minimisation procedures being followed by the Company and steps taken by it to mitigate the Risks. The Board of Directors of the Company have constituted a Risk Management Committee consisting of Board Members and has delegated the function to formulate, implement, monitor and review the Risk Management Policy to the Committee. The details in respect of the Committee are covered under details of Risk Management Committee.

## iii. COMMITTEES OF THE BOARD OF DIRECTORS

The Board has constituted Committees to delegate certain matters relating to the affairs of the Company that require greater and more focussed attention. These Committees prepare the groundwork for decision making and report to the Board.

All decisions pertaining to the constitution of Committees, appointment of Members and fixing of terms of service for Committee Members are taken by the Board of Directors. Details regarding the role and composition of these Committees, including the number of meetings held during the Financial Year and the related attendance, are provided below:

### A. Audit Committee:

#### i. Composition, name of Members and Chairperson

As at 31<sup>st</sup> December, 2024, the Audit Committee comprises of Four Non-Executive Independent Directors namely Mr. Alan Savio D'Silva Picardo (Chairman of the Committee), Mrs. Roxana Meda Inoriza, Mr. Jairaj Purandare and Dr. Nuria Gisbert Trejo.

During the year under review, Mr. Manoj Maheshwari ceased to be a member of the Committee w.e.f. 19<sup>th</sup> July, 2024 and Mr. Jairaj Purandare and Dr. Nuria Gisbert Trejo were appointed as a Member of the Committee w.e.f. 19<sup>th</sup> July, 2024.

All the Members of the Audit Committee have vast experience and possess financial/ accounting expertise/exposure.

The Company Secretary is the Secretary to the Committee.

The Company does not have any Special Rights equity shares. The composition of the Committee is in accordance with Regulation 18(1)(b) of the Listing Regulations.

Further, the composition of the Committee is also disclosed on website of the Company at <https://www.cie-india.com/governance3.html#Committees>

## II. Terms of reference

The terms of reference of this Committee are very wide and are in line with the regulatory requirements mandated by the Act and Part C of Schedule II of the Listing Regulations. Besides having access to all the required information from within the Company, the Committee can obtain external professional advice whenever required. The Committee acts as a link between the Statutory Auditors, the Internal Auditors and the Board of Directors of the Company. It is authorised to select and establish accounting policies, review reports of the Statutory and the Internal Auditors and meet them to discuss their findings, suggestions and other related matters and monitor and review the Auditor's independence and performance, effectiveness of the audit process, oversee Company's financial reporting process and the disclosure of its financial information, review with the management quarterly and year to date results and annual financial statements before submission to the Board for approval, approve wherever necessary transactions of the Company with related parties including granting omnibus approvals and subsequent modifications thereof subject to fulfillment of certain conditions, scrutinise inter-corporate loans and investments, evaluates the Risk Management System, evaluate internal financial controls and internal control systems and review the adequacy thereof, the structure of the Controls Department, staffing and seniority of the official heading the Department, reporting structure, coverage, and frequency of the review to be conducted by the Controls Department. The Committee is further empowered to recommend the remuneration payable to the Statutory Auditors and to recommend a change in Auditors, if felt necessary.

The Committee also reviews on quarterly basis the Report on compliance under Code Prevention of Insider Trading adopted by the Company pursuant to Securities and Board Exchange of India (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations). The Committee also verifies that the systems for internal control are adequate and are operating effectively to ensure compliance with the provisions of PIT regulations.



The Committee is also empowered to recommend appointment and remuneration of the Cost Auditor, Internal Auditor and Chief Financial Officer (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function), etc. The Committee also reviews Financial Statements and investments of Unlisted Subsidiary Companies, Management Discussion & Analysis of financial condition and results of operations, material individual transactions with related parties not in normal course of business or which are not on an arm's length basis, if any and reviews all the information as prescribed in Part C of Schedule II of the Listing Regulations including the working of whistle blower mechanism. The Audit Committee has been granted powers as prescribed under Regulation 18 (2) of the Listing Regulations.

### iii. Meetings and attendance

During the financial year, the Committee met Five (5) times i.e., on 19<sup>th</sup> February, 2024, 02<sup>nd</sup> May, 2024, 18<sup>th</sup> July, 2024, 24<sup>th</sup> October, 2024 and 05<sup>th</sup> December, 2024. The time gap between two consecutive meetings did not exceed one hundred and twenty days.

**Table 4: Attendance record of Audit Committee**

Name of the Member	Category of Directorship	Position in the Committee during the year	No. of Meetings Attended
Mr. Alan Savio D'Silva Picardo	Independent Director	Chairman	5
Mr. Manojkumar Maheshwari	Independent Director	Member (upto 19/07/2024)	3
Mrs. Roxana Meda Inoriza	Independent Director	Member	5
Mr. Jairaj Purandare	Independent Director	Member (w.e.f. 19/07/2024)	2
Dr. Nuria Gisbert Trejo	Independent Director	Member (w.e.f. 19/07/2024)	2

The meetings of the Audit Committee were also attended by the Chairman of the Board, Executive Director, Chief Financial Officer, Chief Business Controller, the Statutory Auditors and the Internal Auditors.

The Cost Auditor also attended the Committee Meeting at which the Cost Audit Report was considered.

The Chairman of the Audit Committee Mr. Alan Savio D'Silva Picardo attended the 25<sup>th</sup> AGM held on 20<sup>th</sup> June, 2024 through video conferencing.

## B. Nomination and Remuneration Committee:

### i. Composition, name of Members and Chairperson

As at 31<sup>st</sup> December, 2024, the Nomination and Remuneration Committee comprises of Three Non-Executive Directors out of which Two are Independent Directors.

Mr. Alan Savio D'Silva Picardo, Independent Director is the Chairman of the Committee. The other members of the Committee are Mrs. Roxana Meda Inoriza – Independent Director and Mr. Anil Haridass – Non-Executive Director.

During the year under review, Mr. Manojkumar Maheshwari ceased to be a Member and the Chairman of the Committee w.e.f. 19<sup>th</sup> July, 2024 and Mr. Alan Savio D'Silva Picardo, the Member of the Committee, was appointed as the Chairman of the Committee w.e.f. 19<sup>th</sup> July, 2024 and Mr. Anil Haridass was appointed as a Member of the

Committee w.e.f. 19<sup>th</sup> July, 2024. Further, Mr. Jesús María Herrera Barandiaran ceased to be a Member of the Committee w.e.f. 21<sup>st</sup> June, 2024.

The Company Secretary is the Secretary to the Committee.

The Company does not have any Special Rights equity shares. The composition of the Committee is in accordance with Regulation 19(1) of the Listing Regulations. Further, the composition of the Committee is also disclosed on website of the Company at <https://www.cie-india.com/governance3.html#Committees>

### ii. Terms of reference

The terms of reference of this Committee are in line with the regulatory requirements mandated in the Act and Part D of Schedule II of the Listing Regulations.

The terms of reference of the Nomination and Remuneration Committee *inter-alia* includes identification of persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board appointment and removal of Directors & Key Managerial Personnel's, carry out evaluation of every Director's performance and recommending to the Board remuneration of the Executive Director(s), Key Managerial Personnel and Senior Management Personnel of the Company.





The Committee has been vested with the authority to, *inter alia*, develop and recommend policies with respect to the composition of the Board commensurate with the size, nature of the business and operations of the Company, establish Director retirement policies and appropriate succession plans.

The Committee, before considering the appointment of Independent Director would evaluate the balance of skills, knowledge, and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director and recommend to the Board appointment of a person as Independent Director who have the capabilities identified in such description.

The Committee has also formulated the criteria for determining qualifications, positive attributes and independence of a Director and recommended to the Board a Policy relating to the remuneration for the Directors, Key Managerial Personnel and other Employees. The Committee further determines and recommends to the Board the manner for effective evaluation of performance of the Board, its committees and individual directors. The Committee carries out a separate exercise to evaluate the performance of Individual Directors.

It also attends to such other matters as may be required from time to time.

### iii. Meetings and attendance

During the financial year, the Committee met Four (4) times i.e., on 16<sup>th</sup> February, 2024, 02<sup>nd</sup> May, 2024, 18<sup>th</sup> July, 2024 and 05<sup>th</sup> December, 2024.

**Table 5: Attendance record of Nomination and Remuneration Committee**

Name of the Member	Category of Directorship	Position in the Committee during the year	No. of Meetings Attended
Mr. Manojkumar Maheshwari	Independent Director	Chairman (upto 19/07/2024)	3
Mr. Jesús María Herrera Barandiaran	Non-Executive Director	Member (upto 20/06/2024)	0
Mr. Alan Savio D'Silva Picardo	Independent Director	Member (upto 18/07/2024) Chairman (w.e.f. 19/07/2024)	4
Mrs. Roxana Meda Inoriza	Independent Director	Member	4
Mr. Anil Haridass	Non-Executive Director	Member (w.e.f. 19/07/2024)	1

The Chairman of the Committee attended the 25<sup>th</sup> AGM held on 20<sup>th</sup> June, 2024 through video conferencing.

### iv. Criteria for evaluation of performance of Board, Committees of Board and Individual Directors (including Independent Directors)

The performance evaluation of the Board was based on various aspects such as composition of the Board, functioning of Board, conduct, effectiveness and frequency of Board Meetings, Performance of Specific Duties and Obligations, and Governance, etc.

The performance evaluation of Committees was based on criteria such as structure and composition of Committees, attendance and participation of Member of the Committees, frequency and adequacy of time allocated at the Committee Meetings to fulfil duties assigned to it, adequacy and timeliness of the agenda, comprehensiveness of the discussions and constructive functioning of the Committees, etc.

The performance evaluation of Independent Directors was based on various criteria, *inter alia*, including independence from the Company and other Directors, attendance at Board and Committee Meetings, skill, experience, knowledge acquired with regard to the Company's business, understanding of industry and global trends, exercise of independent judgment in relation to decision making, ability to challenge views of others in a constructive manner, etc.

In accordance with Schedule IV to the Companies Act, 2013 and the Listing Regulations, performance evaluation of Independent Directors was done by the entire Board excluding the Directors being evaluated, based on the feedback received from all the Directors on the structured questionnaire.

### C. Stakeholders' Relationship Committee:

#### i. Composition, name of Members and Chairperson

As at 31<sup>st</sup> December, 2024, the Stakeholders' Relationship Committee comprises of three Directors of the Company namely Mr. Jairaj Purandare (Independent Director), Chairman of the Committee, Mr. Manoj Mullassery Menon (Executive Director and CEO) and Mr. Anil Haridass (Non-Executive Director), Members of the Committee.

During the year under review, Mr. Alan Savio D'Silva Picardo ceased to be a Member and the Chairman of the Committee and Mr. Suhail Nathani ceased to be a Member of the Committee w.e.f. 19<sup>th</sup> July, 2024. Mr. Jairaj Purandare was appointed as a Member and the Chairman of the Committee and Mr. Anil Haridass was appointed as a member of the Committee w.e.f. 19<sup>th</sup> July, 2024.

Mr. Pankaj V. Goyal, Company Secretary, Chief Compliance Officer and Head-Legal is the Compliance Officer of the Company.



The Company does not have any Special Rights equity shares. The composition of the Committee is in accordance with Regulation 20(2A) of the Listing Regulations. Further, the composition of the Committee is also available on website of the Company at <https://www.cie-india.com/governance3.html#Committees>

## ii. Terms of reference

The Committee meets as and when required, to inter alia deal with matters relating to transfers of shares, transmission of shares, request for issue of duplicate share certificates and monitors redressal of the grievances of the security holders relating to transfers, non-receipt of balance sheet etc., review of measures taken for effective exercise of voting rights by Shareholders, review of adherence to the service standards adopted by the Company in respect of services being rendered by the Registrar & Transfer Agent, review of various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the Shareholders of the Company.

The Information about details of shares transferred, transmitted etc. and report of Investors Complaints received and resolved was presented to Board on quarterly basis.

The role and terms of reference of the Committee covers the areas as contemplated under Regulation 20 read with Part D of Schedule II of the Listing Regulations and Section 178 of the Act, as applicable, besides the other terms as referred by the Board of Directors.

## iii. Meetings and Attendance

During the financial year, the Committee met twice (2) i.e., on 16<sup>th</sup> February, 2024 and 17<sup>th</sup> July, 2024. The Committee also considered matters related to issuance of duplicate share certificate by way of circular resolution.

**Table 6: Attendance record of Stakeholders' Relationship Committee**

Name of the Member	Category of Directorship	Position in the Committee during the year	No. of Meetings Attended
Mr. Alan Savio D'Silva Picardo	Independent Director	Chairman (upto 19/07/2024)	2
Mr. Suhail Nathani	Independent Director	Member (upto 19/07/2024)	2
Mr. Manoj Mullassary Menon	Executive Director	Member	2

Name of the Member	Category of Directorship	Position in the Committee during the year	No. of Meetings Attended
Mr. Jairaj Purandare	Independent Director	Member and Chairman (w.e.f. 19/07/2024)	NA
Mr. Anil Haridass	Non-Executive Director	Member (w.e.f. 19/07/2024)	NA

Details of Investor Complaints received and redressed during the financial year 2024 are as follows:

No. of complaints pending as on 1 <sup>st</sup> January, 2024	No. of complaints received during the financial year	No. of complaints Resolved to the satisfaction of the shareholder during the financial year	No. of complaints pending as on 31 <sup>st</sup> December, 2024
2	16	18	0

Mr. Alan Savio D'Silva Picardo, Chairman of the Committee was present at the 25<sup>th</sup> Annual General Meeting of the Company held on 20<sup>th</sup> June, 2024 through Video Conferencing.

## D. Risk Management Committee

### i. Composition, name of Members and Chairperson

As on 31<sup>st</sup> December, 2024, the Risk Management Committee comprises Four Members. Mr. Manoj Menon - Executive Director & CEO is the Chairman of the Committee. Mr. Ander Arenaza - Executive Director & Group CEO, Mr. Alan Savio D'Silva Picardo - Independent Director and Dr. Nuria Gisbert Trejo - Independent Director are the other Members of the Committee.

During the year under review, Dr. Nuria Gisbert Trejo, Independent Director was appointed as a member of the Committee w.e.f. 19<sup>th</sup> July, 2024.

The Company Secretary is the Secretary to the Committee.

The Company does not have outstanding Special Rights equity shares. The composition of the Committee is in accordance with Regulation 21(2) of the Listing Regulations. Further, the composition of the Committee is also available on the website of the Company at <https://www.cie-india.com/governance3.html#Committees>

### ii. Terms of reference

The role and terms of reference of the Committee covers the areas as contemplated under Regulation 21 read with Part D of Schedule II of the Listing Regulations, besides the other terms as referred by the Board of Directors.

The Risk Management Committee have formulated a Risk Control and Management policy which provides a framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee, measures for risk mitigation including systems and processes for internal control of identified risks and a business continuity plan.

The Committee ensure presence of Risk Management system in Company's accounting and financial reporting system and monitor & reviews the risk management plan, reviews total exposure of the Company towards commodities, commodity risks, if any, faced by the Company, hedged exposures, etc. as may be applicable.

The Committee further ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company, monitors and oversees implementation of the Risk Control and Management Policy, evaluates the adequacy of risk management systems.

The Committee keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken.

### iii. Meetings and Attendance

During the year under review, the Committee met 3 (three) times i.e., on 12<sup>th</sup> February, 2024, 10<sup>th</sup> July, 2024 and 15<sup>th</sup> October, 2024. The gap between any two meetings did not exceed Two hundred and Ten days.

**Table 7: Attendance record of Risk Management Committee**

Name of the Member	Category of Directorship	Position in the Committee during the year	No. of Meetings Attended
Mr. Manoj Menon	Executive Director & CEO	Chairman	3
Mr. Ander Arenaza	Executive Director & Group CEO	Member	3
Mr. Alan Savio D'Silva Picardo	Independent Director	Member	3
Dr. Nuria Gisbert Trejo	Independent Director	Member (w.e.f. 19/07/2024)	1

The Senior Management of the Company also participated in the Risk Management Committee meetings.

## E. Corporate Social Responsibility Committee

### i. Composition, name of Members and Chairperson

As at 31<sup>st</sup> December, 2024, The Corporate Social Responsibility Committee comprises of three members namely Mr. Manoj Mullassary Menon-Chairman, Mr. Anil Haridass and Mr. Jairaj Purandare.

During the year under review, Mr. Alan Savio D'Silva Picardo ceased to be a Member w.e.f. 19<sup>th</sup> July, 2024 and Mr. Jairaj Purandare was appointed as a Member of the Committee w.e.f. 19<sup>th</sup> July, 2024.

The Company Secretary is the Secretary to the Committee.

Further, the composition of the Committee is also available on website of the Company at the weblink: <https://www.cie-india.com/governance3.html#Committees>

### ii. Terms of reference

The terms of reference of the CSR Committee inter-alia included formulating and recommending to the Board CSR Policy indicating the activities to be undertaken by the Company in compliance with the provisions of the Companies Act, 2013 and Rules made there under, allocate the amount of expenditure to be incurred on CSR activities as enumerated in Schedule VII to the Companies Act, 2013 and monitor the implementation of CSR Policy and projects of the Company periodically, formulation and recommendation of Annual Action Plan in pursuance of CSR Policy which include CSR projects or programmes that are approved to be undertaken, the manner of execution of such projects or programs, the modalities of utilisation of funds and implementation schedules for the projects or programs, monitoring and reporting mechanism for the projects or programs and details of need and impact assessment, if any, for the projects undertaken by the Company.

### iii. Meetings and attendance

During the financial year, the Committee met Five (5) times i.e., on 15<sup>th</sup> February, 2024, 02<sup>nd</sup> May, 2024, 17<sup>th</sup> July, 2024, 24<sup>th</sup> October, 2024 and 05<sup>th</sup> December, 2024.

**Table 8: Attendance record of Corporate Social Responsibility Committee**

Name of the Member	Category of Directorship	Position in the Committee during the year	No. of Meetings Attended
Mr. Manoj Mullassary Menon	Executive Director	Chairman	5
Mr. Anil Haridass	Non-Executive Director	Member	5



Name of the Member	Category of Directorship	Position in the Committee during the year	No. of Meetings Attended
Mr. Alan Savio D Silva Picardo	Independent Director	Member (upto 19/07/2024)	3
Mr. Jairaj Purandare	Independent Director	Member (w.e.f. 19/07/2024)	2

Apart from the members of the Committee, the meetings of CSR Committee is also attended by the Chairman of the Central CSR Council and other Officers who may be involved in implementation of major CSR Activities.

The details of CSR initiatives undertaken by the Company are provided in the CSR Report annexed to the Directors' Report.

**Recommendations made by any of the above Committees which were not accepted by the Board.**

During the year under review, there were no instances where the Board had not accepted any recommendation(s) made by any of the Committee of the Board. All the recommendations of the Committees were accepted by the Board.

**IV. APPOINTMENT AND REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT PERSONNELS**

**A. Policy on appointment of Directors and Senior Managerial Personnel**

The Company has a well-defined Policy for appointment of Directors, Key Managerial Personnel and Senior Management Employees and their succession planning.

During the year under review the Policy on Appointment of Directors, Key Managerial Personnel and Senior Management Employees and succession planning was also reviewed as per the policy review cycle and suitable amendments were made to align with the changes in the Organization Structure of the Company.

The Policy is available on the Company's website at the weblink: <https://www.cie-india.com/governance3.html#Policies>

Salient features of the Policy are as under:

**i. Appointment of Directors and their succession plan**

**Appointment**

The Nomination and Remuneration Committee (NRC) reviews and assesses the Board Composition and recommends the appointment of new Directors basis the criteria specified in the Policy. In addition

to the criteria specified, the NRC may refer the Board Diversity Policy as provided in Exhibit B to the Policy.

Based on recommendation of the NRC, the Board evaluates the candidate(s) and decide on the selection in accordance with the applicable provisions of the Companies Act, 2013 and Rules made thereunder.

**Succession Plan**

The successors for the Independent Directors are identified by NRC at least a quarter before the expiry of their scheduled term. In case of separation of Independent Directors due to resignation or otherwise, successor get appointed at the earliest but not later than three months from the date of such vacancy, wherever required.

The successors for the Executive Director(s) are identified by the NRC from among the Senior Management or through external source as the Board may deem fit.

The NRC gives due consideration for the expertise and other criteria required for the successor and submit its recommendations to the Board.

The Board may also decide not to fill the vacancy caused at its discretion.

**ii. Appointment of Key Managerial Personnel and Senior Management Employees and their succession plan**

**Appointment**

NRC shall identify persons who are qualified to become Directors in accordance with the criteria laid down in the Policy and who may be appointed in the Senior Management of the Company and recommend to the Board their appointment and removal. Every Key Managerial Personnel shall be appointed or removed by the Board of Directors of the Company on recommendation of the NRC.

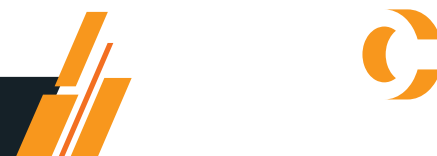
**Succession Plan**

Succession-planning program aims to identify high growth individuals, train them and feed the pipelines with new talent to ensure replacements of key job incumbents in KMP and senior management positions in the organization.

The Company has policy to identify candidates with high potential and for critical positions. Successors are mapped for these positions to ensure talent readiness as per a ladder approach.

**B. Policy on remuneration**

The Company has a well-defined Compensation Policy for Remuneration of the Directors, Key Managerial Personnel and other Employees including personnel of Senior Management. During the year under review, the Board of Directors on the recommendation of the Nomination and





Remuneration Committee reviewed the said policy and amendments were made to align with the changes in the Organization Structure of the Company.

The Policy is available on the Company's website at the weblink: <https://www.cie-india.com/governance3.html#Policies>

Salient features of the Policy are as under:

**i. Remuneration to Non-Executive Directors including Independent Directors**

NRC decides the basis for determining the compensation, both fixed and variable, to the Non-Executive Directors, including Independent Directors, whether as commission or otherwise and submit its recommendations to the Board. The NRC, while making its recommendation, takes into consideration various factors such as director's participation in Board and Committee meetings during the year, other responsibilities undertaken, such as membership or Chairmanship of committees, time spent in carrying out their duties, role and functions of the Independent Directors as envisaged in Schedule IV of the Act and Listing Regulations, as amended from time to time and such other factors as the NRC may consider deem fit. On recommendation of the NRC, the Board determines the compensation to Non-Executive Directors within the overall limits specified in the Shareholders resolution.

**ii. Remuneration to Executive Directors:**

The remuneration to Executive Director(s) shall be recommended by NRC to the Board within the overall limits specified in the Shareholders resolution. The remuneration shall consist of both fixed compensation and variable compensation and shall be as per the Remuneration Structure provided under the Policy. The Executive Directors may be granted Employees Stock Options or Stock Appreciation Rights or such other benefits as provided under the Policy, in accordance with the relevant policies/schemes framed by the Company, from time to time.

**iii. Remuneration to Key Managerial Personnels (Excluding Executive Directors) (KMP) and Senior Management**

The Board, on recommendation of the Nomination and Remuneration Committee, shall approve the remuneration payable to KMPs and Senior Management at the time of their appointment/promotion. Remuneration of KMPs and Senior Management shall consist of both fixed compensation and variable compensation and shall be as per the Remuneration structure provided under the Policy. The KMPs and Senior Management may be granted Employees Stock Options or Stock Appreciation Rights or such other benefits, as

provided under the Policy, in accordance with the relevant policies/schemes framed by the Company, from time to time. The terms of remuneration of Chief Financial Officer (CFO) shall also be approved by the Audit Committee.

**iv. Other Employees**

Remuneration for the employees other than Executive Directors, KMPs and Senior Management will be decided by the HR of the respective divisions / plants/offices of the Company, as the case may be, in consultation with the concerned head of the Business Division, depending upon the relevant job experience, last compensation and the skill-set of the selected candidate and shall be as per the Remuneration Structure provided in the Policy.

**C. Particulars of Senior Management**

In accordance with Regulation 16(1)(d) of the Listing Regulations and Section 178 of the Act read with Company's Policy on Appointment of Directors, Key Managerial Personnel and Senior Management Employees and succession planning (the Policy), the Senior Management of the Company includes the Chief Executive Officer of business divisions of the Company, the Chief Financial Officer, the Chief Business Controller, the Chief Investor Relations Officer and the Head of Strategy, the Company Secretary and any officer and personnel appointed in the Grade L2FH & above.

The Management of the Company is headed by Mr. Ander Arenaza (DIN: 07591785), the Executive Director & Group CEO of the Company who operates under the supervision and control of the Board. Mr. Arenaza is appointed by the Company as a whole-time key managerial personnel of the Company in accordance with provisions of Section 203(1)(i) of the Act.

Mr. K Jayaprakash the Chief Financial Officer and Mr. Pankaj V. Goyal the Company Secretary, Chief Compliance Officer and Head-Legal of the Company are the whole-time key managerial personnel of the Company appointed in accordance with provisions of Section 203(1)(iii) and Section 203(1)(ii) of the Act respectively.

During the year under review, Mr. Manoj Menon was redesignated as Executive Director and CEO w.e.f. 2<sup>nd</sup> May, 2024 and Mr. Sunil Narke was appointed as Chief Executive Officer - Forgings Divisions w.e.f. 1<sup>st</sup> April, 2024. Mr. Manoj Menon and Mr. Sunil Narke are the key managerial personnel of the Company in accordance with Section 2(51) of the Companies Act, 2013.

Further, during the year under review, the Nomination and Remuneration Committee and the Board at their respective meetings held on 2<sup>nd</sup> May, 2024 reviewed the succession plan and approved the promotion and appointment of Mr. Rahul





Desai as CEO – Stampings, Magnetic Products and Composites Divisions with effect from 2<sup>nd</sup> May, 2024 and Mr. Rajendra Vadlapudi as Chief Executive Officer – Iron Casting Division with effect from 2<sup>nd</sup> May, 2024. As CEO of the business Divisions, both Mr. Rahul Desai and Mr. Rajendra Vadlapudi are considered as key managerial personnel of the Company in accordance with Section 2(51) of the Companies Act, 2013.

Further, the Board also approved the promotion of Mr. Vinayak Kadaskar, as Head – HR and IR (in the Grade L2FH) of the Company with effect from 2<sup>nd</sup> May, 2024. Mr. Anup Mishra is the Chief Business Controller and CIO, and Mr. Vikas Sinha is the Chief Investor Relations Officer and the Head of Strategy.

Thus, in accordance with Regulation 16(1)(d) of the Listing Regulations, Section 178 of the Act and the Policy, all the above-named officers, being

functional heads of various functions of the Company and who report to Mr. Ander Arenaza, are the members of Company's core management team and comprised the Senior Management of the Company for the financial year ended 31<sup>st</sup> December, 2024.

Mr. Hari Krishnan had tendered his resignation and ceased to be CEO – Forgings and Billforge Division w.e.f. 31<sup>st</sup> March, 2024 and accordingly he ceased to be Key Managerial Personnel of the Company. After the close of the financial year, Mr. Rahul Desai has tendered his resignation from his position as CEO – Stampings, MPD and Composites Divisions of the Company with effect from close of business hours on 19<sup>th</sup> February, 2025 and accordingly he ceased to be a Key Managerial Personnel of the Company w.e.f. 20<sup>th</sup> February, 2025.

#### D. Remuneration / Compensation paid / payable to Directors

**Table 9: Details of remuneration paid/payable to the Directors for the financial year ended 31<sup>st</sup> December, 2024**

##### i. Executive Directors

(₹ in Million)

Name of the Director	Salary, Allowances and Perquisites (excluding ESOP, Stock Appreciation Benefit and contributions to fund)	Amount paid towards Stock Appreciation Rights	Perquisite Value of ESOP	Contribution to Provident Fund, Pension fund and Superannuation fund if any	Total	Contract Period
Mr. Ander Arenaza Alvarez	2.05	Nil	N.A.	0.24	2.29	13 <sup>th</sup> September, 2022 to 12 <sup>th</sup> September, 2025
Mr. Manoj Menon	17.09	Nil	N.A.	0.72	17.81	17 <sup>th</sup> October, 2022 to 16 <sup>th</sup> October, 2025

##### ii Non-Executive Directors

(₹ in Million)

Name of the Director	Sitting Fees*	Commission payable for the year ended 31 <sup>st</sup> December, 2024, payment of which shall be made in CY 2025*	Directors Remuneration other than sitting fees and commission	Total
<b>Independent Directors</b>				
Mr. Manoj Maheshwari (upto 28 <sup>th</sup> September, 2024) <sup>^</sup>	0.65	3.07	NA	3.72
Mr. Suhail Nathani (upto 11 <sup>th</sup> December, 2024) <sup>^</sup>	0.38	4.04	NA	4.42
Mrs. Roxana Meda Inoriza	1.04	3.96	NA	5.00
Mr. Alan Savio D'Silva Picardo	1.35	3.65	NA	5.00
Mr. Jairaj Purandare	0.73	4.27	NA	5.00
Dr. Nuria Gisbert Trejo (w.e.f. 1 <sup>st</sup> July, 2024) <sup>^</sup>	0.49	2.02	NA	2.51
<b>Non-Executive and Non-Independent Directors</b>				
Mr. Shriprakash Shukla	NA	NA	NA	NA
Mr. Jesus Maria Herrera Barandiaran*	NA	NA	NA	NA
Mr. Anil Haridass	NA	NA	2.5	2.5

\*Net of GST paid on reverse charge basis.



^ Mr. Manoj Maheshwari and Mr. Suhail Nathani ceased to be the Director of the Company respectively w.e.f. 29<sup>th</sup> September, 2024 and 12<sup>th</sup> December, 2024 and Dr. Nuria Gisbert Trejo was appointed to hold office of Independent Director w.e.f. 01<sup>st</sup> July, 2024, hence they were eligible for the remuneration in terms of sitting fees and commission for the period they were holding office of Independent Director.

\* Mr. Jesus Maria Herrera Barandiaran (DIN: 06705854), Non-Executive Director of the Company has tendered his resignation as Director of the Company with effect from close of working hours on 20<sup>th</sup> June, 2024.

Mr. Jesus Maria Herrera Barandiaran and Mr. Shriprakash Shukla were not entitled to any remuneration including sitting fees. By way of Special Resolution passed at 23<sup>rd</sup> Annual General Meeting of the Company, held on 25<sup>th</sup> April 2022, the shareholders of the Company approved payment of remuneration not exceeding INR 2.5 Million to Mr. Anil Haridass as Non-Executive Director of the Company for the period of 3 years from 23<sup>rd</sup> February, 2022 to 22<sup>nd</sup> February, 2025.

The Independent Directors were entitled to remuneration by way of sitting fees for attending meeting of Board and committees and profit linked commission.

Sitting fees for attending meeting of the Board is ₹ 1,00,000/-. Sitting fees for attending meetings of Audit Committee is ₹ 75,000/- Further sitting fees for attending meetings of other Committee of the Board the sitting is ₹ 40,000/-.

In accordance with the approval of shareholders obtained by way of postal ballot passed on 8<sup>th</sup> September, 2023, the remuneration payable to the Independent Directors of the Company by way of profit linked commission was revised to INR 30,000,000 in aggregate subject to condition that the total remuneration including sitting fees payable to an Independent Director for any financial year does not exceed INR 5,000,000/-.

The Board of Directors on recommendation of the Nomination and Remuneration Committee has approved the Commission payable to the Independent Directors for CY-2024 in accordance with the criteria mentioned in the Remuneration Policy of the Company as disclosed herein above and the limits approved by the shareholders. The Commission as approved by the Board for CY2024 is disclosed in the table above. Payment of the commission as approved shall be made during CY2025.

During CY2024, following Non-Executive Directors were paid in aggregate commission of ₹ 20.47 million which relates to FY2023:

**Table 10: Commission for the year ended 31<sup>st</sup> December, 2023, paid during the financial year ended 31<sup>st</sup> December, 2024**

Name of the Director	₹ in Million
Mr. Manoj Maheshwari	3.80
Mr. Suhail Nathani	3.80
Mr. Alan Savio D'Silva Picardo	3.59
Mrs. Roxana Meda Inoriza	3.80
Mr. Jairaj Purandare (w.e.f. 10 <sup>th</sup> June, 2023)	2.14
Mr. Dhananjay Mungale (upto 9 <sup>th</sup> June, 2023)	1.67
Mr. Narahari Kadambi (upto 9 <sup>th</sup> June, 2023)	1.67

The annual remuneration payable to a single Non-Executive Director did not exceed fifty per cent of the total annual remuneration payable to all Non-Executive Directors, during the year.

#### **Pecuniary and other relationships of Directors**

Apart from the sitting fees and the remuneration by way of commission paid/payable to Independent Directors and the remuneration payable to Mr. Anil Haridass, the Non-Executive Director of the Company, as already disclosed hereinabove, none of the Non-Executive Directors had any pecuniary relationship with the Company, except the professional fees of ₹ 2,05,000/- that was paid to the firm in which Mr. Suhail Nathani who was an Independent Director of the Company upto 11<sup>th</sup> December, 2024 was a partner, for professional services rendered by the firm to the Company during the period when Mr. Nathani was the Independent Director.

#### **Other disclosures**

The remuneration payable to the Executive Directors is fixed by the Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee of the Company and approved by the Shareholders of the Company. None of the Executive Directors is promoter or member of promoter group.

The Company did not advance loans to any of its directors.

Notice period applicable to the Executive Directors is three months. No severance fees or commission is paid to the Executive Directors. Performance Pay and Stock Appreciation Rights are the only components of remuneration that are variable. All other components are fixed.

The performance pay payable to Executive Directors is a function of his own performance (50% weightage) and the business performance of the



Company/Division which is headed by the Executive (50% weightage). The amount of performance pay assumed in the CTC is at 60% of the maximum entitlement of an employee at 100% performance level. Actual pay-out depends on individuals performance and the business performance during the year.

### Stock Appreciation Units

The Board of Directors have granted 2,00,000 Stock Appreciation Units to Mr. Manoj Menon. The base price considered for Stock Appreciation Benefit was fixed at ₹ 150/-. The redemption price for determining the Stock Appreciation Benefit was calculated as the volume-weighted average market price of the shares of the Company quoted on National Stock Exchange of India Limited for a period of sixty trading days immediately preceding the Pay-out Date. The pay-out was to be made on two dates i.e. 19<sup>th</sup> February, 2023 (first pay-out) and 19<sup>th</sup> February, 2025 (final pay-out reduced by the amount already paid in first pay-out). Accordingly,

the first pay-out was made to him post approval of the NRC and the Board in February, 2023 of ₹ 39.34 million. The final payout of ₹ 24.33 million is payable in February, 2025.

### Directors and Officers insurance

The Company has obtained 'Directors and Officers insurance' for the Officers and Directors including Independent Directors as determined by the Board of Directors of the Company.

### E. Shares held by the Non-Executive Directors

As at 31<sup>st</sup> December, 2024, Mr. Anil Haridass held 17,41,237 equity shares of the Company. Further relatives of Mr. Anil Haridass held 13,10,080 equity shares of the Company. Apart from this, no other Non-Executive Director held any shares or convertible instruments of the Company as on 31<sup>st</sup> December, 2024. None of the Independent Director of the Company was entitled to any Stock Options.

## V. GENERAL BODY MEETINGS

- a. Details of time, venue and special resolutions passed in the Annual General Meetings (AGMs) in last three Financial Years are given in Table 12 below:

**Table 12:**

Year	Date and Venue	Time	Special Resolution(s) passed
AGM 2024	20 <sup>th</sup> June, 2024 held through Video Conference ("VC") / Other Audit Visual Means ("OAVM") without the physical presence of the Members at a common venue, in compliance with General Circular No. 20/2020 dated 05 <sup>th</sup> May, 2020, 09/2023 dated 25 <sup>th</sup> September, 2023 and other relevant circulars issued by Ministry of Corporate Affairs. The proceedings of the AGM were deemed to be conducted at the Registered Office of the Company which was the deemed Venue of the AGM.	3:30 p.m.	1. Re-appointment of Mr. Alan Savio D'Silva Picardo (DIN: 08513835) as Independent Director of the Company to hold the office for a second term of five consecutive years from 29 <sup>th</sup> September, 2024 till 28 <sup>th</sup> September, 2029. 2. Re-appointment of Ms. Roxana Meda Inoriza (DIN: 08520545) as Independent Director of the Company to hold the office for a second term of five consecutive years from 29 <sup>th</sup> September, 2024 till 28 <sup>th</sup> September, 2029. 3. Appointment of Dr. Nuria Gisbert Trejo (DIN: 10607049) as an Independent Director of the Company to hold the office for a term of five consecutive years from 1 <sup>st</sup> July, 2024 till 30 <sup>th</sup> June, 2029.
AGM 2023	9 <sup>th</sup> June 2023 held through Video Conference ("VC") / Other Audit Visual Means (OAVM) without the physical presence of the Members at a common venue, in compliance with General Circular No. 21/2021 read with General Circular No. 10/2022 dated 28 <sup>th</sup> December 2022, 02/2022 dated 5 <sup>th</sup> May 2022, 02/2021, 19/2021 and, 20/2020 dated 5 <sup>th</sup> May 2020. The proceedings of the AGM were deemed to be conducted at the Registered Office of the Company which was the deemed Venue of the AGM.	3:30 p.m.	None



Year	Date and Venue	Time	Special Resolution(s) passed
AGM 2022	25 <sup>th</sup> April, 2022  held through Video Conference ("VC") / Other Audit Visual Means (OAVM) without the physical presence of the Members at a common venue, in compliance with General Circular No. 21/2021 read with General Circular No. 20/2020, 02/2021, 19/2021. The proceedings of the AGM were deemed to be conducted at the Registered Office of the Company which was the deemed Venue of the AGM.	10:30 a.m.	<ol style="list-style-type: none"> <li>Approval of re-appointment of Mr. Ander Arenaza Alvarez as Whole-time Director of the Company for further period of three years and his remuneration</li> <li>Approval of remuneration payable to Mr. Anil Haridass as Non-Executive Director of the Company for the period of three years</li> </ol>

**b. Postal Ballot**

During the Financial Year ended 31<sup>st</sup> December, 2024 no resolution was passed through Postal Ballot.

**c. Special Resolution proposed to be passed through Postal Ballot**

None of the businesses/special resolution proposed to be transacted at the ensuing Annual General Meeting requires passing of Resolution by way of Postal Ballot.

**VI. DISCLOSURES**

**a. Policy for determining 'material' Subsidiaries**

The Company has formulated a Policy for Determining 'Material' Subsidiaries in accordance with Regulation 16 of the Listing Regulations which provides the framework for determination of material subsidiaries of the Company and for corporate governance requirements with respect to Subsidiary. This Policy is available on the website of the Company at <https://www.cie-india.com/assets/pdf/governance/policies/Policy%20for%20determining%20Material%20Subsidiaries%20Governance%20requirements%20in%20case%20of%20subsidiaries.pdf>

**b. Policy on Materiality of and Dealing with Related Party Transactions**

The Company has formulated a Policy on Materiality of and Dealing with Related Party Transactions which specify materiality thresholds, process of identification of related parties and the manner of dealing with Related Party Transactions.

This Policy is available on the website of the Company at <https://www.cie-india.com/assets/pdf/governance/policies/Policy%20on%20materiality%20of%20and%20dealing%20with%20RPTs.pdf>

**c. Disclosure of Transactions with Related Parties**

All related party transactions that were entered into during the Financial Year were on an arm's length basis and were in the ordinary course of business.

During the Financial Year ended 31<sup>st</sup> December, 2024, there were no materially significant related party transactions or arrangements entered into by the Company which may have a potential conflict with the interest of the Company at large.

The Company has obtained approval of the shareholders by way of ordinary resolution passed at the 25<sup>th</sup> Annual General Meeting held on 20<sup>th</sup> June, 2024 for the Material Related Party Transactions to be entered into by the Company with Mahindra and Mahindra Limited (M&M), for an aggregate amount not exceeding ₹ 23,000 Million (Rupees Twenty Three Thousand Million) during any one Financial Year. Details of transaction with M&M are disclosed in Form AOC-2, annexed to the Board's Report. Further, details of all the related party transactions are presented in Note no. 31 to the Standalone Financial Statement for the year ended 31<sup>st</sup> December, 2024.

Further, the members of the Company also accorded their approval at the 25<sup>th</sup> Annual General Meeting held on 20<sup>th</sup> June, 2024 for material related party transaction(s) of CIE Galfor S.A. (a wholly-owned subsidiary of the Company) with CIE Automotive S.A. (ultimate holding Company of the Company), which taken together with previous transactions during a financial year exceeds 10% of the Annual Consolidated Turnover of the Company as per the last audited financial statements of 31<sup>st</sup> December 2023. The approval of the members to the Material Related Party transactions, is valid upto the date of the 26<sup>th</sup> AGM to be held in the year 2025.

All the related party Transactions were approved by the Audit Committee from time to time. The Audit Committee has also granted omnibus approval to related party transactions of repetitive nature which remains valid for the period of one year. A statement of all the Related Party Transaction entered into by the Company pursuant to the omnibus approval granted was placed before the meeting of Audit Committee for its review on quarterly basis.

The Company submitted to the Stock Exchanges disclosures of related party transactions, in accordance with Regulation 23(9) of the Listing Regulations.



**d. Disclosure by Company and its subsidiaries of Loans and advances in the nature of loans to, firms/companies in which directors are interested by name and amount**

There were no Loans and advances in the nature of loans made by the Company and its subsidiaries to firms/companies in which Directors are interested.

**e. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has in place Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contract, temporary, trainees) are covered under this Policy. The Policy is gender neutral. Status of complaints during the year under review is as follows:

- a. number of complaints pending as on beginning of Financial Year 2024: Nil
- b. number of complaints filed during the Financial Year 2024: 01
- c. number of complaints disposed of during the Financial Year 2024: 01
- d. number of complaints pending as on end of the Financial Year 2024: Nil

**f. Whistle Blower Policy**

The Vigil Mechanism as envisaged in the Companies Act, 2013 and the Rules prescribed thereunder and the Listing Regulations is established through the Whistle Blower Policy which also provides for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee.

The Whistle Blower mechanism provides a secured framework through which Directors, Employees and their representative bodies and all stakeholders of the Company can voice their concerns about illegal or unethical behavior, actual or suspected fraud or violation of the Company's Codes or Policies. Through this mechanism all stakeholders of the Company can approach the Chief Ethics Officer of the Company or the Chairperson of the Audit Committee or utilize 'Ethical Channels' enabled for all group companies of CIE Automotive, S.A. to voice their concerns as mentioned above. The Whistle Blower Policy has been appropriately communicated within the Company and has also been hosted on the website of the Company.

No Personnel has been denied access to the Audit Committee. All Directors, Employees and their representative bodies and all Stakeholders of the

Company can make the Protected Disclosure to the Chairman of the Audit Committee.

The Chairperson of the Audit Committee can be reached by sending an email to [chairpersonofauditcommittee@cie-india.com](mailto:chairpersonofauditcommittee@cie-india.com) or by sending a letter to the below address:

Chairperson of the Audit Committee

CIE Automotive India Limited

**Mr. Alan Savio D'Silva Picardo**

Suite F9D, Grand Hyatt Plaza (Lobby Level), Off Western Express Highway, Santacruz (E) Mumbai - 400 055.

The Whistle blower Policy of the Company is available on the website at: <https://www.cie-india.com/assets/pdf/governance/policies/Whistle%20Blower%20Policy.pdf>

**g. Disclosure of Accounting Treatment in preparation of Financial Statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

**h. Disclosure in respect of information to be disclosed under clause 5A of Para A of Part A of Schedule III of the Listing Regulations**

During the year, no information was required to be disclosed by the Company under clause 5A of Para A of Part A of Schedule III of the Listing Regulations.

None of the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel and employees of the Company or of its holding, subsidiary and associate company have submitted any information as specified under Regulation 30A of the Listing Regulations.

All the Directors of the Company and the members of the Senior Management have confirmed that they are not aware of any agreement entered into by any shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel or employees of the Company or of its holding, subsidiary or associate company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company, or impose any restriction or create any liability upon the Company other than in the normal course of business, whether or not the Company is a party to such agreements.

Accordingly, the disclosure required under





Regulation 30A(2) of the Listing Regulations, on the website of the Company and in the Annual Report is not applicable to the Company.

#### **i. Code and Policies under Insider Trading Regulations**

The Company has formulated and adopted the 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' (Fair Disclosure Code) and 'Code of Conduct to regulate, monitor and report trading in the securities of the Company by designated persons and their immediate relatives' ("PIT Code"), in compliance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations).

The PIT Code has been formulated to regulate, monitor and ensure reporting of trading by the Designated Persons and is designed to maintain the highest ethical standards of trading in Securities of the Company by such Designated Persons. The PIT Code lays down guidelines, which advise them on procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautions them of the consequences of violations. The Board has also approved a disciplinary framework in case of violations of provisions of PIT Code.

The Fair Disclosure Code has been formulated to ensure prompt, timely and adequate disclosure of UPSI and to maintain uniformity, transparency and fairness in dealing with all the stakeholders. Further, Policy for determination of "Legitimate Purpose" forms part of the Fair Disclosure Code which provides framework for determination of Legitimate Purpose including the process to be followed.

The Code for Fair Disclosure of UPSI of the Company is available on the website at: <https://www.cie-india.com/assets/pdf/governance/policies/Code%20for%20Fair%20Disclosure%20of%20UPSI.pdf>

#### **j. Policy for inquiry in case of leak of Unpublished Price Sensitive Information**

Pursuant to the amendments made to the PIT Regulations, the Company has formulated the 'Policy for inquiry in case of leak of Unpublished Price Sensitive Information'. The policy is formulated to maintain ethical standards in dealing with sensitive information of the Company by persons who have access to UPSI. The rationale of the policy is to strengthen the internal control systems to ensure that the UPSI is not communicated to any person except in accordance with the Insider Trading Regulations. The Policy also provides an investigation procedure in case of leak of UPSI. This policy was made effective from 1<sup>st</sup> April, 2019.

#### **k. Details of non-compliance etc.**

During the last three years there were no instances

of non-compliance and no penalty or strictures were imposed on the Company by Stock Exchanges or SEBI or any other statutory authority, on any matter related to capital markets.

#### **I. Compliance**

##### **i. Mandatory requirements**

The Company is compliant with the applicable mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as were applicable during the year under review.

The Company has also complied with the requirements of Corporate Governance Report of Paras (2) to (10) mentioned in Part 'C' of Schedule V of the Listing Regulations and disclosed necessary information as specified in Regulation 17 to 27 and Regulation 46(2) (b) to (i) in the respective places in this Report.

##### **ii. Adoption of non-mandatory requirements**

Adoption of non-mandatory requirements of the Listing Regulations is reviewed by the Board from time-to-time.

The Company has been a strong believer in good Corporate Governance and has been adopting the best practices that have evolved over the last two decades.

During the year under review, there is no audit qualification in the Company's Financial Statements (Standalone and Consolidated) for the financial year ended 31<sup>st</sup> December, 2024. The Company continues to adopt best practices to ensure a regime of financial statements with unmodified audit opinion.

#### **m. Ethics/Governance Policies**

The Company adheres to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, the Company has adopted various codes and policies to carry out our duties in an ethical manner. Apart from the policies/codes specified in the report elsewhere, the Company has also adopted following:

- i) Archival policy
- ii) for determination of materiality for disclosure or information
- iii) Corporate Social Responsibility Policy

The Policies mentioned above are available on the website of the Company at: <https://www.cie-india.com/governance3.html#Policies>

#### **n. Subsidiary Companies**

CIE Aluminium Casting India Limited (Formerly known as Aurangabad Electricals Limited) and



CIE Galfor S.A. were the material subsidiaries of the Company in accordance with the policy.

CIE Aluminium Casting India Limited (CIEALCAST) (U31909PN1985PLC037539) was incorporated on 23<sup>rd</sup> September, 1985 and is having its registered office at Office No. 602 & 603, Amar Business Park, Baner Gaon, Pune 411045. CIEALCAST was acquired by the Company and it became a wholly owned subsidiary of the Company w.e.f. 9<sup>th</sup> April, 2019.

The members of CIEALCAST at the 37<sup>th</sup> Annual General Meeting (AGM) had appointed M/s. B S R & Co. LLP, Chartered Accountants (B S R LLP) (ICAI Firm No. 101248W/W – 100022) as Statutory Auditors for a term of consecutive five years with effect from the conclusion of 37<sup>th</sup> AGM till the conclusion of 42<sup>nd</sup> AGM of the Company to be held in the year 2027.

CIE Galfor S.A. is incorporated on 21<sup>st</sup> February, 1992 (Galfor) with its registered office at Rúa 2, 3, 32901 Polígono San Cibrao, Ourense, Spain. Galfor became a wholly owned subsidiary of the Company pursuant to the Integrated Scheme of amalgamation becoming effecting on 10<sup>th</sup> December, 2014 (appointed date of the scheme was 1<sup>st</sup> October, 2013). The statutory auditors of Galfor are KPMG Auditores, S.L. who were appointed by Galfor on 15<sup>th</sup> June, 2022 to conduct the Audit of its financial statements from the financial year commencing from 1<sup>st</sup> January, 2023.

The Subsidiaries of the Company functions independently, with an adequately empowered supervisory Board. However, for more effective governance, the Minutes of Board Meeting of Subsidiaries were placed before the Board of Directors of the Company at regular intervals.

During the year under review, the Company has not disposed off shares in any of its Material Subsidiaries which would reduce its Shareholding (either on its own or together with other Subsidiaries) to less than 50% or ceased to exercise of control over any of its Subsidiary.

Further, Regulation 24(1) of the Listing Regulations stipulates that at least one Independent Director on the Board of Directors of the listed entity shall be a Director on the Board of Directors of an unlisted material subsidiary, whether incorporated in India or not. For the purpose of this provision, "material subsidiary" means a subsidiary, whose turnover or net worth exceeds twenty percent of the consolidated turnover or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year. CIE Galfor S.A. is the Material Subsidiary of the Company which meets this criterion. The Company has appointed Mrs. Roxana Meda Inoriza, the Independent Director of the Company, as Director of CIE Galfor S.A.

All the provisions of Regulations 24 and 24A of the Listing Regulations with regard to Corporate

Governance requirements for Subsidiary Companies have been complied with by the Company.

## VII. MEANS OF COMMUNICATION

The Company, from time to time and as may be required, communicates with its shareholders and investors through multiple channels of communications such as dissemination of information on the website of the Stock Exchanges, Press Releases, the Annual Reports and uploading relevant information on its website at the weblink: <https://www.cie-india.com/periodic-public-information8.html>

The quarterly, half yearly and yearly results are normally published in the Business Standard (English) and Sakal (Marathi) which is a national and local daily respectively. These are not sent individually to the Shareholders.

The unaudited quarterly financial results are announced within forty-five days of the close of each quarter, other than the last quarter. The audited annual financial results are announced within sixty days from the end of the Financial Year as required under the Listing Regulations. The aforesaid financial results are announced to the Stock Exchanges within the statutory time period from the conclusion of the Board Meeting(s) at which these are considered and approved. The results are also uploaded on the website of the Company at the weblink: <https://www.cie-india.com/periodic-public-information8.html#Quarterly-Finacial-Results>

The Company discloses to the Stock Exchanges and uploads on its website, all information required to be disclosed under Regulation 30 read with Part 'A' and Part 'B' of Schedule III of the Listing Regulations including material information having a bearing on the performance/ operations of the Company and other price sensitive information. All information is filed electronically on BSE's online portal – BSE Corporate Compliance & Listing Centre (Listing Centre) and on NSE Electronic Application Processing System (NEAPS), the online portal of National Stock Exchange of India Limited.

The Company engages with International and Domestic investors through structured conference-calls and periodic investor/analyst interactions like individual Meetings, participation in investor conferences, quarterly earnings calls and analyst meet from time to time. An advance intimation is given to the Stock Exchanges about upcoming investor interactions. The records of proceedings of such interactions and transcript in respect of quarterly earnings call is submitted to Stock Exchanges and also uploaded on the website of the Company at the weblink: <https://www.cie-india.com/periodic-public-information8.html#Quarterly-Result-Calls-and-Transcripts>.



The Company uploads Investor Presentation in respect of quarterly results of the Company on the website of the Company at the weblink: <https://www.cie-india.com/periodic-public-information8.html#Investor-Presentations>. The discussions during investor interactions revolves around clarifications & questions with respect to the same.

## VIII. Management Discussion and Analysis

Management Discussion and Analysis Report forms part of the Annual Report.

## IX. Confirmation of compliance with Corporate Governance requirements

The Company is in compliance with Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-Regulation (2) of Regulation 46 of the Listing Regulations.

## X. SHAREHOLDER INFORMATION

### a) 26<sup>th</sup> Annual General Meeting

Date : Wednesday, 30<sup>th</sup> April, 2025

Time : 3:30 p.m.

Venue : The AGM shall be held through Video Conference (VC) / Other Audio Visual Means (OAVM) in compliance with General Circular Nos. 09/2024 dated 19<sup>th</sup> September, 2024, 09/2023 dated 25<sup>th</sup> September, 2023, 10/2022 dated 28<sup>th</sup> December, 2022, 20/2020 dated 5<sup>th</sup> May, 2020, 02/2022 dated 5<sup>th</sup> May, 2022 and other relevant circulars issued by Ministry of Corporate Affairs (MCA Circulars) and other applicable provisions of the Companies Act, 2013 (the Act) and Rules made thereunder without the physical presence of the Members at a common venue. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.

### Financial Year

The Financial Year of the Company has ended on 31<sup>st</sup> December, 2024 covering a period of twelve months starting from 1<sup>st</sup> January, 2024 to 31<sup>st</sup> December, 2024.

For the Financial Year 2025, results will be tentatively announced by:

- First quarter: Last week of April, 2025
- Second Quarter and Half yearly: 3<sup>rd</sup> Week of July, 2025
- Third quarter: 3<sup>rd</sup> week of October, 2025
- Fourth Quarter and Annual: End of February, 2026

### b) Dividend Payment

The Final Dividend on Equity Shares for the financial year ended 31<sup>st</sup> December 2024, as recommended by the Board of Directors and as may be declared

at the ensuing AGM, will be paid within 30 days from the date of AGM to those shareholders or their mandates whose names appear as Beneficial Owners as per the data made available by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form or whose names appear as Members in respect of shares held in Physical Form as per the Register of Members of the Company, as on the close of business hours of Wednesday, 23<sup>rd</sup> April, 2025.

## c) Listing of Ordinary (Equity) shares on Stock Exchanges

At present, the equity shares of the Company are Listed on

### 1. Name of Stock Exchange: BSE Limited (BSE)

Address - Phiroze Jeejeebhoy Towers

Dalal Street, Kala Ghoda, Mumbai - 400 001

### 2. Name of Stock Exchange: National Stock Exchange of India Limited (NSE)

Address - Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East),

Mumbai - 400 051

The Company has duly executed the Uniform Listing Agreement with the Stock Exchange(s) i.e. BSE & NSE as specified under the Listing Regulations.

The requisite listing fees have been paid in full to BSE and NSE.

The securities of the Company have never been suspended from trading on any of the Stock Exchanges.

### 3. Corporate Identification Number:

L27100MH1999PLC121285

## d) Registered Office Address:

Suite F9D, Grand Hyatt Plaza (Lobby Level), Off Western Express Highway, Santacruz (E), Mumbai - 400 055

## e) Registrar and Share Transfer Agents:

**KFin Technologies Limited**

**Unit: CIE Automotive India Limited**

"Selenium" Tower B, Plot No. 31 & 32,

Financial District, Gachibowli,

Hyderabad - 500 032.

Tel. No. + 91 - 40 - 6716 2222

Fax No. + 91 - 40 - 2300 1153

E-mail: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)



## f) Share Transfer System

Trading in Ordinary (Equity) Shares of the Company through recognized Stock Exchanges is permitted only in dematerialised form. In terms of Regulation 40 (1) of the Listing Regulations, transfer of securities held in physical mode has been discontinued and the transfer of securities is allowed only in dematerialized form. Accordingly, no requests for effecting transfer of securities have been processed during the year under review.

Further as per Master Circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated 07<sup>th</sup> May 2024, while processing the service requests in relation to Issue of duplicate securities certificate, Claim from Unclaimed Suspense Account and Suspense Escrow Demat Account, Replacement / Renewal / Exchange of securities certificate, Endorsement, Sub-division / Splitting of securities certificate, Consolidation of securities certificates/folios, Transmission, Transposition and Change in the name of the holder, the Company shall issue securities only in dematerialised form.

For processing any of the aforesaid service requests the securities holder/claimant is required to submit duly filled up Form ISR-4/ISR-5 along-with all the necessary documents to the Registrars & Share

Transfer Agents i.e., M/s. KFin Technologies Limited. A member also needs to submit Form ISR-1 for updating PAN and other KYC details to the RTA of the Company. Member(s) may submit Form SH-13 to file Nomination. However, in case a Member do not wish to file nomination 'declaration to Opt-out' in Form ISR-3 shall be submitted. In case of major mismatch in the signature of the members(s) as available in the folio with the RTA and the present signature or if the signature is not available with the RTA, then the member(s) shall be required to furnish Banker's attestation of the signature as per Form ISR-2 along-with the documents specified therein. Hence, it is advisable that the members send the Form ISR-2 along-with the Form ISR-1 for updating of the KYC Details or Nomination.

If the KYC of all the holders of shares is duly updated in the relevant folio and duly filled-in and signed ISR form along-with all necessary supporting documents are received, the RTA process such requests.

The Stakeholders' Relationship Committee, the Company Secretary and the authorized Officials of the KFin Technologies Limited attends to aforesaid matters as per the Authority Matrix, as and when required.

## g) Distribution of Shareholding

**Table 12: Distribution of Shareholding as on 31<sup>st</sup> December, 2024**

Number of shares held	Number of Shareholders	% of Shareholders	Total shares	% of share holding
Up to 1 - 5000	119379	92.95	7900627	2.08
5001 - 10000	5073	3.95	3643673	0.96
10001 - 20000	2118	1.65	3022569	0.80
20001 - 30000	656	0.51	1652337	0.44
30001 - 40000	274	0.21	956930	0.25
40001 - 50000	197	0.15	910247	0.24
50001 - 100000	330	0.26	2362859	0.62
100001 & ABOVE	410	0.32	358913135	94.61
<b>Total</b>	<b>128437</b>	<b>100.00</b>	<b>379362377</b>	<b>100.00</b>

## h) Dematerialisation of shares

As on 31<sup>st</sup> December, 2024, 99.70% of the paid-up Equity Capital was held in dematerialised form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Trading in the equity shares of the Company is permitted only in dematerialised form. Non-Promoters' holding as on 31<sup>st</sup> December, 2024 is around 34.30%.

## i) Credit Rating

During the year under review ICRA Limited, a Credit Rating Agency, reviewed the ICRA-assigned Credit Rating for ₹ 575.00 crore Bank Facilities being Fund Based/ Non-Fund Based Working Capital Facilities.

Basis the review, ICRA have re-affirmed the long-term rating at [ICRA]AA (pronounced ICRA double A). ICRA has also reaffirmed the short-term rating at [ICRA]A1+ (pronounced ICRA A one plus). The outlook on the long-term rating was reaffirmed as Stable.



Further, since there was no outstanding amount against the Commercial Paper, as per the request of the Company, the rating has been reaffirmed by ICRA at [ICRA]A1+ (pronounced ICRA A one plus), and stands withdrawn as per ICRA's letter dated April 23, 2024.

The details of the Credit Ratings are uploaded on the website of the Company and is accessible at the web-link:

<https://www.cie-india.com/periodic-public-information8.html#Credit-Rating>

**j) Outstanding GDRs / ADRs / Warrants or any Convertible Instruments on Conversion date and which has likely impact on equity.**

The Company has no outstanding GDR / ADR / Warrants or any Convertible Instruments.

**k) Details of utilization of funds raised through preferential allotment or qualified institutions placement.**

During the year under review the Company did not raise any funds through preferential allotment or qualified institutions placement. Further the Company did not have any unutilised funds raised through preferential allotment or qualified institutions placement in the past. Hence, the provisions of Regulation 32 of the Listing Regulations were not attracted during the year under review.

**l) Commodity price risk or Foreign exchange risk and hedging activities**

**i) Risk management policy of the Company with respect to commodities including through hedging**

The Company has adopted the Forex Cover Policy and the Company is a net forex earner and cover is taken based on budgeted rates and management judgement.

The Company does not have any exposure to commodity price risk.

**ii) Exposure of the Company to commodity and commodity risks faced by the entity throughout the year:**

- Total exposure of the Company to commodities in INR: Nil.
- Exposure of the Company to various commodities:

Commodity Name	Exposure in ₹ towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				Total
			Domestic market		International market		
			OTC	Exchange	OTC	Exchange	
NA	NA	NA	NA	NA	NA	NA	NA

**m) Plant Locations**

**Stampings Division:**

- Kanhe I - Plot 371, Takwe Road, At & Post Kanhe, Taluka - Maval, Dist - Pune - 412 106.
- Kanhe II - Plot 445, 446, Takwe Road, At & Post Kanhe, Taluka - Maval, Dist - Pune - 412 106
- D-2 MIDC, Ambad, Nashik - 422 010.
- Maharajpur Road, Village Lalpur, Tehsil - Kichha, Rudrapur, Dist - Udham Singh Nagar - 263 148.
- Plot No-2, Sector - 11, TATA Vendor Park, IIE SIDCUL, Pantnagar, Dist. Udham Singh Nagar, - 263 153.
- 35/A, Village Buchinelly, Mahindra Vendor Park, APIIC Industrial Area, Mandal, Zaheerabad, Dist - Medak (Telengana) - 502 228.
- Plot No. L4, MIDC, Hingna Road, Nagpur - 440 016
- Plot no. B-7 Chakan MIDC Area, Village Mahalunge, Taluka Khed, District Pune - 410 501.

**Composites Division:**

Gat. 467 & 470, Kanhe, Tal. Maval, Dist. Pune

**Forgings Division:**

Gat No. 856 to 860, Chakan Ambethan Road, Tal. Khed, Dist Pune - 410 501.

**Iron Casting Division:**

Gat No. 318, Gaon Urse, Tal. Maval, Pune - 410 506.

**Magnetic Products Division:**

G Block, Bhosari Industrial Estate, Bhosari, Pune - 411 026.

**Gears Division:**

- Plot No. C-23/2, Phase - II, Chakan Industrial Area, Village - Varale, Tal. Khed, Dist - Pune - 410 501.
- Survey No. 278/P, Shapar Village Road, Village: Shapar, Taluka: Kotda - Sangani, Dist. Rajkot - 360 024
- Survey No-298/P, Village: Shapar, Taluka: Kotda - Sangani, Dist. Rajkot - 360 024





**Forgings (Bangalore) [earlier Bill Forge Division]:**

1. Plant 1, Plot No. 9C, Bommasandra Industrial Area, Bommasandra, Bangalore – 560 099.
2. Plant 2, Plot No. 98 L & M, KIADB Industrial Area, Phase 2, Jigani, Bangalore – 560 105.
3. Plant 3, Plot No. 7C, KIADB Industrial Area, Attibele, Bangalore – 562 107.
4. Plant 4, No. 1/178, Pollachi Main Road, Ganesh Nagar, Malumachampatti (PO), Coimbatore – 641 050.
5. Plant 5, Plot No. 29, Industrial Park IV, Begampur Village, Tehsil & District – Haridwar – 249 402.
6. Plant 6, Plot No. 86 M & N, KIADB Industrial Area, Phase 1, Jigani, Bangalore – 560 105.
7. Plant 2B, Plot No. 98 N & O, KIADB Industrial Area, Phase 2, Jigani, Bangalore – 560 105.
8. Plant 2C, Plot No. 98 O & P, KIADB Industrial Area, Phase 2, Jigani, Bangalore – 560 105.
9. Plant 1B, Plot No. 261, Bommasandra Industrial Area, Bommasandra, Bangalore – 560 099.
10. Plant 6B, Plot No. 86 G & H, KIADB Industrial Area, Phase 1, Jigani, Bangalore – 560 105.
11. Plant 2D, Plot No. 37-B, Road No. 3, 1<sup>st</sup> Phase, Jigani Industrial Area, Anekal Taluk, Bangalore – 560 106.

**n) Address for correspondence:**

Shareholders may correspond with the Registrar and Share Transfer Agents at:

**KFin Technologies Limited**

Unit: CIE Automotive India Limited

“Selenium” Tower B, Plot No. 31 & 32,

Financial District, Gachibowli,

Hyderabad – 500 032.

Tel. No. + 91 – 40 – 67162222 Fax No. + 91 – 40 – 23001153

E-mail: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

On all matters relating to transfer/dematerialisation of shares and any other query relating to shares of the Company.

The Company has also dedicated [contact.investors@cie-india.com](mailto:contact.investors@cie-india.com) as an exclusive email ID for Shareholders for the purpose of registering complaints and the same has been hosted on the Company's website. The Company is registered in SEBI Complaints Redressal System (SCORES). The investors can send their complaints through SCORES also, for this the investors have to visit <https://www.scores.gov.in>. The Company is also registered on Smart ODR portal, for this the investor has to visit <https://smartodr.in/login>.

Security holders are requested to correspond with the respective Depository Participants for shares held in dematerialised form for transfer/transmission of shares, change of Address, change in Bank details, etc.

For all investor related matters, Mr. Pankaj V. Goyal, Company Secretary, Chief Compliance Officer, Head-Legal can be contacted at: Office No. 602 & 603, Amar Business Park, Opp. Sadanand Resort, Above “Westside” showroom Baner Road, Pune 411 045. Tel No. +91 – 020 – 29804621 / 22. E-mail: [goyal.pankaj@cie-india.com](mailto:goyal.pankaj@cie-india.com).

You may visit the Company's website at: <https://www.cie-india.com/index.html> for more information about the Company.

**o) Disclosures with respect to Demat Suspense Account/ Unclaimed Suspense Account:**

The details of shares in the unclaimed suspense account, is as under:

Sr. No.	Particulars	Details
i.	aggregate number of shareholders and the outstanding shares in the suspense account lying as on 1 <sup>st</sup> January, 2024	4,305 shareholders representing 5,07,560 outstanding shares.
ii.	number of shareholders who approached the Company for transfer of shares from suspense account during 1 <sup>st</sup> January, 2024 to 31 <sup>st</sup> December, 2024	21
iii.	number of shareholders to whom shares were transferred from suspense account during 1 <sup>st</sup> January, 2024 to 31 <sup>st</sup> December, 2024	25*
iv.	aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31 <sup>st</sup> December, 2024;	4,280 shareholders representing 5,00,185 outstanding shares.

\* 4 (four) applications that were received by the Company during previous financial year on 21<sup>st</sup> December, 2023 were processed during the current financial year and 981 Shares were transferred on 11<sup>th</sup> January 2024, to respective Demat Accounts of claimant during the current the financial year.

The voting rights in respect of the shares transferred to the Demat Suspense Account/ Unclaimed Suspense Account shall remain frozen till the rightful owner of such shares claims the shares.

**p) Details of shares lying under Suspense Escrow Account**

Pursuant to the Authority given by the Board at their meeting held on 22<sup>nd</sup> February, 2022, a Suspense Escrow Account has been opened with Axis Securities Limited which is now named and styles as "CIE Automotive India Limited - Suspense Escrow Account" pursuant to the change of name of the Company.

During Financial Year 2024, 1163 equity Shares were transferred to the Suspense Escrow Account. As on 31<sup>st</sup> December, 2024, 2263 equity shares lying in the Suspense Escrow Account.

During the year, 1422 shares were transferred to 9 shareholders from Suspense Escrow Account.

**q) Certificate from Company Secretary in Practice**

A certificate from Company Secretary in Practice certifying that none of the Directors on the Board of the Company as on 31<sup>st</sup> December, 2024 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, is annexed at the end of this Report.

**r) Total fees for all services paid to the Statutory Auditors by the Company and its Subsidiaries**

Total fees paid by the Company and its Subsidiaries on a consolidated basis, to the Statutory Auditor viz. B S R & Co. LLP, Chartered Accountants, Firm Registration No. 101248W/W-100022 and all entities in the network firm/ network entity of which the Statutory Auditors is a part for financial year ended 31<sup>st</sup> December, 2024 was as following:

(₹ in Million)			
Sr. No.	Particulars	By the Company to the Auditors	By the subsidiaries to the network firm/ network entity of which the statutory auditor is a part
1.	Fees paid for the Statutory Audit	11.98	12.82
2.	Fees paid for other services allowed under the Law	4.37	3.61
	<b>Total fees paid during CY2024</b>	<b>16.35</b>	<b>16.43</b>

Mumbai, 20<sup>th</sup> February, 2025





# DISCLOSURE REGARDING CORPORATE GOVERNANCE



**Declaration by the Executive Director under Regulation 34 (3) read with para (D) Of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,

The Members of CIE Automotive India Limited  
(Formerly Mahindra CIE Automotive Limited)

I, Ander Arenaza Alvarez, Executive Director & Group CEO of CIE Automotive India Limited declare that, all the Members of the Board of Directors and Senior Management have affirmed compliance with the Code of Conduct for the period from 1<sup>st</sup> January, 2024 to 31<sup>st</sup> December, 2024.

**Ander Arenaza Alvarez**  
Executive Director & Group CEO  
(DIN: 07591785)

Mumbai, 20<sup>th</sup> February, 2025

**CERTIFICATE**

To

**The Members of CIE Automotive India Limited**  
(Formerly Mahindra CIE Automotive Limited)

I have examined the compliance of conditions of corporate governance by CIE Automotive India Limited (Formerly Mahindra CIE Automotive Limited) ("the Company") for the year ended on 31<sup>st</sup> December 2024 as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C and D of schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. ("Listing Regulations")

The compliance of the conditions of Corporate Governance is the responsibility of the management. My responsibility was limited to examining the procedure and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance.

Based on my examination of the relevant records and according to the information and explanations provided to me, I 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 para C and D of schedule V of the Listing Regulations, during the year ended on 31<sup>st</sup> December 2024.

I state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Signature:  
**Sachin Bhagwat**

ACS: 10189

CP: 6029

UDIN: A010189F003963336

PR Certificate No.: 6175/2024

Place : Pune

Date : 20.02.2025



**CERTIFICATE**

*[Pursuant to Regulation 34(3) and sub-clause (i) of clause (10) of Paragraph C of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

To,

The Members of

**CIE Automotive India Limited**

*(Formerly Mahindra CIE Automotive Limited)*

Suite F9D, Grand Hyatt Plaza (Lobby Level)

Off Western Express Highway, Santacruz (E)

Mumbai 400055

I have examined the relevant registers, returns and records maintained by CIE Automotive India Limited ("the Company") having CIN L27100MH1999PLC121285 and registered office at Suite F9D, Grand Hyatt Plaza (Lobby Level), Off Western Express Highway, Santacruz (E), Mumbai 400055, forms and disclosures received from the Directors of the Company, produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with sub-clause (i) of clause (10) of Paragraph C of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors' Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company and its Officers, I certify that none of the Directors on the Board of the Company for the Financial year ended on December 31, 2024 has been debarred or disqualified from being appointed or continuing as Director of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory Authority.

Ensuring eligibility for appointment / continuity of every director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. 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.

**CS SACHIN BHAGWAT**

Membership No.: A 10189

C. P. No.: 6029

UDIN: A010189F003963512

PR Certificate No.: 6175/2024

Place : Pune

Date : 20 February, 2025







# **BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT**



# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

## SECTION A: GENERAL DISCLOSURES

I. Details of listed entity		
1.	Corporate Identity Number (CIN) of the Company	L27100MH1999PLC121285
2.	Name of the Company	CIE Automotive India Limited
3.	Year of incorporation	1999
4.	Registered office address	Suite F9D, Grand Hyatt Plaza (Lobby Level) Off Western Express Highway, Santacruz (E), Mumbai – 400 055
5.	Corporate address	602-603, Amar Business Park, Baner Road, opp. Sadanand Resort, Pune, Maharashtra 411045
6.	E-mail id	ESG.Sustain@cie-india.com
7.	Telephone	022-62411031
8.	Website	www.cie-india.com
9.	Financial year reported	1 <sup>st</sup> January, 2024 to 31 <sup>st</sup> December, 2024
10.	Name of the Stock Exchanges where shares are listed	BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)
11.	Paid-up Capital	₹ 3,79,36,23,770/-
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Ashok Bhimanpalli, Head (Safety and Sustainability) Telephone: 020-29804621 Email: ESG.Sustain@cie-india.com
13.	Reporting boundary	Standalone
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):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Metal and metal products	87%
2	Manufacturing	Motor vehicles, trailers, semi trailers and other Transport Vehicles	8%

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Crankshaft/ Stub axle as forged and machined, Steering shaft/ wheel hub/steering yokes/ constant velocity joints, Steel metal stamping/Components and assemblies, Soft and Hard Magnet	25910	73%
2	Turbo chargers housing/ Axle and transmission Parts	24319	14%
3	Engine Gear/ Timing Gear/ Drive Shaft	28140	8%

## 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	25	02	27
International	Nil	Nil	Nil



## 19. Markets served by the entity:

<b>a. Number of locations</b>	
<b>Locations</b>	<b>Number</b>
National (No. of States)	15
International (No. of Countries)	10
<b>b. What is the contribution of exports as a percentage of the total turnover of the Company?</b>	9%
<b>c. Types of customers</b>	<p>The Company is a large, diversified auto-components Company which serves its customers across many processes/ product lines and geographies. It supplies to automotive Original Equipment Manufacturers (OEMs) and their Tier 1 suppliers across multiple technologies.</p> <p>For more details regarding the same, you may kindly refer the Management Discussion and Analysis Report which forms part of the Company's Annual Report – 2024.</p>

## IV. Employees

## 20. Details as at the end of Financial Year:

## a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	1568	1509	96.24%	59	3.76%
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total employees (D + E)	1568	1509	96.24%	59	3.76%
WORKERS						
4.	Permanent (F)	2622	2612	99.62%	10	0.38%
5.	Other than Permanent (G)	6208	6108	98.39%	100	1.61%
6.	Total workers (F + G)	8830	8720	98.75%	110	1.25%

## b. Differently abled Employees and workers:

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

## 21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	2	25%
Key Managerial Personnel	5	0	0%



**22. Turnover rate for permanent employees and workers** (Disclose trends for the past 3 years)

	CY 2024 (Turnover rate in current FY)			CY 2023 (Turnover rate in previous FY)			CY 2022 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	22.29%	46.81%	23.10%	17.88%	21.69%	17.98%	14.74%	14.55%	14.74%
Permanent Workers	1.81%	36.36%	1.88%	1.83%	16.67%	1.86%	5.35%	0%	5.33%

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

Sl. No.	Name of the holding/ subsidiary/ associate companies/joint ventures (A)	Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by the Company	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the Company (Yes/No)
1.	CIE Automotive S.A.	Ultimate Holding	NA	No
2.	Participaciones Internacionales Autometal, DOS S.L	Holding	65.70	No
3.	CIE Galfor S.A.U.	Subsidiary	100	No
	(i) UAB CIE LT Forge	Subsidiary	100	No
	(ii) CIE Legazpi S.A	Subsidiary	100	No
	(iii) CIE Forging Germany GmbH (previously known as Mahindra Forgings Europe AG)	Subsidiary	100	No
	(iv) Metalcastello S.p.A.	Subsidiary	99.96	No
	(v) Bill Forge de Mexico S. A. de C.V. <sup>2</sup> (BF Mexico)	Subsidiary	99.80	No
4	CIE Aluminium Casting India Limited	Subsidiary	100	No
5	BF Precision Private Limited <sup>1</sup>	Subsidiary	100	No
6	CIE Hosur Limited	Subsidiary	100	No
7	Gescrap India Private Limited	Associate	30	No
8	Clean Max Deneb Power LLP	Associate	26	No
9	Sunbarn Renewables Private Limited	Associate	26.12	No
10	Renew Surya Alok Private Limited	Associate	31.20	No
11	Strongsun Solar Private Limited	Associate	27.35	No
12	ReNew Green (MHK Two) Private Limited <sup>3</sup>	Associate	31.20	No

**Notes:**

1. BF Precision Private Limited was operationally closed. During the year the process of voluntary liquidation was completed and currently, the application for dissolution is being heard and order is reserved by Hon'ble NCLT, Chennai Bench.

2. BF Mexico ceased to be a direct subsidiary of the Company and became a direct subsidiary of Galfor and a step down wholly owned subsidiary of the Company. Hence, BF Mexico was Direct Subsidiary of the Company upto 19<sup>th</sup> February, 2024 holding 99.99% shareholding and became Step Down Subsidiary of the Company w.e.f. 20<sup>th</sup> February, 2024.

3. ReNew Green (MHK Two) Private Limited became Associate of the Company w.e.f. 29<sup>th</sup> October, 2024.



## VI. CSR Details

24.	(i) Whether CSR is applicable as per section 135 of Companies Act, 2013: <b>(Yes/No)</b>	<b>Yes</b>
	(ii) Turnover (in ₹)	₹4251,60,21,182/-
	(iii) Net worth (in ₹)	₹3781,13,34,204/-

## 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) (If yes, then provide weblink for grievance redressal policy)	CY2024			CY2023		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Investors (other than shareholders)	Yes <a href="https://www.cie-india.com/investor-contacts.html">https://www.cie-india.com/investor-contacts.html</a>	0	0	NA	0	0	NA
Shareholders	Yes <a href="https://www.cie-india.com/investor-contacts.html">https://www.cie-india.com/investor-contacts.html</a>	16	0	Nil	11	02**	Resolved**
Employees and workers	Any stakeholder can report their genuine concerns through the Whistle Blower Channel available at the weblink: <a href="https://www.cie-india.com/assets/pdf/governance/policies/Whistle%20Blower%20Policy.pdf">https://www.cie-india.com/assets/pdf/governance/policies/Whistle%20Blower%20Policy.pdf</a>  The grievances are redressed in accordance with the Whistle Blower Policy of the Company.  Apart from the Whistle Blower Mechanism, the ESG Policy of the Company provides dedicated communication channels through which the Company may receive grievances of the community. The Company will endeavour to redress the same in accordance with the principles laid down under the Policy.	0	0	NA	2	2	NA
Communities		0	0	NA	0	0	NA
Value chain partners		0	0	NA	0	0	NA
Customers #		717	15	Under Resolution	823	23	Under resolution





Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide weblink for grievance redressal policy)	CY2024			CY2023		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
	Further, the Global contact for any issue related to ESG available under CIE Group's Global ESG Policy, details of which are available at the weblink: <a href="https://cieautomotive.com/en/contacto">https://cieautomotive.com/en/contacto</a> . The Company will endeavour to redress the same in accordance with the principles laid down under the Global Policy.						
Others (please specify)	Not applicable						

\*The number of complaints pertains to complaints in relation to shareholder services and not related to any principles under the National Guidelines on Responsible Business Conduct.

\*\*The grievances were received in December 2023 were resolved after the closure of the financial year i.e. in CY 2024 within the statutory timelines.

# The number of complaints pertains to the complaints received from customers in the normal course of business relating to operational issues and are resolved within the prescribed standard timeline as per the SOPs of the Company.

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

**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**

**Company's Approach:** Conducting a Materiality Assessment is a crucial step in identifying and prioritizing the key issues that drive a Company's sustainability efforts. As a subsidiary of CIE Automotive Group, CIE India has aligned its material issues with those identified by its parent Company. Additionally, we have further tailored these issues to address the specific needs and context of our operations in India.

These identified material issues guide our understanding of stakeholder expectations, help set clear targets, and shape initiatives that contribute to long-term value creation for our customers, shareholders, employees, and communities. By focusing on these critical areas, we aim to ensure that our sustainability strategy remains relevant and impactful.

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	Approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
<b>Social Matters</b>					
1.	Attracting and retaining talent	Risk	Management of the current and projected pace of growth requires consolidation and development of the company's finest asset, its people.	The Company is continually improving its employment terms and conditions to make them induce for its existing people and to attract new talent to the organization.	The financial implication of the risk cannot be quantified. However, in case the risk is materialized, the impact will be negative.



Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	Approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
			<p>The need to continuously hire, train and retain professionals is set to remain a major challenge in the years to come. High staff turnover makes it hard to operate at normal levels and achieve the company's targets.</p> <p>That is why it is fundamental to agree a unified training and promotion plan with the aim of planning, appraising and enhancing professionals' current and future skillsets so as to facilitate delivery of Company's strategic objectives.</p>	<p>Factory managers and HR managers periodically assess the situation at their factories for the risk of losing talent, especially in critical positions, and take the measures required to retain key talent and plan for succession as needed.</p> <p>In accordance with our Employee Value Proposition (EVP), we have rolled out career development programs for employees through Individual Development Action Plans (IDAPs). The focus is to upskill the workforce and create internal opportunities in terms of career progression for our employees. Coaching has been introduced in the organization; senior managers have been trained as coaches who in turn coach the employees on their IDAPs.</p> <ul style="list-style-type: none"> <li>• The process for succession planning has been designed, implemented and rolled out across the organization.</li> <li>• We are continually focusing on building a strong young talent pipeline of engineers and have specially crafted yearly learning plans for young engineers hired as freshers from campuses.</li> <li>• The organization has in place a Diversity, Equity and Inclusion Conceptual model and has adopted targets for Gender, Generation, Functional and Multicultural Diversity. The company has introduced Diversity awareness and sensitization programs for its managers.</li> <li>• To drive the culture of recognition driving performance there is a strong focus on the Recognition practices.</li> <li>• Further to drive performance culture, the company has redesigned its Leadership Competency Model which is incorporated in the Performance Management Systems.</li> <li>• The organization is evolving with its HR practices and policies to improve on employee engagement and experience.</li> </ul>	



Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	Approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2.	Customer Satisfaction	Risk as well as Opportunity	Challenges in management of new projects and/or operations could lead to failure to attain the defined specifications and, possibly, breaches of contract.	The company focuses on customer satisfaction at every stage of the relationship. It starts with a sales process that deeply understands customer needs and ensures proposals align with their expectations through thorough reviews. When a project is secured, the company ensures smooth launches with tools like FMEA, product testing, and process validations to maintain high quality. Once the product reaches mass production, strict processes, audits, and continuous improvement ensure quality is upheld. Additionally, the company optimizes resources and shares knowledge across departments to consistently meet customer demands and deliver high-quality products and services.	Both Positive and Negative.
3.	Occupational Health and Safety	Risk	<p>The management is committed to ensuring that all employees work in a safe environment. The machines and equipment procured are not only rigorously tested for process consistency but are also verified to meet strict internal safety standards. Additionally, management has taken comprehensive steps to provide ongoing training to workers, ensuring they are well-prepared to operate in a safe and efficient manner.</p> <p>However, complexities arise in a dynamic environment where both personnel and equipment are subject to change. In such a scenario, discipline becomes a crucial factor in maintaining safety. Given the constant evolution of people and processes, the management has identified discipline as a key risk factor that requires continuous attention and mitigation.</p>	<p>The company prioritizes the health and safety of all employees across its manufacturing sites and office locations. To formalize this commitment, we have implemented ISO 45001 certification across 25 manufacturing locations.</p> <p>We recognize that the continuous improvement of safety culture is an ongoing journey. Management is actively engaged in upgrading processes and procedures at all plants to ensure the highest safety standards are met. Monitoring progress, ensuring adherence to safety protocols, and conducting behavior-based training are key components of this journey, reinforcing our dedication to maintaining a safe and healthy work environment.</p> <p>Key initiatives and actions undertaken in the CY24 include:</p> <ul style="list-style-type: none"> <li>• Safety Cultural Assessment: The company has conducted a safety culture assessment to identify both strengths and areas for improvement within the existing safety management system. The insights gained from this assessment are guiding the refinement and correction of our safety strategy, ensuring a more effective approach to fostering a safe work environment.</li> <li>• 12 Life Saving Rules: other than workers received the training on 12 life saving rules which includes hazard identification, risk assessment, and risk mitigation during work and off-work.</li> </ul>	The financial implication of the risk cannot be quantified. However, in case the risk is materialized, the impact will be negative



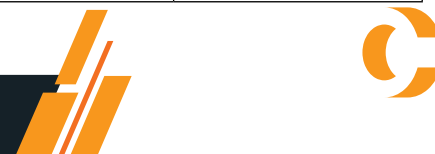
Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	Approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
				<ul style="list-style-type: none"> <li>Specialized Refresher Trainings: Specialized refresher training on Work at Height and Confined Space working was provided to identified employees and workers.</li> </ul> <p>These initiatives collectively reflect a holistic approach to health and safety management, encompassing training, behavioral aspects, continuous improvement, and employee involvement. This approach aligns with industry standards and best practices for ensuring a safe and healthy working environment.</p>	
4.	Responsible supply chain management	Opportunity	As a group, the approach towards supply chain is GLOCAL - global management with a significant local component - articulated around excellence. Excellence in cost containment, excellence in guaranteeing uninterrupted supplies, without neglecting quality, and excellence in getting the supply chain meaningfully engaged around ESG goals.	The company is aligning its supply chain with global ESG standards by adopting ethical sourcing policies, including the Group's Global Supply Chain Manual, Sustainable Purchasing Policy and Conflict Minerals Policy. It has added an ESG compliance clause to its purchasing terms and is developing an India-specific Suppliers Portal to monitor supplier sustainability. The company plans to focus on local sourcing, conduct ESG audits, host an ESG Suppliers Day for smaller suppliers, and assess the environmental impact of suppliers, strengthening its commitment to sustainability.	Positive, it will help in reducing GHG Emissions

#### Environmental Matters

5.	Circular Economy – efficient use of raw material and waste management	Opportunity	Steel as a raw material is highest associated volume of use as well as waste which may not be recycled in full within Company's factories. Responsibility for waste generation does not end when that waste is removed from Company's facilities. To that end, in addition to its waste minimization plans, it must devise an efficient waste classification system thereby seeking to reduce its environmental impact.	<p>CIE India commitment to moving towards a circular model signifies a proactive stance toward sustainability and environmental responsibility. Several key points highlight the company's efforts in this direction:</p> <p><b>Reduction in Raw Material, Water, and Energy Consumption:</b> The company is actively working to reduce raw material, water, and energy consumption. This aligns with the principles of a circular economy, emphasizing the importance of minimizing resource use and maximizing efficiency.</p> <p><b>Waste Reduction:</b> The circular model approach involves efforts to minimize waste year after year. This indicates a commitment to not only efficient resource utilization but also to reducing the environmental impact associated with waste generation.</p> <p><b>Action across the value chain:</b> The company's commitment extends across its entire value chain, indicating a comprehensive approach to sustainability. This includes considering</p>	Both Positive and Negative
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Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	Approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
				<p>the environmental impact of operations from the procurement of raw materials to products exit from gate.</p> <p><b>Energy Efficiency Measures:</b> The introduction of energy efficiency measures throughout processes and facilities is a strategic move. This not only helps minimize the environmental impact but also contributes to reducing energy costs, showcasing a dual benefit of sustainability and cost-effectiveness.</p> <p><b>Projects for Optimization and Efficiency:</b> The company has been actively undertaking projects to optimize the use of raw materials and increase efficiency. This reflects a commitment to continuous improvement and innovation in line with sustainability projects &amp; goals.</p> <p>By aligning its operations with the principles of a circular economy, the company is positioning itself as a responsible corporate entity actively contributing to environmental conservation and resource efficiency. The focus on energy efficiency, waste reduction, and optimization projects collectively demonstrates a commitment to sustainable practices throughout the business.</p> <p><b>A Zero Waste to Landfill</b> gap assessment in 2024 highlighted opportunities for further increasing circularity through waste recovery and optimization, demonstrating a strong commitment to continuous improvement in sustainability.</p>	
6.	New forms of mobility	Risk as well as Opportunity	Automotive Industry is expected to move to low emission powertrains in response to global concerns around climate change because of CO2 emissions. Electric Vehicles (EVs) are largely seen as the way forward with other options like hybrids, CNG engines etc. being seen as intermediates in the journey to EVs. The transition to EVs is not happening as smoothly as predicted. Users still have concerns around charging infrastructure, range, resale value and initial cost of acquisition. For some years, governments across the world have offered subsidies on buying EVs but this subsidy regime is being modified in many countries leading to confusion.	<p>The risk posed by electrification is higher in our European operations and our mitigation plan in Europe is to substitute production of crankshafts by Aluminum forged parts and steel parts that will not be affected by transition to electric vehicles. We have got interesting new orders on those, and some of them are already in production on our plants. In addition, the Gears plant in Europe is developing a healthy order book in electric vehicle transmission parts. Some of these orders have been delayed as the pace of growth of EVs in Europe and US slows down.</p> <p>In India, transition to EVs is more an opportunity than a risk. Our EV order book in India is spread across aluminum &amp; steel castings, steel forgings, gears, stampings, and composite parts for e2W, e3W and e4W segments. Our diversified technology, composite parts</p>	Both Positive and Negative





Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	Approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
			<p>After an initial spurt in the last few years, the European light vehicle market witnessed a stagnation in EV penetration in 2024, at 13%. Current forecasts suggest that this ratio will move up to 43% in 2029, down from earlier estimates of 56%. With European customers weighing their options between EVs &amp; others, the overall European automotive market is expected to decline or stagnate in the next 2-3 years. We have a large dependency on forged crankshafts in our European business, more than a third of our European revenues. Thus, in Europe, we are exposed to the twin risks of EV penetration as well as declining overall market. Automotive suppliers in Europe face many uncertainties going forward. In this scenario, our European business continues to have a strong balance sheet, good cash flow and healthy margins. This will enable us to be supplier of choice as European auto manufacturers make the transition to EVs in a declining market.</p> <p>In India, the transition to electric mobility is expected to increase gradually. Many good EV models were launched both in 4W and 2W segments in 2024 and this should spur EV penetration in India. It is expected that e4W will increase from 3% in 2024 to 18% in 2029, e2W from 5% in FY24 to 25% in FY30 and e3W from 9% in FY24 to 40% in FY30. The exposure of our India business to internal combustion engine (ICE) parts is much lower than in Europe. In India, given the slower penetration of EVs, our lower exposure on engine parts and a good order book for EV parts, for local and exports, we see the risks of EV transition in India being minimal, rather we think it is more of an opportunity.</p>	for e2W, e3W and e4W segments. Our diversified technology, product and customer portfolio allows us to address the requirements and risks emerging from EV transition in an effective manner. We are working with major European and Indian OEMs and Tier 1s in the EV space across vehicle segments.	



Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	Approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7.	Environmental Impact	Risk as well as opportunity	The climate emergency has prompted CIE Automotive Group to strengthen its commitment to carbon neutrality and accordingly CIE Automotive S.A. has joined the SBT initiative and have set-up the clear target of achieving neutrality by no later than 2050, implying medium-term targets to limit global warming to 1.5° C.	<p>The company's commitment to environmental management is outlined through its adherence to the ISO 14001 standard at all locations and specific actions to minimize environmental impact. Key points highlight the company's environmental management efforts.</p> <p><b>Key Actions on Environmental Impact Reduction-</b> The outlined key actions reflect the company's commitment to minimizing its environmental impact and promoting sustainability. These actions encompass various aspects:</p> <p><b>Reduce Carbon Footprint:</b> Through energy from renewables, improved energy efficiency, and the use of cleaner fuels, CIE India is actively working to decarbonize its operations.</p> <p><b>Promote Circularity:</b> Material circularity and reduced waste generation contribute to the sustainable use of resources and waste minimization.</p> <p><b>Enhance Environmental Stewardship:</b> Responsible water use, green belt development, and bio-gas generation align with broader environmental conservation efforts.</p> <p><b>Contribute to Sustainable Development:</b> These actions not only help CIE India meet its sustainability targets but also contribute to global efforts toward achieving climate goals.</p>	Both Positive and Negative

## 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:

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>										
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs? (Yes/No)	Y	Y	Y	Y	Y	Y	Y Note 1	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y Note 2	Y Note 2	Y Note 2	Y Note 2	Y Note 2	Y Note 2	Y Note 2	Y Note 2	Y Note 2
	c. Web Link of the Policies, if available	Y Note 3	Y Note 3	Y Note 3	Y Note 3	Y Note 3	Y Note 3	Y Note 3	Y Note 3	Y Note 3
2.	Whether the entity has translated the policy into procedures? (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y



Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
4.	Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Y Note 4	Y Note 4	Y Note 4	Y Note 4	Y Note 4	Y Note 4	Y Note 4	Y Note 4	Y Note 4
5.	Specific commitments, goals, and targets set by the entity with defined timelines, if any.	The Company's participation in CIE Automotive Group's 5-year ESG Strategic Plan 2025 reflects a commitment to specific targets and key performance indicators (KPIs) that contribute to sustainability. Several key points highlight the Company's efforts in this regard:								
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	<p><b>Alignment with Group Level Targets-</b> The Company is aligning its efforts with the broader goals and KPIs set out in CIE Automotive Group's 5-year ESG Strategic Plan 2025. This ensures a cohesive and coordinated approach to sustainability across the entire group.</p> <p><b>Undertaking Specific Targets &amp; KPI-</b> The Company has undertaken following specific targets and goals:</p> <ul style="list-style-type: none"> <li>• Increase in the share of renewable energy - 100% by 2030</li> <li>• ISO 50001 (Energy Management System) Certification of all plants by 2027</li> <li>• Water Positive by 2030 (Water Footprint Assessment of all plants)</li> <li>• CO<sub>2</sub> Emission reduction across value chain</li> <li>• Gender Diversity – 5% by 2025 for Assistant Manager and above level</li> <li>• Reduction in accident rates (LTIFR)- 15% reduction year on year</li> <li>• HSE Training for identified employees – 100% by 2024 – Achieved</li> <li>• ESG Training for identified employees – 100% by 2025</li> <li>• Increase Beneficiaries of CSR Project- 5% by 2024 and 10% YOY from CY 2025 onwards</li> <li>• Impact assessment of CSR Projects-100% by 2025</li> <li>• TISAX (Information Security for Automotive Industry) Certification by 2027</li> </ul> <p><b>Sustainability Projects Implementation</b> - Various projects have been initiated under 10 different categories to address the identified sustainability goals are continued in CY 25.</p> <p><b>Sustainability Council Oversight-</b> The implementation and outcomes of these projects are subject to regular review by the Sustainability Council. This ensures ongoing monitoring, evaluation, and adjustment of sustainability initiatives.</p> <p><b>Details in the Sustainability Section in Annual Report-</b> The specific details of the projects undertaken, and their outcomes are provided in this report, specifically under point number 4 of leadership indicators of Principle 6. This transparency in reporting showcases a commitment to accountability and disclosure.</p> <p><b>Formulation of ESG Roadmap-</b> In line with its ESG Policy and the overarching goals of CIE Group's 5-year ESG Strategic Plan 2025, the Company has formulated its ESG Road Map. This roadmap includes India-specific short-term, medium-term, and long-term goals aligned with the broader objectives of the parent Company.</p>								



Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
	<b>Notes:</b> <div><div>1. The Company is member of trade and industry chambers like The Automotive Component Manufacturers Association of India (ACMA), The Confederation of Indian Industry (CII) and Mahratta Chamber of Commerce and Industries (MCCI). The Company has formulated Environmental, Social and Governance Policy which include that the Company should operate the business within national and international legislative and policy framework and not engage in influencing public and regulatory policy. However, the Company may become members of trade and industry chambers or associations and other similar collective platforms, which may be involved in conveying industry concerns to policy makers.</div><div>2. The Board of directors of the Company have approved the policies required to be framed under Companies Act, 2013 and SEBI Regulations including Internal Code of Professional Conduct, Whistle Blower Policy, CSR Policy, Code for fair disclosures, Policy on Related Party Transactions and these policies are signed by respective officers authorized by the Board for its implementation. Other operational internal policies are approved by management and signed by the respective business head. Further, the Company has also adopted a few global policies framed by CIE Automotive S.A. the ultimate holding Company.</div></div>									
	<div><div>3. It has been Company's practice to upload all policies on internal server or display at prominent places in respective locations or shared with relevant stakeholders for the information and implementation by the internal stakeholders. The Internal Code of Professional Conduct, Whistle Blower Policy, CSR Policy, Code for fair disclosures, Policy on Related Party Transactions, Environmental, Social and Governance Policy are available on the website <a href="https://www.cie-india.com/governance3.html#Policies">https://www.cie-india.com/governance3.html#Policies</a></div><div>4. The policies are in line with international standards and practices such as ISO 9001, IATF Guidelines, ISO 14001, ISO 45001 and meet National regulatory requirements such as the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.</div></div>									
Governance, leadership and oversight										
7.	<b>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)</b>		<div><div>The Company is committed towards sustainable development through continued and targeted efforts towards environment, social and governance aspects of our business. In line with our global company direction, we have identified following areas through our materiality assessment as:</div><div><b>Social:</b> 1. Attracting and retaining talent, 2. Customer Satisfaction, 3. Occupational Health and Safety, 4. Responsible Supply Chain Management,</div><div><b>Environment:</b> 1. Circular economy-efficient use of raw material, and waste management, 2. New form of mobility, 3. Environment Impact</div><div>In CY-2024, the company continued its focus on increasing the share of green energy in total energy consumption, with renewable electricity accounting for about 58.29% of total electricity consumption and renewable energy accounting for about 51.22% of total energy consumption. This was supported by a combined capacity of 98.68 MW from captive power plants, including wind energy, and the installation of rooftop solar panels with a capacity of 6.74 MW. Additionally, the Company remained committed to a circularity model, prioritizing better management of natural resources and monitoring resource consumption and waste generation to minimize environmental impacts.</div><div>As part of the Group's ESG (Environmental, Social, and Governance) Strategic Plan, the Company has set specific targets for supplier relations and ethics compliance, including conducting supplier audits based on ESG criteria, enrolling and registering suppliers on the Supplier Portal with a defined annual purchase volume threshold, and increasing purchases from local suppliers. Additionally, the Company aims to ensure 100% employee completion of Code of Conduct training. To guide its efforts, the company has developed an ESG Road Map with short-term, medium-term, and long-term targets, all aligned with the CIE Group's ESG Strategic Plan and the Company's ESG Policy, demonstrating a comprehensive and integrated approach to sustainability and responsible business practices.</div></div>							



Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9									
		1. Increase in the share of renewable energy - 100% by 2030 2. ISO 50001 (Energy Management System) Certification of all plants by 2027 3. Water Positive by 2030(Water Footprint Assessment of all plants) 4. CO <sub>2</sub> Emission reduction across value chain 5. Gender Diversity – 5% by 2025 for Assistant Manager and above level 6. Reduction in accident rates (LTIFR)- 15% reduction year on year by 2024. 7. HSE Training for employees – 100% by 2024 8. Increase Beneficiaries of CSR Project- 5% by 2024 and 10% YOY from CY 2025 onwards 9. Impact assessment of CSR Projects-100% by 2025 10. TISAX (Information Security for Automotive Industry) Certification by 2027																	
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The Sustainability Council, formed as per the ESG Policy of the Company is the highest authority responsible for implementation and oversight of the Business Responsibility policies.																	
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Board has nominated Mr. Manoj Mullassery Menon, Executive Director (DIN: 07642469) who is responsible for decision making on sustainability related issues.																	
10.	<b>Details of Review of NGRBCs by the Company:</b>																		
	<b>Subject for Review</b>	<b>Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee</b>								<b>Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)</b>									
		<b>P1</b>	<b>P2</b>	<b>P3</b>	<b>P4</b>	<b>P5</b>	<b>P6</b>	<b>P7</b>	<b>P8</b>	<b>P9</b>	<b>P1</b>	<b>P2</b>	<b>P3</b>	<b>P4</b>	<b>P5</b>	<b>P6</b>	<b>P7</b>	<b>P8</b>	<b>P9</b>
	<b>Performance against above policies and follow up action</b>	The performance against the policies and follow up actions is reviewed by the Sustainability Council on quarterly basis.																	
	<b>Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances</b>	The Company is in compliance with all the statutory requirements relevant to each principle.  A certificate confirming compliance with all the statutory requirements applicable to the Company is placed before the Board of Directors on quarterly basis.																	
11.		<b>P1</b>	<b>P2</b>	<b>P3</b>	<b>P4</b>	<b>P5</b>	<b>P6</b>	<b>P7</b>	<b>P8</b>	<b>P9</b>									
	<b>Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/ No). If yes, provide name of the agency.</b>	The Company has ISO 45001 certification for Occupational Health and Safety Management System, and ISO 14001 certification for Environmental Management System. As per the certification requirements of these standards, external audits were conducted by TUV Rheinland at all facilities.  Apart from surveillance and certification audit mentioned above no other assessment/ evaluation was conducted by any external agency concerning working of policies.																	





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

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

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

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

The company’s actions are fundamentally guided by its core corporate values, which form the foundation of a comprehensive set of internal rules designed to ensure ethical conduct at all levels of the organization. These rules are complemented by robust compliance oversight mechanisms and procedures to address any breaches, ensuring accountability and transparency. As part of its commitment to maintaining high standards of professionalism and integrity, the Company has adopted the Group’s internal Code of Professional Conduct. This Code articulates the corporate values that guide the behavior of all professionals within the Company and provides clear, overarching guidelines for conduct. These guidelines not only help shape individual decision-making but also direct the Company’s broader strategic and operational decisions, reinforcing a commitment to ethical practices across all levels of the business.

The Code provides essential guidance and ethical principles for all directors (executive, non-executive, or independent), senior management personnel, key management personnel, as well as all employees and workers within the Company (“the people”). It establishes the values and commitments that must govern their work activities within the Group, ensuring consistency and ethical standards across the organization. The Company prioritizes transparency in its operations, adhering strictly to the principles outlined in its Code of Professional Conduct. It is committed to complying with all applicable laws, including those related to corporate governance, and upholding the principles of cooperation and transparency in its interactions with stakeholders.



## Essential Indicators

## 1. 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	1	<p>Training Program on ESG Strategy</p> <p>During the year, the Board of Directors of the Company (including its committees) has invested time on various updates comprising matters relating to an array of issues pertaining to the business, regulations, economy and environmental, social and governance parameters.</p>	100%
Key Managerial Personnel	3	<p>1. ESG specific training programs were organized by the Company during the year on:</p> <p>1. ESG Awareness Session was conducted during the year, Training Program on Understand your Safety Culture</p> <p>Further, the KMPs have also participated in various programmes/sessions/ conferences/ seminars organized by Industry associations, educational institutions, Chamber of commerce, etc.</p>	100%
Employees other than BoD and KMPs	353	<p>ESG specific training programs were organized by the Company during the year on:</p> <ol style="list-style-type: none"> <li>1. Behavior Based Safety</li> <li>2. Code of Conduct</li> <li>3. Fire Safety Awareness Training</li> <li>4. First Aid</li> <li>5. Incident Investigation Standard Awareness</li> <li>6. Mental Health &amp; Wellbeing</li> <li>7. Near Miss Identification</li> <li>8. PPE's</li> <li>9. Work at Height work at height and confined space</li> <li>10. Work Permit System</li> <li>11. Understand your Safety Culture</li> </ol>	49%



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
Workers	335	<ol style="list-style-type: none"> <li>1. Behavior Based Safety</li> <li>2. Code of Conduct</li> <li>3. Fire Safety Awareness Training</li> <li>4. First Aid</li> <li>5. De addiction</li> <li>6. Safe Material Handling</li> <li>7. Emergency Response Awareness</li> <li>8. Work at Height work at height and confined space</li> <li>9. HIRA &amp; OCP Training</li> <li>10. Work Permit System</li> <li>11. Paint and Thiner Handling Safety</li> <li>12. Safety Simulators &amp; 5 Senses</li> <li>13. Mental health &amp; well being</li> <li>14. Understand your Safety Culture</li> </ol>	73%

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the Company or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Principle 1	Directorate General of GST Intelligence (Adjudication Cell), New Delhi	54,871	<p>The Order is passed against erstwhile Bill Forge Private Limited which is now merged with the Company for the period 2014-15 to 2017-18.</p> <p>A demand of Central Excise Duty of INR 54871/- under Section 11A(10) of the Central Excise Act is raised by the Authority. The Order further levies an Interest of INR 16,010/- under Section 11AA of the Act and a Penalty of INR 54,871/- under Section of the 11AC (1) (c) of the Act.</p>	No



Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Principle 1	Assistant Commissioner of Central Tax Sangareddy CGST Division, Miyapur, Hyderabad	51,39,503	<p>The order make demand for the period from July 2017 to March 2020 of</p> <p>(i) INR 2,585,151/- towards IGST, CGST and SGST and imposing penalty in terms of provisions of Section 122 (2) (a) read with Section 73 (9) of the CGST Act, 2017 and TSGST Act, 2017 read with Section 20 of IGST Act, 2017 and</p> <p>(ii) INR 2,554,352/- towards CGST and SGST and imposing penalty in terms of provisions of Section 122 (2) (b) read with Section 74 (9) of the CGST Act, 2017 and TSGST Act, 2017 read with Section 20 of IGST Act, 2017.</p> <p>The Order further levies an Interest in terms of provisions of Section 50 of CGST Act, 2017 and TSGST Act, 2017 read with Section 20 of IGST Act, 2017.</p>	Yes
Penalty/ Fine	Principle 1	Commissioner Appeals- II, Office of the Commissioner of GST & Central Tax, Hyderabad	13,83,131	<p>The Authorities have alleged non-payment of Service Tax on Manpower Recruitment Services on RCM basis.</p> <p>The order confirm demand for the period during Financial Year 2014-15 to 2017-18 of an amount of INR 13,83,131 /- towards Service Tax along-with interest and equal penalty.</p>	No
Penalty/ Fine	Principle 1	Additional Chief Judicial Magistrate, Pune	40,000	<p>The order has been passed under Rule 57 of Maharashtra Factories Rules 1963 (Rules) read with Section 92 of Factories Act 1948.</p> <p>Imposition of fine amounting to INR 40,000/- on the then Occupier of the Company during the relevant period</p>	No

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Principle 1	Bombay Stock Exchange	5,000	Imposition of fine amounting to INR 5,000/- on account of alleged late compliance under Regulation 23 (9) of SEBI (Listing Obligations and Disclosure) Requirements, 2015  The Company has submitted a detailed response to the said levy and highlighted the due compliance of the aforesaid regulatory requirement.	No
Penalty/ Fine	Principle 1	Additional Commissioner of Customs (Preventive), C.C. (P), W.B., Kolkata	1,98,025	The Order confirms a demand of INR 1,98,025/- under Section 28(4) of the Customs Act, 1962 (the Act), interest at the applicable rate in terms of Section 28AA of the Act and imposes an equal Penalty of INR 1,98,025/- in terms of Section 114A of the Act.	No
Penalty/ Fine	Principle 1	Office of the Deputy Commissioner, Rudrapur, Uttarakhand	5,74,269	Pursuant to the Order, the Authority has rejected the input tax credit (ITC) claimed by the Company covering the Tax period April-18 to March-19 and raised an aggregate demand for the period from April 2018 to March 2019 of INR 57,42,696/- under section 73(9) of the GST Act and imposing an aggregate penalty of INR 5,74,269/- in terms of provisions of Section 122 (2)(a) of the GST Act.  The Order further levies an aggregate Interest of INR 62,87,072/- in terms of provisions of Section 50 of the GST Act.	No
Penalty/ Fine	Principle 3	Regional PF Commissioner-I/ OIC, Regional Office, Electronic City, Bengaluru	9,28,768	Pursuant to the Order, the Authority has inter-alia levied damages of ₹ 9,28,768/- under Section 14B of the EPF & MP Act towards the late payment of Company's Contribution to the Fund for the month of April, 2020 & May, 2021.	No





Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Principle 1	Office of State Tax Officer, Ghatak (Rajkot), Gujarat	20,000	The Order is passed under Section 73 of GGST Act, 2017 read with CGST Act, 2017 and pertains to the period April 2019 – March 2020. The Authority has alleged excess claim of ITC in reference to ineligible ITC under section 17(5) of the GST Act, 2017 and imposed an aggregate penalty of INR 20,000/- in terms of provisions of GST Act. The Order further levies an aggregate Interest of INR 19,950/- in terms of provisions of GST Act	No
Penalty/ Fine	Principle 1	Office of Commercial Tax Officer, Coimbatore, Tamilnadu	1,34,172	The Order is passed under Section 73 of TNGST Act, 2017 read with CGST Act, 2017 and pertains to the year April, 2019 to March, 2020. The Authority has alleged excess ITC claim due to mismatch between GSTR2A and GSTR-3B and imposed an aggregate penalty of INR 1,34,172/- in terms of provisions of GST Act. The Order further levies an aggregate Interest of INR 12,76,354 /- in terms of provisions of GST Act.	No
Penalty/ Fine	Principle 1	State Tax Officer-2, Survey Unit, Coimbatore	31,49,652	The Order bearing reference no. GSTIN: 33AABCM6632J1ZJ/2020-21 dated 27 <sup>th</sup> November, 2024 is passed under section 73/74 of the GST Act pertaining to the year 2020-21, demanding in aggregate GST amount of INR 31,49,652/- and imposing an aggregate penalty of INR 31,49,652/-. The order further provides that the Company is also liable for interest applicable under Section 50 of the GST Act.	No
Penalty/ Fine	Principle 1	State Tax Officer-2, Survey Unit, Coimbatore	32,61,111	The Order bearing reference no. 33AABCM6632J1ZJ/2021-22 dated 27 <sup>th</sup> November, 2024 is passed under GST Act pertaining to the year 2021-22, is passed under the GST Act pertaining to the year 2020-21, demanding in aggregate GST amount of INR 32,61,111/- and imposing an aggregate penalty of INR 32,61,111/-. The order further provides that the Company is also liable for interest applicable under Section 50 of the GST Act.	No



Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Principle 1	State Tax Officer-2, Survey Unit, Coimbatore	3,74,825	The Order bearing reference no. 33AABCM6632J1ZJ/2022-23 dated 28 <sup>th</sup> November, 2024 is passed under GST Act pertaining to the year 2022-23, demanding aggregate GST amount of INR 3,74,825/- and imposed aggregate penalty of INR 3,74,825/- under GST Act. The order further provides that the Company is also liable for interest applicable under Section 50 of the GST Act.	No
Settlement	Nil				
Compounding fee					
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	Nil				
Punishment					

**3. 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
<p>An appeal was preferred for setting aside the impugned Order In Original passed by Assistant Commissioner of Central Tax Sangareddy CGST Division, Miyapur, Hyderabad making demand for the period from July 2017 to March 2020 and the same was rejected by Appellate Authority on the following terms:</p> <p>(i) with respect to demand of INR 2,585,151/- towards IGST, CGST and SGST and imposing penalty in terms of provisions of Section 122 (2)(a) read with Section 73 (9) of the CGST Act, 2017 and TSGST Act, 2017 read with Section 20 of IGST Act, 2017, the Appellant shall prove the reversal/non-Availment of impugned ITC to the satisfaction of the Jurisdictional officer and</p>	Office of the Commissioner of Customs & Central Tax Appeals-II, Hyderabad Commissionerate



Case Details	Name of the regulatory/enforcement agencies/ judicial institutions
<p>(ii) with respect to demand of INR 2,554,352/- towards CGST and SGST and imposing penalty in terms of provisions of Section 122 (2)(b) read with Section 74 (9) of the CGST Act, 2017 and TSGST Act, 2017 read with Section 20 of IGST Act, 2017 and an Interest in terms of provisions of Section 50 of CGST Act, 2017 and TSGST Act, 2017 read with Section 20 of IGST Act, 2017, the Appellant shall prove the reversal of impugned ITC to the satisfaction of the Jurisdictional officer and</p> <p>(iii) impugned demand of ITC pertaining to transport services was uphold.</p>	

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, the provisions on anti-corruption and anti-bribery are forming part of Internal Code of Professional Conduct of CIE Automotive India Limited ('the Company/CIE India') wherein CIE India strictly prohibits any behaviour or practice of corruption, bribery and peddling of influence in connection with clients, suppliers, business partners and public officials or institutions, national or international, including those related to money laundering. It encourages payments in electronic mode and maintenance of proper records Also, the weblink of the same is

<https://www.cie-india.com/assets/pdf/governance/policies/Internal%20Code%20of%20Professional%20Conduct.pdf>.

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

	FY 2024	FY 2023
Directors	Nil	
KMPs		
Employees		
Workers		

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

	FY 2024		FY 2023	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil			
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

**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.**

Not Applicable

**8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following:**

	CY2024 (Current Financial Year)	CY 2023 (Previous Financial Year)
Number of days of accounts payables	67 Days	66 Days



## 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:**

Parameter	Metrics	CY 2024 (Current Financial Year)	CY 2023 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	16.40%	10.98%
	b. Number of trading houses where purchases are made from	1953	1078
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	50.95%	56.43%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	0.26%	0.28%
	b. Number of dealers / distributors to whom sales are made	18	27
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	95.50%	86.05%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	11.18%	8.80%
	b. Sales (Sales to related parties / Total Sales)	44.37%	48.38%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	96%	63%
	d. Investments (Investments in related parties / Total Investments made)	64%	69%

### Leadership Indicators

#### 1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1.	<ul style="list-style-type: none"> <li>ESG External Context</li> <li>European ESG Requirements</li> <li>Emissions Accounting (Scope 1, 2 &amp; 3)</li> <li>CIE India ESG Targets &amp; Goals</li> <li>BRSR Core Requirements</li> <li>Net Zero Commitment by CIE Global</li> <li>Supply Chain Race to Zero Project</li> <li>ESG Rankings</li> <li>Expectation from Value Chain Partners</li> <li>Supplier Code of Conduct &amp; Whistle Blower Policy</li> <li>Vendor appreciation</li> </ul>	82% of invited suppliers have undergone the awareness Programme in CY 24.



**2. Does the entity have processes in place to avoid / manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.**

Yes, the Company has processes in place to avoid/manage conflict of interests involving members of the Board. The Director shall adhere to the disclosure requirements and approval processes as specified under 'Policy on materiality of and dealing with Related Party Transactions' of the Company and provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Further the "Internal Code of Professional Conduct" (also known as "the Code") has been adopted by the Board of Directors of the Company and is applicable to all directors (executive, non-executive, or independent), senior management personnel, key management personnel, and all other employees and workers of the Company. The Code provides direction and ethical principles to these individuals that must guide their work activities within the Group. The Code specifically requires any person that considers that they are potentially in a situation of conflict of interests owing to their other activities outside the Group, family relationships, personal assets or any other reason, should immediately notify this fact to the Human Resources Department or the Compliance Department, so that they may analyze the existence or not of the conflict of interest and, in the event of such a conflict, the head of the unit can exclude the person from participating in the process where the conflict of interest exists.

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

The Company is an auto-component supplier to OEMs and their Tier-1 suppliers. Our products are manufactured as per the specifications provided by the Customers. Thus, we are more a Process Company than a Product Company. Here are few list of such initiatives.

**Resources Efficient & low Carbon processes-** The Company is committed to deploying resource-efficient and low carbon processes and technologies in its manufacturing operations. The goal is to minimize adverse environmental and social impacts associated with its operations.

**Adaption of new technologies-** The Company has embraced new technologies, in Gears Chakan, Gears Rajkot Unit 2, Bill Forge 2D Plant. All these plants expanded and set up with resource and energy-efficient equipment and technology demonstrating a commitment to modern and sustainable manufacturing practices.

**Yield Improvement Projects-** Various projects focused on yield improvement have been undertaken. The objective includes reducing waste generation and increasing the use of recycled materials, aligning with resource efficiency goals and supporting a circular economy.

**Business & Product Development-** Business development and new product development teams actively interact with customers. Fulfillment of PPAP (Production Part Approval Process) requirements highlights a commitment to quality standards and customer satisfaction.

**Waste Reduction & conservation initiatives-** The Company continuously strives to minimize waste in materials and processing requirements. Conservation of energy and water is prioritized through various initiatives, showcasing a commitment to sustainability. Zero Waste to Landfill gap assessment was conducted in CY 2024 to identify the opportunities.

**Essential Indicators**

**1. 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.**

(₹ in Million)

S. No.	Particulars	Current Financial Year FY 2024	Previous Financial Year FY2023	Details of improvements in environmental and social impacts
1.	R & D	Nil	Nil	-
2.	Capex	6.13	2.32	Green Energy Initiatives, Energy Efficiency improvement projects.





**2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No) - Yes****b. If yes, what percentage of inputs were sourced sustainably?**

a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)	Yes The Company has adopted "Supplier's ESG Commitment" which incorporates ESG factors, adherence of which each supplier of the Company must ensure. 100% of our Suppliers have signed the Supplier's ESG Commitment and have completed the self-evaluation required for registration on our "CIE Vendor Registration Portal".
b. If yes, what percentage of inputs were sourced sustainably? [Answer in %]	As mentioned above, 100% of inputs are sourced sustainably.

**3. 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) (b) E-waste (c) Hazardous waste and (d) other waste.**

As mentioned above, the Company manufactures and supplies auto-components to OEMs and their Tier-1 suppliers. Accordingly, our customers are not the end users of the Products. The Company cannot reclaim the Products it manufactures.

Returnable PP bags are collected from the customers and used till end of life, post which is disposed to authorised partners. Plastic waste and other waste is sold to scrap dealers in compliance with applicable laws. E-waste is disposed of to State approved agencies for recycling. Hazardous waste collection, storage and disposal is done through respective State Pollution Control Board approved agencies for landfilling, pre-processing, Alternate Fuel Recovery (AFR) and incineration.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes. Obligation complied as per EPR target for FY 2023-2024 and Annual Return filed which is in line with the EPR plan submitted to Central Pollution Control Board (CPCB).

**Leadership Indicators****1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

Yes, the entity has conducted Life Cycle Assessments (LCA) for 6 strategic products in CY 2024.

**2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Not Applicable

**3. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

Particular	CY 2024* (Current Financial Year)			CY 2023* (Previous Financial Year)		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	0	0	258.41 MT	0	0	216.5 MT
E-waste	0	0	19.82 MT	0	0	8.88 MT
Hazardous waste	0	0	2209.5 MT	0	0	2211.35* MT
Other waste (Non-Hazardous Waste)	0	0	96657.41MT	0	0	97265.66* MT

\*The Company cannot reclaim any of the products manufactured by it at the end of life of products. However, the figures mentioned above are pertaining to waste generated as a part of our manufacturing operations in above categories. The figures are corrected after internal verification again.



#### 4. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Not applicable

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

The Company demonstrates a comprehensive and proactive approach to employee welfare, emphasizing equal opportunities, a positive work environment, and a safe and healthy workplace. By prioritizing favourable working conditions, fair remuneration, and comprehensive training, the company ensures employees are well-equipped to perform their roles effectively. This commitment not only enhances employee well-being but also positively impacts their families.

To further safeguard employee health, the Company consistently conducts occupational health examinations, periodic health check-ups, and workplace monitoring. These measures ensure the ongoing vitality and safety of the workforce.

In CY 2024, the Company conducted mental health and well-being sessions across all its plants. This reflects a holistic approach to employee welfare, addressing both physical and mental health, and reinforcing the company's dedication to fostering a supportive and thriving workplace culture.

#### **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	1509	1497	99.20%	1497	99.20%	0	0%	1164	77.14%	62	4.11%
Female	59	58	98.31%	58	98.31%	58	98.31%	0	0%	10	16.95%
Total	1568	1555	99.17%	1555	99.17%	58	3.70%	1164	74.23%	72	4.59%
Other than Permanent employees											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0

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

Category	% of workers 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	2612	2607	99.81%	2607	99.81%	0	0%	4	0.15%	0	0%
Female	10	10	100%	10	100%	10	100%	0	0%	0	0%
Total	2622	2617	99.81%	2617	99.81%	10	0.38%	4	0.15%	0	0%
Other than Permanent workers											
Male	6108	3554	58.19%	6108	100%	0	0%	0	0	0	0%
Female	100	43	43%	100	100%	91	91%	0	0	0	0%
Total	6208	3597	57.94%	6208	100%	91	1.47%	0	0	0	0%



**c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) –**

	<b>CY 2024 Current Financial Year</b>	<b>CY 2023 Previous Financial Year</b>
Cost incurred on well- being measures as a % of total revenue of the company	0.56%	0.21%

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

<b>Benefits</b>	<b>CY 2024 Current Financial Year</b>			<b>CY 2023 Previous Financial Year</b>		
	<b>No. of employees covered as a % of total employees</b>	<b>No. of workers covered as a % of total workers</b>	<b>Deducted and deposited with the authority (Y/N/N.A.)</b>	<b>No. of employees covered as a % of total employees</b>	<b>No. of workers covered as a % of total workers</b>	<b>Deducted and deposited with the authority (Y/N/N.A.)</b>
PF	99.74%	75.02%	Y	100%	75%	Y
Gratuity	99.43%	44.90%	Y	98%	30%	Y
ESI	2.61%	31.91%	Y	2%	49%	Y
Superannuation	4.21%	0.00%	Y	4%	0%	Y
NPS	1.72%	0.00%	Y	2%	0%	Y

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

The Factory Buildings of the Company are equipped with ramps and handrails for staircases and the Office Premises are equipped with lifts to facilitate the movement of differently abled individuals.

**4. Does the Company have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

It is one of the Group's basic principles to promote and provide equal opportunities to all in access to employment and career advancement, promoting a corporate culture based on merit. The policy on equal opportunity is part of Internal Code of Professional Conduct which can be accessed through below weblink: <https://www.cie-india.com/assets/pdf/governance/policies/Internal%20Code%20of%20Professional%20Conduct.pdf>

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

<b>Gender</b>	<b>Permanent employees</b>		<b>Permanent workers</b>	
	<b>Return to work rate</b>	<b>Retention rate</b>	<b>Return to work rate</b>	<b>Retention rate</b>
Male	100%	100%	NA	NA
Female	NA	NA	NA	NA
<b>Total</b>	100%	100%	NA	NA

**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.**

	<b>Yes/No (If Yes, then give details of the mechanism in brief)</b>
Permanent Workers	The Company has a proactive grievance identification method. Employees and Workers participate in a meeting either monthly or weekly or through Employee Satisfaction Survey where opinion is solicited.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	



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

Category	CY 2024 (Current Financial Year)			CY 2023 (Previous Financial Year)		
	Total employees / workers in respective category	No. of employees / workers in respective category, who are part of association(s) or Union	% (B / A)	Total employees / workers in respective category	No. of employees / workers in respective category, who are part of association(s) or Union	% (D / C)
	(A)	(B)		(C)	(D)	
<b>Total Permanent Employees</b>	1568	0	0	1601	0	0
- Male	1509	0	0	1545	0	0
- Female	59	0	0	56	0	0
<b>Total Permanent Workers</b>	2622	2301	87.76%	2665	2326	87%
- Male	2612	2291	87.71%	2654	2316	87%
- Female	10	10	100%	11	10	91%

## 8. Details of training given to employees and workers:

Category	CY 2024 Current Financial Year					CY 2023 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No.(E)	% (E / D)	No. (F)	% (F / D)
Employee										
Male	1509	1392	92.25%	872	57.79%	1547	1210	78%	791	51%
Female	59	41	69.49%	24	40.68%	57	39	68%	23	40%
Total	1568	1433	91.39%	896	57.14%	1604	1249	78%	814	51%
Workers										
Male	8720	5678	65.11%	1805	20.70%	8839	1820	21%	1927	22%
Female	110	74	67.27%	24	21.82%	89	1	1%	12	13%
Total	8830	5752	65.14%	1829	20.71%	8928	1821	20%	1939	22%

## 9. Details of performance and career development reviews of employees and workers:

Category	CY 2024 Current Financial Year			CY 2023 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	1509	1404	93.04%	1547	1428	92%
Female	59	38	64.41%	57	28	49%
<b>Total</b>	1568	1442	91.96%	1604	1456	91%
<b>Workers</b>						
Male	8720	385	4.42%	8839	253	3%
Female	110	0	0%	89	1	1%
<b>Total</b>	8830	385	4.36%	8928	254	3%



**10. Health and safety management system:****a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes, The Company places a strong emphasis on health and safety, implementing an Occupational Health and Safety Management System and achieved ISO 45001 certification across all its facilities. The focus on routine health checks, occupational health examinations, and workplace monitoring further underscores the commitment to ensuring the well-being of employees. This proactive and systematic approach aligns with best practices for occupational health and safety management.

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

The Company ensures a safe workplace through a comprehensive Health and Safety Management System, including Hazard Identification & Risk Assessment (HIRA), mandatory Job Safety Analysis (JSA), and Standard Operating Procedures (SOPs). A Behavior-Based Safety System (BBS) involves monthly plant tours to reinforce safe behaviors, while theme-based inspections target specific improvements. In CY 2024, a safety cultural assessment was conducted to identify gaps and adapt strategies, engaging line management to further strengthen safe and healthy workplaces. This proactive, systematic approach fosters a robust safety culture.

**c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks? (Y/N)**

Yes. We have a system of capturing unsafe acts, conditions and near misses. Workers report to the shop floor supervisors all such hazards. To encourage reporting of such matters they are recognized in weekly reward and recognition program.

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

Annual medical check-up coverage is there for all the employees and workers. Health Awareness camps being organized in the plants on regular basis. Consulting Doctor visit the OHC centres at plants at regular intervals.

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

Safety Incident /Number	Category	CY2024	CY2023
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0.13*	0.07
Total recordable work-related injuries	Employees	01	01
	Workers	03	01
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

\*Includes all permanent employee, workers, contractual workers. Job contractors related to fabrication and construction related activities not considered

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

The Company ensures workplace safety through a robust framework, including Hazard Identification & Risk Assessment (HIRA), Standard Operating Procedures (SOPs) with employee training, and a 10-day safety induction for new hires. Workers participate in monthly safety meetings, fostering shared responsibility, while management reviews safety performance monthly. In CY 2024, the Company focused on safety campaigns like "Back to Basics," "Understand Your Safety Culture," and "12 life saving Rules" to reinforce a proactive, safety-conscious workplace culture.





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

	CY 2024 (Current Financial Year)			CY 2023 (Previous Financial Year)		
	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	-	1	0	-
Health & Safety	0	0	-	2	0	-

**14. Assessments for the year:**

	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%, internally assessed by the Company
Working Conditions	

**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.**

There is a system for taking corrective and preventive actions related to all type of incidents. However the was no specific actions taken during the year as there were no such incidents reported.

**Leadership Indicators****1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

(A) Employees -Yes

(B) Workers -Yes

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The Company has a process to verify that statutory dues have been deducted and deposited by the value chain partners, in some cases, by requiring to submit relevant proofs along with invoices.

Also, the Company is taking declaration from the Suppliers on compliance of conditions of Code of Conduct which includes fulfilling of requirements related to employees and workers statutory dues.

**3. Provide the number of employees / workers having suffered high consequence work- related injury/ ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Employees	NA	NA	NA	NA
Workers	NA	NA	NA	NA

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)**

No



**5. Details on assessment of value chain partners:**

	<b>% of value chain partners (by value of business done with such partners) that were assessed</b>
Health and safety practices	100%
Working Conditions	100%

**Note:** The Company is taking declaration from its suppliers on Supplier's ESG commitment in which they undertake to put into effective workplace health and safety practices and maintaining healthy working conditions.

The Company is in the process of launching Web Portal for data gathering and assessment for India Specific value chain partners periodically.

**6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners**

Not applicable

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

The Company's ESG Policy aims to foster fluid, bidirectional communication with stakeholders to understand their expectations and adapt business operations accordingly, balancing conflicting interests while safeguarding stakeholder interests. Engagement is facilitated through channels like the corporate website, intranet, in-house newsletter, and Suppliers Portal, ensuring informed and active stakeholder participation.

The CIE Group ESG Strategic Plan for 2025 sets a dual challenge: achieving earnings and business targets aligned with market trends and addressing stakeholder needs by integrating ESG standards into the management model. The plan emphasizes measurable impacts and quantifiable improvements, reflecting a commitment to sustainable practices and long-term stakeholder value.

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

Depending on how much of a material influence they have over the Company or how much of a material influence the Company's corporate actions and their results have on them, key stakeholders are determined.

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

The Company has identified six groups of stakeholders that interact with the Company and are affected directly or indirectly by its business through the Stakeholder Engagement and Materiality Assessment (SEMA) process

<b>Stakeholder Group</b>	<b>Whether identified as vulnerable &amp; marginalised group (Yes/ No)</b>	<b>Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)</b>	<b>Frequency of engagement (Annually, Half yearly, quarterly /others- please specify)</b>	<b>Purpose and scope of engagement including key topics and concerns raised during such engagement</b>
Shareholders	No	<ul style="list-style-type: none"> <li>Structured conference calls</li> <li>Periodic investor/ analyst interactions like individual Meetings</li> <li>Participation in investor conferences</li> <li>Quarterly earnings calls</li> <li>Analysts meet from time to time guided by finance department of the Company</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly</li> <li>Half yearly</li> <li>Annually</li> <li>Periodically and as &amp; when required</li> </ul>	<ul style="list-style-type: none"> <li>Disclosure of information</li> <li>Consent of shareholders wherever required</li> </ul>



Stakeholder Group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly /others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
		<ul style="list-style-type: none"> <li>Emails, SMS, Newspapers Publications, Website of the Company and Stock Exchanges and Registrar and Share Transfer Agents of the Company</li> <li>SCORES and ODR Platform provided by SEBI</li> </ul>		<ul style="list-style-type: none"> <li>to resolve the investor grievances involving various issues among which dividend related matters</li> <li>dematerialization</li> <li>issue of duplicate share certificate etc.</li> </ul>
Employees and Workers	No	<ul style="list-style-type: none"> <li>Company Intranet</li> <li>News Letter</li> <li>Office Collaboration screens</li> <li>Notice Boards</li> <li>Emails</li> <li>Award and Recognition ceremonies/Town Hall</li> </ul>	As required/daily	General Feedback, Grievances, to share relevant & useful information to employees, Employee Success, Motivation Moral, Safety
Customers	No	<ul style="list-style-type: none"> <li>Mail</li> <li>Meetings</li> <li>SMS</li> </ul>	As required/daily	To address complaint and revert with Corrective and Preventive Action
Vendors and Suppliers	No	<ul style="list-style-type: none"> <li>Suppliers meet,</li> <li>Email,</li> <li>Formal meet</li> <li>Award and Recognition ceremonies</li> <li>Participation in survey conducted by suppliers from time to time</li> </ul>	<ul style="list-style-type: none"> <li>RM suppliers - Annual Meet</li> <li>BOP supplier - Email</li> </ul>	For compliance, announcement of new programmes and procedures of CIE India
Society	Yes	CSR Activities <ul style="list-style-type: none"> <li>Volunteering Activities</li> <li>Community Events</li> <li>Community Survey and Consultations</li> </ul>	As and when required through NGO partners/ Third party	To identify the potential areas for CSR activities, formulating, implementing, and evaluating such CSR activities.
Central, State and Local Govt. and Various Statutory and Regulatory Bodies	No	<ul style="list-style-type: none"> <li>Email</li> <li>SMS</li> <li>Letters</li> </ul>	As and where required	For Compliance & Communication
NGO Partners	No	<ul style="list-style-type: none"> <li>E mail</li> <li>Telephonic</li> <li>Physical</li> </ul>	Monthly/ Quarterly	Performance of current month and target of next month



## Leadership Indicators

- 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

ESG Policy of the Company provides the channels of communication for dialogue with and the participation of the various stakeholders in relation to ESG-

by E-mail: [ESG.Sustain@cie-india.com](mailto:ESG.Sustain@cie-india.com)

by Post- addressed to the Chairman Sustainability Council at the following address:

CIE Automotive India Limited

602-603 Amar Business Park, Above Westside Showroom, Baner, Pune – 411 045

- 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

The Company's policy formulation reflects a commitment to legal compliance and adherence to international standards like ISO 14001 and ISO 45001. Policies are developed in consultation with relevant officers and advisors, followed by Board approval. Beyond compliance, the Company promotes employee participation in Employee Social Engagement Programs and CSR activities, focusing on creating a positive impact on underserved communities. CSR implementation involves consultations with beneficiaries, local authorities, and partners.

Initiatives like Kaizen encourage employees to contribute ideas for waste management, energy reduction, and process improvements, while the Behaviour-Based Safety approach empowers them to identify unsafe acts or conditions. This inclusive, collaborative approach integrates stakeholder inputs into policies and operations, fostering a socially responsible and engaged business environment.

- 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.**

Yes, as a part of the CSR activities, the Company has initiated Project Kallubalu Lake Maintenance.

Project "Kallubalu Lake Maintenance" is project towards cleaning and maintaining Kallubalu lake located in sub-urban area of industrial hub at Bengaluru. This lake and its garden welcomes hundreds of local residents every year and is very beneficial for them, especially for children and senior citizens. We have taken up this project and committed for the upkeep of lake and its premises for three years, so that it will continue to benefit local residents, including people from privileged community.

## PRINCIPLE 5: Businesses should respect and promote human rights

The Company established its new Human Rights Policy on 1<sup>st</sup> January 2024. Additionally, the Company's ESG Policy reinforces its dedication to respecting human rights.

The Company explicitly repudiates child labor, compulsory labor, and workplace discrimination. It actively promotes respect for the freedom of association and the right to collective bargaining. Furthermore, the Company commits to compliance with prevailing legislation in all its business markets, aligning with internationally recognized human rights standards and its own Human Rights Policy.

The Human Rights Policy is in compliance with the provisions of the International Labour Organization's fundamental conventions on the freedom of association and the right to collective bargaining.

The Company did not receive any complaints related to human rights violations, specifically breaches of the right to decent work and a living wage, in either 2024 or 2023. This absence of complaints suggests a proactive approach to maintaining a workplace environment that upholds human rights standards and aligns with the United Nations Declaration. It reflects positively the Company's commitment to ethical and responsible business practices.



## Essential Indicators

## 1. Employees and workers who have been provided training on human rights issues and policy(ies) of the Company:

Category	CY 2024			CY 2023		
	Total (A)	No. of employees /workers covered (B)	% (B/A)	Total (C)	No. of employees /workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	1568	1383	88.20%	1601	1052	66%
Other than Permanent	0	0	NA	3	0	0.00%
<b>Total Employees</b>	1568	1383	88.20%	1604	1052	66%
<b>Workers</b>						
Permanent	2622	1951	74.41%	2665	1226	46%
Other than Permanent	6208	2070	33.34%	6263	1397	22%
<b>Total Workers</b>	8830	4021	45.54%	8928	2623	29%

## 2. Details of minimum wages paid to employees and workers, as follows:

Category	CY 2024					CY 2023				
	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	1568	0	NA	1568	100%	1601	0	0%	1601	100%
Male	1509	0	NA	1509	100%	1545	0	0%	1545	100%
Female	59	0	NA	59	100%	56	0	0%	56	100%
Other than Permanent	0	0	NA	0	NA	3	0	0%	3	100%
Male	0	0	NA	0	NA	2	0	0%	2	100%
Female	0	0	NA	0	NA	1	0	0%	1	100%
Workers										
Permanent	2622	0	NA	2622	100%	2665	0	0%	2665	100%
Male	2612	0	NA	2612	100%	2654	0	0%	2654	100%
Female	10	0	NA	10	100%	11	0	0%	11	100%
Other than Permanent	6208	489	7.88%	5719	92.12%	6263	356	6%	5907	94%
Male	6108	489	8.01%	5619	91.99%	6185	356	6%	5829	94%
Female	100	0	NA	100	100%	78	0	0%	78	100%





### 3. Details of remuneration/salary/wages

#### a. Median remuneration / wages:

(amount in ₹)

	Male		Female	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category
Board of Directors	06	62,50,000	02	62,56,830
Key Managerial Personnel (KMP) other than Directors	05	92,11,389	0	NA
Employees other than BoD and KMP	1502	9,64,932	59	4,04,445
Workers	2612	10,92,969	10	10,90,848

**Note:**

- For the purpose of calculation of median remuneration, the meaning of Median as provided in Explanation (i) and (ii) to Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for reporting in Board Report is considered i.e. the numerical value separating the higher half of a population under a particular category from the lower half under that category by arranging all the observations from lowest value to highest value and picking the middle one in case of odd number of observations and in case of even number of observations, the median is calculated by arriving at average of the two middle values.
- Except Mr. Anil Haridass, none of the Non-Executive Directors are entitled to Remuneration.
- In calculation of median remuneration for employees other than BoD and KMPs and Workers, only those employees and workers are considered who falls under permanent category.
- Further, the Directors, KMPs, Employees and Workers as on the end of the financial year i.e. 31<sup>st</sup> December, 2024 were taken into consideration for calculation of median remuneration.

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

	CY 2024 Current Financial Year	CY 2023 Previous Financial Year
Gross wages paid to females as % of total wages	1.37%	1.08%

#### 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/No)

Yes, the Company has a comprehensive mechanism in place to monitor cases addressing human rights issues. The availability of a grievance mechanism allows employees to raise concerns without fear of reprisal, and the Whistle Blower Channel is specifically designed to record and redress grievances, ensuring that employees' voices are heard and their concerns are addressed.

Furthermore, under the ESG (Environmental, Social, and Governance) Policy, the Company has established dedicated communication channels through which stakeholders can voice their concerns. This inclusion recognizes the importance of engaging with and addressing the perspectives and concerns of various stakeholders beyond the internal workforce.

The presence of these mechanisms, including the Whistle Blower Channel and dedicated communication channels under the ESG Policy, reflects the Company's commitment to transparency, accountability, and ethical practices. It ensures that individuals, whether employees or external stakeholders, have avenues to express their concerns and contribute to the ongoing improvement of the Company's policies and practices related to human rights and broader ESG issues.



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

The Company has extended its commitment to addressing human rights issues beyond the Whistle Blower Mechanism. Under the ESG (Environmental, Social, and Governance) Policy, dedicated communication channels have been established to allow for the raising of grievances related to human rights issues. This demonstrates a comprehensive and multi-faceted approach to addressing concerns and ensuring accountability in the domain of human rights within the Company.

Additionally, the provision of a Global contact for issues related to ESG and Society under CIE Group's Global ESG Policy further emphasizes the Company's commitment to a global standard of corporate responsibility. The availability of a contact point provides stakeholders with a means to report and address ESG-related concerns on a broader scale.

These initiatives contribute to fostering a transparent and accountable corporate culture, aligning with best practices in corporate responsibility and sustainability. The accessibility of dedicated channels and global contacts ensures that stakeholders have avenues to voice their concerns and contribute to the Company's ongoing commitment to ethical and responsible business practices.

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

	CY 2024			CY 2023		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	1	0	During the year a complaint was received and resolved	1	0	During the year a complaint of previous year is also resolved
Discrimination at workplace	0	0	Not applicable	0	0	Not applicable
Child Labour	0	0		0	0	
Forced Labour/ Involuntary Labour	0	0		0	0	
Wages	0	0		0	0	
Other Human rights related issues	0	0		0	0	

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

	CY 2024 Current Financial Year	CY 2023 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	1
Complaints on POSH as a % of female employees / workers	0.31%	0.68%
Complaints on POSH upheld	1	2



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

The Company has adopted CIE Automotive's protocol for preventing and handling workplace harassment. The protocol encompasses the prevention of mobbing, sexual harassment, and gender harassment, incorporating various preventive measures such as zero-tolerance towards harassment, shared employee responsibility for monitoring workplace conduct, and the establishment of communication programs. The Harassment Protocol is accessible on the CIE Automotive website for consultation, demonstrating transparency and accessibility.

Moreover, in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act of 2013, the Company has formulated a Policy on the Prevention of Sexual Harassment for Women at the Workplace. This policy is applicable to all employees, including permanent, contract, temporary, and trainees. To address accusations of sexual harassment, the Company has established an Internal Committee (IC), aligning with legal requirements.

The Code of Professional Conduct enables the submission of inquiries or notifications, including those related to harassment, anonymously. The Compliance Department handles and analyzes such notifications and inquiries confidentially.

Both the harassment policies and the whistle-blower policy provide mechanisms for the protection of complainants and whistle-blowers. The Company explicitly condemns any form of discrimination, harassment, victimization, or unfair employment practices against whistle-blowers. This commitment includes complete protection against retaliation, threats, intimidation, or any other unfair practices that may hinder the whistle-blower's right to continue performing their duties or making further protected disclosures. This comprehensive approach reinforces a commitment to creating a safe and respectful workplace environment.

**9. Do human rights requirements form part of your business agreements and contracts?**

**(Yes/No)**

Yes, The Company places a mandatory requirement on the inclusion of human rights specifications in business agreements and contracts. Ensuring that human rights considerations are embedded in these documents reflects a commitment to ethical business practices. Moreover, the mandatory requirement for all suppliers to sign the Suppliers ESG Commitment, which incorporates human rights requirements, is a proactive step. This approach aligns with global sustainability goals and ethical business practices.

The Group's Suppliers ESG Commitment is available on the website of the CIE Group on the Weblink: <https://www.cieautomotive.com/en/web/guest/compromiso-asg-proveedores>

**10. Assessments for the year:**

	<b>% of the Company's plants and offices that were assessed (by the Company or statutory authorities or third parties)</b>
Child Labour	The Company has implemented a robust mechanism to ensure compliance with all statutory requirements. The Company conducts regular internal assessments to verify compliance with various topics, including but not limited to Child Labour, Forced Labour / Involuntary Labour, Sexual Harassment, Discrimination at the workplace, Wages, Safety, Health, and Welfare.
Forced Labour/Involuntary Labour	
Sexual Harassment	
Discrimination at workplace	
Wages	
Other- please specify	The commitment to conducting internal assessments on these critical topics is reflected in the fact that 100% of the Company's plants and offices have undergone internal assessments. This demonstrates a proactive approach to ensuring legal and ethical compliance across various aspects of the Company's operations, contributing to a safe, fair, and inclusive workplace environment.

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

Not Applicable



## Leadership Indicators

### 1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

Grievances redressal Process established in our Human Rights policy dated 1<sup>st</sup> January 2024

### 2. Details of the scope and coverage of any Human rights due diligence conducted.

### 3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

### 4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Nil
Discrimination at workplace	Nil
Child Labour	Nil
Forced Labour/Involuntary Labour	Nil
Wages	Nil
Others – please specify	Nil

### 5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above. Not Applicable

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

The Company is committed to resource-efficient, low-carbon manufacturing processes, aiming to deliver goods and services while minimizing environmental and social impacts. It adheres to the ISO-14001 standard, with all manufacturing locations certified under this robust environmental management system. Embracing a circular model, the Company monitors resource consumption and waste generation to reduce negative impacts.

As part of its commitment to a circular model, the Company focuses on better managing natural resources by monitoring consumption and waste generation to minimize negative impacts from its activities. A zero waste to land fill gap assessment was conducted in CY 24 to find out the gaps and reduce impact on environment.

A noteworthy initiative involves increasing the share of green energy in total energy consumption. In the current financial year (CY) 2024, the Company achieved a proportion of 58.29% renewable electricity consumption to the total electricity consumption. This emphasizes the Company's dedication to sustainability and reducing its carbon footprint through the utilization of renewable energy sources.

## Essential Indicators

### 1. Details of total energy consumption (in Joules or multiples) and energy intensity:

Parameter	CY 2024 (Current Financial Year) Kwh	CY 2024 (Current Financial Year) GJ	CY 2023 (Previous Financial Year) Kwh	CY 2023 (Previous Financial Year) GJ
<b>From renewable sources</b>				
Total electricity consumption (A)	15,59,85,773.25	5,61,548.78	145,8,05,258.08	5,24,898.93
Total fuel consumption (B)	85,29,051.6	30,704.59	1,07,04,540.5	38,536.35
Energy consumption through other sources (C)	0	0	0	0
Total energy consumed from renewable sources (A+B+C)	16,45,14,824.85	5,92,253.37	15,65,09,798.58	5,63,435.28
<b>From non-renewable sources</b>				



Parameter	CY 2024 (Current Financial Year) Kwh	CY 2024 (Current Financial Year) GJ	CY 2023 (Previous Financial Year) Kwh	CY 2023 (Previous Financial Year) GJ
Total electricity consumption (D)	11,16,00,656.45	4,01,762.36	11,21,92,902.68	4,03,894.45
Total fuel consumption (E)	5,30,25,620.24	1,90,892.23	4,73,54,735.98	1,70,477.05
Energy consumption through other sources (F)	0	0	0	0
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	16,46,26,276.7	5,92,654.59	15,95,47,638.66	5,74,371.5
<b>Total energy consumed (A+B+C+D+E+F)</b>	32,91,41,101.54	11,84,907.96	31,60,57,437.24	11,37,806.78
<b>Energy intensity per rupee of turnover</b> (Total energy consumed/Revenue from operations)	0.007	0.0000260	0.007	0.0000249
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed / Revenue from operations adjusted for PPP)	0.146	0.0,00,527	0.140	0.0,00,503
<b>Energy intensity in terms of physical Output (Per MT)</b>				
Energy intensity ( <i>optional</i> ) – the relevant metric may be selected by the entity	1485.08	5.35	1437.91	5.18

Note: PPP Factor taken as CY 23 -20.2 & CY 24 -20.29 from IMF Website - <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/ADVEC/WEOWORLD>

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency. No

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? (Y/N) 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.**

Not Applicable

3. **Details of the following disclosures related to water**

(amount in ₹)

Parameter	CY 2024 (Current Financial Year)	CY 2023 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	1,35,335.00	1,50,274.00
(ii) Ground water	48,520.84	58,669.95
(iii) Third party water	3,01,945.69	2,99,915.59
(iv) Seawater / desalinated water	0	0
(v) Others (Rainwater)	1,228.24	6,363



Parameter	CY 2024 (Current Financial Year)	CY 2023 (Previous Financial Year)
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	4,87,029.80	5,15,222.54
Total volume of water consumption (in kilolitres)	4,93,841.73	5,08,942.39
<b>Water intensity per rupee of turnover</b> (Total water consumption / Revenue from operations)	0.000011	0.000011
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption / Revenue from operations adjusted for PPP)	0.000220	0.000225
<b>Water intensity in terms of physical Output (Per MT)</b>		
<b>Water intensity</b> (optional) – the relevant metric may be selected by the Entity	2.23	2.32

Note: PPP Factor taken as CY 23 -20.2 & CY 24 -20.29 from IMF Website - <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/ADVEC/WEOWORLD>

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

**4. Provide the following details related to water discharged:**

Parameter	CY 2024 (Current Financial Year)	CY 2023 (Previous Financial Year)
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
<b>(i) To Surface water</b>		
No treatment	0	0
With treatment – please specify level of treatment	0	0
<b>(ii) To Groundwater</b>		
No treatment	0	0
With treatment – please specify level of treatment	0	0
<b>(iii) To Seawater</b>		
No treatment	0	0
With treatment – please specify level of treatment	0	0
<b>(iv) Sent to third parties</b>		
No treatment	11,092.01*	11,182.01
With treatment – please specify level of treatment	1,042.55	1,261.29
<b>(v) Others (Using for Gardening Purpose)</b>		
No treatment	0	0
With treatment –		
(Primary, Secondary and Tertiary treatment)	85186.05**	129797.15
<b>Total water discharged (in kilolitres)</b>	97320.61	142240.45

\* Sent to CETP with permission from SPCB

\*\* Used for gardening with permission from SPCB

**Note:** Indicate if any independent assessment / evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – No





**5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Yes, Company has established a mechanism in compliance with the requirements specified by the State Pollution Control Board consent conditions. Sewage Treatment Plants (STPs) and Effluent Treatment Plants (ETPs) have been installed to facilitate the recycling of wastewater. The treated water is further utilized in various processes, gardening, cooling tower top-ups, toilet flushing, and other applications. Moreover, the mention of the Zero Liquid Discharge mechanism being implemented at the Company's Unit at Bill Forge Plant 2, Iron Casting Urse, Gears Chakan, and Gears Rajkot Unit 3 demonstrates a commitment to environmental sustainability. Zero Liquid Discharge implies that no liquid effluent is discharged outside the facility after the treatment process, contributing to a more sustainable and eco-friendly approach to industrial processes. This aligns with environmental best practices and regulatory compliance.

**6. Details of air emissions (other than GHG emissions) by the entity, as follows:**

Parameter	Please specify unit	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
NOx	microgram/Nm3	21.61	23.12
SOx	microgram/Nm3	11.56	15.14
Particulate matter (PM)	microgram/Nm3	50.19	55.98
Persistent organic pollutants (POP)	microgram/Nm3	Not Applicable	Not Applicable
Volatile organic compounds (VOC)	microgram/Nm3	Not Applicable	Not Applicable
Hazardous air pollutants (HAP)	microgram/Nm3	Not Applicable	Not Applicable
Others – please specify	microgram/Nm3	Not Applicable	Not Applicable

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency. No

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

Parameter	Unit	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	11006.7**	10337.87*
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	80371.71**	79033.23*
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	MT / ₹ Cr	0.0000020	0.0000020
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for purchasing power parity PPP</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted from PPP)		0.00004063**	0.00003950*
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output (Per MT)</b>			
<b>Total Scope 1 and Scope 2 emission intensity (optional)</b> – the relevant metric may be selected by the entity	MT CO <sub>2</sub> e/MT	0.412	0.407
<b>Total Biogenic Emission</b>	MT CO <sub>2</sub> e/MT	917.75	1001.15*



\*Data updated as Emission, conversion and PPP factor updated, GHG Inventory reported using market based approach & GHG Protocol, EF taken for calculation of scope 2 as 0.727 for CY 24 & 0.716 for CY 23 as per CEA 2024 guidelines.

\*\* data includes Company owned vehicle fuel consumption, emission, conversion and PPP factor updated

PPP Factor taken as CY 23 -20.2 & CY 24 -20.29 from IMF Website - World Economic Outlook (October 2024) - Implied PPP conversion rate

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency. No

**8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

Yes. The Company has undertaken several measures to reduce its overall GHG Emissions.

For conservation of energy following initiatives were undertaken by the Company, which has helped in reducing the GHGs:

S.NO.	Description of Activity
1	Grinding M/C motor capacity reduced from 11.5 to 9.5 KW for 2 machines
2	Operation office tank 5HP pump elimination Gravity flow from main tank.
3	CNC 1 kw Panel cooler ON time increased 24 Deg to 44 Deg for 22 m/c
4	Dummy Billet implementation in Version 1.2.3 & V4
5	Interlink BKO motor control with press operation
6	Elimination of 1 <sup>st</sup> stage BKO motor
7	Elimination of Electric pump in all 3 polymer machine
8	Sharing load with single transformer and switch OFF on 2000 KVA Transformer
9	Regular lights conversion to LED
10	Dyna Furnace Cooling Tower Water recirculation pump capacity changed 15HP to 7.5 HP with same discharge rate
11	Cycle time reduction for YS input shafts from 15 mins to 14 mins which have improved productivity results in Power saving.
12	Power Factor Improvements (SVG panel Installation, Harmonic Filters Installation etc.)
13	Normal Air Compressor replaced with VSD Air compressor
14	Switching off the gun coolant motor during non-operation
15	Controlling of air pressure in Air gun
16	Implementation of SMC air gun
17	Arresting air leakages
18	Air cleaning Pneumatic gun Nozzle ø 5mm to be replaced with Nozzle ø2 mm gun.
19	Dia 75 coil incorporated for 4000T ERFURT Press line IBH(D#1904)
20	Bofco furnace - a) Modification in 4RC fan, Motor capacity reduction from 15 HP to 3 HP
21	100 Dia coil installation on 5000T press line IBH
22	Introduction of Box type billet heating furnace 250X250X500
23	Quenching pump of induction hardening machines modification
24	Presetting A.C
25	VFD Installation
26	Energy Efficient motors installation
27	Replacement of 1000 KVA transformers with energy efficient transformers
28	Power Factor Improvements
29	Timer to be introduced for all lighting load
30	To stop the hydraulic system when it is not required
31	B2 Ball Mill - Energy savings through cycle time reduction while unloading. (kWh / Month)
32	Timer for vacuum pump which is used for removing water from Tank and Vessel
33	Heat recovery for dryer box
34	Replacement of Induction lights by LED lights
35	HVLS Fan Installation in Weld Shop



## 9. Provide details related to waste management by the entity:

Parameter	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	258.41	216.5
E-waste (B)	19.82	8.88
Bio-medical waste (C)	0.04	0.04
Construction and demolition waste (D)	575.03	175.96
Battery waste (E)	0.4	2.75
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	2209.5	2211.35
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	96657.41	97265.66*
<b>Total (A+B + C + D + E + F + G+ H)</b>	<b>99720.61</b>	<b>99881.14*</b>
<b>Waste intensity per rupee of turnover</b> (Total waste generated/ Revenue from operations)	0.0000022	0.0000022*
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations adjusted for PPP)	0.00004434	0.00004415
<b>Waste intensity in terms of physical output (Per MT)</b>		
<b>Waste intensity (optional)</b> – the relevant metric may be selected by the entity	0.450	0.454*
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	50809.24	71602.75*
(ii) Re-used	1967.27	2042.6*
(iii) Other recovery operations	23345.4	971.31*
<b>Total</b>	<b>76121.91</b>	<b>74616.66*</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	751.37	523.41*
(ii) Landfilling	23578.15	25248.11*
(iii) Other disposal operations	21129.01	15063.86*
<b>Total</b>	<b>45458.53</b>	<b>40835.38*</b>

\*Data updated after internal verification and using better accounting practices and PPP factor updation.

PPP Factor taken as CY 23 -20.2 & CY 24 -20.29 from IMF Website - World Economic Outlook (October 2024) - Implied PPP conversion rate

**Note:** Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency- No



- 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.**

The Company has secured authorization from State Pollution Control Boards for managing hazardous and non-hazardous waste. A systematic waste management approach includes waste segregation at the source, designated storage areas, and meticulous record-keeping of waste generation and disposal, ensuring compliance with regulatory requirements. Waste is disposed of or recycled through authorized facilities, recyclers, or agencies, with annual returns filed as per regulations.

To enhance environmental awareness, the Company conducts regular training programs for personnel involved in waste handling, storage, and disposal. Hazardous and toxic chemicals are managed by trained staff following Safety Data Sheets (SDS), with efforts to reduce their consumption in line with process needs. This comprehensive strategy underscores the Company's commitment to environmental responsibility and regulatory compliance.

- 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:**

S. 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.
Not Applicable			

- 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
Not Applicable					

- 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).**

Yes. The Company is compliant with the applicable laws pertaining to Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981, Environment Protection Act, 1986 and rules thereunder.

If not, provide details of all such non-compliances, as following:

S. No.	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
Not applicable				



## Leadership Indicators

## 1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

Not applicable, since none of the plant is situated in water stress area as per Central Ground Water Authority (CGWA) guidelines.

Water withdrawal, consumption and discharge as follows:

Parameter	CY 2024	CY 2023
Water withdrawal by source (in kilolitres)		
(i) Surface water	Not Applicable	
(ii) Ground water		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) –the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	Not Applicable	
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency. No



2. **Please provide details of total Scope 3 emissions & its intensity.** The Company is in process of mapping data required. Hence, not applicable

Parameter	Unit	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)			
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – No

3. **With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Not Applicable

4. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Reduction in Energy Consumption Intensity	<ol style="list-style-type: none"> <li>Grinding M/C motor capacity reduced from 11.5 to 9.5 KW for 2 machines</li> <li>Operation office tank 5HP pump elimination Gravity flow from main tank.</li> <li>CNC 1 kw Panel cooler ON time increased 24 Deg to 44 Deg for 22 m/c</li> <li>Dummy Billet implementation in Version 1. 2.3 &amp; V4</li> <li>Interlink BKO motor control with press operation</li> <li>Elimination of 1<sup>st</sup> stage BKO motor</li> <li>Elimination of Electric pump in all 3 polymer machine</li> <li>Sharing load with single transformer and switch OFF on 2000 KVA Transformer</li> <li>Regular lights conversion to LED</li> <li>Dyna Furnace Cooling Tower Water recirculation pump capacity changed 15HP to 7.5 HP with same discharge rate</li> <li>Cycle time reduction for YS input shafts from 15 mins to 14 mins which have improved productivity results in Power saving.</li> <li>Power Factor Improvements (SVG panel Installation, Harmonic Filters Installation etc.)</li> <li>Normal Air Compressor replaced with VSD Air compressor</li> <li>Switching off the gun coolant motor during non-operation</li> <li>Controlling of air pressure in Air gun</li> <li>Implementation of SMC air gun</li> <li>Arresting air leakages</li> <li>Air cleaning Pneumatic gun Nozzle ø 5mm to be replaced with Nozzle ø2 mm gun.</li> <li>Dia 75 coil incorporated for 4000T ERFURT Press line IBH(D#1904)</li> </ol>	Reduction in Energy intensity





Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
		20. Bofco furnace – a) Modification in 4RC fan, Motor capacity reduction from 15 HP to 3 HP 21. 100 Dia coil installation on 5000T press line IBH 22. Introduction of Box type billet heating furnace 250X250X500 23. Quenching pump of induction hardening machines modification 24. Presetting A.C 25. VFD Installation 26. Energy Efficient motors installation 27. Replacement of 1000 KVA transformers with energy efficient transformers 28. Power Factor Improvements 29. Timer to be introduced for all lighting load 30. To stop the hydraulic system when it is not required 31. B2 Ball Mill – Energy savings through cycle time reduction while unloading. (kWh / Month) 32. Timer for vacuum pump which is used for removing water from Tank and Vessel 33. Heat recovery for dryer box 34. Replacement of Induction lights by LED lights 35. HVLS Fan Installation in Weld Shop	
2	Increase use of Renewable Energy	1. Cleaning of solar panels to increase the generation 2. Increasing Group Captive Generation 3. Installation of Roof Top Solar panels 4. Addition of 6 MW Group Captive Solar power plant 5. Installation of Solar Street Lights	Renewable electricity increased to about 58.29%
3	Reduction in Water Consumption Intensity	1. Installation of Water Aerators 2. Installation of Rainwater Harvesting system 3. Recycling of ETP/STP Treated water in processes, Cooling Towers, gardening & Toilet Flushing 4. Water Balancing of the plants 5. Return line to be installed for reusing Leak Testing Water in cooling Tower. 6. Providing flow controller for all tanks to avoid overflow 7. Water Dripping System for gardening . 8. Use of RO Reject water for Toilet 9. Use of harvested rainwater into cooling towers 10. Additional Filtration unit installation at RCDM & Water rinse	Reduction in Water Consumption Intensity
4	Reduction in Material Consumption Intensity	1. Implementation of Hydraulic Oil filtration machine. 2. Modifying dies and cassettes (4000T H & 3000T) die block size reduction 3. Input raw material/thickness reduction 4. Use of Returnable Bins/Pallets/Packaging 5. Weight Reduction Initiatives 6. VA/VE Project 7. CED Paint DFT Optimization by addition of Roof Anode cell in CED Bath/ Bus bar of CED Tank repositioning 8. Roof Bow RM rejection control by providing De-coiler (4 <sup>th</sup> sheared material rejection control)	Reduction in Material Consumption Intensity



Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
		9. Blank optimization by getting minimum thickness from Steel suppliers 10. Optimized usage of stretch film consumption in Packing	
5	Reduction in Hazardous Waste Intensity	1. Used oil usage after filtering it from Oil Filtration machine 2. Filtration of drained used oil of forging components 3. Introduced returnable barrels for Methanol Supply 4. Higher quality PPE (Hand Gloves) to be used 5. Reduction of hand gloves consumption by using cut free hand gloves in press shop 6. Reduction of ETP sludge by adding additional filtration unit at RCDM & Water rinse 4	Reduction in Hazardous Waste Intensity
6	Reduction in Non Haz Waste Intensity	1. Yield improvement ( Raw material ) 2. Process route modified from slug piercing 3. Weight reduced for BT restriction forging parts (Instead of machining ) 4. Marking process elimination 5. PS 12 Top die life usage increased 6. Increase No. of parts per packaging 7. Eliminate of gunny bag by implementation of metal bin for Yokes 8. Re-use of HT fixtures after modification 9. Reusage of Grinding Swarf 10. Reusage of Sintered Scrap 11. Reuse plastic & alternate packing solution for reduction. 12. Reuse of wood to reduce wooden scrap 13. Recycled sand to be used for cores/ molding 14. Lighter weight wood to be used to make wooden pallets	Reduction in Non-Hazardous Waste Intensity
7	Reduction in Fuel, Gases & Chemical Consumption Intensity	1. Conversion of diesel forklifts into Battery Operated Forklifts 2. Use of compressed biogas for canteen to replace LPG 3. Installation of Direct fire heating system in CED oven to reduce Propane 4. Temp Reduction of activation tank at PTCEd Line 44°C to 42°C 5. Provision of heating units in oil separator tanks for propane saving 6. Gas saver provision on all MIG station 7. Reduction in Rust Preventive oil consumption	Reduction in Fuel Consumption Intensity



Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
8	Transport Management (Reduction in No of Trips In- bound & Out-bound) Utilization of Vehicle Capacity	<ol style="list-style-type: none"> <li>1. Clubbing of Vehicle different loads into one to increase efficiency</li> <li>2. Dispatching in Large Capacity Vehicles</li> <li>3. Material Pack Size increasing</li> <li>4. Dispatch Qty Lot Size increasing to Customer</li> <li>5. Increasing use of CNG Vehicles</li> <li>6. Use of empty vehicles while returning after customer delivery for pickup of inward material from vendors.</li> <li>7. Use of Milk Run vehicles on a common route</li> <li>8. Small size vehicles will be reduced and increase BIG size from 407 to 707/1109</li> <li>9. Reduction of No's of trip outbound by using Inward material's vehicle as a dispatch vehicle</li> <li>10. outsourcing to insourcing process</li> <li>11. Develop suppliers near to plant</li> <li>12. Identify &amp; Modify trolleys for part packing qty</li> <li>13. Container optimization for Ford export</li> </ol>	Overall Transport Vehicle Capacity Utilization increased up to 97%.
9	Green Belt Development	<ol style="list-style-type: none"> <li>1. Tree Plantation inside plant premises</li> <li>2. Tree Plantation under CSR activities nearby plants</li> <li>3. Tree survival monitoring</li> <li>4. Tree Plantation in Forest Land</li> </ol>	Total 24305 trees were planted across all locations of the Company

**5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

The Company's Business Continuity Plan (BCP), integral to its Risk Management Policy, includes disaster management plans at each manufacturing unit to ensure legal compliance, protect assets, and safeguard individuals. These plans aim to maintain business continuity following natural or man-made disasters.

Each plant has an Emergency Preparedness Manual detailing procedures, potential emergencies, chemical/fuel storage details, fire-fighting systems, Emergency Response Team (ERT) roles, communication flow charts, emergency instructions, and incident investigation protocols. Regular mock drills train employees on emergency responses, ensuring preparedness to handle disruptions and swiftly resume operations. This comprehensive approach underscores the Company's commitment to resilience and operational continuity.

**6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

The Company states that it does not perceive any substantial adverse impacts on the environment arising from its value chain. It conducts impact assessments for all potential risks and takes necessary actions to mitigate these risks. As part of the vendor registration process, the Company obtains ESG (Environmental, Social, and Governance) commitment declarations from all value chain partners.

Furthermore, the Company is in the process of developing and launching a Vendor Web Portal for India specific Supplier. This portal is intended for capturing emission data from vendors, and it will also facilitate the assessment of their performance. This proactive approach aligns with the Company's commitment to environmental responsibility and sustainable practices throughout its value chain.



## 7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

The Company has implemented a Suppliers ESG Criterion Evaluation, requiring suppliers to conduct self-assessments of their compliance with Principle 7, Principle 8, and Principle 9 of the UN Global Compact, specifically addressing environmental commitments. Notably, 100% of the Company's suppliers have completed the self-assessment and expressed their commitment to comply with these principles.

However, it's important to note that as of the provided information, no independent assessment has been carried out to evaluate the environmental impacts of the Company's value chain partners. While the self-assessment by suppliers is a positive step, independent assessments could provide an additional layer of scrutiny and verification regarding the environmental practices throughout the value chain. Independent assessments can enhance transparency and credibility in evaluating and addressing environmental impacts.

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

The Company operates its business within the national and international legislative and policy framework and does not engage in influencing public and regulatory policy. Instead, it encourages complete cooperation and diligence from every individual during inspections, information requests, or procedures that Public Authorities may deem necessary.

The Company may become members of trade and industry chambers or associations and other similar collective platforms. These memberships provide avenues for conveying industry concerns to policy makers. This collaborative approach allows the Company to participate in industry dialogue and contribute to the development of policies that impact its sector.

#### **Essential indicators**

1. **a. Number of affiliations with trade and industry chambers/associations- Ten**
- b. List of the top 10 trade and industry chambers/associations (determined based on the total members of such body) the Company is a member of/affiliated to:**

<b>S. No.</b>	<b>Name of the trade and industry chambers/ associations</b>	<b>Reach of trade and industry chambers/ associations (State/ National)</b>
1	Confederation of Indian Industry	National
2	Association of Indian Forging Industry (AIFI)	National
3	Indian Machine Tool Manufacturer's Association (IMTMA)	National
4	Automotive Component Manufacturers Association of India (ACMA)	National
5	Hosur Industrial Association	State
6	Mahratta Chambers of Commerce & Agriculture (MCCIA)	State
7	Bommasandra Industrial Association	State
8	Jigani Industrial Association	State
9	Attibele Industrial Association	State
10	Society of Indian Automobile Manufacturers (SIAM)	National



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

Name of the authority	Brief of the case	Corrective action taken
NIL		

### Leadership Indicators

1. Details of public policy positions advocated by the Company:

S. No.	Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/ No)	Frequency of Review by Board (Annually/ Half yearly/Quarterly/ Others- please specify)	Web Link, if available
The Company operates the business within national and international legislative and policy framework and does not engage in influencing public and regulatory policy.					

### PRINCIPLE 8: Businesses should promote inclusive growth and equitable development to

The Company actively contributes to community development through social projects, guided by its Corporate Social Responsibility (CSR) Policy. Donations or financial contributions to organizations involved in illicit activities are strictly prohibited. All CSR initiatives align with the policy and are documented in the Company's accounting records. Detailed information on CSR activities is available in the Annual Report on CSR Activities, included in the Annual Report-2024. This reflects the Company's commitment to ethical and impactful community engagement.

A summary of these activities is also available on the Company's website at the provided weblink.: <https://www.cie-india.com/csrOLDI.html>

### 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
Not Applicable					

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

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amount paid to PAFs in the FY (In INR)
Not Applicable						

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

Any stakeholder can report their genuine concerns through the Whistle Blower Channel available at the weblink: <https://www.cie-india.com/assets/pdf/governance/policies/Whistle%20Blower%20Policy.pdf>



The grievances are redressed in accordance with the Whistle Blower Policy of the Company.

Apart from the Whistle Blower Mechanism, the ESG Policy of the Company provides dedicated communication channels through which the Company may receive grievances of the community. The Company will endeavor to redress the same in accordance with the principles laid down under the Policy. Further, the Global contact for any issue related to ESG and Society available under CIE Group's Global ESG Policy, details of which are available at the weblink: <https://cieautomotive.com/en/contacto>.

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

	<b>CY 2024</b> Current Financial Year	<b>CY2023</b> Previous Financial Year
Directly sourced from MSMEs/small producers	19%	16%
Directly from within India	96%	97%

**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 to**

<b>Location</b>	<b>FY 2024</b> Current Financial Year	<b>FY 2023</b> Previous Financial Year
Rural	52.6%	18.4 %
Semi-urban	33.8%	12.2 %
Urban	10.4%	59.7 %
Metropolitan	3.2%	9.8 %

\*Calculation based on the factory location

**Leadership Indicators**

- Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above) NA**
- Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies: NA**
- Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) – NO**
  - From which marginalized /vulnerable groups do you procure? – Not Applicable**
  - What percentage of total procurement (by value) does it constitute? – Not Applicable**
- Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge: NA**
- Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved. NA**
- Details of beneficiaries of CSR Projects:**





S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	ESEP- Employee Social Engagement Program	27136	100%
2	Lakshya- CIE India Institute of Skills	106	100%
3	Harit Gram	85000	100%
4	WASH 2 (Water, Sanitation & Hygiene) in Fourteen Schools	4600	100%
5	Santulan 2	320	100%
6	GEMS 2 (Green Education Movement in Schools) in four Schools	1600	100%
7	LOTUS 2 (Learning Opportunity & Training for Upliftment of Special Students) in fifteen Schools	577	100%
8	Utkarsh - 5 in 24 schools	8523	100%
9	SaniSafe	7500	100%
10	Green Belt 1	20000	100%
11	Green Belt 2	20000	100%
12	WASH 3 (Water, Sanitation & Hygiene) in Two Schools	916	100%
13	Green Belt 3	20000	100%
14	GEMS 3 (Green Education Movement in Schools) at Bengaluru	1319	100%
15	Kallubalu Lake Maintenance Project	1979	100%
16	CLASS (Computer Literacy And Smart Skills)	120	100%
17	Cleanliness Initiatives in School	226	100%
18	STEEP (Students & Teachers Education Excellence Program) in three schools	1004	100%
19	I-LEAP (Innovative Learning to Excel Academic Progress)	226	100%

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

In 2024, CIE Automotive India Limited consistently fulfilled the needs of Original Equipment Manufacturers (OEMs) and their tier-1 suppliers, delivering high-quality parts precisely when and how they were required. This effort aligns with our Quality Policy, which emphasizes the generation of value through exceptional service and reliability.

Our multi-technology solutions have been pivotal in addressing the diverse needs of our customers, reinforcing our dedication to customer satisfaction. This satisfaction is fostered through continuous product and process improvements, which are achieved via preventive measures, systematic revisions, targeted training, and the sharing of know-how.

Our Global Quality Policy underpins this commitment, reflecting our strategic focus on quality and environmental protection. By integrating customer concerns into our operational framework, we ensure a balanced approach to quality enhancement and environmental protection, driving sustainable growth and fostering long-term partnerships.



## Essential Indicators

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

Customer satisfaction is at the core of CIE Automotive India Limited's commercial activities. Our commitment to exceeding customer expectations is evident throughout every phase of the customer relationship process—from the initial sales pitch to effective project management, timely production, and service delivery.

In instances where deviations occur, the Company ensures prompt responses and actively seeks feedback to continuously enhance its processes. Although the Company does not interact directly with end consumers, it efficiently manages claims and complaints from its customers, which include OEMs and Tier-1 suppliers. These are handled in strict adherence to the automotive industry's standard operating procedures.

By aligning our feedback mechanisms with industry standards, we reinforce our dedication to providing superior service and fostering lasting customer relationships.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	As mentioned, the parts/components are manufactured as per the specification given by our customers (OEMs and TIER-1 suppliers) and we do not have direct supply of any products to end consumers.
Safe and responsible usage	
Recycling and/or safe disposal	

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

	CY2024		Remarks	CY2023		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	Not Applicable	0	0	Not Applicable
Advertising	0	0	Not Applicable	0	0	Not Applicable
Cyber- security	0	0	Not Applicable	0	0	Not Applicable
Delivery of essential services	0	0	Not Applicable	0	0	Not Applicable
Restrictive Trade Practices	0	0	Not Applicable	0	0	Not Applicable
Unfair Trade Practices	0	0	Not Applicable	0	0	Not Applicable
Other (received in Ordinary Course of Business relating to operational issues and not involving any ESG issues)	717	15	-	823	23	-



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

	Number	Reasons for recall
Voluntary recalls	0	Not Applicable
Forced recalls	0	Not Applicable

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

The Company has established a robust framework for cyber security and data privacy. Cyber security risk is incorporated into the overall Risk Control and Management Policy of the Company. This policy, inclusive of cyber security measures, is available for reference at the provided weblink. This approach underscores the Company's commitment to addressing and managing risks related to cyber security and ensuring the protection of sensitive data.: <https://www.cie-india.com/assets/pdf/governance/policies/Risk%20Control%20and%20Management%20Policy.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.**

Nil, The Company places a high value on privacy and implements additional precautions to safeguard the personal information entrusted to it. This commitment extends to information provided by staff, clients, partners, suppliers, business partners, contractors, workers, institutions, and the public. The Company takes proactive measures to ensure the confidentiality and security of this personal information.

**7. Provide the following information relating to data breaches:**

- Number of instances of data breaches along with impact: 0
- Percentage of data breaches involving personally identifiable information of customers: 0
- Impact if any , of the data breaches – 0

**Leadership Indicators****1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

All the information on products and services of the Company are available on the Company portal website i.e., <https://www.cie-india.com>

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

All our products, adhere strictly to customer requirements. Hence any aspects or impacts related to the product are solely determined by customers. This highlights a customer-centric approach where our focus is on meeting and aligning with the exact requirements and expectations set by our customers.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

In the event of disruptions or discontinuation of essential services, we promptly notify our customers through established communication channels, providing them with detailed information about the events leading to the disruption or discontinuation. Our Quality Management Systems include contingency plans to ensure a swift and effective response to such situations. Additionally, we conduct risk analyses and reviews using the Common Reference Architecture (CORA) to further enhance our preparedness and resilience in handling potential



challenges. This proactive approach underscores our commitment to maintaining the continuity and reliability of essential services for our customers.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey**

The Company actively monitors consumer satisfaction through surveys conducted every 6 months for all product suppliers. Additionally, plant leads track customer complaints to ensure and enhance customer satisfaction. While the Company operates as a B2B entity, and product information is not displayed publicly, traceability numbers are punched on major parts for identification, particularly in relation to warranty issues. This indicates a commitment to maintaining and improving customer satisfaction levels for the auto components supplied to OEMs.





# STANDALONE FINANCIAL STATEMENTS



## INDEPENDENT AUDITOR'S REPORT

**To the Members of CIE Automotive India Limited  
(formerly known as Mahindra CIE Automotive Limited)**

**Report on the Audit of the Standalone Financial  
Statements**

### Opinion

We have audited the standalone financial statements of CIE Automotive India Limited (formerly known as Mahindra CIE Automotive Limited) (the "Company") which comprise the standalone balance sheet as at 31 December 2024, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 December 2024, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

### Revenue from Sale of Products

See Note 2.5 and Note 23 to standalone financial statements	
The Key audit matter	How the matter was addressed in our audit
<p>The Company's revenue is derived primarily from sale of automobile components ("goods"). Revenue from the sale of goods is recognised upon the transfer of control to the customer.</p> <p>The Company and its external stakeholders focus on revenue as a key performance metric which contains significant related party transactions.</p> <p>Revenue recognition has been identified as a key audit matter as there could be an incentive or external pressures to meet expectations resulting in revenue being overstated or recognized before the control has been transferred.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> <li>We assessed the appropriateness of Company's accounting policies for revenue recognition by comparing with applicable accounting standards.</li> <li>We evaluated the design, implementation and operating effectiveness of key internal controls over recognition of revenue.</li> <li>We performed substantive testing by selecting samples (using statistical sampling) of revenue transactions recorded during the year by testing the underlying documents which included sales invoices, shipping documents and proof of deliveries, to assess whether these are recognised in the appropriate period in which control is transferred.</li> <li>We tested, on a sample basis (using statistical sampling) specific revenue transactions recorded before and after the financial year-end date to assess whether revenue is recognised in the financial period in which control is transferred.</li> </ul>

### Basis for Opinion

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 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 on the standalone financial statements.

### Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. 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.





**See Note 2.5 and Note 23 to standalone financial statements**

The Key audit matter	How the matter was addressed in our audit
	<ul style="list-style-type: none"> <li>For revenue from sale of goods to the related parties, we verified the Company's analysis in relation to arm's length assessment and involved our internal specialists.</li> <li>We tested journal entries on revenue recognised during the year, by considering specified risk based criteria, to identify unusual or irregular items.</li> <li>We assessed the adequacy of disclosure made in the standalone financial statements with respect to revenue recognised during the year as required by applicable Ind AS.</li> </ul>

**Other Information**

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do 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 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Management's and Board of Directors' Responsibilities for the Standalone Financial Statements**

The Company's Management and Board of Directors are 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 state of affairs, profit/ loss and 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 judgments 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 the 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.

In preparing the standalone financial statements, the Management and 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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.

- 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 with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone 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 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.
- 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.

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.

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.

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 A. 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 the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - 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 flows 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 Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on 03 January 2025, 24 January 2025, 28 January 2025, 30 January 2025 and



03 February 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 December 2024 from being appointed as a director 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 the paragraph 2(A) (b) above on reporting under Section 143(3) (b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"
- B. 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, in our opinion and to the best of our information and according to the explanations given to us:
  - a. The Company has disclosed the impact of pending litigations as at 31 December 2024 on its financial position in its standalone financial statements – Refer Note 30 to the standalone financial statements.
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - d. (i) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 38 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries")

or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (ii) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 39 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend. As stated in Note 13 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- f. Based on our examination which included test checks, the Company has used accounting softwares for maintaining books of account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software, except for the instances mentioned below:
  - 1. In respect of the accounting software used for maintaining books of account



relating to general ledger, in the absence of edit logs, we are unable to comment whether audit trail feature for the said software was enabled at database level and operated throughout the year for all relevant transactions to log any direct data changes recorded in the software.

2. In respect of the accounting software used for maintaining the books of account relating to payroll, the feature of recording audit trail (edit log) facility to log any direct data changes was not enabled at the database level for the period from 01 January 2024 to 17 December 2024.

Further, for the periods where audit trail (edit log) facility was enabled and operated, we did not come across any instance of the audit trail feature being tampered with.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid/ payable by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid/ payable 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) of the Act which are required to be commented upon by us.

For **BSR & Co. LLP**

*Chartered Accountants*

Firm's Registration No.: 101248W/W-100022

**Abhishek**

*Partner*

Place: Mumbai, India

Date: 20 February 2025

Membership No.: 062343

ICAI UDIN:

25062343BMOJAT3659



**Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of CIE Automotive India Limited (formerly known as Mahindra CIE Automotive Limited) for the year ended 31 December 2024**

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (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 a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of 3 years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties mentioned in the table below) disclosed in the standalone financial statements are held in the name of the Company.

Description of the property	Gross Carrying Value (INR million)	Held in Name of	Whether promoter, director or their relative or employee	Period held since	Reason for not being held in name of company
Building	2,819.70	Mahindra CIE Automotive Limited	No	1995 to 2024	Refer Note below*
	224.86	Mahindra Ugine Steel Co. Ltd	No	2015 to 2023	Refer Note below**
	488.29	Bill Forge Private Limited	No	1994 to 2023	Refer Note below**
	61.27	Vishranti Engineering (P) Ltd	No	2000 to 2018	Refer Note below**
	169.79	Coimbatore City Building Syndicate Pvt Ltd.	No	2008 to 2023	Refer Note below**
<b>Sub-total</b>	<b>3,763.91</b>				
Land	384.70	Mahindra CIE Automotive Limited	No	1994 to 2022	Refer Note below*
	24.99	Mahindra Ugine Steel Co. Ltd	No	2014	Refer Note below**
	522.49	Bill Forge Private Limited	No	2005 to 2018	Refer Note below**
	66.09	Vishranti Engineering (P) Ltd	No	1995 to 2018	Refer Note below**
	21.00	Coimbatore City Building Syndicate Pvt Ltd.	No	2000 to 2018	Refer Note below**
<b>Sub-total</b>	<b>1,019.27</b>				
Leasehold land	713.24	Mahindra CIE Automotive Limited	No	1999 to 2021	Refer Note below*
<b>Sub-total</b>	<b>713.24</b>				
Leasehold Building	363.88	Bill Forge Private Limited	No	2015 to 2019	Refer Note below**
	158.80	Mahindra CIE Automotive Limited	No	2021 to 2023	Refer Note below*
<b>Sub-total</b>	<b>522.68</b>				
<b>Total</b>	<b>6,019.10</b>				



\* The company has change its name from Mahindra CIE Automotive Limited to CIE Automotive India Limited in the year ended 31 December 2023. The Company is in the process of getting these properties transferred in its name.

\*\* These properties are in the name of Mahindra Ugine Steel Co. Limited, Bill Forge Private Limited, Vishranti Engineering (P) Ltd and Coimbatore City Building Syndicate Private Limited. These Properties have vested into the Company pursuant to amalgamations of these entities with the Company. The Company is in the process of getting these properties transferred in its name.

- (d) 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 not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (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 not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- iii. 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 not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments, provided loans in respect of which the requisite information is as below:
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans to any other entity as below:

Particulars	Guarantees	Security	Loans (INR million)	Advances in nature of loans
Aggregate amount during the year to the – Subsidiaries*	Nil	Nil	₹ 9,236.50 million	Nil
Balance outstanding as at balance sheet date – Subsidiaries*	Nil	Nil	₹ 1,964.52 million	Nil

\*As per the Companies Act, 2013

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and the terms and conditions of the grant of loans given during the year are prima facie, not prejudicial to the interest of the Company. The Company has not provided guarantee or security, granted advances in the nature of loans during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular except for the loan of INR 968.02 Million given to CIE Hosur Limited and loan of INR 9,138.00 Million given to CIE Aluminium Casting India Limited ('CACIL') (formerly known as Aurangabad Electricals Limited) which is repayable on demand. As informed to us, the Company has demanded and received repayment of the loan amounting to INR 218.50 million given to CIE Hosur Limited and loan of INR 7,923.00 Million given to CIE Aluminium Casting India Limited ('CACIL') (formerly known as Aurangabad Electricals Limited) during the year. The Company has not demanded repayment of loan amounting to INR 749.52 million given to CIE Hosur Limited and loan





of INR 1,215.00 Million given to CIE Aluminium Casting India Limited ('CACIL') (formerly known as Aurangabad Electricals Limited) during the year and thus, there has been no default on the part of the party to whom the money has been lent. The payment of interest has been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans to its related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):

	<b>All Parties (INR million)</b>	<b>Promoters (INR million)</b>	<b>Related Parties (INR million)</b>
Aggregate of loans given during the year			
- Repayable on demand (A)	₹ 9,236.50 million	Nil	₹ 9,236.50 million
- Agreement does not specify any terms or period of Repayment (B)	Nil	Nil	Nil
Total (A+B)	₹ 9,236.50 million	Nil	₹ 9,236.50 million
Percentage of loans given during the year to the total loans	100%	0%	100%

- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of 186 of the Companies Act, 2013 in respect of the loans and investments made. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185. Further, the Company has not given any guarantees or security during the year and accordingly, to this extent, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of Labour Welfare Fund, Provident Fund and Income- Tax.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 December 2024 for a period of more than six months from the date they became payable, except as mentioned below:



Name of the statute	Nature of the dues	Amount (INR million)	Period to which the amount relates	Due date	Date of payment
The Employees Provident Fund and Miscellaneous Provisions Act, 1952	Provident fund	₹ 120 million	2014 to 2019	Various	Unpaid

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of dues	Gross Demand *(INR million)	Period which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	196.32	FY 2004-05 to 2017-18	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	20.43	FY 2009-10	High Court, Mumbai
Income Tax Act, 1961	Income Tax	29.75	FY 2019-20 to 2020-21	Income Tax Appellate Tribunal, Mumbai
Income Tax Act, 1961	Income Tax	23.03	FY 2011-12	Income Tax Appellate Tribunal, Bengaluru
Service Tax Act, 1994	Service Tax	6.93	FY 2015-16 to 2016-17	CESTAT, Mumbai
Service Tax Act, 1994	Service Tax	3.70	FY 2009-10 to 2011-12	CESTAT, Bangalore
Service Tax Act, 1994	Service Tax	1.31	FY 2016-17	CESTAT, Telangana
The Central Excise Act, 1944	Excise duty	16.72	FY 2008-09 to 2012-13	CESTAT, Mumbai
The Central Excise Act, 1944	Excise duty	27.65	FY 2004-05 to FY 2007-08	Commissioner of Central Excise (Appeals), Pune
The Central Excise Act, 1944	Excise duty	19.61	FY 2010-11 to FY 2015-16	Commissioner of Central Excise (Appeals), Raigad
The Central Excise Act, 1944	Excise duty	92.54	FY 2015-16 to 2018-19	CESTAT, Telangana
The Central Excise Act, 1944	Excise duty	3.87	FY 2009-10	Commissioner of Central Excise (Appeals), Raigad
The Central Sales Tax Act, 1956	Sales Tax	2.93	FY 2010-11 to 2011-12	High Court, Uttarakhand
Goods and Service Tax, 2016	GST	5.13	FY 2017-18 to 2019-20	Commissioner of Central Tax, Telangana
Goods and Service Tax, 2016	GST	12.60	FY 2018-19	Deputy Commissioner, Uttarakhand
Goods and Service Tax, 2016	GST	16.32	FY 2019-20	Commissioner of Central Tax, Karnataka
Employee State Insurance Act, 1948	ESIC	54.14	FY 2017-18 to 2021-2022	Employee Insurance Court, Nashik
Maharashtra Stamp Act, 1958	Stamp Duty	4.09	FY 2015-16	Chief Controlling Revenue Authority
Maharashtra Stamp Act, 1958	Stamp Duty	82.96	FY 2007-08	High Court, Mumbai
Provident Fund Act, 1952	Provident Fund	8.04	FY 2017-18	High Court, Mumbai

\*The above gross demand includes amount paid under protest pertaining to Income Tax Act, 1961 of INR 44.37 million, Service tax Act 1994 of INR 0.38 million, The Central Excise Act, 1944 of INR 6.94 million and Employee State Insurance Act, 1948 of INR 27.05 million



- (viii) 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 not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) 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 not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (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 not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (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 not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.



- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and 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, 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 that the Company is not capable of meeting its liabilities 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.
- (xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.
- (b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the said Act.

For **BSR & Co. LLP**

*Chartered Accountants*

Firm's Registration No.: 101248W/W-100022

**Abhishek**

*Partner*

Membership No.: 062343

ICAI UDIN:

25062343BMOJAT3659

Place: Mumbai, India

Date: 20 February 2025



**Annexure B to the Independent Auditor's Report on the standalone financial statements of CIE Automotive India Limited (formerly known as Mahindra CIE Automotive Limited) for the year ended 31 December 2024**

**Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

**(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Opinion**

We have audited the internal financial controls with reference to financial statements of CIE Automotive India Limited (formerly known as Mahindra CIE Automotive Limited) ("the Company") as of 31 December 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 December 2024, based on the internal financial controls with reference to 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 (the "Guidance Note").

**Management's and Board of Directors' Responsibilities for Internal Financial Controls**

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal

financial controls with reference to financial statements. 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 with reference to financial statements were 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 judgement, 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 financial statements.

**Meaning of Internal Financial Controls with Reference to Financial Statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



**Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls

with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **BSR & Co. LLP**

*Chartered Accountants*

Firm's Registration No.: 101248W/W-100022

**Abhishek**

*Partner*

Place: Mumbai, India

Date: 20 February 2025

Membership No.: 062343

ICAI UDIN:

25062343BMOJAT3659





## Balance Sheet as at 31 December, 2024

		As at		As at	
		31 December, 2024		31 December, 2023	
		Note No.			
(₹ in Million except earning per share data)					
<b>I</b>	<b>ASSETS</b>				
<b>1</b>	<b>NON-CURRENT ASSETS</b>				
	(a) Property, Plant and Equipment	5	12,969.57	12,140.75	
	(b) Capital Work-in-Progress	5	567.88	371.63	
	(c) Right-of-use assets	5	757.43	841.11	
	(d) Goodwill	6	10,167.05	10,167.05	
	(e) Other Intangible Assets	7	17.25	18.33	
	(f) Financial Assets				
	i) Investments	8	17,665.56	17,508.57	
	ii) Other Financial Assets	8A	211.38	205.99	
	(g) Income Tax Assets (net)		234.49	393.31	
	(h) Other Non-Current Assets	10	339.36	784.12	
	<b>TOTAL NON-CURRENT ASSETS</b>		<b>42,929.97</b>	<b>42,430.86</b>	
<b>2</b>	<b>CURRENT ASSETS</b>				
	(a) Inventories	11	4,545.29	4,660.64	
	(b) Financial Assets				
	(i) Investments	8	9,909.71	7,751.91	
	(ii) Trade Receivables	9	4,119.27	4,617.49	
	(iii) Cash and Cash Equivalents	12	1,575.53	1,414.82	
	(iv) Bank balances other than (iii) above	12	235.50	222.90	
	(v) Loans	8B	1,964.52	869.52	
	(c) Other Current Assets	10	385.06	422.10	
	<b>TOTAL CURRENT ASSETS</b>		<b>22,734.88</b>	<b>19,959.38</b>	
	<b>TOTAL ASSETS</b>		<b>65,664.85</b>	<b>62,390.24</b>	
<b>II</b>	<b>EQUITY AND LIABILITIES</b>				
<b>1</b>	<b>EQUITY</b>				
	(a) Equity Share Capital	13	3,793.62	3,793.62	
	(b) Other Equity	14	49,532.90	45,605.76	
	<b>TOTAL EQUITY</b>		<b>53,326.52</b>	<b>49,399.38</b>	
<b>2</b>	<b>NON-CURRENT LIABILITIES</b>				
	(a) Financial Liabilities				
	i) Lease Liabilities	5	198.43	267.76	
	(b) Provisions	18	618.78	648.33	
	(c) Deferred Tax Liabilities (net)	19	2,873.12	2,857.44	
	<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>3,690.33</b>	<b>3,773.53</b>	
<b>3</b>	<b>CURRENT LIABILITIES</b>				
	(a) Financial Liabilities				
	(i) Borrowings	15	-	719.25	
	(ii) Lease Liabilities	5	127.67	134.12	
	(iii) Trade Payables	16			
	- Total outstanding dues of Micro enterprises and Small enterprises; and		359.76	203.36	
	- Total outstanding dues of creditors other than Micro enterprises and Small enterprises		5,751.97	5,950.24	
	(iv) Other Financial Liabilities	17	198.58	100.47	
	(b) Other Current Liabilities	22	1,364.05	1,410.35	
	(c) Provisions	18	542.89	495.53	
	(d) Current Tax Liabilities (Net)		303.08	204.01	
	<b>TOTAL CURRENT LIABILITIES</b>		<b>8,648.00</b>	<b>9,217.33</b>	
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>65,664.85</b>	<b>62,390.24</b>	

The accompanying notes 1-43 are an integral part of these financial statements.

This is the Balance Sheet referred to in our report of even date.

For **B S R & Co. LLP**

Firm Registration No. 101248W/W-100022

**Abhishek**

Partner

Membership No. 062343

Mumbai, February 20, 2025

For and on behalf of the Board of Directors of

**CIE AUTOMOTIVE INDIA LIMITED (formerly known as Mahindra CIE Automotive Limited)**

**Ander Arenaza Alvarez**

Executive Director & Group CEO - DIN : 07591785

**Manoj Menon**

Executive Director & CEO - DIN : 07642469

**Sunil Narke**

CEO-Forging Division

**K. Jayaprakash**

Chief Financial Officer

Mumbai, February 20, 2025

**Alan Savio D'Silva Picardo**

Independent Director - DIN : 08513835

**Rajendra Vadlapudi**

CEO-Iron Casting Division

**Pankaj Goyal**

Company Secretary

FCS: F13037

# Statement of Profit and Loss for the year ended 31 December, 2024

(₹ in Million except earning per share data)			
	Note No.	Year ended 31 December, 2024	Year ended 31 December, 2023
<b>Income</b>			
<b>I Revenue from operations</b>	23	<b>45,634.70</b>	45,698.43
<b>II Other Income</b>	24	<b>1,728.00</b>	1,504.09
<b>III Total Income (I+II)</b>		<b>47,362.70</b>	47,202.52
<b>IV Expenses</b>			
(a) Cost of materials consumed	25	<b>23,223.29</b>	24,171.73
(b) Changes in inventories of finished goods and work-in-progress	25	<b>66.52</b>	86.94
(c) Employee benefits expense	26	<b>4,490.54</b>	4,278.21
(d) Finance costs	27	<b>116.73</b>	109.83
(e) Depreciation and amortisation expense	5 & 7	<b>1,436.60</b>	1,357.19
(f) Other expenses	28	<b>10,534.89</b>	10,033.37
<b>Total Expenses (IV)</b>		<b>39,868.57</b>	40,037.27
<b>V Profit before tax (III - IV)</b>		<b>7,494.13</b>	7,165.25
<b>VI Income Tax Expense</b>			
1 Current tax	20	<b>1,642.35</b>	1,502.58
2 Deferred tax	20	<b>17.65</b>	39.23
<b>Total tax expense</b>		<b>1,660.00</b>	1,541.81
<b>VII Profit after tax (V-VI)</b>		<b>5,834.13</b>	5,623.44
<b>VIII Other comprehensive (loss)/ income</b>			
(i) Items that will not be reclassified to profit or loss			
Remeasurement of post-employment benefit obligation	29	<b>(13.61)</b>	19.40
(ii) Income tax relating to items that will not be reclassified to profit or loss	20	<b>3.43</b>	(4.88)
<b>Other comprehensive (loss)/ income for the year, net of tax</b>		<b>(10.18)</b>	14.52
<b>IX Total comprehensive income for the year (VII+VIII)</b>		<b>5,823.95</b>	5,637.96
<b>X Earnings per equity share of face value of ₹10 each :</b>			
Basic earning per share	32	<b>15.38</b>	14.82
Diluted earning per share	32	<b>15.38</b>	14.82

The accompanying notes 1-43 are an integral part of these financial statements.

This is the Statement of profit and loss referred to in our report of even date.

For **BSR & Co. LLP**

Firm Registration No. 101248W/W-100022

**Abhishek**

Partner

Membership No. 062343

Mumbai, February 20, 2025

For and on behalf of the Board of Directors of

**CIE AUTOMOTIVE INDIA LIMITED (formerly known as Mahindra CIE Automotive Limited)**

**Ander Arenaza Alvarez**

Executive Director & Group CEO - DIN : 07591785

**Manoj Menon**

Executive Director & CEO - DIN : 07642469

**Sunil Narke**

CEO-Forging Division

**K. Jayaprakash**

Chief Financial Officer

Mumbai, February 20, 2025

**Alan Savio D'Silva Picardo**

Independent Director - DIN : 08513835

**Rajendra Vadlapudi**

CEO-Iron Casting Division

**Pankaj Goyal**

Company Secretary

FCS: F13037



# Statement of changes in equity for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## A. Equity Share Capital

	Number of Shares	Equity share capital
Balance as at 01 January, 2024	379,362,377	3,793.62
<b>Changes in equity share capital during the year</b>		
Issue of equity shares pursuant to exercise of employee share options	-	-
<b>Balance as at 31 December, 2024</b>	<b>379,362,377</b>	<b>3,793.62</b>
Balance as at 01 January, 2023	379,317,379	3,793.18
<b>Changes in equity share capital during the year</b>		
Issue of equity shares pursuant to exercise of employee share options	44,998	0.43
<b>Balance as at 31 December, 2023</b>	<b>379,362,377</b>	<b>3,793.62</b>

## B. Other Equity

	Reserves and surplus				Items of OCI			Total
	Capital Reserve	Securities Premium Reserve	Equity-settled employee benefits reserve	General Reserve	Capital Redemption Reserve	Retained Earnings	Remeasurment of post employment benefit obligation	
<b>As at 01 January, 2024</b>	<b>6,501.93</b>	<b>15,371.84</b>	<b>-</b>	<b>6,535.76</b>	<b>164.71</b>	<b>17,146.49</b>	<b>(114.97)</b>	<b>45,605.76</b>
Profit for the year	-	-	-	-	-	5,834.13	-	5,834.13
Other comprehensive Income for the year, net of tax	-	-	-	-	-	-	(10.18)	(10.18)
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,834.13</b>	<b>(10.18)</b>	<b>5,823.95</b>
Exercise of employee stock options	-	-	-	-	-	-	-	-
Dividend Paid	-	-	-	-	-	(1,896.81)	-	(1,896.81)
Any other changes	-	-	-	-	-	-	-	-
<b>As at 31 December, 2024</b>	<b>6,501.93</b>	<b>15,371.84</b>	<b>-</b>	<b>6,535.76</b>	<b>164.71</b>	<b>21,083.81</b>	<b>(125.15)</b>	<b>49,532.90</b>
<b>As at 01 January, 2023</b>	<b>6,501.93</b>	<b>15,360.76</b>	<b>5.00</b>	<b>6,535.76</b>	<b>164.71</b>	<b>12,479.63</b>	<b>(129.49)</b>	<b>40,918.30</b>
Profit for the year	-	-	-	-	-	5,623.44	-	5,623.44
Other comprehensive loss for the year, net of tax	-	-	-	-	-	-	14.52	14.52
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,623.44</b>	<b>14.52</b>	<b>5,637.96</b>
Exercise of employee stock options	-	11.08	(5.00)	-	-	-	-	6.08
Dividend Paid	-	-	-	-	-	(948.41)	-	(948.41)
Any other changes	-	-	-	-	-	(8.17)	-	(8.17)
<b>As at 31 December, 2023</b>	<b>6,501.93</b>	<b>15,371.84</b>	<b>-</b>	<b>6,535.76</b>	<b>164.71</b>	<b>17,146.49</b>	<b>(114.97)</b>	<b>45,605.76</b>

The accompanying notes 1-43 are an integral part of these financial statements.

This is the Statement of Changes in Equity referred to in our report of even date.

For **B S R & Co. LLP**

Firm Registration No. 101248W/W-100022

**Abhishek**

Partner

Membership No. 062343

Mumbai, February 20, 2025

For and on behalf of the Board of Directors of

**CIE AUTOMOTIVE INDIA LIMITED (formerly known as Mahindra CIE Automotive Limited)****Ander Arenaza Alvarez**

Executive Director &amp; Group CEO - DIN : 07591785

**Manoj Menon**

Executive Director &amp; CEO - DIN : 07642469

**Sunil Narke**

CEO-Forging Division

**K. Jayaprakash**

Chief Financial Officer

Mumbai, February 20, 2025

**Alan Savio D'Silva Picardo**

Independent Director - DIN : 08513835

**Rajendra Vadlapudi**

CEO-Iron Casting Division

**Pankaj Goyal**

Company Secretary

FCS: F13037

# Statement of Cash Flows for the year ended 31 December, 2024

(₹ in Million except earning per share data)

	Year ended 31 December, 2024	Year ended 31 December, 2023
<b>I Cash flows from operating activities</b>		
Profit before tax	7,494.13	7,165.25
Adjustments for:		
Finance costs	116.73	109.83
Interest Income on financial assets measured at amortised cost	(158.20)	(98.68)
Net (Gain) on sale of investment and change in fair value of investments held at FVTPL	(389.68)	(161.92)
Allowances for trade receivables	-	(23.35)
Net (Gain) on disposal of Property, Plant and Equipment	(10.90)	(6.68)
Depreciation and amortisation expense	1,436.60	1,357.19
Dividend Income	(1,026.13)	(1,097.93)
Liabilities written back no longer required	(6.20)	(5.28)
Share based payments	59.47	73.31
	7,515.82	7,311.74
Change in operating assets and liabilities:		
Decrease in trade and other receivables	498.22	1,142.59
Decrease in inventories	115.35	369.44
Decrease/ (Increase) in other assets	32.79	(97.62)
(Decrease) in trade payables	(35.67)	(304.88)
Increase/ (Decrease) in provisions	4.20	(42.69)
(Decrease)/ Increase in other liabilities	(105.77)	58.79
	509.12	1,125.63
Cash Generated from Operations	8,024.94	8,437.37
Income taxes paid (Net)	(1,385.41)	(1,489.28)
<b>Net cash generated from operating activities</b>	<b>6,639.53</b>	<b>6,948.09</b>
<b>II Cash flows from investing activities</b>		
Purchase of Property, Plant and Equipment	(1,827.31)	(2,328.65)
Purchase of current investments (net)	(1,768.12)	(2,259.90)
Proceeds from sale of Property, Plant and Equipment	32.08	41.51
Investment in Associates	(36.04)	(50.84)
Investments in bank deposits (having original maturity of more than 3 months)	(225.60)	(202.74)
Proceeds from maturity of bank deposits	213.00	107.48
Dividend Received	905.08	988.49
Interest received	158.20	98.68
Loan given to subsidiaries	(9,236.50)	(999.95)
Repayment of intercorporate loans by subsidiaries	8,141.50	337.41
<b>Net cash used in investing activities</b>	<b>(3,643.71)</b>	<b>(4,268.51)</b>
<b>III Cash flows from financing activities</b>		
Proceeds from issue of equity instruments of the Company	-	6.75
Repayment of short term borrowings (net)	(719.25)	(513.19)
Proceeds from Subsidiary Company borrowings	48.50	-
Repayment of Subsidiary Company borrowings	(48.50)	-
Dividend paid on equity shares	(1,888.81)	(948.41)
Interest paid on borrowings and other liabilities	(82.33)	(72.14)
Payment of principal elements of lease payments	(110.32)	(71.63)
Payment of interest on lease liabilities	(34.40)	(37.69)
<b>Net cash used in financing activities</b>	<b>(2,835.11)</b>	<b>(1,636.31)</b>
<b>IV Net increase in cash and cash equivalents</b>	<b>160.71</b>	<b>1,043.28</b>
Cash and cash equivalents at the beginning of the year	1,414.82	371.54
<b>V Cash and cash equivalents at the end of the year</b>	<b>1,575.53</b>	<b>1,414.82</b>

\* Amount is below the rounding off norm adopted by the Company.

Refer note 5 for movement of lease liabilities and note 15 for movement of borrowings.

Standalone Statement of Cash flow has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows"

This is the Cash Flow statement referred to in our report of even date.

For **B S R & Co. LLP**

Firm Registration No. 101248W/W-100022

**Abhishek**

Partner

Membership No. 062343

Mumbai, February 20, 2025

For and on behalf of the Board of Directors of

**CIE AUTOMOTIVE INDIA LIMITED (formerly known as Mahindra CIE Automotive Limited)****Ander Arenaza Alvarez**

Executive Director &amp; Group CEO - DIN : 07591785

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Chief Financial Officer

Mumbai, February 20, 2025

**Alan Savio D'Silva Picardo**

Independent Director - DIN : 08513835

**Rajendra Vadlapudi**

CEO-Iron Casting Division

**Pankaj Goyal**

Company Secretary

FCS: F13037



# Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## 1. General information

### CIE Automotive India Limited and activities

CIE Automotive India Limited (CIE) (formerly known as Mahindra CIE Automotive Limited) is a Company incorporated in India having its registered office in Mumbai. CIE is engaged in the business of production and sale of automotive components to original equipment manufacturers and other customers (including leading suppliers of components) in India and overseas.

The Company has manufacturing facilities in various locations across the country in India. CIE has an established presence in each of these locations and supplies automotive components to its customers based there and exports products to customers based in other countries as well.

These standalone financial statements for the year ended 31 December, 2024 were approved for issue by the Board of Directors in accordance with their resolution dated 20 February, 2025.

The Company has changed its name from Mahindra CIE Automotive Limited to CIE Automotive India Limited in the year ended 31 December 2023.

## 2. Summary of material accounting policies

### 2.1 Basis of presentation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, notified under section 133 of the Companies Act, 2013 ('Act') and other relevant provisions of the Act. The financial statements have been prepared on a historical cost basis, except for share based payments, non-current assets and disposal group classified as held for sale, derivative financial instruments and certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The financial statements are presented in Million INR except earnings per share data, number of equity shares and unless stated otherwise. All values are rounded to the nearest Million except when otherwise indicated.

### 2.2 Segment information

Operating segments (Note 33) are reported consistently with the internal reporting provided to the Chief Operating Decision Maker (CoDM). Performance is measured based on segment results (profit before tax) as included in internal reporting which is reviewed by one of the Executive directors who is also the Company's CoDM. Segment profit is used to measure performance as management believes that such information is most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

### 2.3 Current and non-current classification

An asset is current when:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- 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.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets or liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

### 2.4 Foreign currencies

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Realized gains and losses and also exchange differences arising on translation at year end exchange rates of monetary assets and monetary liabilities outstanding at the end of the year are recognized in the statement of Profit and Loss.

### 2.5 Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has concluded that it is principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. The policy of recognising the revenue is determined by the five-stage model proposed by Ind AS 115 "Revenue from contract with customers".

#### Sale of goods

Revenue from the sale of goods is recognised when the performance obligation is satisfied and usually coincides with the point in time when control of the asset is transferred to the customer, generally on the date of the bill of lading for export sales and generally on delivery for domestic sales. The normal credit term is 30 to 90 days upon delivery. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effect of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer, if any.

#### Tooling Income

Revenue from tooling income is recognised when the performance obligation is satisfied and usually coincides with at the point in time when the control of the die is transferred, which is generally on receipt of the customer's approval as per the terms of the contract. The normal credit term is 30 to 90 days.

#### Sale of Services

Revenue from the sale of services is in nature of job work on customer product which normally takes 1–4 days for completion and accordingly, revenue is recognised when products are sent to the customer on which job work is completed. The normal credit period is 60 days.

### 2.6 Other Revenue

#### Export incentives

Revenue from export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable assurance and condition precedent to claim are fulfilled.

#### Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.





## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

### Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders of the investor company approve the dividend.

### 2.7 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

### 2.8 Taxes

#### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### Goods and Services taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognized net of the amount of Goods and Services taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

### 2.9 Leases

#### As a Lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Lease payments are allocated between the principal (liability) and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- amounts expected to be payable by the lessee under residual value guarantees
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

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, as follows:

- Leasehold land – up to 95 years
- Building – up to 13 years
- Vehicles – up to 6 years

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment and small items of office equipments.

#### As a Lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

### 2.10 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of items.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

asset is derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives, of the assets as follows (single shift basis):

- Building 3 to 60 years
- Furniture and fixtures 5 to 10 years
- Office equipment 5 to 10 years
- Vehicles 5 to 8 years
- Other fixed assets 3 to 10 years

The depreciation policy historically applied by CIE to productive assets (plant, machinery and tools) is to systematically apply depreciation based on the useful lives of the assets concerned. These useful lives were estimated in accordance with the actual production capacity of the assets and their residual value, as well as a maximum useful life for each asset.

For certain plants and machineries, the Management applies unit of production method for depreciation. By using the units of production method, annual depreciation charges adapt to changes in production levels, on the understanding that this best reflects the expected pattern of consumption of the future economic benefits embodied by the assets. Units of production method of depreciation is calculated for these categories of plant, machinery, based on the actual production levels attained by the assets and their residual value.

For other plant and equipment, where usage and efflux of time is primary determinant, the Company continues to depreciate assets using straight-line basis over the estimated useful lives of the assets as follows:

- Plant and equipment (other than those stated above) 3 to 25 years

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives or based on production, which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognized 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 included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### 2.11 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Amortisation is calculated on a straight-line basis over the estimated useful lives of 3 to 5 years.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognized in the statement of profit and loss.



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

### 2.12 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### 2.13 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition is accounted for as follows:

- Raw materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- Finished goods and work in progress: Cost includes cost of direct materials and labour cost and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average basis.
- Stores and spares: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- Loose tools: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The comparison of cost and net realisable value is made on an item-by-item basis.

### 2.14 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash flows from other assets or groups of assets (cash-generating units). When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the 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.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five year. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior year. Such reversal is recognized in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually as at 31 December, 2024 or upon identification of an impairment indicator. Impairment is determined for goodwill by assessing the recoverable amount of each CGU to which the goodwill relates. In assessing the recoverable amount of the CGU, 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. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually as at 31 December at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

### 2.15 Provisions

#### General

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, 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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

### 2.16 Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability), and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

### 2.17 Share based payments

Share based compensation benefits are provided to employees via the Employee Stock Options Scheme and Stock Appreciation Rights.

The fair value of options granted under the above scheme is recognised as employee benefit expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- Including any market performance conditions;
- Excluding the impact of any service vesting conditions.

Non-market performance and service conditions are included in the assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period during which all the specified vesting conditions are to be satisfied.

At the end of each reporting period, the Company revises the estimates of the number of options that are expected. It recognises the impact of the revision of original estimates, if any, in the income statement, with corresponding adjustment to equity.

The total cost of the services rendered by the beneficiaries is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied (continued service at the Company).

Liabilities for the Company's share appreciation rights are recognised as employee benefit expense over the relevant service period. The liabilities are remeasured to fair value at each reporting date.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

### 2.18 Earnings per share

#### (i) Basic earnings per share

Basic earnings per share is calculated by dividing

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares, if any.

#### (ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of the additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.





## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

### 2.19 Financial assets and Financial liabilities

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

##### Initial recognition and measurement

All 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. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### Subsequent measurement

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
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Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
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#### Financial liabilities

##### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

##### Subsequent measurement

##### Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortisation process.

Amortised 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 amortisation is included as finance costs in the statement of profit and loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

### 2.20 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

### 2.21 Dividend

The Company recognizes a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders.

### 2.22. (a) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If the receivable is expected to be collected within a period of 12 months or less from the reporting date, they are classified as current assets otherwise as non-current assets.

Trade receivables are measured at their transaction price unless it contains a significant financing component or pricing adjustments embedded in the contract.

Loss allowance for expected lifetime credit loss is recognised on initial recognition of the trade receivables.

#### A) Measurement

##### (i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

##### (ii) Presentation of allowance for ECL

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

##### (iii) Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or portion thereof.

### 2.22 (b) Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration in form of advance from customer (or an amount of consideration is due). If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs the obligation as per the contract.

### 2.23 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from supplier. Account payable is classified as current liabilities if payment is due within one year or less.

Trade payables are non-interest bearing and are generally settled on 30 to 90 days terms.

### 2.24 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest rate method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer their settlement for at least 12 months after the end of the reporting period.

Fees paid on for availing the loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fees are deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

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drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

### 2.25 Non-current assets held for sale

Non-current assets (or disposal group) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

Non-current assets and disposal group classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

## 3. Financial risk management

### 3.1 Financial risk factors

The Company's activities expose it to a variety of financial risks viz. market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

#### a. Market risk

Market risk is the risk that changes in market prices – e.g. foreign exchange rates, interest rates, and equity prices – will affect the Company income or the value of its holdings of financial instruments. The objective of the market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

#### (i) Foreign Currency Risk:-

The Company operates internationally, and the business is transacted in several currencies. Consequently, the Company is exposed to foreign exchange risk through its sale and purchase of goods and services in mainly USD, EURO and GBP.

The exposure on the rest of the assets denominated in other foreign currencies in respect of operations is not material.

The Company's exposure to foreign currency risk at the year end expressed in ₹ Million is as follows:

	31 December, 2024				31 December, 2023			
	USD	EUR	GBP	Other Currencies	USD	EUR	GBP	Other Currencies
<b>Financial Assets</b>								
Trade Receivables (in ₹ million)	454.11	172.60	14.69	8.87	350.45	301.85	21.31	-
Cash and Cash equivalents (in ₹ million)	7.41	7.16	-	0.17	1.10	22.74	-	-
<b>Net exposure to foreign currency risk (assets)</b>	<b>461.52</b>	<b>179.76</b>	<b>14.69</b>	<b>9.04</b>	<b>351.55</b>	<b>324.59</b>	<b>21.31</b>	<b>-</b>
<b>Financial Liabilities</b>								
Trade Payables (in ₹ million)	103.10	21.96	6.97	2.77	57.58	37.96	10.06	-
<b>Net exposure to foreign currency risk (liabilities)</b>	<b>103.10</b>	<b>21.96</b>	<b>6.97</b>	<b>2.77</b>	<b>57.58</b>	<b>37.96</b>	<b>10.06</b>	<b>-</b>

For the year ended 31 December, 2024 and 31 December, 2023, every ten percentage appreciation/depreciation in the exchange rate between the Indian rupee and U.S. Dollar, would have affected the Company's incremental operating margins by approximately ₹ 35.80 Million and ₹ 29.40 Million, respectively.



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

Further every ten percentage appreciation/depreciation in the exchange rate between the Indian rupee and Euro, would have affected the Company's incremental operating margins by approximately ₹ 15.77 Million and ₹ 28.70 Million, respectively.

Further every ten percentage appreciation/depreciation in the exchange rate between the Indian rupee and GBP, would have affected the Company's incremental operating margins by approximately ₹ 0.77 Million and ₹ 1.12 Million, respectively.

The sensitivity for net exposure of other currencies does not have material impact to the Statement of Profit and Loss.

Sensitivity analysis is computed based on the changes in the receivables and payables in foreign currency upon conversion into functional currency, due to exchange rate fluctuations in the previous reporting period and the current reporting period.

### (ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Company's exposure to the risk of changes in market interest rates relates to the Company's debt obligations with floating interest rates.

	31 December, 2024	31 December, 2023
Fixed - rate instruments		
Financial assets	<b>18,015.91</b>	15,088.02
Financial liabilities	<b>(6,636.41)</b>	(7,375.20)
	<b>11,379.50</b>	7,712.82

### Interest rate sensitivity

There are no long term borrowings as at the year end.

### b. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's objective when managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

- (i) The prudent management of liquidity risk entails maintaining enough cash and available financing through sufficient credit facilities. In this respect CIE strategy, articulated by its Treasury Department, is to maintain the necessary financing flexibility through the availability of committed credit lines. Additionally, and on the basis of its liquidity needs, the Company uses liquidity facilities (non-recourse factoring and the sale of financial assets representing receivable debts, transferring the related risks and rewards). Management monitors the Company's forecast liquidity requirements together with the trend in net debt.

The calculation of liquidity and net debt at 31 December, 2024 and 31 December, 2023 is calculated as follows:

	31 December, 2024	31 December, 2023
Cash and bank balances (Note 12)	<b>1,811.03</b>	1,637.72
Other current financial assets – Investments (Note 8)	<b>9,909.71</b>	7,751.91
Undrawn credit facilities and loans	<b>2,649.20</b>	1,282.58
Liquidity buffer	<b>14,369.94</b>	10,672.21
Borrowings (Note 15)	-	719.25
Other financial liabilities (Note 17)	<b>524.68</b>	502.35
Cash and bank balances (Note 12)	<b>(1,811.03)</b>	(1,637.72)
Other current financial assets – Investments (Note 8)	<b>(9,909.71)</b>	(7,751.91)
<b>Surplus cash and cash equivalents</b>	<b>(11,196.06)</b>	(8,168.03)



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## (ii) Maturities of financial liabilities

The table below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	31 December, 2024		31 December, 2023	
	Less than 1 year	More than 1 year	Less than 1 year	More than 1 year
Borrowings (Note 15)	-	-	719.25	-
Trade Payables (Note 16)	6,111.73	-	6,153.60	-
Other financial liabilities (Note 17)	326.25	198.43	234.59	267.76
<b>Total</b>	<b>6,437.98</b>	<b>198.43</b>	<b>7,107.44</b>	<b>267.76</b>

The Company believes that the on-going initiatives will prevent liquidity shortfalls. In this respect, management expects that the cash generated will be sufficient to service payment obligations for the next twelve months.

The Company monitors the Company's forecast liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining enough headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants on any of its borrowing facilities.

Noteworthy is the existence at 31 December, 2024 of ₹ 2,649.20 Million in unused loans and credit lines (31 December 2023: ₹ 1,282.58 Million)

One of the Company's strategies is to ensure the optimisation and maximum saturation of the resources assigned to the business. The Company therefore pays special attention to the net operating working capital invested in the business. In this regard, as in previous years, considerable work has been performed to control and reduce collection periods for trade and other receivables, as well as to optimise accounts payable with the support of banking arrangements to mobilise funds and minimise inventories through logistic and industrial management, allowing JIT (just in time) supplies to our customers.

## c. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments in debt securities.

Credit risk from cash and cash equivalents and bank deposits is considered immaterial in view of the creditworthiness of the banks the Company works with. If management detects liquidity risk in respect of its banks under certain specific circumstances, it recognises impairment provisions as warranted.

In addition, Company has specific policies for managing customer credit risk; these policies factor in the customers' financial position, past experience and other customer specific factors.

With respect to customer credit limits, it should be noted that the Company policy is to spread its volumes across customers or manufacturing platforms.

One of the customer exceeds 10% of the Company's turnover for the years 2024 and 2023. Sales to this customer in 31 December, 2024 are ₹ 16,425.56 Million (31 December, 2023: ₹ 16,452.74 Million).

## (i) Trade receivables

Credit risk arises from the possibility that customer will not be able to settle their obligations as and when agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts, ageing of accounts receivable and forward looking information. Individual credit limits are set accordingly.



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

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The Company uses Expected Credit Loss (ECL) model to assess the impairment gain or loss. As per ECL simplified approach, the Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account a continuing credit evaluation of Company's customers financial condition; aging of trade accounts receivable; the value and adequacy of collateral received from the customers in certain circumstances (if any); the Company's historical loss experience; and adjustment based on forward looking information. The Company defines default as an event when there is no reasonable expectation of recovery.

### 3.2 Fair value estimation

#### Fair value measurement

The Company measures financial instruments, such as short term investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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 measurement 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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period (Refer Note 21).

### 3.3 Capital risk management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for the other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company can adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry the Company monitors capital on the basis of the leverage ratio, this ratio is calculated as net debt divided by total capital employed. Net debt is calculated as total borrowings plus current financial liabilities less cash, cash equivalents and current financial assets, all of which are shown in the annual accounts. Total capital employed is calculated as 'equity', as shown in the standalone annual accounts, plus net debt.





## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

**Calculation of Gearing ratio:**

	31 December, 2024	31 December, 2023
Net Financial Debt (Refer Note 3.1(b))	(11,196.06)	(8,168.03)
Equity (Refer Note 13 and 14)	53,326.52	49,399.38
Less: Long term investment (Refer Note 8)	(17,665.56)	(17,508.57)
<b>Total Capital Employed</b>	<b>24,464.90</b>	<b>23,722.78</b>
Gearing Ratio	#	#

# Gearing ratio is not applicable since the Company has no Net Financial Debt.

**4. Accounting estimates and judgements**

The preparation of financial statements requires management to make judgments, estimates and assumptions affecting the application of accounting policies and the amounts presented under assets and liabilities, income and expenses. Actual results may differ from these estimates.

**a) Estimated impairment loss on goodwill (Refer Note 6)**

The Company tests annually whether goodwill has suffered any impairment.

The recoverable amounts of cash-generating units basically which were determined on the basis of calculations of value in use did not give rise to impairment risks on the Company's goodwill at 31 December, 2024 and as at 31 December, 2023.

**b) Income tax and deferred tax (Refer Note 19 and 20)**

Income tax expense for the period ended 31 December, 2024 has been estimated based on profit before taxes, as adjusted for any permanent and/or temporary differences envisaged in tax legislation governing the corporate income tax base calculation. The tax is recognized in the income statement, except insofar as it relates to items recognized directly in equity, in which case, it is also recognized in equity.

Tax credits and deductions and the tax effect of applying tax-loss carry forwards that have not been capitalised are treated as a reduction in the corporate income tax expense for the year in which they are applied or offset.

The calculation of income tax expense did not require the use of significant estimates except in tax credits recognized in the year and claim of goodwill, which was at all times consistent with the annual financial statements.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the annual accounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred taxes on temporary differences are recognized when arising on investments in subsidiaries, associates and joint ventures, except in those cases where the Company can control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets deriving from the carry forward of unused tax credits and unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the tax assets can be utilised. In the case of investment tax credits the counterpart of the amounts recognized is the deferred income account. The tax credit is accrued as a decrease in expense over the period during which the items of property, plant and equipment that generated the tax credit are depreciated, recognizing the right with a credit to deferred income.

**c) Pension benefits (Refer Note 29)**

The present value of the Company's pension obligations depends on a series of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Company considers the interest rates of Government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation. Other key assumptions for employee benefits are based in part on current market conditions.

### d) **Assessment of carrying value of Equity Investments in Subsidiaries (Refer Note 8)**

On an annual basis, the Company evaluates whether an impairment is required to the carrying value of Equity investment in its subsidiaries. The recoverable amounts of cash-generating units basically which were determined on the basis of calculations of value in use did not give rise to impairment risks on the carrying value of Company's Equity investments at 31 December, 2024.

### e) **Legal Contingencies (Refer Note 30)**

The Company has received orders and notices from authorities in respect of direct taxes, indirect taxes and other litigations. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. Management regularly analyses current information about these matters and provides provisions for probable contingent losses including the estimate of legal expense to resolve the matters. In making the decision regarding the need for loss provisions, management considers the degree of probability of an unfavourable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the Company or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate.

## 4.1 **Recent Accounting Pronouncements**

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after January 01, 2024. The Company has not adopted any other standard or amendment that has been issued but is not yet effective.

### (i) **Disclosure of Accounting Policies – Amendments to Ind AS 1**

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments will have an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

### (ii) **Definition of Accounting Estimates – Amendments to Ind AS 8**

The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are expected to not have any material impact on the Company's financial statements.

### (iii) **Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to Ind AS 12**

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

It is expected that there will also be no impact on the opening retained earnings as at 1 January 2024.

Apart from these, consequential amendments and editorials will be made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended 31 December, 2024, MCA had not notified any new standards or amendments to the existing standards applicable to the Company from next financial year.



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

**5. Property, Plant and Equipment**

The details and movements in property, plant and equipment are as follows:

**For the year 2024**

Description of Assets	Land	Building	Plant and Equipment	Furniture and Fixtures, tools and furnishings	Office Equipment	Vehicles	Computer / EDP Equipment	Total	Capital Work-in-Progress
<b>I. Gross Carrying Amount</b>									
<b>Balance as at 01 January, 2024</b>	<b>1,032.57</b>	<b>3,416.04</b>	<b>17,376.05</b>	<b>99.02</b>	<b>108.12</b>	<b>107.14</b>	<b>70.17</b>	<b>22,209.11</b>	<b>371.63</b>
Additions	0.08	368.73	1,686.27	22.63	43.93	25.85	15.69	2,163.18	1,080.87
Disposals/ Capitalisation	(0.08)	(3.42)	(198.82)	(1.51)	(3.88)	(16.54)	(14.52)	(238.77)	(884.62)
<b>Balance as at 31 December, 2024</b>	<b>1,032.57</b>	<b>3,781.35</b>	<b>18,863.50</b>	<b>120.14</b>	<b>148.17</b>	<b>116.45</b>	<b>71.34</b>	<b>24,133.52</b>	<b>567.88</b>
<b>II. Accumulated depreciation and impairment</b>									
<b>Balance as at 01 January, 2024</b>	-	<b>(1,034.28)</b>	<b>(8,866.14)</b>	<b>(60.84)</b>	<b>(52.37)</b>	<b>(23.13)</b>	<b>(31.60)</b>	<b>(10,068.36)</b>	-
Depreciation expense for the year	-	(136.87)	(1,109.23)	(10.14)	(16.75)	(23.62)	(16.57)	(1,313.18)	-
Disposals	-	3.25	187.32	1.44	3.67	7.52	14.39	217.59	-
<b>Balance as at 31 December, 2024</b>	-	<b>(1,167.90)</b>	<b>(9,788.05)</b>	<b>(69.54)</b>	<b>(65.45)</b>	<b>(39.23)</b>	<b>(33.78)</b>	<b>(11,163.95)</b>	-
<b>III. Net carrying amount</b>	<b>1,032.57</b>	<b>2,613.45</b>	<b>9,075.45</b>	<b>50.60</b>	<b>82.72</b>	<b>77.22</b>	<b>37.56</b>	<b>12,969.57</b>	<b>567.88</b>



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

For the year 2023

Description of Assets	Land	Building	Plant and Equipment	Furniture and Fixtures, tools and furnishings	Office Equipment	Vehicles	Computer / EDP Equipment	Total	Capital work-in-Progress
<b>I. Gross Carrying Amount</b>									
Balance as at 01 January, 2023	1,032.57	3,266.52	15,903.09	91.21	73.49	94.79	65.33	20,527.00	415.54
Additions	-	152.69	1,704.34	11.03	39.36	31.17	18.51	1,957.10	425.66
Disposals / Capitalization	-	(3.17)	(231.38)	(3.22)	(4.73)	(18.82)	(13.67)	(274.99)	(469.57)
<b>Balance as at 31 December, 2023</b>	<b>1,032.57</b>	<b>3,416.04</b>	<b>17,376.05</b>	<b>99.02</b>	<b>108.12</b>	<b>107.14</b>	<b>70.17</b>	<b>22,209.11</b>	<b>371.63</b>
<b>II. Accumulated depreciation and impairment</b>									
Balance as at 01 January, 2023	-	(903.65)	(8,019.93)	(56.79)	(47.25)	(11.63)	(30.72)	(9,069.97)	-
Depreciation expense for the year	-	(132.63)	(1,054.82)	(7.06)	(9.59)	(20.39)	(14.05)	(1,238.54)	-
Disposals	-	2.00	208.61	3.01	4.47	8.89	13.17	240.15	-
<b>Balance as at 31 December, 2023</b>	<b>-</b>	<b>(1,034.28)</b>	<b>(8,866.14)</b>	<b>(60.84)</b>	<b>(52.37)</b>	<b>(23.13)</b>	<b>(31.60)</b>	<b>(10,068.36)</b>	<b>-</b>
<b>III. Net carrying amount</b>	<b>1,032.57</b>	<b>2,381.76</b>	<b>8,509.91</b>	<b>38.18</b>	<b>55.75</b>	<b>84.01</b>	<b>38.57</b>	<b>12,140.75</b>	<b>371.63</b>

## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## (i) Contractual obligation

Refer note 30 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

## (ii) Capital Work-in-Progress

Capital Work-in-Progress mainly comprises of capital expenditure incurred pertaining to plant and equipment not yet capitalised.

## Capital work-in-progress ageing schedule

31 December, 2024	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	473.66	94.12	0.10	-	567.88
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>473.66</b>	<b>94.12</b>	<b>0.10</b>	<b>-</b>	<b>567.88</b>
31 December, 2023	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	359.49	12.14	-	-	371.63
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>359.49</b>	<b>12.14</b>	<b>-</b>	<b>-</b>	<b>371.63</b>

There are no projects whose completion is overdue or that have exceeded their cost compared to original plan.

## Title deeds of Immovable Properties not held in name of the Company:

Description of the property	Gross Carrying Value	Period held since (range) (date of acquisition)	Whether promoter, director or their relative or employee	Held in Name of	Reason for not being held in name of company
Building	2,819.70	1995 to 2024	No	Mahindra CIE Automotive Limited	Refer Note 2 below
Building	224.86	2015 to 2023	No	Mahindra UGINE Steel Co. Ltd	Refer Note 1 below
Building	488.29	1994 to 2023	No	Bill Forge Private Limited	Refer Note 1 below
Building	61.27	2000 to 2018	No	Vishranti Engineering (P) Ltd	Refer Note 1 below
Building	169.79	2008 to 2023	No	Coimbatore City Building Syndicate Pvt Ltd	Refer Note 1 below
<b>Sub-total Building</b>	<b>3,763.91</b>				
Land	384.70	1994 to 2022	No	Mahindra CIE Automotive Limited	Refer Note 2 below
Land	24.99	2014	No	Mahindra UGINE Steel Co. Ltd	Refer Note 1 below
Land	522.49	2005 to 2018	No	Bill Forge Private Limited	Refer Note 1 below
Land	66.09	1995 to 2018	No	Vishranti Engineering (P) Ltd	Refer Note 1 below
Land	21.00	2000 to 2018	No	Coimbatore City Building Syndicate Pvt Ltd	Refer Note 1 below
<b>Sub-total Land</b>	<b>1,019.27</b>				
Leasehold land	713.24	1999 to 2021	No	Mahindra CIE Automotive Limited	Refer Note 2 below
<b>Sub-total Leasehold land</b>	<b>713.24</b>				
Leasehold Building	363.88	2015 to 2019	No	Bill Forge Private Limited	Refer Note 1 below
Leasehold Building	158.80	2021 to 2023	No	Mahindra CIE Automotive Limited	Refer Note 2 below
<b>Sub-total Leasehold Building</b>	<b>522.68</b>				
<b>Total</b>	<b>6,019.10</b>				

## Note :

- These properties are in the name of Bill Forge Private Limited, Mahindra UGINE Steel Co. Limited, Coimbatore City Building Syndicate Pvt Ltd and Vishranti Engineering (P) Ltd. These Properties have vested into the company pursuant to amalgamations of these entities with the company. The Company is in the process of getting these properties transferred in its name.
- The company has change its name from Mahindra CIE Automotive Limited to CIE Automotive India Limited in the year ended 31<sup>st</sup> December 2023. The Company is in the process of getting these properties transferred in its name.



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## (iii) Leases and right of use assets

This note provides the information for leases where the company is a lessee. The company leases various offices, buildings, leasehold land, and vehicles. Rental contracts are typically made for fixed periods of 1 year to 95 years.

## (i) Amount recognised in the balance sheet

Property, plant and equipment includes the below amounts recognised as Right of use of assets:

	<b>31 December, 2024</b>	31 December, 2023
<b>Right of use of assets</b>		
Leasehold Land	<b>503.13</b>	524.61
Buildings	<b>251.27</b>	295.27
Vehicles	<b>3.03</b>	21.23
<b>Total</b>	<b>757.43</b>	841.11

The corresponding lease liability as per Ind AS 116 is below:

	<b>31 December, 2024</b>	31 December, 2023
<b>Lease liabilities</b>		
Current	<b>127.67</b>	134.12
Non - Current	<b>198.43</b>	267.76
<b>Total</b>	<b>326.10</b>	401.88

Additions to the right-of-use assets during the current financial year were ₹ 33.88 Million (31 December, 2023 ₹ 28.07 Million)

## (ii) Amount recognised in the statement of profit and loss

The statement of profit or loss shows the amounts relating to leases:

	<b>31 December, 2024</b>	31 December, 2023
Depreciation/ Amortisation charge of right of use of assets		
Leasehold Land **	<b>21.48</b>	21.48
Buildings	<b>77.87</b>	71.57
Vehicles	<b>18.20</b>	18.20
<b>Total</b>	<b>117.55</b>	111.25

	<b>31 December, 2024</b>	31 December, 2023
Interest expense (included in finance costs)	<b>34.40</b>	37.69
Expense relating to short term leases (included in other expenses)	<b>84.46</b>	79.32
Expense relating to leases of low- value assets that are not shown above as short term leases (included in other expenses)	<b>52.75</b>	34.43

The total cash outflow for leases for the year ended 31 December, 2024 was ₹ 144.72 Million (31 December, 2023 ₹ 109.32 Million)

The effective interest rate for lease liabilities is between 7.5% and 8.5% p.a. (31 December, 2023 7.5% and 8.5% p.a.)





## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

Maturity Analysis – contractual undiscounted cash flows of leases under the purview of Ind AS 116

Particulars	31 December 2024	31 December 2023
Less than one year	100.99	110.32
More than one year	253.14	326.10
<b>Total lease liabilities</b>	<b>354.13</b>	<b>436.42</b>

\*\* This includes amortisation of lease premium paid in advance on leasehold land.

### 6. Goodwill

Goodwill is tested for impairment on an annual basis. Goodwill is monitored by management at the level of cash generating units, which is India in this case. For the current and previous financial year, the recoverable amount of Cash Generating Unit (CGU) was determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five year period.

Key assumptions used in the calculation of value in use:

The following table sets out the key assumptions for the CGU:

Particulars	31 December, 2024	31 December, 2023
Discount rate (Pre Tax)	10.05%	10.17%
EBIDTA Margins (range)	18.00% to 23.46%	17.5% to 23.51%
Annual sales growth rate	4.39% to 7.97%	1.45% to 9.75%
Terminal sales growth rate	7.5%	7.5%

Management has determined the values assigned to each of the above key assumptions as follows:

Assumptions	Approach used to determine values
Discount rate	Discount rate represents the current market assessment of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the CGU and is derived from the CGU's weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the investors. The cost of debt is based on the interest-bearing borrowings the Company is obliged to service. CGU specific risk is incorporated by applying individual beta factor. The beta factor is evaluated annually based on publicly available market data.
EBITDA Margins	EBITDA margins are based on the actual EBITDA of respective CGU based on the past trend and future expectations.
Annual sales growth rate	Annual growth rate over the five-year forecast period; based on past performance, current industry trends including long-term inflation forecast and management's expectation of market development.
Terminal sales growth rate	The Company has considered growth rate to extrapolate cash flows beyond the forecast period, consistent with the industry forecasts, based on GDP growth estimates and the inflation rate in each market, and evaluating the level of investment required to achieve such growth.

#### Sensitivity to changes in assumptions of CGU

The management believes that no reasonably possible change (say 10%) in any of the key assumptions used in the value in use calculation would cause the carrying value of the CGU to materially exceed its value in use

#### Results of the analysis

Based on the above assessment, the Company concluded that in both current year as well as previous year, goodwill has not suffered any impairment. Further, the result of using before-tax cash flows and discount rates does not differ significantly from the outcome of using after-tax cash flows and discount rates.



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## Movement of Goodwill

	31 December, 2024	31 December, 2023
Opening Goodwill as at 1 January	10,167.05	10,167.05
Add: Movement during the year	-	-
<b>Closing Goodwill as at 31 December</b>	<b>10,167.05</b>	<b>10,167.05</b>

## 7. Other Intangible Assets

The details and movements of the main classes of intangible assets are shown below:

## For the year 2024

Description of Assets	Technical Knowhow	Computer Software	Development Cost	Total
<b>I. Gross Carrying Amount</b>				
Balance as at 01 January, 2024	3.00	57.38	55.00	115.38
Additions	-	4.79	-	4.79
Disposals	-	(3.93)	-	(3.93)
<b>Balance as at 31 December, 2024</b>	<b>3.00</b>	<b>58.24</b>	<b>55.00</b>	<b>116.24</b>
<b>II. Accumulated amortisation and impairment</b>				
Balance as at 01 January, 2024	(3.00)	(39.05)	(55.00)	(97.05)
Amortisation expense for the year	-	(5.87)	-	(5.87)
Disposals	-	3.93	-	3.93
<b>Balance as at 31 December, 2024</b>	<b>(3.00)</b>	<b>(40.99)</b>	<b>(55.00)</b>	<b>(98.99)</b>
<b>III. Net carrying amount</b>	<b>-</b>	<b>17.25</b>	<b>-</b>	<b>17.25</b>

## For the year 2023

Description of Assets	Technical Knowhow	Computer Software	Development Cost	Total
<b>I. Gross Carrying Amount</b>				
Balance as at 01 January, 2023	3.00	76.16	55.00	134.16
Additions	-	3.75	-	3.75
Disposals	-	(22.53)	-	(22.53)
Balance as at 31 December, 2023	3.00	57.38	55.00	115.38
<b>II. Accumulated amortisation and impairment</b>				
Balance as at 01 January, 2023	(3.00)	(53.06)	(55.00)	(111.06)
Amortisation expense for the year	-	(7.40)	-	(7.40)
Disposals	-	21.41	-	21.41
<b>Balance as at 31 December, 2023</b>	<b>(3.00)</b>	<b>(39.05)</b>	<b>(55.00)</b>	<b>(97.05)</b>
<b>III. Net carrying amount</b>	<b>-</b>	<b>18.33</b>	<b>-</b>	<b>18.33</b>

## 8. Other financial assets – Investments

	As at 31 December, 2024			As at 31 December, 2023		
	No. of Shares/ Units	Amounts Current	Amounts Non Current	No. of Shares/ Units	Amounts Current	Amounts Non Current
<b>A Investment in equity instruments at cost (unquoted-fully paid up)</b>						
<b>Subsidiary Companies</b>						
UAB CIE Galfor SA	5,550	-	7,033.80	5,550	-	7,033.80
BF Precision Private Limited (Refer note 'c')	-	-	-	10,000	-	0.10



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

	As at 31 December, 2024			As at 31 December, 2023		
	No. of Shares/ Units	Amounts Current	Amounts Non Current	No. of Shares/ Units	Amounts Current	Amounts Non Current
Bill Forge de Mexico SA de CV (2,970 shares of Pesos 1 each 2,033,710 shares of Class II Series B Pesos 1 each)	2,970 2,033,710	- -	-* 6.72	2,970 2,033,710	- -	-* 6.72
CIE Hosur Limited	5,000,000	-	50.00	5,000,000	-	50.00
CIE Aluminium Casting India Limited (CACIL) (formerly known as Aurangabad Electricals Limited)	2,940,000	-	8,759.26	2,940,000	-	8,759.26
<b>B Investment in Preference instruments at amortised cost (unquoted-fully paid up)</b>						
<b>Subsidiary Companies</b>						
Investment at fair value through amortised cost						
CIE Hosur Limited (8.5% Cumulative, non convertible)	11,800,000	-	1,447.56	11,800,000	-	1,326.51
<b>Total investment in Subsidiaries</b>		-	17,297.34		-	17,176.39
<b>Associate Companies at cost</b>						
Gescrap India Private Limited (30% Share)	3,720,000	-	37.20	3,720,000	-	37.20
Clean Max Deneb Power LLP (26% Share)	-	-	83.60	-	-	83.60
Sunbarn Renewables Private Limited (26.12% Share)	1,112,813	-	89.03	1,112,813	-	89.03
ReNew Surya Alok Private Limited (31.20% Share)	8,260,000	-	83.00	8,260,000	-	83.00
Strongsun Solar Private Limited (27.35% Share)	418,750	-	33.52	418,750	-	33.52
ReNew Green (MHK Two) Private Limited (31.20% Share) (Refer note 'a')	924,000	-	36.04	-	-	-
<b>Total investment in Associate Companies</b>		-	362.39		-	326.35
<b>Others at cost</b>						
Clean Wind Power (Manvi) Private Limited	420,000	-	4.20	420,000	-	4.20
Clean Wind Power (Pratapgarh) Private Limited	27,600	-	1.63	27,600	-	1.63
The Saraswat Cooperative Bank Limited	2,550	-	-*	2,550	-	-*
<b>Total investment in Others</b>		-	5.83		-	5.83
<b>Subtotal (A)</b>		-	17,665.56		-	17,508.57
<b>C Investments in Mutual Funds at fair value through profit and loss (unquoted)</b>	-	9,909.71	-	-	7,751.91	-
<b>D Investment in Subsidiary at fair value through profit and loss (Disposal Group)</b>						
Stokes Group Limited (Refer note 'b')	-	-	-	-	-	-
<b>Subtotal (C)</b>		-	-		-	-
<b>Total (A+B+C)</b>	-	9,909.71	17,665.56	-	7,751.91	17,508.57
Less: Provision for impairment	-	-	-	-	-	-
<b>Total investments</b>		9,909.71	17,665.56		7,751.91	17,508.57

\* Amount is below the rounding off norm adopted by the Company.



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

- a) During the year, the Company has made additional investment amounting ₹ 36.04 Million in ReNew Green (MHK Two) Private Limited which is engaged in solar energy business.
- b) In September 2018, the Board of Directors of CIE Automotive India Limited (formerly known as Mahindra CIE Automotive Limited) decided to dispose off the forging business in the United Kingdom, corresponding to the company Stokes Group Limited. The Stokes Group Limited has been liquidated on September 05, 2023.
- c) The liquidation process of BF Precision Private Limited has been completed and the liquidator filed requisite application for its dissolution before the Hon'ble National Company Law Tribunal, Chennai Bench ('NCLT') in current year ended 31 December 2024.

### 8A Other Financial Assets

	As at 31 December, 2024		As at 31 December, 2023	
	Current	Non-Current	Current	Non-Current
<b>Financial instruments at amortised cost</b>				
- Unsecured, considered good				
Security Deposits	-	211.38	-	205.99
<b>Total</b>	-	211.38	-	205.99

### 8B Loans

	As at 31 December, 2024		As at 31 December, 2023	
	Current	Non-Current	Current	Non-Current
<b>Financial instruments at amortised cost</b>				
- Unsecured, considered good				
Loans to wholly owned subsidiaries (Refer Note 31)	1,964.52	-	869.52	-
	1,964.52	-	869.52	-

The loans are repayable on demand and are to be utilised for working capital, capex and general business purpose. Loan to CIE Hosur Limited and CIE Aluminium Casting India Limited are ₹ 749.52 Million (31 December 2023: 778.02 Million) and ₹ 1,215.00 Million (31 December 2023: 91.5 Million) respectively. The company has received interest in the range of 7.75% to 7.96% (31 December 2023: 7.15% to 7.75%) from its related parties for the loan given.

### 9. Trade Receivables

	As at 31 December, 2024	As at 31 December, 2023
<b>Unsecured</b>		
(a) Considered good	4,119.27	4,617.49
(b) Significant increase in credit risk	-	-
(c) Credit impaired	29.47	29.47
<b>Less: Impairment Allowance</b>		
(a) Credit impaired	(29.47)	(29.47)
<b>Total</b>	4,119.27	4,617.49

Of the above, trade receivables from:

- Related Parties (Note 31)	697.93	975.22
- Others	3,421.34	3,642.27
	4,119.27	4,617.49

No trade receivables are due from directors or other officers of the company either severally or jointly with any other person.



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

**Transferred Receivables**

The carrying amount of the trade receivable includes receivables which are subject to factoring arrangement. Under this arrangement, the Company has transferred the relevant receivables to the factor in exchange for Cash and is prevented from selling or pledging the receivables. However, the Company has retained late payment and credit risk. The Company therefore continues to recognize the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement is presented as borrowing. The company considers the held to collect business model to remain appropriate for these receivables and hence continues measuring them at amortized cost.

The relevant carrying amounts are as follows:

	<b>As at 31 December, 2024</b>	As at 31 December, 2023
Transferred trade receivables	-	37.59
Associated short term borrowings (Included in Note 15)	-	37.59

**Movement of Impairment allowance :**

	<b>As at 31 December, 2024</b>	As at 31 December, 2023
At the beginning of the year	<b>29.47</b>	52.82
Addition/(utilisation) during the year (net)	-	(23.35)
At the end of the year	<b>29.47</b>	29.47

**Trade Receivables outstanding Ageing**

<b>As at 31 December, 2024</b>	<b>Outstanding for following periods from due date of payment</b>						<b>Total</b>
	<b>Not due</b>	<b>Less than 6 months</b>	<b>6 months - 1 year</b>	<b>1 - 2 years</b>	<b>2 - 3 years</b>	<b>More than 3 years</b>	
Undisputed trade receivables - considered good	<b>3,373.18</b>	<b>658.65</b>	<b>60.09</b>	<b>27.35</b>	-	-	<b>4,119.27</b>
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	<b>29.47</b>	<b>29.47</b>
<b>Total</b>	<b>3,373.18</b>	<b>658.65</b>	<b>60.09</b>	<b>27.35</b>	-	<b>29.47</b>	<b>4,148.74</b>
Impairment allowance	-	-	-	-	-	<b>(29.47)</b>	<b>(29.47)</b>
<b>Net trade receivables</b>	<b>3,373.18</b>	<b>658.65</b>	<b>60.09</b>	<b>27.35</b>	-	-	<b>4,119.27</b>
<b>Weighted -average loss rate</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>100%</b>	

<b>As at 31 December, 2023</b>	<b>Outstanding for following periods from due date of payment</b>						<b>Total</b>
	<b>Not due</b>	<b>Less than 6 months</b>	<b>6 months - 1 year</b>	<b>1 - 2 years</b>	<b>2 - 3 years</b>	<b>More than 3 years</b>	
Undisputed trade receivables - considered good	4,078.66	500.48	35.48	2.87	-	-	4,617.49
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	29.47	29.47
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

As at 31 December, 2023	Outstanding for following periods from due date of payment					
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years
<b>Total</b>	<b>4,078.66</b>	<b>500.48</b>	<b>35.48</b>	<b>2.87</b>	<b>-</b>	<b>29.47</b>
Impairment allowance	-	-	-	-	-	(29.47)
<b>Net trade receivables</b>	<b>4,078.66</b>	<b>500.48</b>	<b>35.48</b>	<b>2.87</b>	<b>-</b>	<b>4,617.49</b>
<b>Weighted -average loss rate</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>100%</b>

## 10. Other Assets

	As at 31 December, 2024		As at 31 December, 2023	
	Current	Non- Current	Current	Non- Current
Unsecured, considered good				
(a) Capital advances	-	72.55	-	516.27
(b) Other Deposits*	-	266.81	-	267.85
(c) Balances with government authorities	58.74	-	60.18	-
(d) Other advances (Majorly includes Advance to Supplier & Prepaid Expenses)	326.32	-	361.92	-
<b>Total</b>	<b>385.06</b>	<b>339.36</b>	<b>422.10</b>	<b>784.12</b>

\*This majorly includes deposit on account of ongoing dispute with the Irrigation Department (Water Resource Department) in respect of levy of charge for use of water for the period July 1991 to May 2012. Refer note 30 Contingent Liabilities and Commitments.

## 11. Inventories

(Refer Note No. 2.13 for valuation of inventories)

	As at 31 December, 2024	As at 31 December, 2023
(a) Raw materials	883.75	1,049.21
(b) Work-in-progress	1,566.90	1,711.09
(c) Finished goods	1,217.52	1,139.85
(d) Stores and spares	591.50	422.45
(e) Loose Tools	285.62	338.04
<b>Total</b>	<b>4,545.29</b>	<b>4,660.64</b>
Included above, goods-in-transit:		
(i) Finished goods	182.67	177.34
<b>Total</b>	<b>182.67</b>	<b>177.34</b>

Amounts recognised in the Statement of Profit and Loss:

Write-downs in inventories of finished goods, work-in-progress & raw materials amounted to ₹ 303.38 Million (31 December 2023: ₹ 251.35 Million) as at the period end. Accordingly, an amount of ₹ 52.03 Million was charged during the year (31 December 2023: ₹ 15.65 Million was reversed). The accruals, write-downs and reversals are included in cost of material consumed.

## 12. Cash and Cash Equivalents

	As at 31 December, 2024	As at 31 December, 2023
<b>Cash and cash equivalents</b>		
(a) Balances with banks		
i) Current Accounts	380.80	1,330.70





## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

	As at 31 December, 2024	As at 31 December, 2023
ii) Deposits with original maturity of less than three months	1,180.00	49.24
iii) Exchange Earners' Foreign Currency Accounts (EEFC)	14.49	23.81
(b) Cheques, drafts on hand	-	10.96
(c) Cash in hand	0.24	0.11
<b>Total Cash and cash equivalents</b>	<b>1,575.53</b>	<b>1,414.82</b>
<b>Other Bank Balances</b>		
(a) Earmarked balances with banks (majorly for unpaid dividend)	15.13	7.08
(b) Balances with Banks:		
i) On margin accounts	219.68	215.82
ii) Fixed Deposits with maturity greater than 3 months but less than 12 months	0.69	-
<b>Total Other Bank balances</b>	<b>235.50</b>	<b>222.90</b>
<b>Total cash, cash equivalents and other bank balances</b>	<b>1,811.03</b>	<b>1,637.72</b>

Bank deposits earn interest at fixed rates. Short term deposits are generally made for varying periods between seven days to twelve months, depending on the cash requirements of the company and earn interest at respective deposit rates.

## 13. Equity Share capital

	As at 31 December, 2024		As at 31 December, 2023	
	No. of shares	Amount	No. of shares	Amount
<b>Authorized:</b>				
Equity shares of ₹ 10/- each with voting rights	516,592,621	5,165.93	516,592,621	5,165.93
4% non-cumulative redeemable preference shares of ₹ 31/- each	5	-	5	-
Compulsory convertible Preference share of ₹ 10/- each	250,000	2.40	250,000	2.40
<b>Issued:</b>				
Equity shares of ₹ 10/- each with voting rights	379,363,322	3,793.63	379,363,322	3,793.63
<b>Subscribed and Paid Up:</b>				
Equity shares of ₹ 10/- each with voting rights ^	379,362,377	3,793.62	379,362,377	3,793.62

Terms and rights attached to Equity Shares

Equity shares have a par value of ₹ 10/-. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held. The company declares and pays dividend in Indian Rupees.

Every holder of equity shares present at a meeting in person or by proxy is entitled to one vote, and upon a poll each share is entitled to one vote.



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

Reconciliation of the number of shares outstanding at the beginning and at the end of the year.

		Opening Balance	Issue of Equity Shares on account of Employee Stock Option Scheme	Closing Balance
Equity Shares with voting rights				
Year Ended 31 December, 2024	<b>No. of Shares</b>	<b>379,362,377</b>	-	<b>379,362,377</b>
	<b>Amount</b>	<b>3,793.62</b>	-	<b>3,793.62</b>
Year Ended 31 December, 2023	No. of Shares	379,317,379	44,998	379,362,377
	Amount	3,793.18	0.44	3,793.62

^ Mahindra Composites Limited which was merged with the company in the year 2013 had issued 1,050 equity shares and not allotted the same to the shareholders. Based on the swap ratio the Company has issued 945 equity shares and not allotted the same and the same has been kept in abeyance.

### Information regarding issue of shares in the last five years

- The Company has not issued any shares without payment being received in cash.
- The Company has not issued any bonus shares.
- The Company has not undertaken any buy-back of shares

### Shares reserved for issue under options

Information relating to CIE Automotive India Limited Employee Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 35.

Details of shares held by the holding Company, the ultimate holding Company, their subsidiaries and associates:

	Equity Shares with Voting rights
<b>As at 31 December, 2024</b>	
<b>Participaciones Internacionales Autometal, Dos S.L. (PIA2), the holding Company</b>	<b>249,239,013</b>
As at 31 December, 2023	
Participaciones Internacionales Autometal, Dos S.L. (PIA2), the holding Company	249,239,013

### Details of shares held by promoters

As at 31 December, 2024

S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of ₹ 10 each fully paid	Participaciones Internacionales Autometal, Dos S.L. (PIA2)	249,239,013	-	249,239,013	65.70%	0.00%
<b>Total</b>		<b>249,239,013</b>	<b>-</b>	<b>249,239,013</b>	<b>65.70%</b>	<b>-</b>



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

As at 31 December, 2023

S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of ₹ 10 each fully paid	Participaciones Internacionales Autometal, Dos S.L. (PIA2)	249,239,013	-	249,239,013	65.70%	-0.01%
Equity shares of ₹ 10 each fully paid	Mahindra & Mahindra Limited (M&M Limited)	35,102,068	(35,102,068)	0	0%	-100.00%
<b>Total</b>		<b>284,341,081</b>	<b>-35,102,068</b>	<b>249,239,013</b>	<b>65.70%</b>	<b>-</b>

Details of shares held by Promotor shareholder and each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	31 December, 2024		31 December, 2023	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Participaciones Internacionales Autometal, Dos S.L. (PIA2)	<b>249,239,013</b>	<b>65.70%</b>	249,239,013	65.70%
HDFC Mutual Fund through various schemes	<b>32,762,058</b>	<b>8.64%</b>	4,197,882	1.11%

Mahindra and Mahindra Limited has been reclassified as Public Shareholder in accordance with provisions of Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with effect from 10<sup>th</sup> October, 2023.

**Distribution made and proposed**

	<b>As at 31 December, 2024</b>	<b>As at 31 December, 2023</b>
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**Dividends on equity shares declared and paid:**

Final dividend for the year ended on 31 December 2023 : ₹ 5.00 per share (31 December 2022 : ₹ 2.50 per share)	<b>1,888.81</b>	948.41
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**Proposed dividends on Equity shares:**

Proposed dividend for the year ended on 31 December 2024 : ₹ 7.00 per share (31 December 2023 : ₹ 5.00 per share)	<b>2,655.54</b>	1,896.81
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Proposed dividends on equity shares are subject to approval of shareholders at the ensuing annual general meeting and are not recognised as a liability as at 31 December.

**14. Other Equity****(i) Securities premium reserve (Refer note 'a')**

	<b>As at 31 December, 2024</b>	<b>As at 31 December, 2023</b>
Opening balance	<b>15,371.84</b>	15,360.76
Addition on Exercise of options- Proceeds Received	-	11.08
Closing balance	<b>15,371.84</b>	15,371.84



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

**(ii) Equity settled employees' benefits reserve (Refer note 'b')**

	As at 31 December, 2024	As at 31 December, 2023
Opening balance	-	5.00
Employee stock option expenses	-	-
Less: -		
Options exercised during the year	-	(5.00)
Closing Balance	-	-

**(iii) Retained earnings including other comprehensive income (Refer note 'c')**

	As at 31 December, 2024	As at 31 December, 2023
Opening Balance	17,031.52	12,350.14
Add: -		
Profit for the year	5,834.13	5,623.44
Dividend Paid	(1,896.81)	(948.41)
Any other change	-	(8.17)
<i>Items of Other Comprehensive income recognized directly in retained earnings</i>		
Re-measurement of post-employment benefit obligation (net of tax)	(10.18)	14.52
Closing balance	20,958.66	17,031.52

**(iv) Capital reserve (Refer note 'd')**

	As at 31 December, 2024	As at 31 December, 2023
Balance as at beginning and end of the year	6,501.93	6,501.93

**(v) Capital redemption reserve (Refer note 'e')**

	As at 31 December, 2024	As at 31 December, 2023
Balance as at beginning and end of the year	164.71	164.71

**(vi) General reserve (Refer note 'f')**

	As at 31 December, 2024	As at 31 December, 2023
Balance as at beginning and end of the year	6,535.76	6,535.76
<b>Grand Total</b>	<b>49,532.90</b>	<b>45,605.76</b>

**Nature and purpose of Reserves****(a) Securities premium reserve**

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of the law.

**(b) Equities settled employees' benefits reserve**

The Equities settled employees benefits reserve is used to recognize the grant date fair value of options issued to employees under the CIE Stock Options Scheme.



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

**(c) Retained Earnings**

Retained earnings in the statement of profit and loss represents the balanced undistributed profits of the company as on Balance Sheet date.

**(d) Capital reserve**

Capital reserve is reserves generated on account of:

1. Merger under the Integrated Scheme of Amalgamation and the Composite Scheme of Amalgamation (Sections 391-395 of the Companies Act, 1956) for the merger of Mahindra Ugine Steel Company Limited (MUSCO), Mahindra Hinoday Industries Limited (MHIL), Mahindra Gears International Limited (MGIL), Mahindra Investment India Private Limited (MIPL), Participaciones Internacionales Autometal Tres S.L. (PIA3) and Mahindra Composites Limited (MCL). The merger was approved by the Honourable High Court of Judicature at Bombay on October 31, 2014. The Schemes came into effect on December, 10, 2014, the day on which the order was delivered to the Registrar of Companies. The reserve is capital in nature and is not available for distribution as dividend.
2. Merger under the Scheme of Amalgamation (Sections 230-234 and other applicable provisions of the Companies Act, 2013) of Mahindra Gears and Transmission Private Limited, Mahindra Forging Global Limited, Mahindra Forging International Limited and Crest Geartech Private Ltd. The merger was approved by the Honourable National Company Law Tribunal (NCLT) at Mumbai on December 13, 2017. The reserve is capital in nature and is not available for distribution as dividend.

**(e) Capital redemption reserve**

Capital redemption reserve is transferred by virtue of the merger referred to above, which was in the books of MUSCO and was created to redeem preference shares issued by MUSCO before merger. These shares have since been redeemed and this reserve is available for use as per the relevant provisions of Companies Act, 2013.

**(f) General reserve**

General reserve created by virtue of merger of Mahindra Stokes Holding Company Limited, Mahindra Forgings Overseas Limited and Mahindra Forgings Mauritius Limited into the Company vide High Court Order dated 27<sup>th</sup> December, 2007, is reserve available for distribution as dividend.

**15. Borrowings**

	<b>As at 31 December, 2024</b>	As at 31 December, 2023
Unsecured Borrowings		
(a) Borrowings from related parties	-	-
(b) From Banks	-	719.25
Total Current Borrowings	-	719.25
Movement of Borrowings		
	<b>As at 31 December, 2024</b>	As at 31 December, 2023
<b>Balance at beginning of the year (including accrued interest)</b>	<b>719.25</b>	1,232.44
<b>Changes</b>		
Cash flows	<b>(719.25)</b>	(513.19)
Interest expense	<b>(82.33)</b>	(72.14)
Interest paid	<b>82.33</b>	72.14
<b>Balance at end of the year</b>	<b>-</b>	719.25

Interest rate range from 4.5% to 8% p.a. (31 December, 2023 4.5% to 8% p.a.)

Loan from banks is unsecured and with maturity period up to 12 months.



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## 16. Trade Payables

	As at 31 December, 2024	As at 31 December, 2023
Outstanding dues of Micro enterprises and Small enterprises; and	359.76	203.36
Outstanding dues of creditors other than micro enterprises and small enterprises	5,031.37	4,857.17
Acceptances*	720.60	1,093.06
<b>Total</b>	<b>6,111.73</b>	<b>6,153.60</b>
<b>Of the above, trade payable from:</b>		
- Related Parties (Note 31)	697.37	558.45
- Others	5,414.36	5,595.15

\*The Company has entered into an agreement with banks for the supply chain financing arrangement. As per the arrangement the suppliers may elect to factor their receivable from the Company and receive the payment due from the bank before the due date. As per the arrangement the bank agrees to pay amounts which Company owes to its suppliers and the Company agrees to pay the bank at a date later than suppliers are paid. The nature and function of the liabilities remain the same even after factoring as the Company is neither legally released from its original obligation to the supplier nor the terms of the original liability are amended in a way that is considered a substantial modification. Hence, the Company has not derecognized the liabilities which are factored and disclosed the said amount within trade payables. Further, no additional interest has been paid to the bank by the Company on the amounts due to the suppliers. The payable under supply chain financing arrangement amounts to ₹ 720.60 Million as at 31 December 2024 (31 December 2023: ₹ 1093.06 Million).

<b>Details of dues to Micro and Small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)</b>	As at 31 December, 2024	As at 31 December, 2023
The amounts remaining unpaid to micro and small suppliers at the end of the year		
Principal	358.96	203.30
Interest due thereon	0.80	0.06
Interest paid in terms of Section 16 of the MSMED Act along with the amount of payment made to the supplier beyond the appointed day during the year		
- Principal paid beyond the appointed date	62.21	55.13
- Interest paid in terms of Section 16 of the MSMED Act	-	-
Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	0.46	0.29
The amount of interest accrued and remaining unpaid at the end of each accounting year	1.26	0.35
Further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	12.21	10.95





## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## Trade payables – Ageing

As at 31 December 2024	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1 – 2 year	2 – 3 year	More than 3 year	
Micro and small Enterprises	350.60	9.16	–	–	–	359.76
Others	2,672.91	1,663.56	10.02	1.75	–	4,348.24
Disputed dues – Micro and small enterprises	–	–	–	–	–	–
Disputed dues – Others	–	–	–	–	–	–
<b>Total</b>	<b>3,023.51</b>	<b>1,672.72</b>	<b>10.02</b>	<b>1.75</b>	<b>–</b>	<b>4,708.00</b>
Accrued Expenses	–	–	–	–	–	683.13
Acceptances	720.60	–	–	–	–	720.60
<b>Total</b>	<b>3,744.11</b>	<b>1,672.72</b>	<b>10.02</b>	<b>1.75</b>	<b>–</b>	<b>6,111.73</b>

As at 31 December 2023	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1 – 2 year	2 – 3 year	More than 3 year	
Micro and small Enterprises	198.11	5.19	–	–	–	203.30
Others	2,409.83	1,499.65	62.87	1.89	21.83	3,996.07
Disputed dues – Micro and small enterprises	–	–	–	–	–	–
Disputed dues – Others	–	–	7.27	–	–	7.27
<b>Total</b>	<b>2,607.94</b>	<b>1,504.84</b>	<b>70.14</b>	<b>1.89</b>	<b>21.83</b>	<b>4,206.64</b>
Accrued Expenses	–	–	–	–	–	853.90
Acceptances	1,093.06	–	–	–	–	1,093.06
<b>Total</b>	<b>3,701.00</b>	<b>1,504.84</b>	<b>70.14</b>	<b>1.89</b>	<b>21.83</b>	<b>6,153.60</b>

## 17. Other financial liabilities

	As at 31 December, 2024		As at 31 December, 2023	
	Current	Non- Current	Current	Non- Current
(a) Creditors for capital supplies/ services	183.50	–	93.39	–
(b) Dividend Payable	15.08	–	7.08	–
<b>Total</b>	<b>198.58</b>	<b>–</b>	<b>100.47</b>	<b>–</b>
<b>Of the above, Creditors for capital supplies/ services from:</b>				
– Related Parties (Note 31)	60.21	–	–	–
– Others	123.29	–	93.39	–



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## 18. Provisions

	As at 31 December, 2024		As at 31 December, 2023	
	Current	Non- Current	Current	Non- Current
(a) Provision for Gratuity (Note 29)	198.74	71.93	148.82	59.19
(b) Provision for compensated absences	48.55	284.57	51.11	291.86
(c) Provision for water charges #	-	262.28	-	262.28
(d) Provision for Litigative matters ^	212.81	-	212.81	-
(e) Others*	82.79	-	82.79	35.00
<b>Total</b>	<b>542.89</b>	<b>618.78</b>	<b>495.53</b>	<b>648.33</b>

# Provision of ₹ 262 Million is towards an ongoing dispute with the Irrigation Department (Water Resource Department) in respect of levy of charge for use of water for the period July 1991 to May 2012 for an aggregate amount of ₹ 587 Million including penal charge of ₹ 102 Million and late fee charge of ₹ 223 Million. Presently the matter is being legally pursued. The Company has provided ₹ 262 Million towards arrears of water charges. Refer Note 30 Contingent liabilities and commitments.

^ Majorly includes provision of ₹ 120 Million (31 December, 2023: ₹ 120 Million) has been recognised for Provident Fund liability basis Supreme Court judgement in 'Regional provident fund commissioner (II) West Bengal vs Vivekananda Vidyamandir and others' in accordance with Ind AS-37. The remaining amount pertains to provision against levy of cross subsidy charges and additional surcharge by Maharashtra State Electricity Distribution Company Limited during the year on account of power consumption from non-captive generating plant.

\* This represents provisions made for probable liabilities payable to regulatory authorities. Above provisions are affected by various uncertainties and management has taken all efforts to make a best estimate. It is not practicable for the Company to estimate the accurate timing of cash outflows, if any, in respect of the above.

**Movements in Provisions: (Current and Non current)**

Movement in provisions during the financial year is set out below:

	Others	Litigative matters
<b>As at 01 January, 2024</b>	<b>117.79</b>	<b>212.81</b>
Charged/ (Credited) to profit or loss		
- Additional provisions recognized	-	-
- Unused amounts reversed	(35.00)	-
<b>As at 31 December, 2024</b>	<b>82.79</b>	<b>212.81</b>

There is no movement during the year ended 31 December, 2024 in the provision for water charges.

## 19. Deferred Taxes

2024	Opening Balance	Recognized in profit and Loss	Recognized in OCI	Other	Closing Balance
<b>Tax effect of items constituting deferred tax liabilities</b>					
Property, Plant and Equipment and Intangible assets	3,343.69	9.67	-		3,353.36
<b>Subtotal (A)</b>	<b>3,343.69</b>	<b>9.67</b>	<b>-</b>	<b>-</b>	<b>3,353.36</b>
<b>Tax effect of items constituting deferred tax assets</b>					
Expenses allowable on payment basis	185.42	17.64	-	-	203.06



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

<b>2024</b>	<b>Opening Balance</b>	<b>Recognized in profit and Loss</b>	<b>Recognized in OCI</b>	<b>Other</b>	<b>Closing Balance</b>
Timing differences	300.83	(25.62)	3.43	(1.46)	277.18
<b>Subtotal (B)</b>	<b>486.25</b>	<b>(7.98)</b>	<b>3.43</b>	<b>(1.46)</b>	<b>480.24</b>
<b>Net Tax Asset (Liabilities) [B-A]</b>	<b>(2,857.44)</b>	<b>(17.65)</b>	<b>3.43</b>	<b>(1.46)</b>	<b>(2,873.12)</b>
<b>2023</b>	<b>Opening Balance</b>	<b>Recognized in profit and Loss</b>	<b>Recognized in OCI</b>	<b>Other</b>	<b>Closing Balance</b>
<b>Tax effect of items constituting deferred tax liabilities</b>					
Property, Plant and Equipment and Intangible assets	3,246.69	97.00	-	-	3,343.69
<b>Subtotal (A)</b>	<b>3,246.69</b>	<b>97.00</b>	<b>-</b>	<b>-</b>	<b>3,343.69</b>
<b>Tax effect of items constituting deferred tax assets</b>					
Expenses allowable on payment basis	179.42	6.00	-	-	185.42
Timing differences	253.94	51.77	(4.88)	-	300.83
<b>Subtotal (B)</b>	<b>433.36</b>	<b>57.77</b>	<b>(4.88)</b>	<b>-</b>	<b>486.25</b>
<b>Net Tax Asset (Liabilities) [B-A]</b>	<b>(2,813.33)</b>	<b>(39.23)</b>	<b>(4.88)</b>	<b>-</b>	<b>(2,857.44)</b>

## 20. Corporate income tax expenses

## (i) Income Tax recognised in Profit or Loss

	<b>Year ended 31 December, 2024</b>	<b>Year ended 31 December, 2023</b>
Current Tax	1,642.35	1,502.58
Deferred Tax	17.65	39.23
<b>Total income tax expense</b>	<b>1,660.00</b>	<b>1,541.81</b>

## (ii) Income Tax recognised on Other Comprehensive income

	<b>Year ended 31 December, 2024</b>	<b>Year ended 31 December, 2023</b>
Income taxes related to items that will not be reclassified to profit or loss	3.43	(4.88)
<b>Total income tax recognised on Other comprehensive income</b>	<b>3.43</b>	<b>(4.88)</b>

## (iii) Reconciliation of tax expense and the accounting profit multiplied by Company's domestic tax rate:

	<b>Year ended 31 December, 2024</b>	<b>Year ended 31 December, 2023</b>
Profit before tax	7,494.13	7,165.25
Income tax expenses calculated at 25.168% (31 December 2023: 25.168%)	1,886.12	1,803.35
Impact of tax of earlier years	-	-
Dividend Received	(258.28)	(303.90)
Other Items	32.15	42.35
<b>Total</b>	<b>1,660.00</b>	<b>1,541.81</b>



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## Unused tax loss balances pertaining to Tax Assessment Year (AY) :

Year ended 31 December, 2024	AY 2019-20	AY 2022-23	AY 2024-25	Total
Balance at the beginning of the year	8,807.44	3.45	-	8,810.89
Addition/ (utilised) during the year	-	-	3,698.34	3,698.34
Balance at the end of the year	8,807.44	3.45	3,698.34	12,509.23
Balance can be carried forward till AY	AY 2027-28	AY 2030-31	AY 2032-33	
Year ended 31 December, 2023	AY 2019-20	AY 2022-23	Total	
Balance at the beginning of the year	9,156.95	-	9,156.95	
Addition/ (utilised) during the year	(349.51)	3.45	(346.06)	
Balance at the end of the year	8,807.44	3.45	8,810.89	
Balance can be carried forward till AY	AY 2027-28	AY 2030-31		

The total loss as on 31 December 2024 and 31 December 2023 represents capital loss in previous years and During the previous fiscal year 23-24, ₹ 3,698.34 Million were recognized which pertains to sale of subsidiaries.

## 21. Fair Value Measurements

## Financial instruments by category

	As at 31 December, 2024			As at 31 December, 2023		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
<b>Financial assets</b>						
Investments (Refer note 8)	9,909.71	-	-	7,751.91	-	-
Trade Receivables (Refer note 9)	-	-	4,119.27	-	-	4,617.49
Other Financial Assets (Refer note 8A)	-	-	211.38	-	-	205.99
Cash and Cash Equivalents (Refer note 12)	-	-	1,575.53	-	-	1,414.82
Other Bank balances (Refer note 12)	-	-	235.50	-	-	222.90
Loans (Refer note 8B)	-	-	1,964.52	-	-	869.52
<b>Total financial assets</b>	<b>9,909.71</b>	<b>-</b>	<b>8,106.20</b>	<b>7,751.91</b>	<b>-</b>	<b>7,330.72</b>
<b>Financial liabilities</b>						
Borrowings (Refer note 15)	-	-	-	-	-	719.25
Trade Payables (Refer note 16)	-	-	6,111.73	-	-	6,153.60
Other Financial Liabilities (Refer note 17)	-	-	198.58	-	-	100.47
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>6,310.31</b>	<b>-</b>	<b>-</b>	<b>6,973.32</b>

## Financial instrument carried at amortized cost

Fair value of financial assets and financial liabilities carried at amortized cost is not materially different from the carrying amount. This disclosure is not applicable for lease liabilities.

Investments do not include investments in subsidiaries which are carried at cost and hence are not required to be disclosed as per Ind AS 107 Financial Instruments Disclosures.

## Fair Value Hierarchy

	As at 31 December, 2024			As at 31 December, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets</b>						
Short term investments in Mutual Funds	9,909.71	-	-	7,751.91	-	-
<b>Total</b>	<b>9,909.71</b>	<b>-</b>	<b>-</b>	<b>7,751.91</b>	<b>-</b>	<b>-</b>



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## 22. Other Liabilities

	As at 31 December, 2024		As at 31 December, 2023	
	Current	Non- Current	Current	Non- Current
(a) Taxes payable (other than income taxes)	282.46	-	371.01	-
(b) Payable to employees	839.57	-	734.47	-
(c) Contract liabilities*	227.88	-	304.87	-
(d) CSR Payable	14.14	-	-	-
<b>Total</b>	<b>1,364.05</b>	<b>-</b>	<b>1,410.35</b>	<b>-</b>

\* The contract liabilities primarily relate to the advance consideration received on contracts entered with customers for which performance obligations are yet to be performed, therefore, revenue will be recognised when the control is passed on to the customers.

## 23. Revenue from Operations

	Year ended 31 December, 2024	Year ended 31 December, 2023
Revenue from contracts with customers		
(a) Sale of Products	43,515.35	42,463.39
(b) Sale of Services	46.07	52.64
Other Operating Revenue (Including Scrap Sales, Export incentives)	2,073.28	3,182.40
<b>Total</b>	<b>45,634.70</b>	<b>45,698.43</b>

## Reconciliation of revenue with contract price :-

	Year ended 31 December, 2024	Year ended 31 December, 2023
Revenue as per Statement of Profit and loss (sale of products and sale of services)	43,561.42	42,516.03
Add: Incentive/rebates	-	-
<b>Contract Price</b>	<b>43,561.42</b>	<b>42,516.03</b>

## Performance obligations

The Company satisfies its performance obligations pertaining to the sale of products at a point in time when the control of goods is actually transferred to the customers. The control of goods is transferred to the customer based on the delivery terms.

No significant judgment is involved in evaluating when a customer obtains control of the promised goods. The payment is generally due within 30 - 90 days. There are no obligations on account of refunds or returns.

## Disclosure for transaction price allocated to the remaining performance obligations

There is no remaining performance obligation for any contract for which revenue has been recognised till period end. Further, in accordance with paragraph 121 of Ind AS 115, the Company is not required to disclose information about its remaining performance obligation since the Company does not have any performance obligation that has an original expected duration of more than one year.

## Determining the timing of satisfaction of performance obligations

There is no significant judgement involved in ascertaining the timing of satisfaction of performance obligations, in evaluating when a customer obtains control of promised goods, transaction price and allocation of it to the performance obligations.



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

### Determining the transaction price and the amounts allocated to performance

The transaction price ascertained for the single performance obligation of the Company (i.e. sale of products) is agreed in the contract with the customer. There is no variable consideration involved in the transaction price.

### Details of contract balances:

There are no contract assets as at 31 December 2024. Refer note 9 for information on trade receivables.

### Details of contract liabilities:

The following table provides information about contract liabilities from contracts with customers:

Particulars	Year ended 31 December, 2024	Year ended 31 December, 2023
Contract liabilities	227.88	304.87

The contract liabilities primarily relate to the advance consideration received from customers, for which revenue is recognised as and when control in promised goods is transferred.

Significant changes in the contract liability balances during the year ended 31 December 2024 and 31 December 2023 are as follows:

Particulars	Year ended 31 December, 2024	Year ended 31 December, 2023
Contract liabilities at the beginning of the year	304.87	213.60
Less : Revenue recognised that was included in the advance from customers balance at the beginning of the year	(304.87)	(213.60)
Add : Increase due to cash received, excluding amounts recognised as revenue during the year	227.88	304.87
Contract liabilities at the end of the year	227.88	304.87

### 24. Other Income

	Year ended 31 December, 2024	Year ended 31 December, 2023
(a) Interest Income on financial assets measured at amortised cost and others	255.68	159.08
(b) Net Gain on Investment held at Fair value through Profit & loss	389.68	161.92
(c) Dividend Income from subsidiaries	1,026.13	1,097.93
(d) Profit on sale/ disposal of Property, Plant & Equipment	10.90	6.68
(e) Miscellaneous income (including net exchange gain)	45.61	78.48
<b>Total</b>	<b>1,728.00</b>	<b>1,504.09</b>

### 25. Cost of material consumed

	Year ended 31 December, 2024	Year ended 31 December, 2023
Opening stock of raw materials	1,049.21	1,162.01
Add: Purchases	23,057.83	24,058.93
	24,107.04	25,220.94
Less: Closing stock of raw materials	883.75	1,049.21
<b>Cost of materials consumed</b>	<b>23,223.29</b>	<b>24,171.73</b>





## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

**Changes in inventories of finished goods and work in progress:**

	Year ended 31 December, 2024	Year ended 31 December, 2023
Inventories at the end of the year		
Finished goods	1,217.52	1,139.85
Work in progress	1,566.90	1,711.09
	2,784.42	2,850.94
Inventories at the beginning of the year		
Finished goods	1,139.85	1,128.55
Work in progress	1,711.09	1,809.33
	2,850.94	2,937.88
<b>Net Decrease</b>	<b>66.52</b>	<b>86.94</b>

**26. Employee benefits expenses**

	Year ended 31 December, 2024	Year ended 31 December, 2023
(a) Salaries and wages, including bonus	3,810.18	3,633.08
(b) Contribution to provident and other funds (Note 29)	240.42	218.48
(c) Share based payments	59.47	73.31
(d) Staff welfare expenses	380.47	353.34
<b>Total</b>	<b>4,490.54</b>	<b>4,278.21</b>

**27. Finance costs**

	Year ended 31 December, 2024	Year ended 31 December, 2023
(a) Interest expense	63.17	53.14
(b) Finance Charges	19.16	19.00
(c) Interest on Lease Liabilities (Refer Note 5(iii))	34.40	37.69
<b>Total</b>	<b>116.73</b>	<b>109.83</b>

**28. Other expenses**

	Year ended 31 December, 2024	Year ended 31 December, 2023
(a) Tools & Stores consumed	1,700.82	1,777.21
(b) Power & Fuel	2,365.30	2,342.91
(c) Repairs and maintenance	997.50	963.54
(d) Freight outward	928.50	824.48
(e) Subcontracting, Hire and Service Charges	3,093.02	2,943.61
(f) Expenditure on corporate social responsibility (CSR) under section 135 of the Companies Act, 2013 (Note 34)	93.85	61.30
(g) Auditors remuneration and out-of-pocket expenses		
(i) Audit fee	11.98	13.06
(ii) Other services	4.37	0.78
(iii) For reimbursement of expenses	0.40	—*
(h) Other Expenses	1,339.15	1,107.68
<b>Total</b>	<b>10,534.89</b>	<b>10,033.37</b>

\* Amount is below the rounding off norm adopted by the Company.



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

**29. Employee benefits plans****(a) Defined Contribution plan**

The Company's contribution to Provident Fund and other funds aggregating ₹ 164.25 Million during the year ending 31 December, 2024 (31 December, 2023 ₹ 150.46 Million) has been recognised in the statement of Profit or Loss under the head Employee Benefit expenses.

**(b) Defined benefit plans****(i) Gratuity**

The Company operates gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company's scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the Company gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

**(ii) Compensated absences**

Company's liability towards leave encashment are determined using the Projected Unit Credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past service costs are recognised on straight line basis over the statement of Profit or loss as income or expense. Obligation is measured at the present value of estimated future cash flow using a discount rate that is determined by reference to market yields at the Balance Sheet date on government bonds where the currency and terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

**(c) Risks**

Through its defined benefit plans the Company is exposed to risks, the most significant of which are detailed below:

**(i) Asset Volatility**

The plan liabilities are calculated using a discount rate set with references to government bond yields; if plan assets under perform compared to the government bond's discount rate, this will create or increase a deficit.

**(ii) Changes in Bond Yields**

A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plans' bond holdings.

**1. Provisions for Gratuity -**

	<b>Funded Plan-Gratuity</b>	
	<b>31 December, 2024</b>	<b>31 December, 2023</b>
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Service Cost		
- Current Service Cost	<b>68.69</b>	67.00
- Past service cost and (gains)/ losses from settlements	<b>7.48</b>	-
Net interest expense	<b>14.95</b>	12.11
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>91.12</b>	79.11
Re-measurement on the net defined benefit liability		



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

		<b>Funded Plan-Gratuity</b>	
		<b>31 December, 2024</b>	31 December, 2023
Actuarial gains and loss arising from changes in financial assumptions		<b>11.13</b>	(8.42)
Actuarial gains and loss arising from experience adjustments		<b>1.63</b>	(10.98)
Actuarial gains and loss arising from Demographic assumptions		<b>0.85</b>	-
<b>Components of defined benefit costs recognised in other comprehensive income</b>		<b>13.61</b>	(19.40)
<b>Total</b>		<b>104.73</b>	59.71
<b>I. Net Asset/ (Liability) recognised in the Balance Sheet as at 31 December</b>			
1. Present value of defined benefit obligation as at 31 December		<b>(1,033.55)</b>	(925.31)
2. Fair value of plan assets as at 31 December		<b>762.88</b>	717.30
3. Surplus/ (Deficit)		<b>(270.67)</b>	(208.01)
4. Current portion of the above		<b>(198.74)</b>	(148.82)
5. Non-current portion of the above		<b>(71.93)</b>	(59.19)
<b>II. Change in the obligation during the year ended 31 December</b>			
1. Present value of defined benefit obligation at the beginning of the year		<b>925.31</b>	858.53
2. Expenses Recognised in Profit and Loss Account			
- Current Service Cost		<b>68.69</b>	67.00
- Past Service Cost		<b>7.48</b>	-
- Interest Expense (Income)		<b>66.07</b>	61.39
3. Recognised in Other Comprehensive Income			
Re-measurement gains / (losses)			
- Actuarial Gain (Loss) arising from:			
i. Demographic Assumptions		<b>0.85</b>	-
ii. Financial Assumptions		<b>11.38</b>	(5.60)
iii. Experience Adjustments		<b>(2.78)</b>	(16.26)
4. Benefit payments		<b>(43.45)</b>	(39.76)
5. Present value of defined benefit obligation at the end of the year		<b>1,033.55</b>	925.31
<b>III. Change in fair value of assets during the year ended 31 December</b>			
1. Fair value of plan assets at the beginning of the year		<b>717.30</b>	620.49
2. Expenses Recognised in Profit and Loss Account			
- Expected return on plan assets		<b>56.89</b>	55.33
3. Recognised in Other Comprehensive Income		-	-
Re-measurement gains / (losses)			
- Actual Return on plan assets in excess of the expected return			
i. Demographic Assumptions		-	-
ii. Financial Assumptions		<b>0.24</b>	2.83
iii. Experience Adjustments		<b>(4.40)</b>	(5.28)



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

		Funded Plan-Gratuity				
		31 December, 2024	31 December, 2023			
4.	Contributions by employer (including benefit payments recoverable)	36.30	83.70			
5.	Benefit payments	(43.45)	(39.76)			
6.	Fair value of plan assets at the end of the year	762.88	717.30			
IV. The Major categories of plan assets						
-	List the plan assets by category here					
	Funds managed by Insurer	762.88	717.30			
	% to total assets	100%	100%			
V. Actuarial assumptions						
1.	Discount rate	6.8% to 7.0%	7.3% to 7.5%			
2.	Expected rate of return on plan assets	7.3% to 7.5%	7.3% to 7.6%			
3.	Attrition rate	2% to 16%	1% to 10%			
4.	Salary Escalation	7% to 8%	7% to 8%			
5.	Mortality	Indian Assured Lives Mortality (2012-14) Ultimate				
6.	Life expectancy of person retiring at year end	14 to 24 years				
VI. The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:						
		Change	31 December, 2024	31 December, 2023		
	Decrease in Discount rate	1%	Increase by 9.61%	Increase by 8.78%		
	Increase in Discount rate	1%	Decrease by 8.32%	Decrease by 7.77%		
	Decrease in Salary increment	1%	Decrease by 7.53%	Decrease by 7.22%		
	Increase in Salary increment	1%	Increase by 8.48%	Increase by 7.46%		
VII. The weighted average duration of the defined benefit obligation is 11.41 years (2023 – 9.90 years) The expected payment analysis of undiscounted gratuity is as follows:						
		Less than a year	Between 1-2 years	Between 3-5 years	Over 5 years	Total
31 December, 2024						
	Defined benefit obligation	95.58	80.42	303.73	617.55	1,097.28
31 December, 2023						
	Defined benefit obligation	101.91	84.48	279.73	770.09	1,236.21

**30. Contingent Liabilities and Commitments**

		<b>31 December, 2024</b>	31 December, 2023
Contingent liabilities (to the extent not provided for):**			
(a)	Claims against the Company not acknowledged as debt		
-	Income tax claims	<b>195.31</b>	183.76
-	Excise cases against the Company	<b>113.14</b>	130.60
-	Service Tax	<b>11.94</b>	59.65
-	Goods and Service Tax (GST), Sales Tax and Value Added Tax (VAT)	<b>36.98</b>	8.06
-	MSEDCL Related Litigations *	<b>527.37</b>	527.37



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

	31 December, 2024	31 December, 2023
- Stamp Duty, Government Cess and others	156.05	244.00
- Water Charges (Refer Note 18)	325.12	325.12
- The Company had imported capital goods under the Export Promotion Capital Goods (EPCG), of the Government of India, at concessional rate of duty on an understanding to fulfil quantified exports against future obligation.	4.91	4.91
(b) Commitment (Net of Advances)		
Capital expenditure contracted for at the end of the reporting period but not recognized as liabilities.	356.25	550.68

\*Maharashtra State Electricity Distribution Company Limited (MSEDCL) has levied the Cross Subsidy Surcharge (CSS) and Additional Surcharge levied (ASC) on the units of power consumed by the Company as a captive consumer from two Captive Generating Plant (CGP) Units of Sai Wardha Power Generation Limited (SWPGL) which was an independent Special Purpose Vehicle set up for Generation and supply of electricity. The Hon'ble Maharashtra Electricity Regulatory Commission (MERC) vide its separate orders dated October 22, 2020 and October 29, 2020 has rejected the captive status of the said two CGP units of SWPGL for the year 2016-17 and the year 2017-18 respectively. MSEDCL has raised supplementary invoices of ₹ 208.00 million (including interest) for the year 2016-17 and of ₹ 263.00 million (including interest) for the year 2017-18 towards alleged Cross Subsidy Surcharge and Additional Surcharge applicable for non-captive power consumption. The Company has challenged the impugned orders before Hon'ble Appellate Authority of Electricity (APTEL). Hon'ble APTEL vide its Order dated November 26, 2021 (APTEL Order) set aside the Orders of MERC and remanded the matter to MERC for fresh determination of captive status based on the opinion expressed in the APTEL Order. MERC vide its Order dated 16<sup>th</sup> March, 2022 (MERC Remand Order) held Unit 3 and Unit 4 of Sai Wardha Power Generating Limited as captive generating plant for FY 2016-17 and FY 2017-18. MERC further held that 24.73 MUs and 53.53 MUs for FY 2016-17 and FY 2017-18 respectively were injected from the non-captive units and thus unscheduled power. Hence, the Distribution Licensees were directed to treat this unscheduled power in accordance with the applicable provisions of the Electricity Act, 2003 and the relevant Rules and Regulations. However, DISCOMs have filed an appeal against the APTEL Order before Hon'ble Supreme Court of India which is sub-judice. The Company has also filed appeal against the MERC Remand Order for limited issue of the units which were held as Unscheduled Power.

The Hon'ble Maharashtra Electricity Regulatory Commission vide its dated February 09, 2018 in Case No.77 of 2015 for FY 2014-15 and order dated March 19, 2018 in Case No.159 of 2016 for FY 2015-16 (Original MERC Order) had upheld the captive status of the units of SWGPL for those years. However, it had treated the units supplied by SWGPL from other two non-CGP units of SWGPL, as non-contracted power for 2015-16. MSEDCL has accordingly raised a supplementary bill of ₹ 33 million for the year 2015-16 towards the units supplied by SWGPL from non-CGP units. Thereafter MERC had in its review order, allowed review of the said MERC orders and held that the captive status of SWPGL be redetermined for FY 2014-15 and FY 2015-16. APTEL vide the APTEL Order set aside the Review Order and upheld the Original MERC Orders holding SWPGL as captive for these two years as well. However, DISCOMs have filed an appeal against the APTEL Order before Hon'ble Supreme Court of India. The Company is also contesting the issue of non-CGP units of 2015-16.

The Hon'ble Supreme Court of India have delivered a common judgment on 9<sup>th</sup> October, 2023, whereby the Court has elucidated the interpretation of the relevant provisions of the Electricity Act, 2003 and Rule 3 of the Electricity Rules, 2005. The Court has also mentioned that these principles shall be applied to the facts and circumstances of each case. As per the record of proceedings issued separately, the matters will be listed for hearing and disposal before the appropriate Bench of the Court.

\*\* Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgement/decisions pending with various forums/authorities.

Further, the Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in the standalone financial statements. The management believes that the ultimate outcome of above proceeding will not have a material adverse effect on the Company's financial position and results of operations.



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

**31. Related Party Transactions**

Names of Related Parties:

**(a) Ultimate Holding Company – CIE Automotive S.A.**

Principal Shareholder of the Holding Company – CIE Berriz, S.L

Holding Company – Participaciones Internacionales Autometal, DOS S.L

**(b) Names of Subsidiary Companies**

1. Stokes Group Limited (upto 05 September 2023)
2. CIE Galfor S. A.U
3. CIE Forging Germany GmbH (CFG) (Formerly known as Mahindra Forgings Europe AG)
4. Jeco Jellinghaus GmbH (upto 30 June 2023)
5. Gesenkschmiede Schneider GmbH (upto 30 June 2023)
6. Falkenroth Umformtechnik GmbH (upto 30 June 2023)
7. Schoneweiss & Co. GmbH (upto 30 June 2023)
8. CIE Legazpi S.A.
9. UAB CIE LT Forge
10. Metalcastello S.p.A.
11. BF Precision Private Limited
12. Bill Forge de Mexico S.A de C.V.
13. CIE Aluminium Casting India Limited (CACIL) (formerly known as Aurangabad Electricals Limited)
14. CIE Hosur Limited

**(c) Names of Fellow Subsidiaries where transactions have taken place during the period**

1. Gameko Fabricación de Componentes, S.A.
2. CIE Automotive Goiaín, S.L.U
3. Somaschini North America, LLC
4. Somaschini S.p.A
5. CIE MECAUTO, S.A.

**(d) Names of Associate Companies where transactions have taken place during the period**

1. Gescrap India Private Limited
2. Clean Max Deneb Power LLP
3. Sunbarn Renewables Private Limited
4. Renew Surya Alok Private Limited
5. Strongsun Solar Private Limited
6. ReNew Green (MHK Two) Private Limited (w.e.f. 29 October, 2024)

**(e) Entities having significant influence over Company**

Mahindra & Mahindra Limited (M&M) (Company and Ultimate Holding Company are Associates upto May 24, 2023)

Mahindra & Mahindra Limited (M&M) (Ultimate holding company is an associate company w.e.f. May 25, 2023)





## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

**(f) Subsidiaries of entities having joint control/significant influence over Company where transactions have taken place during the period**

1. Mahindra Accelo Limited (formerly known as Mahindra Intertrade Limited)
2. Mahindra Auto Steel Private Limited
3. Mahindra Electric Mobility Limited
4. Mahindra Heavy Engines Limited
5. Mahindra Two Wheelers Limited
6. Gromax Agri Equipments Limited
7. Mahindra Integrated Business Solutions Private Limited
8. Mahindra Sanyo Special Steels Private Limited (upto 27 April 2023)
9. Mahindra Logistics Limited
10. Mahindra Defence System Ltd.
11. Classic Legends (P) Ltd.
12. Mahindra Last mile Mobility limited

**(g) Other Related Parties where transactions have taken place during the period****(i) Enterprises owned or significantly influenced by key managerial personnel or their relatives**

1. Economic Laws Practice

**(ii) Associate of Ultimate Holding Company**

1. Fundación CIE I D I

**(h) Key Managerial Personnel (KMP)**

Sr. No.	Name	Designation
1	Mr. Shriprakash Shukla	Non-Executive Director
2	Mr. Ander Arenaza Alvarez	Executive Director and Group Chief Executive Officer
3	Mr. Manoj Mullassery Menon	Executive Director and Chief Executive Officer
4	Mr. Anil Haridass	Non-Executive Director
5	Mr. Jesus Maria Herrera Barandiaran	Non-Executive Director (upto 20 June 2024)
6	Mr. Manojkumar Maheshwari	Independent Director (upto 28 September 2024)
7	Mr. Dhananjay Narendra Mungale	Independent Director (upto 09 June 2023)
8	Mr. Kadambi Narahari	Independent Director (upto 09 June 2023)
9	Mrs. Roxana Meda Inoriza	Independent Director
10	Mr. Alan Savio D'Silva Picardo	Independent Director
11	Mr. Suhail Amin Nathani	Independent Director (upto 11 December 2024)
12	Mr. Jairaj Purandare	Independent Director (w.e.f. 10 June 2023)
13	Dr. Nuria Gisbert Trejo	Independent Director (w.e.f. 01 July 2024)
14	Mr. Hari Krishnan	Chief Executive Officer - Forgings and Bill Forge (upto 31 March 2024)



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

Sr. No.	Name	Designation
15	Mr. Rajendra Vadlapudi	Chief Executive Officer – Iron Castings (w.e.f. 02 May 2024)
16	Mr. Rahul Desai	Chief Executive Officer – Stampings, Magnetics Products and Composites Divisions (w.e.f. 02 May 2024 up to 19 Feb 2025)
17	Mr. Sunil Narke	Chief Executive Officer – Forgings (w.e.f. 01 April 2024)
18	Mr. K. Jayaprakash	Chief Financial Officer
19	Mr. Pankaj Vijay Goyal	Company Secretary and Compliance Officer

## (i) Transactions with Related parties during the period

Nature of transactions with Related Parties	For the year ended	Holding Company	Entities having significant influence over Company	Subsidiaries (Including Fellow subsidiaries)	Subsidiaries of Entities having significant influence over Company	Associate Company	Other Related Parties
Sale of goods	<b>31 December, 2024</b>	-	<b>16,371.27</b>	<b>460.46</b>	<b>1,521.14</b>	<b>975.15</b>	-
	31 December, 2023	-	16,452.74	696.04	897.29	2,522.13	-
Purchase of goods	<b>31 December, 2024</b>	-	<b>1.80</b>	<b>699.39</b>	<b>1,876.45</b>	-	-
	31 December, 2023	-	0.35	549.09	1,568.38	-	-
Purchase of property and other assets	<b>31 December, 2024</b>	-	-	<b>75.84</b>	-	-	-
	31 December, 2023	-	-	29.56	-	-	-
Receiving of services (Including Reimbursement of expense)	<b>31 December, 2024</b>	-	<b>1.68</b>	<b>77.00</b>	<b>193.41</b>	<b>474.30</b>	<b>2.30</b>
	31 December, 2023	-	-	50.36	112.87	373.41	0.18
Rendering of services (₹ 31.59 million included in other operating revenue)	<b>31 December, 2024</b>	-	<b>54.29</b>	-	-	-	-
	31 December, 2023	-	-	-	-	-	-
Rent paid	<b>31 December, 2024</b>	-	<b>19.25</b>	-	-	-	-
	31 December, 2023	-	17.12	-	-	-	-
Interest received	<b>31 December, 2024</b>	-	-	<b>133.78</b>	-	-	-
	31 December, 2023	-	-	86.49	-	-	-
Interest paid	<b>31 December, 2024</b>	-	<b>23.64</b>	-	<b>0.23</b>	-	-
	31 December, 2023	-	2.13	4.91	-	-	-
Reimbursements received	<b>31 December, 2024</b>	-	-	<b>102.86</b>	-	-	-
	31 December, 2023	-	-	67.97	-	-	-
Investment in Subsidiary and Associate	<b>31 December, 2024</b>	-	-	-	-	<b>36.04</b>	-
	31 December, 2023	-	-	-	-	50.84	-



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

Nature of transactions with Related Parties	For the year ended	Holding Company	Entities having significant influence over Company	Subsidiaries (Including Fellow subsidiaries)	Subsidiaries of Entities having significant influence over Company	Associate Company	Other Related Parties
Sale of Assets	<b>31 December, 2024</b>	-	-	-	-	-	-
	31 December, 2023	-	-	11.61	-	-	-
Loans Given	<b>31 December, 2024</b>	-	-	<b>9,236.50</b>	-	-	-
	31 December, 2023	-	-	6,983.87	-	-	-
Loans Taken	<b>31 December, 2024</b>	-	-	<b>48.50</b>	-	-	-
	31 December, 2023	-	-	205.00	-	-	-
Dividend Received	<b>31 December, 2024</b>	-	-	<b>1,026.13</b>	-	-	-
	31 December, 2023	-	-	1,097.93	-	-	-
Dividend Paid	<b>31 December, 2024</b>	<b>1,246.20</b>	-	-	-	-	-
	31 December, 2023	623.10	-	-	-	-	-

## (j) Balances with Related parties at the end of the period

Nature of Balances with Related Parties	Balance as on	Holding Company	Entities having significant influence over Company	Subsidiaries (Including Fellow subsidiaries)	Subsidiaries of Entities having significant influence over Company	Associate Company	Other Related Parties
Investments	<b>31 December, 2024</b>	-	-	-	-	<b>361.97</b>	-
	31 December, 2023	-	-	-	-	325.93	-
Trade payables	<b>31 December, 2024</b>	-	<b>2.34</b>	<b>15.60</b>	<b>671.03</b>	<b>8.40</b>	-
	31 December, 2023	-	1.37	23.81	508.87	24.40	-
Trade receivables	<b>31 December, 2024</b>	-	<b>653.03</b>	<b>22.51</b>	<b>22.29</b>	<b>0.10</b>	-
	31 December, 2023	-	527.42	23.07	424.73	-	-
Loans Receivable	<b>31 December, 2024</b>	-	-	<b>1,964.52</b>	-	-	-
	31 December, 2023	-	-	869.52	-	-	-
Advances received	<b>31 December, 2024</b>	-	-	-	-	-	-
	31 December, 2023	-	-	-	-	3.20	-
Advances Given	<b>31 December, 2024</b>	-	-	-	-	-	-
	31 December, 2023	-	-	-	-	-	-
Other balances	<b>31 December, 2024</b>	-	<b>20.51</b>	<b>60.21*</b>	<b>1.89</b>	-	-
	31 December, 2023	-	19.52	5.20	-	-	-

\*Other balances include capital creditors.

**Note 1**

The transactions with Related parties during the period have been disclosed net off Goods and Services Tax.



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

**(k) Remuneration to Key Managerial Personnel**

Details of Remuneration	31 December, 2024	31 December, 2023
Short term employment benefits	59.39	51.06
Long term employment benefits (as per actuarial valuation)	3.08	1.40
Share based payments	29.73	51.32
Director sitting fees & Commission	28.05	26.10
<b>Total</b>	<b>120.25</b>	<b>129.88</b>

**(l) Balance payable to Key Managerial Personnel**

Details of Remuneration	31 December, 2024	31 December, 2023
Short term employment benefits	0.42	1.69
Share based payments	52.57	18.93
Director sitting fees & Commission	20.26	20.47
<b>Total</b>	<b>73.25</b>	<b>41.09</b>

**32. Earnings per share****a) Calculation of basic and diluted earnings per share**

Basic earnings per share are calculated by dividing the profit attributable to the parent Company's shareholders by the weighted average number of ordinary shares in the year.

The diluted earnings per share has been computed by dividing the Net profit after tax available for Equity shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding Stock options for the respective periods.

	31 December, 2024	31 December, 2023
	₹ Per Share	₹ Per Share
Basic earnings per share	15.38	14.82
Diluted earnings per share	15.38	14.82

**b) The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:**

	31 December, 2024	31 December, 2023
a. Profit for the year	5,834.13	5,623.44
b. Weighted average number of equity shares	379,362,377	379,358,916
Add: Effect of Stock options	-	-
c. Weighted average number of equity shares used in the calculation of Diluted EPS	379,362,377	379,358,916
d. Basic earnings per share (a/b)	15.38	14.82
e. Diluted earnings per share (a/c)	15.38	14.82

**33. Segment Information**

The Company operates in automotive segment. In accordance with paragraph 4 of notified IND AS 108 "Operating Segments", the Company has disclosed segment information for its group in consolidated financial statements.



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## 34. Corporate Social Responsibility (CSR)

Particulars	31 December, 2024	31 December, 2023
(a) Amount required to be spent by the Company during the year	95.90	61.30
(b) Amount approved by board of directors to be spent during the year	95.90	61.30
(c) Utilisation of excess spent of previous year	(6.00)	-
(d) Net amount required to be spent for the current year	89.90	61.30
(e) Amount of expenditure incurred on:		
(i) Construction/acquisition of any assets	7.51	50.30
(ii) On purposes other than (i) above pertaining to current year	68.25	17.00
(iii) On purposes other than (i) above pertaining to previous year shortfall	-	10.51
(f) Shortfall at the end of the year	14.14	-
(g) Excess amount spent at the end of the year*	-	6.00
(h) Total of previous year shortfall	-	10.51
(i) Reason for shortfall	Constraints associated with implementing projects	NA
(j) Nature of CSR activities	Promoting Education, Rural Development, Promoting Healthcare etc.	Promoting Education, Rural Development, Promoting Healthcare etc.
(k) Movement in provision with respect to a liability incurred by entering into a contractual obligation		
Opening provision	-	10.51
Add: Provision during the year	14.14	-
Less: Utilisation during the year	-	10.51
Closing provision**	14.14	-

## \*Details of excess amount spent

	Opening balance	Amount required to be spent during the year	Amount spent during the year	Closing balance
i) for the year ended 31 December, 2024	6.00	-	6.00	-
ii) for the year ended 31 December, 2023	-	61.30	67.30	6.00

## Details of unspent amount

	Opening balance	Amount required to be spent during the year	Amount spent during the year	Closing balance
i) for the year ended 31 December 2024	-	89.90	75.76	14.14
ii) for the year ended 31 December 2023	-	-	-	-

\*\* The shortfall amount of year ended 31 December 2024 has been deposited in separate scheduled bank account as per requirements of Companies Act, 2013.



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

**35. Employee Stock Option Scheme (ESOS 2007)**

The Company instituted the Employees Stock Options Scheme 2007 (ESOS 2007) plan for employees in pursuance of a special resolution passed by the shareholders approving the scheme on July 25, 2007, amended by special resolution dated July 29, 2008, August 02, 2011 and pursuant to the Integrated scheme of Amalgamation and Composite Scheme of Amalgamation in terms of High Court dated October 13, 2014. Further, the Company instituted the Employees Stock Options Scheme 2015 (ESOS 2015) plan for employees in pursuance of a special resolution passed by the shareholders approving the scheme on September 15, 2015.

Pursuant to the schemes, the Company has granted options to eligible employees at various exercise prices per equity share of ₹10 each. Under the terms of scheme, the vesting period will be spread equally over 4 years (ESOS 2007) and 3 years (ESOS 2015). Options will vest at 25% (ESOS 2007) and 33% (ESOS 2015) from the grant date. When exercisable, each option is convertible into one equity share of the Company. The Board of Directors has terminated the Employees' Stock Option Scheme (ESOS-2007) and Employees' Stock Options Scheme 2015 (ESOS-2015) with effect from 25<sup>th</sup> April, 2023.

**Movement of share options are as under:**

Date of the Tranche	As on 31 December, 2024					
	Opening Balance		Forfeited during the year	Exercised during the year	Outstanding at the end of the year	Exercisable at the end of the year
	Number of Options	Weighted average exercise price	Number of Options	Number of Options	Number of Options	Number of Options
	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-

Date of the Tranche	As on 31 December, 2023					
	Opening Balance		Forfeited during the year	Exercised during the year	Outstanding at the end of the year	Exercisable at the end of the year
	Number of Options	Weighted average exercise price	Number of Options	Number of Options	Number of Options	Number of Options
On 22 February 2016	45,615	150	617	44,998	-	-
<b>Total</b>	45,615	-	617	44,998	-	-

**Share options outstanding at the end of the year have the following expiry dates and exercise prices:**

Grant Date	Expiry Date	Exercise price	Number of Options 31 December 2024	Number of Options 31 December 2023
22-Feb-16	24-Feb-24	150	-	-
<b>Total</b>			-	-
Weighted average remaining contractual life of options outstanding at end of period (years)				-

**Expense arising from share-based payment transactions (Stock Appreciation Rights)**

Total expenses arising from share-based payment transactions recognized in profit and loss as part of employee benefit expense were as follows:

	31 December, 2024	31 December, 2023
Employee share-based payment expense (Stock Appreciation Rights)	<b>59.47</b>	73.31
<b>Total employee share-based payment expense</b>	<b>59.47</b>	73.31





## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## 36. Ratios

Sr.	Particulars	Numerator	Denominator	31 December, 2024	31 December, 2023	% of variance	Explanation for change in the ratio by more than 25%
(a)	Current Ratio	Current Assets	Current Liabilities	2.63	2.17	21.40%	NA
(b)	Debt-Equity	Total debt	Shareholders equity	-	0.01	-100.00%	Repayment of Debt in current year
(c)	Debt Service Coverage Ratio	Earnings available for debt services (PAT+Dep+Finance Cost)	Total Interest and Principal repayments	7.80	10.20	-23.56%	NA
(d)	Return on Equity	Net Profit after taxes	Average shareholders equity	11.36%	11.95%	-4.95%	NA
(e)	Inventory turnover ratio	Cost of goods sold	Average Inventory	5.06	5.01	0.99%	NA
(f)	Trade Receivables turnover ratio	Net sales	Average Trade Receivables	9.97	8.21	21.46%	NA
(g)	Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	5.52	5.44	1.47%	NA
(h)	Net capital turnover ratio(WC)	Net Sales	Net working capital	3.09	3.96	-21.87%	NA
(i)	Net Profit Ratio	Net Profit after taxes	Net Sales	13.39%	13.23%	1.26%	NA
(j)	Return on Capital Employed	EBIT	Capital Employed	13.54%	13.73%	-1.39%	NA
(k)	Return on Investment	Interest (finance income)	Weighted average investments	7.87%	7.50%	4.93%	NA



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

### 37. Additional disclosures required by Sch III

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iii) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iv) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- (v) The Company does not have any investments through more than two layer of investment companies as per section 2(87)(d) and section 186 of Companies Act, 2013
- (vi) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.
- (vii) The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.

### 38. The Company has not advanced or loaned or invested funds to any other person(s) or entity(s), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

### 39. The Company has not received any fund from any person(s) or entity(s), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

- (a) 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
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

### 40. Secured Loan with Bank of Baroda, pertaining to 31 December, 2023, non fund base for the period was ₹110 million. The quarterly returns or statements filed by the Company for working capital limits with Bank of Baroda banks are in agreement with the books of account of the Company except for statements filed for quarters ended March, 2023 and September, 2023 where differences were noted between the amount as per books of account for respective quarters and amount as reported in the quarterly statements. The differences are due to some of the items where not taken while reporting to banks due to grouping mismatch. The differences were in case of Payables with respect to period ended March, 2023 and September, 2023 are ₹ 173.36 million and 109.60 million respectively.

### 41. The following table summarises the transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended / as at 31 December, 2024:

Name of struck off Company	Nature of transactions with struck off Company	Number of Shares	Amount of transactions	Balance Outstanding
Aveeta Investments Pvt Ltd	Dividend Payable	3715	0.02	0.02
B M Portfolios Pvt Ltd.	Dividend Payable	142	—*	—*
Barracuda Consultancy Ser Pvt Ltd	Dividend Payable	8	—*	—*
Chandrajyot Holdings Pvt Ltd	Dividend Payable	8	—*	—*
Devendra Investments Pvt Ltd	Dividend Payable	200	—*	—*
Investedge Financial Consultancy Private Limited	Dividend Payable	30	—*	—*



## Notes to the Standalone Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

Name of struck off Company	Nature of transactions with struck off Company	Number of Shares	Amount of transactions	Balance Outstanding
Kansons Trade Co P Ltd	Dividend Payable	25	—*	—*
Ritaraj Investment Private Ltd	Dividend Payable	852	—*	—*
Snehankur Investment Pvt Ltd	Dividend Payable	11	—*	—*
Ulka Power Tech Pvt Ltd	Dividend Payable	40	—*	—*
Vibhuraj Investments Pvt Ltd.	Dividend Payable	200	—*	—*
Vaishak Shares Limited	Dividend Paid	17	—*	—

The following table summarises the transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended / as at 31 December, 2023:

Name of struck off Company	Nature of transactions with struck off Company	Number of Shares	Amount of transactions	Balance Outstanding
NA	NA	NA	NA	NA

\* Amount is below the rounding off norm adopted by the Company.

- 42.** As per proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account the Company is using SAP ERP System for maintaining books of account which has feature of recording an Audit Trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made. It also has feature of ensuring that the audit trail cannot be disabled.
- The audit trail was enabled and operated throughout the year for application level. The audit trail functionality at database level is enabled, however, the system was not able to produce the report to verify the Audit Trail.
  - Further the software used for maintaining record relating to payroll, also has the feature of recording audit trail (edit log) facility. The audit trail was enabled and operated throughout the year for application level and for data base level it was enabled from 17<sup>th</sup> December 2024.
  - There was no instance of the audit trail feature being tampered with during the year in respect of both these softwares.
- 43.** There are no significant events subsequent to year ended 31 December, 2024.

For **B S R & Co. LLP**  
Firm Registration No. 101248W/W-100022

**Abhishek**  
Partner  
Membership No. 062343

Mumbai, February 20, 2025

For and on behalf of the Board of Directors of **CIE AUTOMOTIVE INDIA LIMITED**  
(formerly known as Mahindra CIE Automotive Limited)

**Ander Arenaza Alvarez**  
Executive Director & Group CEO - DIN : 07591785

**Manoj Menon**  
Executive Director & CEO - DIN : 07642469

**Sunil Narke**  
CEO-Forging Division

**K. Jayaprakash**  
Chief Financial Officer  
Mumbai, February 20, 2025

**Alan Savio D'Silva Picardo**  
Independent Director - DIN : 08513835

**Rajendra Vadlapudi**  
CEO-Iron Casting Division

**Pankaj Goyal**  
Company Secretary  
FCS: F13037



# CONSOLIDATED FINANCIAL STATEMENTS.





## INDEPENDENT AUDITOR'S REPORT

**To the Members of CIE Automotive India Limited  
(formerly known as Mahindra CIE Automotive Limited)**

**Report on the Audit of the Consolidated Financial Statements**

### Opinion

We have audited the consolidated financial statements of CIE Automotive India Limited (formerly known as Mahindra CIE Automotive Limited) (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associates, which comprise the consolidated balance sheet as at 31 December, 2024, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate/consolidated financial statements / financial information of such subsidiaries and associate as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31 December, 2024, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

### Revenue from Sale of Products

See Note 2.7 and Note 27A to consolidated financial statements	
The key audit matter	How the matter was addressed in our audit
<p>The Group's revenue is derived primarily from sale of automobile components ("goods"). Revenue from the sale of goods is recognised upon the transfer of control to the customer. The Group and its external stakeholders focus on revenue as a key performance metric which contains significant related party transactions.</p> <p>Revenue recognition has been identified as a key audit matter for the Holding Company and its Indian Subsidiary 'CIE Aluminium Casting India Limited' as there could be an incentive or external pressures to meet expectations resulting in revenue being overstated or recognized before the control has been transferred.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> <li>We assessed the appropriateness of Group's accounting policies for revenue recognition by comparing with applicable accounting standards.</li> <li>We evaluated the design, implementation and operating effectiveness of key internal controls over recognition of revenue.</li> <li>We performed substantive testing by selecting samples (using statistical sampling) of revenue transactions recorded during the year by testing the underlying documents which included sales invoices, shipping documents and proof of deliveries, to assess whether these are recognised in the appropriate period in which control is transferred.</li> </ul>

### Basis for Opinion

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 Group and its associates in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors 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

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on separate/consolidated financial statements/financial information of components audited by them, were of most significance in our audit of the consolidated financial statements of the current period. 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.



**See Note 2.7 and Note 27A to consolidated financial statements**

The key audit matter	How the matter was addressed in our audit
	<ul style="list-style-type: none"> <li>• We tested, on a sample basis, (using statistical sampling), specific revenue transactions recorded before and after the financial year-end date to assess whether revenue is recognised in the financial period in which control is transferred.</li> <li>• For revenue from sale of goods to the related parties, we verified the Group's analysis in relation to arm's length assessment and involved respective internal specialists.</li> <li>• We tested journal entries on revenue recognised during the year, by considering specified risk based criteria, to identify unusual or irregular items.</li> <li>• We assessed the adequacy of disclosure made in the consolidated financial statements with respect to revenue recognised during the year as required by applicable accounting standards.</li> </ul>

**Other Information**

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do 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 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. If, based on the work we have performed and based on the audit reports of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Management's and Board of Directors/Designated Partners Responsibilities for the Consolidated Financial Statements**

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates 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 Management and Board of Directors of the companies included in the Group and the respective Management and Board of Directors/Designated Partners of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company/LLP and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the 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 Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and the respective Management and Board of Directors/Designated Partners of its associates are responsible for assessing the ability of each company/LLP 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 Board of Directors/ Designated Partners either intends to liquidate the Company/LLP or to cease operations, or has no realistic alternative but to do so.





The respective Board of Directors of the companies included in the Group and the respective Board of Directors/Designated Partners of its associates are responsible for overseeing the financial reporting process of each company/LLP.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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.
- 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 with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of 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 Group and its associates to cease to continue as a going concern.

- 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.
- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of such entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements/financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits 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.

We communicate with those charged with governance of the Holding Company and such other entity included in the consolidated financial statements 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.

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.

From the matters communicated with those charged with governance, 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

- a. We did not audit the financial information/financial statements of 7 subsidiaries, whose financial information/financial statements reflects total assets (before consolidation adjustments) of ₹ 38,920.70 million as at 31 December, 2024, total revenues (before consolidation adjustments) of ₹ 33,570.25 million and net cash inflows (net) (before consolidation adjustments) amounting to ₹ 234.09 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) of ₹ Nil for the year ended 31 December, 2024, in respect of 1 associate, whose financial information has not been audited by us. These financial statements/ financial information have been audited by other auditors whose reports have 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 these subsidiaries, and associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, and associate is based solely on the reports of the other auditors.
- b. Certain of these subsidiaries and associate are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which has been audited by other auditor under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial information of such subsidiaries and associate located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and associate located outside India is based on the reports of other

auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

- c. The financial information of 1 subsidiary, whose financial information reflects total assets (before consolidation adjustments) of ₹ Nil as at 31 December, 2024, total revenues (before consolidation adjustments) of ₹ Nil and net cash outflows (before consolidation adjustments) amounting to ₹ 0.88 million for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. The consolidated financial statements also include the Group's share of net profit (net) (and other comprehensive income) of ₹ 26.97 million for the year ended 31 December, 2024, as considered in the consolidated financial statements, in respect of 8 associates, whose financial information have not been audited by us or by other auditor. These unaudited financial information have 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 this subsidiary and associates, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary and associates, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Group.

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 financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on consolidated



financial information of such subsidiaries and associate as were audited by other auditors, 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 auditor except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- 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 flows 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 Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on 03 January 2025, 24 January 2025, 28 January 2025, 30 January 2025 and 03 February 2025 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its subsidiary companies incorporated in India, none of the directors of the Group Companies incorporated in India is disqualified as on 31 December, 2024 from being appointed as a director 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 the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting

under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

- g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. 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, 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 reports of the other auditors on Separate/ Consolidated financial statements/information of the subsidiaries and its associate, as noted in the "Other Matters" paragraph:
- a. The consolidated financial statements disclose the impact of pending litigations as at 31 December, 2024 on the consolidated financial position of the Group. Refer Note 33 to the consolidated financial statements.
  - b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 December, 2024 .
  - c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 December, 2024 .
  - d. (i) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary company respectively that, to the best of their knowledge and belief, as disclosed in the Note 41 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by



the Holding Company or subsidiary companies to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (ii) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary company respectively that, to the best of their knowledge and belief, as disclosed in the Note 42 to the consolidated financial statements, no funds have been received by the Holding Company or subsidiary companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or subsidiary companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of the subsidiary company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor notice that has caused us or the

other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

- e. The final dividend paid by the Holding Company and its subsidiary company incorporated in India during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend. As stated in note 46 to the consolidated Ind AS financial statements, the respective Board of Directors of the Holding Company and its subsidiary company incorporated in India have proposed final dividend for the year which is subject to the approval of the members of the respective companies at the respective ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- f. Based on our and other auditor's examination, which included test checks, and that performed by the respective auditor of the subsidiary, which is the company incorporated in India whose financial statements have been audited under the Act, the Holding Company and its subsidiary companies have used accounting software for maintaining books of account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software, except for the instances mentioned below:-
  - i. In respect of holding company and its one subsidiary company, for the accounting software used for maintaining books of account relating to general ledger, in the absence of edit logs, we are unable to comment whether audit trail feature for the said software was enabled at database level and operated throughout the year for all relevant transactions to log any direct data changes recorded in the software.



- ii. In respect of holding company and its one subsidiary company, for the accounting software used for maintaining the books of account relating to payroll, the feature of recording audit trail (edit log) facility to log any direct data changes was not enabled at the database level for the period from 1 January 2024 to 17 December 2024.
  - iii. Further, for the periods where audit trail (edit log) facility was enabled and operated, we did not come across any instance of the audit trail feature being tampered with.
- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:
- In our opinion and according to the information and explanations given to us and based on the report of the statutory auditor of such subsidiary company incorporated

in India which was not audited by us, the remuneration paid/payable during the current year by the holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director by the holding Company and its subsidiary companies 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) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

**Chartered Accountants**

Firm's Registration No.:101248W/W-100022

**Abhishek**  
Partner

Membership No.: 062343  
ICAI UDIN:  
25062343BMOJAV8032

Place: Mumbai, India  
Date: 20 February 2025



**Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of CIE Automotive India Limited (formerly known as Mahindra CIE Automotive Limited) for the year ended 31 December, 2024**

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by us under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary	Clause number of the CARO report which is unfavourable or qualified or adverse
1	CIE Automotive India Limited	L27100MH1999PLC121 285	Holding Company	Clause i(c), vii(a).
2	CIE Aluminium Casting India Limited	U31909PN1985PLC037 539	Subsidiary	i(c), ii(b), ix(d).

The above does not include comments, if any, in respect of the following entities as the CARO report relating to them has not been issued by its auditor till the date of principal auditor's report.

Name of the entities	CIN	Associate
Sunbarn Renewables Private Limited	U40108MH2020PTC337111	Associate
Renew Surya Alok Private Limited	U40300DL2020PTC367018	Associate
Gescrap India Private Limited	U74999PN2018FTC175675	Associate
Strongsun Solar Private Limited	U40106MH2020PTC342125	Associate
Sunseed Solar Private Limited	U40106MH2022PTC378822	Associate
Ojaha Renewables Private Limited	U35106MH2023PTC408757	Associate
ReNew Green (MHK Two) Private Limited	U40300DL2021PTC387110	Associate
BF Precision Private Limited	U29253TZ2016PTC022193	Subsidiary

For **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

**Abhishek**

Partner

Membership No.: 062343

ICAI UDIN: 25062343BMOJAV8032

Place: : Mumbai, India  
Date: 20 February 2025





## Annexure B to the Independent Auditor's Report

**Report on the consolidated financial statements of CIE Automotive India Limited (formerly known as Mahindra CIE Automotive Limited) for the year ended 31 December 2024**

**Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

**(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

### Opinion

In conjunction with our audit of the consolidated financial statements of CIE Automotive India Limited (formerly known as Mahindra CIE Automotive Limited) (hereinafter referred to as "the Holding Company") as of and for the year ended 31 December, 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and such company incorporated in India under the Act which is its subsidiary company, as of that date.

In our opinion and based on the consideration of report of the other auditor on internal financial controls with reference to financial statements of subsidiary company, as was audited by the other auditor, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 December, 2024, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

### Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. 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 Act.

### Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 judgement, 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 other auditor of the relevant subsidiary company in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

### Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the



company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial

#### **Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements 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 financial statements insofar as it relates to subsidiary company, which is company incorporated in India, is based on the

corresponding report of the auditor of such company incorporated in India.

The internal financial controls with reference to financial statements insofar as it relates to 7 associate companies, which are companies incorporated in India and included in these consolidated financial statements, have not been audited either by us or by other auditor. In our opinion and according to the information and explanations given to us by the Management, such unaudited associate companies are not material to the Holding Company.

Our opinion is not modified in respect of above matters.

For **B S R & Co. LLP**

**Chartered Accountants**

Firm's Registration No.:101248W/W-100022

**Abhishek**  
Partner

Membership No.: 062343

ICAI UDIN:

25062343BMOJAV8032

Place: Mumbai, India

Date: 20 February 2025



## Consolidated Balance Sheet as at 31 December, 2024

		(₹ in Million except earning per share data)		
	Note No.	As at 31 December, 2024	As at 31 December, 2023	
<b>I ASSETS</b>				
<b>1 NON-CURRENT ASSETS</b>				
(a) Property, Plant and Equipment	6	29,075.71	28,129.41	
(b) Capital Work-in-Progress	6	662.87	536.67	
(c) Right-of-use assets	6	1,122.27	1,165.53	
(d) Goodwill	7	28,142.12	28,540.24	
(e) Other Intangible Assets	8	230.47	269.41	
(f) Investments accounted for using the equity method	9	458.90	380.04	
(g) Financial Assets				
(i) Investments	9	11.00	11.00	
(ii) Loans	12	1,722.55	4,894.91	
(iii) Other Financial Assets	10	796.28	718.73	
(h) Deferred Tax Assets (net)	24	197.75	93.32	
(i) Income Tax Assets (net)		326.59	428.79	
(j) Other Non-Current Assets	13	443.32	979.87	
<b>TOTAL NON-CURRENT ASSETS</b>		<b>63,189.83</b>	<b>66,147.92</b>	
<b>2 CURRENT ASSETS</b>				
(a) Inventories	14	10,910.69	11,626.05	
(b) Financial Assets				
(i) Investments	9	9,913.19	7,814.50	
(ii) Trade Receivables	11	6,271.34	6,331.35	
(iii) Cash and Cash Equivalents	15	3,009.04	2,095.45	
(iv) Bank Balances other than above	15	233.42	291.76	
(v) Loans	12	587.51	87.93	
(vi) Other Financial Assets	10	2,053.05	1,463.54	
(c) Income Tax Assets (net)		243.11	262.60	
(d) Other Current Assets	13	1,274.04	1,498.04	
<b>TOTAL CURRENT ASSETS</b>		<b>34,495.39</b>	<b>31,471.22</b>	
<b>TOTAL ASSETS</b>		<b>97,685.22</b>	<b>97,619.14</b>	
<b>II EQUITY AND LIABILITIES</b>				
<b>1 EQUITY</b>				
(a) Equity Share Capital	16	3,793.62	3,793.62	
(b) Other Equity	17	61,974.22	56,086.06	
		<b>65,767.84</b>	<b>59,879.68</b>	
<b>LIABILITIES</b>				
<b>2 NON-CURRENT LIABILITIES</b>				
(a) Financial Liabilities				
(i) Borrowings	18	4,217.90	1,009.23	
(ii) Lease liabilities	6	295.96	335.00	
(b) Provisions	21	923.28	1,005.21	
(c) Deferred Tax Liabilities (net)	24	3,445.19	3,331.14	
(d) Other Non-Current Liabilities	22	1,224.99	1,031.48	
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>10,107.32</b>	<b>6,712.06</b>	
<b>3 CURRENT LIABILITIES</b>				
(a) Financial Liabilities				
(i) Borrowings	18	992.31	7,024.25	
(ii) Lease liabilities	6	193.56	185.67	
(iii) Trade Payables	19			
Total outstanding dues of Micro enterprises and Small enterprises; and		500.18	393.78	
Total outstanding dues of creditors other than micro enterprises and small enterprises		15,309.04	18,947.36	
(iv) Other Financial Liabilities	20	599.29	566.70	
(b) Other Current Liabilities	22	3,182.71	2,790.06	
(c) Provisions	21	553.58	523.81	
(d) Current Tax Liabilities (net)		479.39	595.77	
<b>TOTAL CURRENT LIABILITIES</b>		<b>21,810.06</b>	<b>31,027.40</b>	
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>97,685.22</b>	<b>97,619.14</b>	

The accompanying notes are an integral part of these consolidated financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For **BSR & Co. LLP**  
Firm Registration No.101248W/W-100022

**Abhishek**  
Partner  
Membership No. 062343

Mumbai, February 20, 2025

For and on behalf of the Board of Directors of  
**CIE AUTOMOTIVE INDIA LIMITED (formerly known as Mahindra CIE Automotive Limited)**

**Ander Arenaza Alvarez**  
Executive Director & Group CEO - DIN : 07591785

**Manoj Menon**  
Executive Director & CEO - DIN : 07642469

**Sunil Narke**  
CEO-Forging Division

**K. Jayaprakash**  
Chief Financial Officer  
Mumbai, February 20, 2025

**Alan Savio D'Silva Picardo**  
Independent Director - DIN : 08513835

**Rajendra Vadlapudi**  
CEO-Iron Casting Division

**Pankaj Goyal**  
Company Secretary  
FCS : F13037

# Consolidated Statement of Profit and Loss for the year ended 31 December, 2024

		(₹ in Million except earning per share data)	
	Note No.	Year ended 31 December, 2024	Year ended 31 December, 2023
<b>Continuing operations</b>			
<b>I Revenue from operations</b>	27A	<b>89,640.67</b>	92,803.49
<b>II Other Income</b>	27B	<b>1,396.47</b>	820.10
<b>III Total Income (I+II)</b>		<b>91,037.14</b>	93,623.59
<b>IV Expenses</b>			
(a) Cost of materials consumed	28	<b>46,470.12</b>	48,533.60
(b) Changes in inventories of finished goods and work-in-progress		<b>234.86</b>	574.69
(c) Employee benefits expense	29	<b>10,104.73</b>	9,944.15
(d) Finance costs	30	<b>775.98</b>	1,073.68
(e) Depreciation and amortisation expenses	6,8	<b>3,306.45</b>	3,221.96
(f) Other expenses	31	<b>19,325.24</b>	19,512.15
<b>Total Expenses (IV)</b>		<b>80,217.38</b>	82,860.23
<b>V Profit before share of profit of associates and tax (III-IV)</b>		<b>10,819.76</b>	10,763.36
<b>VI Share of profit / (loss) of associates (net of taxes)</b>		<b>26.97</b>	(4.85)
<b>VII Profit before tax from continuing operations (V + VI)</b>		<b>10,846.73</b>	10,758.51
<b>VIII Tax Expense</b>			
1 Current tax	25	<b>2,643.46</b>	2,741.89
2 Deferred tax	25	<b>0.21</b>	40.32
<b>Total tax expense (VIII)</b>		<b>2,643.67</b>	2,782.21
<b>IX Profit after tax from continuing operations (VII - VIII)</b>		<b>8,203.06</b>	7,976.30
<b>X Discontinued operations</b>			
Profit before exceptional items and tax for the year from discontinued operations	23	<b>72.08</b>	5,340.53
Loss on fair valuation of assets and liabilities of Discontinued operations	23	<b>-</b>	(1,536.45)
Profit before tax for the year from discontinued operations		<b>72.08</b>	3,804.08
Current tax expense/ (reversal)		<b>-</b>	257.29
Deferred tax expense/ (reversal)		<b>-</b>	271.60
Tax expense on discontinued operations		<b>-</b>	528.89
<b>Profit from discontinued operations (after tax)</b>		<b>72.08</b>	3,275.19
<b>XI Profit for the year (IX+X)*</b>		<b>8,275.14</b>	11,251.49
<b>XII Other comprehensive income*</b>			
(i) Items that will not be reclassified to profit or loss:			
Remeasurement of post-employment benefit obligation	32	<b>(9.75)</b>	1.99
Income tax relating to items that will not be reclassified to profit or loss	25	<b>2.44</b>	(1.50)
(ii) Items that will be reclassified to profit or loss:			
Exchange differences in translating the financial statements of foreign operations		<b>(482.15)</b>	676.17
<b>Total other comprehensive income/(loss) for the year, net of income tax</b>		<b>(489.46)</b>	676.66
<b>XIII Total comprehensive income for the year attributable to owners of the Group (XI+XII)* :</b>		<b>7,785.68</b>	11,928.15
From continuing operations		<b>7,713.60</b>	8,652.96
From discontinued operations		<b>72.08</b>	3,275.19
<b>XIV Earnings per share from continuing and discontinued operations of the owners of the Group (expressed in ₹ 10 per share):</b>			
<b>1 For continuing operations</b>		<b>8,203.06</b>	7,976.30
-Basic earnings per share		<b>21.62</b>	21.03
-Diluted earnings per share		<b>21.62</b>	21.03
<b>2 For discontinued operations</b>		<b>72.08</b>	3,275.19
-Basic earnings per share		<b>0.19</b>	8.63
-Diluted earnings per share		<b>0.19</b>	8.63
<b>3 For continuing and discontinued operations</b>		<b>8,275.14</b>	11,251.49
-Basic earnings per share		<b>21.81</b>	29.66
-Diluted earnings per share		<b>21.81</b>	29.66

\*The non controlling interest is below rounding off norm of the Group

The accompanying notes are an integral part of these consolidated financial statements.

This is the Consolidated Statement of profit and loss referred to in our report of even date.

For **BSR & Co. LLP**  
Firm Registration No.101248W/W-100022

**Abhishek**  
Partner  
Membership No. 062343

Mumbai, February 20, 2025

For and on behalf of the Board of Directors of  
**CIE AUTOMOTIVE INDIA LIMITED (formerly known as Mahindra CIE Automotive Limited)**

**Ander Arenaza Alvarez**  
Executive Director & Group CEO - DIN : 07591785

**Manoj Menon**  
Executive Director & CEO - DIN : 07642469

**Sunil Narke**  
CEO-Forging Division

**K. Jayaprakash**  
Chief Financial Officer

Mumbai, February 20, 2025

**Alan Savio D'Silva Picardo**  
Independent Director - DIN : 08513835

**Rajendra Vadlapudi**  
CEO-Iron Casting Division

**Pankaj Goyal**  
Company Secretary  
FCS : F13037



# Consolidated Statement of Changes In Equity for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## A. Equity Share Capital

	Number of Shares	Equity share capital
<b>Balance as at 01 January 2024</b>	<b>379,362,377</b>	<b>3,793.62</b>
Changes in equity share capital during the year		
Issue of equity shares pursuant to exercise of employee share options	-	-
<b>Balance as at 31 December, 2024</b>	<b>379,362,377</b>	<b>3,793.62</b>
Balance as at 01 January 2023	379,317,379	3,793.18
Changes in equity share capital during the year		
Issue of equity shares pursuant to exercise of employee share options	44,998	0.44
<b>Balance as at 31 December, 2023</b>	<b>379,362,377</b>	<b>3,793.62</b>

## B. Other Equity

	Reserves and surplus						Other reserves		
	Capital Reserve	Securities Premium Reserve	Equity-settled employee benefits reserve	General Reserve	Capital Redemption Reserve	Remeasurement of post employment benefit obligation	Retained Earnings	Foreign Currency Translation Reserve (FCTR)	Total
<b>As at 01 January 2024</b>	<b>7,693.00</b>	<b>15,371.84</b>	<b>-</b>	<b>6,028.00</b>	<b>164.71</b>	<b>285.54</b>	<b>24,788.73</b>	<b>1,754.24</b>	<b>56,086.06</b>
Profit for the year	-	-	-	-	-	-	8,275.14	-	8,275.14
Other comprehensive income (net of income tax)	-	-	-	-	-	(7.31)	-	(482.15)	(489.46)
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7.31)</b>	<b>8,275.14</b>	<b>(482.15)</b>	<b>7,785.68</b>
Dividend paid during the year	-	-	-	-	-	-	(1,896.81)	-	(1,896.81)
Others	-	-	-	-	-	-	-	(0.71)	(0.71)
<b>As at 31 December, 2024</b>	<b>7,693.00</b>	<b>15,371.84</b>	<b>-</b>	<b>6,028.00</b>	<b>164.71</b>	<b>278.23</b>	<b>31,167.06</b>	<b>1,271.38</b>	<b>61,974.22</b>
As at 01 January 2023	7,693.00	15,359.65	5.00	6,028.00	164.71	285.05	14,485.65	3,170.61	47,191.67
Profit for the year	-	-	-	-	-	-	11,251.49	-	11,251.49
Other comprehensive income (net of income tax)	-	11.08	(5.00)	-	-	0.49	-	676.17	682.74
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>11.08</b>	<b>(5.00)</b>	<b>-</b>	<b>-</b>	<b>0.49</b>	<b>11,251.49</b>	<b>676.17</b>	<b>11,934.23</b>
Reclassified to statement of profit and loss account on account of sale of disposal group (Refer note 23)	-	-	-	-	-	-	-	(2,090.62)	(2,090.62)
Dividend paid during the year	-	-	-	-	-	-	(948.41)	-	(948.41)
Other changes	-	1.11	-	-	-	-	-	(1.92)	(0.81)
<b>As at 31 December, 2023</b>	<b>7,693.00</b>	<b>15,371.84</b>	<b>-</b>	<b>6,028.00</b>	<b>164.71</b>	<b>285.54</b>	<b>24,788.73</b>	<b>1,754.24</b>	<b>56,086.06</b>

The accompanying notes are an integral part of these consolidated financial statements.

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For **BSR & Co. LLP**

Firm Registration No.101248W/W-100022

**Abhishek**

Partner

Membership No. 062343

Mumbai, February 20, 2025

For and on behalf of the Board of Directors of

**CIE AUTOMOTIVE INDIA LIMITED (formerly known as Mahindra CIE Automotive Limited)****Ander Arenaza Alvarez**

Executive Director &amp; Group CEO - DIN : 07591785

**Manoj Menon**

Executive Director &amp; CEO - DIN : 07642469

**Sunil Narke**

CEO-Forging Division

**K. Jayaprakash**

Chief Financial Officer

Mumbai, February 20, 2025

**Alan Savio D'Silva Picardo**

Independent Director - DIN : 08513835

**Rajendra Vadlapudi**

CEO-Iron Casting Division

**Pankaj Goyal**

Company Secretary

FCS : F13037



# Consolidated Statement of Cash Flows for the year ended 31 December, 2024

(₹ in Million except earning per share data)

	Year ended 31 December, 2024	Year ended 31 December, 2023
<b>I Cash flows from operating activities</b>		
Profit before tax for the year		
From continuing operations	10,846.73	10,758.51
From discontinued operations	72.08	3,804.08
Adjustments for:		
Finance costs	775.98	1,073.68
Net gain on sale of investment and change in fair value of investments held at FVTPL	(419.93)	(166.00)
Provision for doubtful debts - (release) / charge	31.71	(22.46)
Provision/ (Reversal) for obsolescence of inventory	149.03	(46.18)
Interest income	(160.62)	(411.30)
Share in (profits)/ losses of associate companies	(26.97)	4.85
Unrealised exchange (gain)/loss (net)	(8.87)	181.94
Loss/(gain) on fair valuation of assets and liabilities of Discontinued operations	(72.08)	1,536.45
Reclassification of FCTR to statement of profit and loss on account of sale of disposal group	-	(2,090.62)
Grant income	(748.92)	(204.93)
Net (gain)/loss on disposal of Property, Plant and Equipment	(16.85)	7.41
Depreciation and amortisation expenses	3,306.45	3,221.96
Employee Share based payment expenses	59.47	73.31
	13,787.21	17,720.70
Change in operating assets and liabilities:		
Decrease/(Increase) in trade receivables	28.30	2,298.65
Decrease/(Increase) in other financial assets	(36.36)	(1,126.01)
Decrease/(Increase) in other assets	439.69	(0.19)
Decrease/(Increase) in inventories	566.33	528.17
Increase/(Decrease) in trade payables	(3,531.92)	(2,008.74)
Increase/(Decrease) in provisions	(61.91)	(24.37)
Increase/(Decrease) in other liabilities	238.87	23.69
	(2,357.00)	(308.80)
Income taxes paid (net of refund)	(2,621.83)	(3,579.35)
<b>Net cash inflow from operating activities</b>	<b>8,808.38</b>	<b>13,832.55</b>
<b>II Cash flows from investing activities</b>		
Purchase of investments (net)	(1,678.76)	(2,213.46)
Interest income received	160.62	377.97
Grant received	261.70	262.22
Deposits (placed)/ Proceeds from deposit (net)	58.34	(145.55)
Disposal of discontinued operation, net of cash and cash equivalents disposed off	-	1,026.95
Investment in Associates	(51.89)	(74.46)
Loans given (net)	-	(3,207.73)
Repayment of loan received (net)	2,672.78	-
Acquisition of property, plant and equipment, and capital work-in-progress	(3,866.56)	(5,303.17)
Proceeds from disposal of Property, Plant and Equipment & Intangible assets	59.93	181.55
<b>Net cash used in investing activities</b>	<b>(2,383.84)</b>	<b>(9,095.68)</b>
<b>III Cash flows from financing activities</b>		
Proceeds from issue of equity instruments of the Group	-	6.53
Repayment of lease liabilities	(183.79)	(174.69)
Payment of interest on Lease Liability	(36.60)	(38.42)
Dividend paid	(1,888.81)	(948.41)
Proceeds from long term borrowings	3,264.69	396.23
Repayment of short term borrowings (net)	(5,943.34)	(2,477.96)
Interest paid	(739.38)	(1,035.26)
<b>Net cash used in financing activities</b>	<b>(5,527.23)</b>	<b>(4,271.98)</b>





	Year ended 31 December, 2024	(₹ in Million) Year ended 31 December, 2023
<b>IV Net increase/(decrease) in cash and cash equivalents</b>	<b>897.31</b>	464.89
- From Continuing operations	<b>897.31</b>	(2,356.99)
- From discontinued operations	-	2,821.88
Cash and cash equivalents at the beginning of the year	<b>2,095.45</b>	1,583.79
Effects of exchange rate changes on cash and cash equivalents	<b>16.28</b>	46.77
<b>V Cash and cash equivalents at the end of the year</b>	<b>3,009.04</b>	2,095.45
Reconciliation of cash and cash equivalents		
Total cash and cash equivalents as per Balance Sheet	<b>3,009.04</b>	2,095.45
Cash and cash equivalents in discontinued operations	-	-
<b>Total cash and cash equivalents as per Statement of cash flow</b>	<b>3,009.04</b>	2,095.45

Consolidated Statement of Cash Flows includes cash flows of disposal group. For details of cash flows of disposal group, refer note 23.

Refer note 6 for movement in lease liabilities and note 23 for movement of changes in liabilities arising from financing activities.

Consolidated Statement of Cash flow has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows"

The accompanying notes are an integral part of these consolidated financial statements.

This is the Consolidated Cash Flow statement referred to in our report of even date.

For **BSR & Co. LLP**  
Firm Registration No.101248W/W-100022

**Abhishek**  
Partner  
Membership No. 062343

Mumbai, February 20, 2025

For and on behalf of the Board of Directors of  
**CIE AUTOMOTIVE INDIA LIMITED (formerly known as Mahindra CIE Automotive Limited)**

**Ander Arenaza Alvarez**  
Executive Director & Group CEO - DIN : 07591785

**Manoj Menon**  
Executive Director & CEO -DIN : 07642469

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CEO-Forging Division

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Mumbai, February 20, 2025

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Independent Director - DIN : 08513835

**Rajendra Vadlapudi**  
CEO-Iron Casting Division

**Pankaj Goyal**  
Company Secretary  
FCS : FI3037



# Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## 1 General information CIE Automotive India Group and Background

### CIE Automotive India Limited and activities

CIE Automotive India Limited (CIE-India) (formerly known as Mahindra CIE Automotive Limited) is a company incorporated in India having its registered office at Suite F9D, Grand Hyatt Plaza, Off Western Express Highway, Santacruz (E), Mumbai. The Company has been incorporated under the provisions of the Indian Companies Act and its equity shares are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India. The Company and its subsidiaries (collectively referred to as "the Group") are engaged in the business of production and sale of automotive components to original equipment manufacturers and other customers (including leading suppliers of components) in India and overseas.

CIE-India is a subsidiary of CIE Automotive S.A based in Spain. The Group has manufacturing facilities in India, Spain, Lithuania, Italy and Mexico. The group has an established presence in each of these locations and supply automotive components to its customers based there and export products to customers based in other countries as well. The group's manufacturing locations are generally located close to major automotive manufacturing hubs in order to facilitate supplies to the customers.

The subsidiaries and associates included in these consolidated financial statements along with the proportion of ownership and beneficial interest of the Group in such subsidiaries is included in the details on Interest in other entities mentioned below.

These consolidated financial statements for the year ended 31 December, 2024 were approved for issue by the Board of Directors in accordance with their resolution dated February 20, 2025.

The Holding Company has changed its name from Mahindra CIE Automotive Limited to CIE Automotive India Limited in the year ended 31<sup>st</sup> December 2023.

### Interest in other entities

Sr. No.	Name of the entity	Relationship	% of Holding		Country of Incorporation
			31 December, 2024	31 December, 2023	
1	Stokes Group Limited (liquidated on September 05, 2023)	Subsidiary of CIE-India	-	-	UK
2	BF Precision Private Limited	Subsidiary of CIE-India	100.00%	100.00%	India
3	Bill Forge de Mexico S de RL de CV *	Subsidiary of CIE-India (upto February 19, 2024) Subsidiary of Galfor (from February 20, 2024)	99.99%	99.99%	Mexico
4	CIE Aluminium Casting India Limited (CACIL) (formerly known as Aurangabad Electricals Limited)	Subsidiary of CIE-India	100.00%	100.00%	India
5	CIE Hosur Limited (Hosur)	Subsidiary of CIE-India	100.00%	100.00%	India
6	CIE Galfor, S.A.U. (Galfor)	Subsidiary of CIE-India	100.00%	100.00%	Spain
7	CIE Legazpi SA	Subsidiary of Galfor	100.00%	100.00%	Spain
8	UAB CIE LT Forge	Subsidiary of Galfor	100.00%	100.00%	Lithuania
9	Metalcastello S.p.A	Subsidiary of Galfor	99.96%	99.96%	Italy
10	CIE Forgings Germany GmbH (CFG) (formerly know as Mahindra Forgings Europe AG (MFE))	Subsidiary of Galfor	100.00%	100.00%	Germany
11	Jeco Jellinghaus GmbH (upto June 30, 2023)	Subsidiary of CFG	-	-	Germany
12	Gesenkschmiede Schneider GmbH (upto June 30, 2023)	Subsidiary of CFG	-	-	Germany
13	Falkenroth Unformtechnik GmbH (upto June 30, 2023)	Subsidiary of CFG	-	-	Germany
14	Schoneweiss & Co GmbH (upto June 30, 2023)	Subsidiary of CFG	-	-	Germany
15	Clean Max Deneb Power LLP	Associate of CIE-India	26.00%	26.00%	India
16	Sunbarn Renewables Pvt. Ltd.	Associate of CIE-India	26.12%	26.12%	India
17	Renew Surya Alok Private Limited	Associate of CIE-India	31.20%	31.20%	India
18	Gescrap India Private Limited	Associate of CIE-India	30.00%	30.00%	India
19	Galfor Eólica, S.L	Associate of Galfor	25.00%	25.00%	Spain
20	Strongsuns Solar Private Limited	Associate of CIE-India	27.35%	27.35%	India
21	Sunseed Solar Private Limited (w.e.f. July 04, 2023)	Associate of CACIL	26.49%	26.49%	India
22	Ojaha Renewables Private Limited (w.e.f. April 25, 2024)	Associate of Hosur	27.89%	-	India
23	ReNew Green (MHK Two) Private Limited (w.e.f. October 29, 2024)	Associate of CIE-India	31.20%	-	India

\* The Board of Directors of the Holding Company approved a proposal for increase in share capital of Bill Forge de Mexico S de RL de CV (BF Mexico). CIE Galfor S.A.U (Galfor), the other wholly owned subsidiary of the Holding Company in Spain, has subscribed the said capital increase. Accordingly, on issuance of shares to Galfor by BF Mexico, the percentage shareholding of the Holding Company in BF Mexico has diluted such that, BF Mexico has ceased to be a direct subsidiary of the Holding Company. BF Mexico accordingly has become a direct subsidiary of Galfor and a step down subsidiary of the Holding Company.



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

### 2. Summary of significant accounting policies

#### 2.1 Basis of presentation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, notified under section 133 of the Companies Act, 2013 ('Act') and other relevant provisions of the Act. The financial statement have been prepared on a historical cost basis, except for share based payment, assets held for sale, derivative financial instrument and certain financial assets and liabilities measured at fair value.

The consolidated financial statements are presented in Million ₹ and all values are rounded to the nearest Million except when otherwise indicated.

#### 2.2 Consolidation principles and equity accounting

##### Subsidiaries

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December, 2024. Subsidiaries are all entities over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Group, i.e., year ended on 31 December, 2024.

##### Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

##### Consolidation procedure:

- (a) Combine like items of assets, liabilities, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

- (c) Eliminate in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and Property, Plant and equipment, are eliminated in full). Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intra-group transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

### 2.3 Segment information

Information regarding the results of each reportable segment is shown in Note 5 below. Performance is measured based on segment results (profit before tax) as included in internal reporting which is reviewed by one of the Executive directors who is also the Group's Chief Operating Decision Maker (CoDM). Segment profit is used to measure performance as management believes that such information is most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

### 2.4 Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liability assumed are recognised at their acquisition date fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal Groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognized in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

### 2.5 Current and non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- 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.



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A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets or liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

### 2.6 Foreign currencies

The Group's consolidated financial statements are presented in ₹, which is also the parent Group's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

#### Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognized in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognized initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognized in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.

Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

#### Group companies

On consolidation, the assets and liabilities of foreign operations are translated into ₹ at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognized in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in profit or loss.





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### 2.7 Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has concluded that it is principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. The policy of recognising the revenue is determined by the five-stage model proposed by Ind AS 115 "Revenue from contract with customers".

#### Sale of goods

Revenue from the sale of goods is recognised when the performance obligation is satisfied and usually coincides with the point in time when control of the asset is transferred to the customer, generally on the date of the bill of lading for export sales and generally on delivery for domestic sales. The normal credit term is 30 to 90 days upon delivery.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Group considers the effect of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer, if any. Any amount of revenue accrued but not billed to customers is recorded as contract assets. Such contract assets are transferred to trade receivables on actual billing to customers.

#### Tooling Income

Revenue from tooling income is recognised when the performance obligation is satisfied and usually coincides with at the point in time when the control of the die is transferred, which is generally on receipt of the customer's approval as per the terms of the contract.

#### Sale of Services

Revenue from the sale of services is in nature of job work on customer product which normally takes 1 – 4 days for completion and accordingly, revenue is recognised when products are sent to the customer on which job work is completed. The normal credit period is 60 days.

#### Other Revenue

#### Export incentives

Revenue from export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable assurance and condition precedent to claim are fulfilled.

#### Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

#### Dividends

Income is recognized when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

### 2.8 Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and recognised in profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect



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of this favourable interest is regarded as a government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received.

### 2.9 Taxes

#### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.



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Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognized subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognized within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognized in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognized in profit or loss.

### 2.10 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of items.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

- Building 3 to 61.4 years
- Plant and equipment 3 to 25 years
- Furniture & Fixtures 5 to 10 years
- Office equipments 3 to 25 years
- Vehicles 5 to 8 years
- Other fixed assets 3 to 16 years

The depreciation policy historically applied by the Group to productive assets (plant, machinery and tools) is to systematically apply depreciation based on the useful lives of the assets concerned. These useful lives were estimated in accordance with the actual production capacity of the assets and their residual value, as well as a maximum useful life for each asset.

For certain plants and machineries, the Management applies unit of production method for depreciation. By using the units of production method, annual depreciation charges adapt to changes in production levels, on the understanding that this best reflects the expected pattern of consumption of the future economic benefits embodied by the assets. Units of production method of depreciation is calculated for these categories of plant, machinery, based on the actual production levels attained by the assets and their residual value.

For other plant and machinery, where usage and efflux of time is primary determinant, the Group continues to depreciate assets using straight-line basis over the estimated useful lives of the assets as follows:

- Plant and machinery (other than those stated above) 3 to 25 years

The Group, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives or based on production, which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognized 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 included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### 2.11 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition,



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Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Amortisation is calculated on a straight-line basis over the estimated useful lives of 3 to 10 years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

### Research and development expenses

Research expenditure is recognised as an expense as incurred. The costs incurred in development projects (associated with the design and testing of new products or product upgrades) are recognised as an intangible asset when the success of the development is deemed probable taking into account its technical and commercial feasibility, management intends to complete the project and has the technical and financial resources to do so, has the ability to use or sell the asset and generate potential economic benefits and the costs involved may be reliably estimated. Other development expenditures are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Development costs with a finite useful life that have been capitalised are amortised from the start of commercial production of the product on a straight-line basis over the period in which it is expected to generate economic benefits, which does not exceed five years.

### Licences

Trademarks and licences have a finite useful life and are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method to allocate the cost of trademarks and licences over their estimated useful lives.

## 2.12 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## 2.13 Leases

### As a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Lease payments are allocated between the principal (liability) and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- amounts expected to be payable by the lessee under residual value guarantees
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option

Lease payments to be made under reasonably certain extension options are also included in the measurement



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of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment and small items of office equipments.

### As a Lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

## 2.14 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition is accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average cost.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average.

Initial cost of inventories includes the transfer of gains and losses on qualifying cash flow hedges, recognized in OCI, in respect of the purchases of raw materials.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The comparison of cost and net realisable value is made on item by item basis.

## 2.15 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the 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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicator.



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The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior year. Such reversal is recognized in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Cash generating units to which goodwill is allocated are tested for impairment annually at each balance sheet date, or more frequently when there is an indication that the unit may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU to which the goodwill relates. In assessing the recoverable amount of the CGU, 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. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually as at each reporting period at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

### 2.16 Provisions

#### General

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, 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. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

#### Restructuring provisions

Restructuring provisions are recognized only when the Group has a constructive obligation, which is when a detailed formal plan identifies the business or part of the business concerned, the location and number of employees affected, a detailed estimate of the associated costs, and an appropriate timeline, and the employees affected have been notified of the plan's main features.

### 2.17 Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.





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The Group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Pension provisions are for operations in Germany and are entirely internally funded. These benefits are in the nature of long term service awards and lifetime pension and retirement plans. Liabilities are determined using projected unit credit method together with mortality tables. Obligation is measured at the present value of estimated future cash flow using the discount rate that is determined by reference to average market yields of ten years.

Past service costs are recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

### 2.18 Share based payments

Share based compensation (SAR) benefits are provided to employees via the Employee Stock Options Scheme and Stock Appreciation Rights.

The fair value of options granted under the above scheme is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- Including any market performance conditions;
- Excluding the impact of any service vesting conditions (for example, remaining an employee of the entity over a specified time period)

Non-market performance and service conditions are included in the assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period during which all the specified vesting conditions are to be satisfied.

At the end of each reporting period, the Group revised the estimates of the number of options that are expected. It recognises the impact of the revision of original estimates, if any, in the income statement, with corresponding adjustment to equity.

The total cost of the services rendered by the beneficiaries is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied (continued service at the Group).

Liabilities for the Group's share appreciation rights are recognised as employee benefit expense over the relevant service period. The liabilities are remeasured to fair value at each reporting date.

### 2.19 Earnings Per Share

#### (i) Basic Earnings per share

Basic earnings per share is calculated by dividing

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares, if any.



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### (ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of the additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

## 2.20 Financial Assets and Financial liabilities

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

#### Initial recognition and measurement

All 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. 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 Group commits to purchase or sell the asset.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two categories:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

### Financial liabilities

#### Initial recognition and measurement

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Other Financial Liabilities: These are measured at amortised cost using the effective interest method.

The Group's financial liabilities include trade and other payable, loan, lease liabilities and borrowings including bank overdrafts.

#### Subsequent measurement

#### Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortisation process.



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

Amortised 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 amortisation is included as finance costs in the statement of profit and losses, including any interest expense, are recognised in profit or loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

### Offsetting:

Financial assets and liabilities are offset and the net amount presented in balance sheet when and only when the Group currently has a legal enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### Derecognition of financial assets and financial liabilities:

The Group derecognises 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 Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. Any gain or loss arising on derecognition is recognised in profit or loss. When a financial instrument is derecognised, the cumulative gain or loss in equity is transferred to the statement of profit and loss unless it was an equity instrument electively held at fair value through other comprehensive income.

In this case, any cumulative gain or loss in equity is transferred to retained earnings. Financial assets are written off when there is no reasonable expectation of recovery. The Group reviews the facts and circumstances around each asset before making a determination. Financial assets that are written off could still be subject to enforcement activities. Financial liabilities are derecognised when these are extinguished, that is when the obligation is discharged, cancelled or has expired.

## 2.21 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

## 2.22 Dividend

The Group recognizes a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

## 2.23 (a) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If the receivable is expected to be collected within a period of 12 months or less from the reporting date, they are classified as current assets otherwise as non-current assets.

Trade receivables are measured at their transaction price unless it contains a significant financing component or pricing adjustments embedded in the contract.

Loss allowance for expected life time credit loss is recognised on initial recognition of the trade receivables.

### A) Measurement

#### (i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.



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(₹ in Million except earning per share data)

### (ii) Presentation of allowance for ECL

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

### (iii) Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

## 2.23 (b) Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration in form of advance from customer (or an amount of consideration is due). If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs the obligation as per the contract.

## 2.24 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payable is classified as current liabilities if payment is due within one year or less.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

## 2.25 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest rate method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer their settlement for at least 12 months after the end of the reporting period.

Fees paid on for availing the loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fees are deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

## 2.26 Disposal groups and discontinued operations (Refer note 23)

An operation is classified as discontinued operations when component of the entity that has been disposed of or is classified as held for sale and that represent a separate major line of business or geographical area of operations and is a part of a single coordinated plan to dispose off. The result of discontinued operation is presented separately, in statement of profit and loss. Assets of disposal group classified as held for sale are presented separately from other assets in balance sheet. The liabilities of disposal group classified as held for sale are presented separately from other liabilities in the balance sheet. Once classified as held-for-sale, intangible assets, property, plant and equipment and investment properties are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

## 2.27 Recent Accounting Pronouncements:

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after January 01, 2024. The Group has not adopted any other standard or amendment that has been issued but is not yet effective.

### (i) Disclosure of Accounting Policies – Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments will have an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's financial statements.

### (ii) Definition of Accounting Estimates – Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are expected to not have any material impact on the Group's financial statements.



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

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### (iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

It is expected that there will also be no impact on the opening retained earnings as at 1 January 2024.

Apart from these, consequential amendments and editorials will be made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended 31 December, 2024, MCA had not notified any new standards or amendments to the existing standards applicable to the group from next financial year.

## 3. Financial risk management

### 3.1. Financial risk factors

The Group's activities expose it to a variety of financial risks viz. market risk (including currency risk, interest rate risk and price risk), liquidity risk and credit risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

#### a. Market risk

Market risk is the risk that changes in market prices – e.g. foreign exchange rates, interest rates, and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of the market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

#### (i) Foreign Currency Risk:-

The overriding objective is to reduce the adverse impact on its activities in general and on the income statement in particular of the variation in exchange rates so that it is possible to hedge against adverse movements and, if appropriate, leverage favourable trends.

In order to arrange such a policy, the Group uses the management scope concept. This concept encompasses all collection/ payment flows in a currency other than the Indian Rupees expected to materialise over a specific time period. The management scope includes assets and liabilities denominated in foreign currency and firm or highly probable commitments for purchases or sales in a currency other than the Indian Rupees. Assets and liabilities denominated in foreign currency are subject to management, irrespective of timing, while firm commitments for purchases or sales that form part of the Management Scope are also subject to management if they are expected to be recognised on the balance sheet within a period of no more than 18 months. Once defined the Management Scope, the Group may use financial instruments for risk management.

The Group has investments in foreign operations whose net assets are denominated in EURO, exposing it to only foreign exchange translation risk. The exchange risk on the net assets of the Group's foreign operations is managed through natural hedges by denominating liabilities including borrowings (loans) in the corresponding foreign currency.

If at 31 December, 2024, the Rupee had depreciated/ appreciated by 10% with respect to all other functional currencies other than the Rupee, all other variables remaining constant, equity would have increased/ decreased by ₹1,331.20 Million (2023 increased/ decreased by ₹ 1,129.62 Million), due to the impact of the net assets contributed by the subsidiaries operating in a functional currency different from Rupee.

If the average rate of exchange of the Euro had depreciated/ appreciated by 10% in 2024 with respect to all other functional currencies other than Euro, all other variables remaining constant, profit after tax for the year would have been higher/ lower by ₹ 236.3 Million (2023 ₹ 389.91 Million), mainly as a result of the exchange gain/ losses on the translation of accounts of subsidiaries denominated in currencies other than Rupee.

#### (ii) Interest rate risk

The Group's borrowings are benchmarked to variable rates. The expectation of any change in the benchmark rate is monitored regularly and hedging is initiated as and when required. During the year the impact of such expected change was not material.



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Out of total Borrowings, ₹ 5,210.21 Million (2023 ₹ 8,000.55 Million) are at variable interest rate.

If the average rate of interest had increased/ decreased by 10bps p.a. in 2024, all other variables remaining constant, interest costs for the year would have been higher/ lower by ₹ 5.21 Million (2023 ₹ 8.00 Million).

	<u>31 December, 2024</u>	<u>31 December, 2023</u>
Fixed-rate instruments		
Financial assets	<b>24,597.38</b>	23,709.17
Financial liabilities	<b>(22,108.24)</b>	(28,461.99)
	<b>2,489.14</b>	(4,752.82)

### b. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's objective when managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The prudent management of liquidity risk entails maintaining enough cash and available financing through sufficient credit facilities. In this respect, the CIE-India Automotive Group strategy, articulated by its Treasury Department, is to maintain the necessary financing flexibility through the availability of committed credit lines. Additionally, and on the basis of its liquidity needs, the Group uses liquidity facilities (non-recourse factoring and the sale of financial assets representing receivable debts, transferring the related risks and rewards). Management monitors the Group's forecast liquidity requirements together with the trend in net debt. The calculation of liquidity and net debt at 31 December, 2024 and 31 December, 2023 is as follow:

	<b>Note</b>	<b>31 December, 2024</b>	<b>31 December, 2023</b>
Cash, cash equivalents and bank balances	Note 15	<b>3,242.46</b>	2,387.21
Current and Non-current financial Assets – Loans	Note 12	<b>2,310.06</b>	4,982.84
Current financial assets- Investments	Note 9	<b>9,919.19</b>	7,814.50
Current and non- current financial assets- Others	Note 10	<b>2,849.33</b>	2,182.27
<b>Total Cash and financial assets</b>		<b>18,321.04</b>	17,366.82
Borrowings	Note 18	<b>5,210.21</b>	8,033.48
Current and non- current Financial Liabilities- Others	Note 6 & Note 20	<b>1,088.81</b>	1,087.37
Cash and cash equivalent and bank balances	Note 15	<b>(3,242.46)</b>	(2,387.21)
Current and non-current financial assets – Loans	Note 12	<b>(2,310.06)</b>	(4,982.84)
Current financial assets – investments	Note 9	<b>(9,919.19)</b>	(7,814.50)
Current and non- current financial assets- Others	Note 10	<b>(2,849.33)</b>	(2,182.27)
<b>Net financial debt</b>		<b>(12,022.02)</b>	(8,245.97)

As on 31 December, 2024, the Group has sufficient headroom against committed liabilities. Also, the management expects that the Group will continue to generate cash which will be sufficient to service payment obligations for the next twelve months.

The Group monitors the Group's forecast liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining enough headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities.

The Group has unused loans and credit lines of ₹ 5,530.00 Million as at 31 December, 2024 (31 December, 2023 of ₹ 4,380.96 Million).





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One of the Group's strategies is to ensure the optimisation and maximum saturation of the resources assigned to the business. The Group therefore pays special attention to the net operating working capital invested in the business. In this regard, as in previous years, considerable work has been performed to control and reduce collection periods for trade and other receivables, as well as to optimise accounts payable with the support of banking arrangements to mobilise funds and minimise inventories through logistic and industrial management, allowing JIT (just in time) supplies to our customers.

As a result of the above, it may be confirmed that there is no significant liquidity risk for the group.

### c. Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, loans and investments in debt securities.

Credit risk from cash and cash equivalents and bank deposits is considered immaterial in view of the creditworthiness of the banks the Group works with. If management detects liquidity risk in respect of its banks under certain specific circumstances, it recognises impairment provisions as warranted.

In addition, each segment has specific policies for managing customer credit risk; these policies factor in the customers' financial position, past experience and other customer specific factors.

With respect to customer credit limits, it should be noted that Group policy is to spread its volumes across customers or manufacturing platforms.

Given the characteristics, of the Group's customers, management has historically deemed that receivables due within 60 days present no credit risk. The Group continues to consider the credit quality of these outstanding balances to be strong. Based on past trends, expected credit loss is provided. Details of such provision and analysis of the age of assets that are past due but are not impaired is provided in note 11.

Top 25 customers make for more than 70% of Group's sale, thus reflecting limited credit risk.

### i. Trade receivables

The Group uses Expected Credit Loss (ECL) model to assess the impairment gain or loss. As per ECL simplified approach, the Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account a continuing credit evaluation of Group's customers financial condition; aging of trade accounts receivable; the value and adequacy of collateral received from the customers in certain circumstances (if any); the Group's historical loss experience; and adjustment based on forward looking information. The Group defines default as an event when there is no reasonable expectation of recovery.

#### Movement of Loss allowance:

	<b>Amount</b>
Loss allowance as on 31 December, 2023	51.61
Additions/ (reversal) during the year (net)	31.71
<b>Loss allowance as on 31 December, 2024</b>	<b>83.32</b>

## 3.2 Fair Value estimation

### Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.



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A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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 measurement 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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period (Refer note 26).

### 3.3 Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for the other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group can adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the leverage ratio. This ratio is calculated as net debt divided by total capital employed. Net debt is calculated as total borrowings plus current financial liabilities less cash, cash equivalents and current financial assets, all of which are shown in the consolidated annual accounts. Total capital employed is calculated as 'equity', as shown in the consolidated annual accounts, plus net debt.

#### Calculation of Gearing ratio:

	31 December, 2024	31 December, 2023
Net Financial Debt (Refer Note 3.1.(b))	(12,022.02)	(8,245.97)
Equity	65,767.84	59,879.68
<b>Total Capital Employed</b>	<b>53,745.82</b>	<b>51,633.71</b>
Gearing Ratio	(0.22)	(0.16)

### 4. Accounting estimates and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions affecting the application of accounting policies and the amounts presented under assets and liabilities, income and expenses. Actual results may differ from these estimates.

#### a) Estimated impairment loss on goodwill [Refer note 7]

The Group tests whether goodwill has suffered any impairment on an annual basis. Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of a CGU is determined based on value in use calculations. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include any activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and the growth rate. The key assumptions used to determine the recoverable amount for goodwill including a sensitivity analysis are disclosed and further explained in note 7.



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

### b) Estimated fair value of assets, liabilities and contingent liabilities associated with a business combination.

In business combinations, the Group classifies or designates, at the acquisition date, the identifiable assets acquired, and liabilities assumed as necessary, based on contractual agreements, financial conditions, accounting policies and operating conditions or other pertinent circumstances that exist at the acquisition date.

In accounting of business combination, judgement is required for valuation of assets and identifying whether an intangible asset is to be recognised separately from goodwill.

The measurement of the assets acquired and liabilities assumed at fair value requires the use of estimates that depend on the nature of those assets and liabilities in accordance with their prior classification and which, in general, are based on generally accepted measurement methods that take into consideration discounted cash flows associated with those assets and liabilities, comparable quoted prices on active markets and other procedures, as disclosed in the relevant notes to the annual financial statements, broken down by nature. In the case of the fair value of property, plant and equipment the Group uses appraisals prepared by independent experts.

### c) Income tax and deferred tax (Refer Note 24 and 25)

Income tax expense for the period ended 31 December, 2024 has been estimated based on profit before taxes, as adjusted for any permanent and/or temporary differences envisaged in tax legislation governing the corporate income tax base calculation. The tax is recognized in the income statement, except insofar as it relates to items recognized directly in equity, in which case, it is also recognized in equity.

Tax credits and deductions and the tax effect of applying tax-loss carry forwards that have not been capitalised are treated as a reduction in the corporate income tax expense for the year in which they are applied or offset.

The calculation of income tax expense did not require the use of significant estimates except in tax credits recognized in the year, which was at all times consistent with the annual financial statements.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated annual accounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred taxes on temporary differences are recognized when arising on investments in subsidiaries, associates and joint ventures, except in those cases where the Group can control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets deriving from the carry forward of unused tax credits and unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the tax assets can be utilised. In the case of investment tax credits, the counterpart of the amounts recognized is the deferred income account. The tax credit is accrued as a decrease in expense over the period during which the items of property, plant and equipment that generated the tax credit are depreciated, recognizing the right with a credit to deferred income.

### d) Pension benefits (Refer Note 32)

The present value of the Group's pension obligations depends on a series of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

interest rates of Government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation. Other key assumptions for employee benefits are based in part on current market conditions.

The present value of defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period government bonds that have terms approximating to the terms of the related obligation. The estimated future payments which are denominated in currency other than INR are discounted using market yields determined by reference to high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

### e) Legal Contingencies (Refer Note 33)

The Group has received orders and notices from tax authorities in respect of direct taxes, indirect taxes and other litigations. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. Management regularly analyzes current information about these matters and provides provisions for probable contingent losses including the estimate of legal expense to resolve the matters. In making the decision regarding the need for loss provisions, management considers the degree of probability of an unfavourable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the Group or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate.

## 5. Segment Information

One of the Executive directors is the Group's Chief Operating Decision Maker (CoDM). An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. CoDM reviews the Group's internal financial information for the purposes of evaluating performance and assigning resources to segments. The Group has determined the operating segments based on the structure of the reports reviewed by the CoDM.

All companies within the CIE- India Group belong to the same business segment (Automotive) and to two geographical areas, India and Europe.

31 December, 2024 *	India #	Europe	Total	Inter-segment transactions	Total Segment	Discontinued operations	Consolidated
Revenue*	60,589.66	29,097.77	89,687.43	(46.76)	89,640.67	-	89,640.67
Income/ (Expenses)^	(50,194.51)	(24,491.68)	(74,686.19)	46.76	(74,639.43)	-	(74,639.43)
Depreciation, amortization and Impairment	(2,248.22)	(1,058.23)	(3,306.45)	-	(3,306.45)	-	(3,306.45)
Segment profit (EBIT)^	8,146.95	3,547.86	11,694.81	-	11,694.81	72.08	11,622.73
Interest	(257.10)	(518.88)	(775.98)	-	(775.98)	-	(775.98)
PBT	7,889.85	3,028.98	10,918.83	-	10,918.83	72.08	10,846.75
EBIDTA	10,395.17	4,606.09	15,001.26	-	15,001.26	72.08	14,929.18
Total assets	66,901.19	30,784.03	97,685.22	-	97,685.22	-	97,685.22
Total Non-current Assets	40,153.48	23,036.35	63,189.83	-	63,189.83	-	63,189.83
Total liabilities	16,322.68	15,594.70	31,917.38	-	31,917.38	-	31,917.38
Addition to Property, Plant and Equipment, Capital work-in-progress and Intangible assets	4,232.84	1,302.72	5,535.56	-	5,535.56	-	5,535.56



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31 December, 2023*	India #	Europe	Total	Inter-segment transactions	Total Segment	Discontinued operations	Consolidated
Revenue*	59,459.08	44,570.80	104,029.88	(473.98)	103,555.90	10,752.41	92,803.49
Income/ (Expenses)^	(50,247.57)	(43,737.98)	(93,985.55)	473.98	(93,511.57)	(5,045.97)	(88,465.60)
Depreciation, amortization and Impairment	(2,134.20)	(1,376.71)	(3,510.91)	-	(3,510.91)	(288.95)	(3,221.96)
Segment profit (EBIT)^	7,087.84	10,161.74	17,249.68	-	17,249.68	5,417.49	11,832.19
Interest	(335.14)	(815.50)	(1,150.64)	-	(1,150.64)	(76.96)	(1,073.68)
PBT	6,752.80	9,346.24	16,099.04	-	16,099.04	5,340.53	10,758.51
EBIDTA	9,226.89	11,538.45	20,765.44	-	20,765.44	5,706.44	15,059.00
Total assets	63,260.23	34,358.91	97,619.14	-	97,619.14	-	97,619.14
Total Non-current Assets	39,476.68	26,671.21	66,147.89	-	66,147.89	-	66,147.89
Total liabilities	21,669.00	16,070.73	37,739.73	-	37,739.73	-	37,739.73
Addition to Property, Plant and Equipment, Capital work-in-progress and Intangible assets	3,098.00	1,461.92	4,559.92	-	4,559.92	-	4,559.92

\* One of the customer group exceeds 10% of the Group's turnover for the year ended 31 December, 2024 and 31 December 2023. Sales to this customer in the year ended 31 December, 2024 are ₹ 16,373.31 Million (31 December, 2023: ₹ 16,452.74 Million).

^ - For Europe, excludes Loss on fair valuation of assets and liabilities of disposal group for the previous year ended 31 December 2023 of ₹ 1,536.45 Million.

Inter-segment transactions between segments are carried out under market terms and conditions as usual commercial transactions with third parties.

# India includes Mexico.

Segment assets includes goodwill, property, plant and equipment, intangible assets, inventories, accounts receivable and cash, excluding intra Group assets eliminated on consolidation.

Segment liabilities include operating liabilities and long-term financing, excluding intra Group liabilities eliminated on consolidation.



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

**6. Property, Plant and Equipment**

The details and movements in property, plant and equipment are as follows:

**For the year 2024**

<b>Description of Assets</b>	<b>Land</b>	<b>Buildings</b>	<b>Plant and Equipment</b>	<b>Furniture and Fixtures, tools and furnishings</b>	<b>Office Equipment</b>	<b>Total</b>	<b>Capital Work-in-progress</b>
<b>I. Gross Carrying Amount</b>							
Balance as at 01 January 2024	2,590.61	7,498.71	37,186.85	4,362.33	718.98	52,357.48	536.67
Additions	1.13	461.14	3,258.04	393.04	129.34	4,242.69	1,246.02
Disposals	(0.08)	(3.42)	(350.83)	(72.53)	(34.94)	(461.80)	(9.92)
Capitalization	-	-	-	-	-	-	(1,106.71)
Foreign currency translation differences	(9.55)	(68.59)	(569.83)	(172.32)	(8.12)	(828.41)	(3.19)
<b>Balance as at 31 December, 2024</b>	<b>2,582.11</b>	<b>7,887.84</b>	<b>39,524.23</b>	<b>4,510.52</b>	<b>805.26</b>	<b>55,309.96</b>	<b>662.87</b>
<b>II. Accumulated depreciation and impairment</b>							
Balance as at 01 January 2024	-	(2,550.08)	(19,200.14)	(2,291.79)	(186.06)	(24,228.07)	-
Depreciation expense for the year	-	(293.02)	(2,216.41)	(435.89)	(84.70)	(3,030.02)	-
Disposals	-	3.74	321.67	72.53	25.58	423.52	-
Foreign currency translation differences	-	52.91	394.27	148.63	4.51	600.32	-
<b>Balance as at 31 December, 2024</b>	<b>-</b>	<b>(2,786.45)</b>	<b>(20,700.61)</b>	<b>(2,506.52)</b>	<b>(240.67)</b>	<b>(26,234.25)</b>	<b>-</b>
<b>III. Net carrying amount</b>	<b>2,582.11</b>	<b>5,101.39</b>	<b>18,823.62</b>	<b>2,004.00</b>	<b>564.59</b>	<b>29,075.71</b>	<b>662.87</b>

For the year 2023





## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

Description of Assets	Land	Buildings	Plant and Equipment	Furniture and Fixtures, tools and furnishings	Office Equipment	Total	Capital work-in-progress
<b>I. Gross Carrying Amount</b>							
Balance as at 01 January 2023	2,719.24	6,924.29	32,299.16	4,319.72	661.52	46,923.93	1,194.72
Additions	-	251.04	4,142.80	583.97	80.45	5,058.26	1,365.69
Disposals	-	(11.61)	(424.63)	(146.45)	(32.60)	(615.29)	-
Capitalization	-	-	-	-	-	-	(1,971.69)
Transfer	-	210.76	403.90	(614.66)	-	-	(53.23)
Others	(140.62)	-	-	-	-	(140.62)	-
Foreign currency translation differences	11.99	124.23	765.62	219.75	9.61	1,131.20	1.18
<b>Balance as at 31 December, 2023</b>	<b>2,590.61</b>	<b>7,498.71</b>	<b>37,186.85</b>	<b>4,362.33</b>	<b>718.98</b>	<b>52,357.48</b>	<b>536.67</b>
<b>II. Accumulated depreciation and impairment</b>							
Balance as at 01 January 2023	-	(2,198.04)	(16,656.62)	(1,913.03)	(153.02)	(20,920.71)	-
Depreciation expense for the year	-	(280.46)	(2,298.84)	(329.61)	(50.48)	(2,959.39)	-
Disposals	-	10.01	270.36	124.83	22.16	427.36	-
Others	-	5.78	-	-	-	5.78	-
Foreign currency translation differences	-	(87.37)	(515.04)	(173.98)	(4.72)	(781.11)	-
<b>Balance as at 31 December, 2023</b>	<b>-</b>	<b>(2,550.08)</b>	<b>(19,200.14)</b>	<b>(2,291.79)</b>	<b>(186.06)</b>	<b>(24,228.07)</b>	<b>-</b>
<b>III. Net carrying amount</b>	<b>2,590.61</b>	<b>4,948.63</b>	<b>17,986.71</b>	<b>2,070.54</b>	<b>532.92</b>	<b>28,129.41</b>	<b>536.67</b>

For contractual commitments with respect to the acquisition of Property, plant and equipments, refer note 33.

Capital work in progress mainly comprises of new facilities being constructed in India and upgradation of existing facilities.



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## Capital work-in-progress ageing schedule

31 December, 2024	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 years	Total
Projects in progress	568.65	94.12	0.10	–	662.87
Projects temporarily suspended	–	–	–	–	–
<b>Total</b>	<b>568.65</b>	<b>94.12</b>	<b>0.10</b>	<b>–</b>	<b>662.87</b>

## Capital work-in-progress completion schedule

31 December, 2023	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 years	Total
Projects in progress	519.28	12.16	–	–	531.44
Projects temporarily suspended	5.23	–	–	–	5.23
<b>Total</b>	<b>524.51</b>	<b>12.16</b>	<b>–</b>	<b>–</b>	<b>536.67</b>

## Title deeds of Immovable Properties not held in name of the Company:

Description of the property	Gross Carrying Value	Period held since (range) (date of acquisition)	Whether promoter, director or their relative or employee	Held in Name of	Reason for not being held in name of Company
Building	2,819.70	1995 to 2024	No	Mahindra CIE Automotive Limited	Refer Note 2 below
Building	224.86	2015 to 2023	No	Mahindra UGINE Steel Co. Ltd	Refer Note 1 below
Building	488.29	1994 to 2023	No	Bill Forge Pvt Ltd	Refer Note 1 below
Building	61.27	2000 to 2018	No	Vishrant Engineering (P) Ltd	Refer Note 1 below
Building	169.79	2008 to 2023	No	Coimbatore City Building Syndicate Pvt Ltd.	Refer Note 1 below
<b>Sub-total Building</b>	<b>3,763.91</b>				
Land	384.70	1994 to 2022	No	Mahindra CIE Automotive Limited	Refer Note 2 below
Land	24.99	2014	No	Mahindra UGINE Steel Co. Ltd	Refer Note 1 below
Land	522.49	2005 to 2018	No	Bill Forge Pvt Ltd	Refer Note 1 below
Land	66.09	1995 to 2018	No	Vishrant Engineering (P) Ltd	Refer Note 1 below
Land	21.00	2000 to 2018	No	Coimbatore City Building Syndicate Pvt Ltd.	Refer Note 1 below
<b>Sub-total Land</b>	<b>1,019.27</b>				
Leasehold land	713.24	1999 to 2021	No	Mahindra CIE Automotive Limited	Refer Note 2 below
Leasehold land	74.00	2002	No	Aurangabad Electricals Limited	Refer Note 3 below
<b>Sub-total Leasehold land</b>	<b>787.24</b>				
Leasehold Building	363.88	2015 to 2019	No	Bill Forge Private Limited	Refer Note 1 below
Leasehold Building	158.80	2021 to 2023	No	Mahindra CIE Automotive Limited	Refer Note 2 below
<b>Sub-total Leasehold Building</b>	<b>522.68</b>				
<b>Total</b>	<b>6,093.10</b>				



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## Note :

1. These properties are in the name of Bill Forge Private Limited, Mahindra UGINE Steel Company Limited, Coimbatore City Building Pvt Ltd and M/s. Vishrant Engineering (P) Ltd. These Properties have vested into the Company pursuant to amalgamations of these entities with the Company. The Company is in the process of getting these properties transferred in its name.
2. The company has change its name from Mahindra CIE Automotive Limited to CIE Automotive India Limited in the year ended 31<sup>st</sup> December 2023. The Company is in the process of getting these properties transferred in its name.
3. Property is held in the name of Aurangabad Electricals Limited which was the erstwhile name of the Company. The Company has been renamed to CIE Aluminium Casting India Limited w.e.f. 31.08.2023 as per the revised certificate of incorporation issued by ROC under the Companies Act, 2013.

## ii) Leases

This note provides the information for leases where the Group is a lessee. The Group leases various offices, buildings, leasehold land, and vehicles. Rental contracts are typically made for fixed periods of 1 year to 99 years.

## i) Amounts recognised in the balance sheet

Property, plant and equipment includes the below amounts recognised as Right of use of assets:

	31 December, 2024	31 December, 2023
Right of use of assets		
Leasehold Land	698.24	699.15
Property and plant	354.59	394.54
Other assets	69.44	71.84
<b>Total</b>	<b>1,122.27</b>	<b>1,165.53</b>

The corresponding lease liability as per Ind AS 116 is below:

	31 December, 2024	31 December, 2023
Lease liabilities		
Current	193.56	185.67
Non - Current	295.96	335.00
<b>Total</b>	<b>489.52</b>	<b>520.67</b>

Additions to the right-of-use assets during the current financial year were ₹ 159.75 Million (31 December, 2023, ₹ 28.87 Million).

## ii) Amounts recognised in the statement of profit and loss

The statement of profit or loss shows the amounts relating to leases:

	31 December, 2024	31 December, 2023
Depreciation/ Amortisation charge of right of use of assets		
Leasehold Land **	22.45	23.10
Property and plant	121.53	99.52
Other assets	50.84	60.05
<b>Total</b>	<b>194.82</b>	<b>182.67</b>



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

	31 December, 2024	31 December, 2023
Interest expense (included in finance costs)	36.60	38.42
Expense relating to short term leases (included in other expenses)	242.39	219.16
Expense relating to leases of low- value assets that are not shown above as short term leases (included in other expenses)	52.75	34.43
The total cash outflow for leases for the year ended 31 December, 2024 was ₹ 220.39 Million (31 December, 2023 ₹ 213.11 Million).		

Maturity analysis – contractual undiscounted cash flows of leases under the purview of Ind AS 116

Particulars	31 December, 2024	31 December, 2023
Less than one year	156.57	155.22
More than one year	353.67	429.01
Total undiscounted lease liabilities	510.24	584.23

Particulars	Lease liabilities
<b>Balance as at 01 January 2023</b>	<b>611.73</b>
Repayment of lease obligation net off new leases	(52.64)
Interest on lease liabilities	(38.42)
<b>As on 31 December, 2023</b>	<b>520.67</b>
Repayment of lease obligation net off new leases	(67.75)
Interest on lease liabilities	36.60
<b>As on 31 December, 2024</b>	<b>489.52</b>

\*\* This includes amortisation of lease premium paid in advance on leasehold land.

### 7. Goodwill

	As at 31 December, 2024	As at 31 December, 2023
<b>Cost</b>		
Balance at beginning of the year	30,781.38	39,351.63
Goodwill written off against provision [Refer note 23]	-	(9,162.02)
Foreign exchange fluctuation	(429.38)	591.77
Balance at end of the year	30,352.00	30,781.38
Accumulated impairment losses at the beginning of the year	(2,241.14)	(11,312.11)
Addition during the year	-	-
Goodwill written off against provision [Refer note 23]	-	9,162.02
Foreing exchange fluctuation	31.26	(91.05)
Balance at the end of the year	(2,209.88)	(2,241.14)
Net carrying amount	28,142.12	28,540.24

#### Impairment testing of goodwill

Goodwill is tested for impairment on an annual basis. Goodwill is monitored by management at the level of cash generating units, which is India and Europe in this case. For the current and previous financial year, the recoverable amount of Cash Generating Unit (CGU) was determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five year period.



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

The net carrying amount breakup of goodwill at the resulting CGU level is as below:

<b>Cash Generating units</b>	<b>31 December, 2024</b>	31 December, 2023
India	<b>16,243.95</b>	16,243.95
Europe	<b>11,898.17</b>	12,296.29
<b>Total</b>	<b>28,142.12</b>	28,540.24

Key assumptions used in the calculation of value in use:

The following table sets out the key assumptions for the CGU:

<b>Particulars</b>	<b>31 December, 2024</b>	31 December, 2023
Discount rate (before tax)	<b>6.27% to 10.05%</b>	6.69% to 10.17%
EBITDA Margins (range)	<b>7.4% to 23.46%</b>	6.43% to 23.51%
Annual sales growth rate	<b>-0.77% to 7.97%</b>	-6% to 12.91%
Terminal sales growth rate	<b>1.5% to 7.5%</b>	2.25% to 7.5%

Management has determined the values assigned to each of the above key assumptions as follows:

<b>Assumptions</b>	<b>Approach used to determine values</b>
Discount rate	Discount rate represents the current market assessment of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the CGU and is derived from the CGU's weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. CGU specific risk is incorporated by applying individual beta factor. The beta factor is evaluated annually based on publicly available market data.
EBITDA Margins	EBITDA margins are based on the actual EBITDA of respective CGU based on the past trend and future expectations.
Annual sales growth rate	Annual growth rate over the five-year forecast period; based on past performance, current industry trends including long-term inflation forecast and management's expectation of market development.
Terminal sales growth rate	The Group has considered growth rate to extrapolate cash flows beyond the forecast period, consistent with the industry forecasts, based on GDP growth estimates and the inflation rate in each market, and evaluating the level of investment required to achieve such growth.

### Sensitivity to changes in assumptions of CGU

The management believes that no reasonably possible change (say 10%) in any of the key assumptions used in the value in use calculation would cause the carrying value of the CGU to materially exceed its value in use.

### Results of the analysis

Based on the above assessment, the Group concluded that in both current year as well as previous year, goodwill has not suffered any impairment. Further, the result of using before-tax cash flows and discount rates does not differ significantly from the outcome of using after-tax cash flows and discount rates.



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## 8. Other Intangible Assets

The details and movements of the main classes of intangible assets are shown below:

## For the year 2024

Description of Assets	Development expenditure	Customer relationships	Computer software	Total
<b>I. Gross Carrying Amount</b>				
Balance as at 01 January 2024	55.00	202.00	174.28	431.28
Additions	-	-	46.85	46.85
Disposals	-	-	(4.58)	(4.58)
Foreign currency translation differences	-	-	(20.81)	(20.81)
<b>Balance as at 31 December, 2024</b>	<b>55.00</b>	<b>202.00</b>	<b>195.74</b>	<b>452.74</b>
<b>II. Accumulated amortization and impairment</b>				
Balance as at 01 January 2024	(55.00)	(95.54)	(11.33)	(161.87)
Amortization expense for the year	-	(20.18)	(61.43)	(81.61)
Eliminated on disposal of assets	-	-	4.58	4.58
Foreign currency translation differences	-	-	16.63	16.63
<b>Balance as at 31 December, 2024</b>	<b>(55.00)</b>	<b>(115.72)</b>	<b>(51.55)</b>	<b>(222.27)</b>
<b>III. Net carrying amount</b>	<b>-</b>	<b>86.28</b>	<b>144.19</b>	<b>230.47</b>

## For the year 2023

Description of Assets	Development expenditure	Customer relationships	Computer software	Total
<b>I. Gross Carrying Amount</b>				
Balance as at 01 January 2023	55.00	202.00	124.19	381.19
Additions	-	-	54.43	54.43
Disposals	-	-	(29.23)	(29.23)
Foreign currency translation differences	-	-	24.89	24.89
<b>Balance as at 31 December, 2023</b>	<b>55.00</b>	<b>202.00</b>	<b>174.28</b>	<b>431.28</b>
<b>II. Accumulated amortization and impairment</b>				
Balance as at 01 January 2023	(55.00)	(75.36)	38.31	(92.05)
Amortisation expense for the year	-	(20.18)	(59.72)	(79.90)
Eliminated on disposal of assets	-	-	28.20	28.20
Foreign currency translation differences	-	-	(18.12)	(18.12)
<b>Balance as at 31 December, 2023</b>	<b>(55.00)</b>	<b>(95.54)</b>	<b>(11.33)</b>	<b>(161.87)</b>
<b>III. Net carrying amount</b>	<b>-</b>	<b>106.46</b>	<b>162.95</b>	<b>269.41</b>





## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## 9. Investments

	As at 31 December, 2024			As at 31 December, 2023		
	No of Shares/Units	Amounts Current	Amounts Non Current	No of Shares/Units	Amounts Current	Amounts Non Current
<b>A Investment in equity instruments (unquoted-fully paid up)</b>						
<b>I Associate Companies (Investment accounted for using the equity method)^</b>						
<b>Associate Companies at cost</b>						
Gescrap India Private Limited (30% share)	3,720,000	-	78.92	3,720,000	-	56.57
Galfor Eolica, S.L. (25% share)	68,000	-	5.00	68,000	-	5.00
Clean Max Deneb Power LLP (26% share)	-	-	85.38	-	-	88.23
Sunbarn Renewables Private Limited (26.16% share)	1,112,813	-	89.60	1,112,813	-	87.23
Strongsun Solar Private Limited (27.35% share)	418,750	-	35.12	418,750	-	35.75
Renew Surya Alok Private Limited (31.20% share)	8,260,000	-	91.57	8,260,000	-	83.64
Sunseed Solar Private Limited (26.49% share)	295,238	-	20.82	295,238	-	23.62
ReNew Green (MHK Two) Private Limited (31.20% Share)	924,000	-	36.04	-	-	-
Ojaha Renewables Private Limited (27.89% Share)	202,500	-	16.45	-	-	-
<b>II Others at costs</b>						
The Saraswat Cooperative Bank Limited	2,550	-	-*	2,550	-	-*
Clean Wind Power (Manvi) Private Limited	420,000	-	4.22	420,000	-	4.22
Clean Wind Power (Pratapgarh) Private Limited	27,600	-	1.78	27,600	-	1.78
<b>B Investments in Mutual Funds (unquoted) at FVTPL</b>		9,909.71	-		7,810.91	-
<b>C Others at amortised costs</b>	-	3.48	5.00	-	3.59	5.00
<b>Total unquoted investments</b>	-	9,913.19	469.90	-	7,814.50	391.04
<b>Total investments</b>	-	9,913.19	469.90	-	7,814.50	391.04

\* Amount is below the rounding off norm adopted by the Group.

## 10. Other Financial Assets

	As at 31 December, 2024		As at 31 December, 2023	
	Current	Non-Current	Current	Non-Current
Security deposits	-	268.90	-	261.64
Receivable on account of sale of disposal group (Refer note 23)	1,112.29	-	892.67	190.52
Incentive receivable (Refer Note 27B)	940.76	527.38	570.87	266.57
<b>Total</b>	<b>2,053.05</b>	<b>796.28</b>	<b>1,463.54</b>	<b>718.73</b>



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## 11. Trade Receivables

	As at 31 December, 2024	As at 31 December, 2023
(a) Unsecured, considered good	6,271.34	6,331.35
(b) Doubtful trade receivables - credit impaired	83.32	51.61
Less: Impairment Allowance	(83.32)	(51.61)
<b>Total</b>	<b>6,271.34</b>	<b>6,331.35</b>
Current portion	6,271.34	6,331.35
Non-Current portion	-	-
Of the above, trade receivables from:		
- Related Parties (Refer Note 34)	867.71	1,112.77
- Others	5,403.63	5,218.58
	<b>6,271.34</b>	<b>6,331.35</b>

## Transferred Receivables

The carrying amount of the trade receivable includes receivables which are subject to factoring arrangement. Under this arrangement, the Group has transferred the relevant receivables to the factor in exchange for Cash and is prevented from selling or pledging the receivables. However, the Group has retained late payment and credit risk. The Group therefore continues to recognize the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement is presented as borrowing. The Group considers the held to collect business model to remain appropriate for these receivables and hence continues measuring them at amortized cost.

The relevant carrying amounts are as follows:

	As at 31 December, 2024	As at 31 December, 2023
Transferred trade receivables	13.70	56.57
Associated short term borrowings (Refer Note 18)	13.70	56.57

## Trade Receivables outstanding Ageing

As at 31 December, 2024	Outstanding for following periods from due date of payment						Total
	Unbilled	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables - considered good	-	6,124.17	136.44	44.52	8.51	-	6,313.64
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables - credit impaired	-	0.26	-	0.40	-	-	0.66
Disputed Trade receivables - considered good	-	-	-	-	10.89	-	10.89
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	29.47	29.47
<b>Total</b>	-	<b>6,124.43</b>	<b>136.44</b>	<b>44.92</b>	<b>19.40</b>	<b>29.47</b>	<b>6,354.66</b>
Less: Loss allowance	-	(0.26)	-	(44.52)	(9.07)	(29.47)	(83.32)
<b>Net trade receivables</b>	-	<b>6,124.17</b>	<b>136.44</b>	<b>0.40</b>	<b>10.33</b>	-	<b>6,271.34</b>
<b>Weighted -average loss rate</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>99%</b>	<b>47%</b>	<b>100%</b>	



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

As at 31 December, 2023	Outstanding for following periods from due date of payment						Total
	Unbilled	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables - considered good	28.71	6,228.14	73.30	12.18	-	-	6,342.33
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables - credit impaired	-	-	-	-	-	29.47	29.47
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	11.16	-	11.16
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>28.71</b>	<b>6,228.14</b>	<b>73.30</b>	<b>12.18</b>	<b>11.16</b>	<b>29.47</b>	<b>6,382.96</b>
Less: Loss allowance	-	-	-	(10.98)	(11.16)	(29.47)	(51.61)
<b>Net trade receivables</b>	<b>28.71</b>	<b>6,228.14</b>	<b>73.30</b>	<b>1.20</b>	<b>-</b>	<b>-</b>	<b>6,331.35</b>
<b>Weighted -average loss rate</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>90%</b>	<b>100%</b>	<b>100%</b>	

## 12. Loans

	As at 31 December, 2024		As at 31 December, 2023	
	Current	Non-Current	Current	Non-Current
Loans to related parties (refer note 34)				
-unsecured, considered good	587.51	1,722.55	87.93	4,894.91
	<b>587.51</b>	<b>1,722.55</b>	87.93	4,894.91

## 13. Other Assets

	As at 31 December, 2024		As at 31 December, 2023	
	Current	Non-Current	Current	Non-Current
(a) Capital advances	-	126.13	-	655.80
(b) Other assets				
Other Deposits	-	262.28	-	262.28
Prepaid expenses	245.33	-	313.01	25.82
Balances with government authorities	654.57	-	907.43	-
Advance to suppliers	169.36	-	182.04	-
Incentive receivable (grants)	176.16	-	39.43	-
Other advances (in regular course of business)	28.62	54.91	56.13	35.97
<b>Total</b>	<b>1,274.04</b>	<b>443.32</b>	<b>1,498.04</b>	<b>979.87</b>



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## 14. Inventories

	As at 31 December, 2024	As at 31 December, 2023
(a) Raw materials	2,687.88	2,803.00
(b) Work-in-progress	3,482.80	3,956.58
(c) Finished and semi-finished goods	2,939.65	2,848.57
(d) Stores and spares	788.24	1,015.23
(e) Loose Tools	1,012.12	1,002.67
<b>Total</b>	<b>10,910.69</b>	<b>11,626.05</b>

Refer note 2.14 for mode of valuation of inventories

Included above, goods-in-transit:

(i) Finished and semi-finished goods	215.24	205.87
<b>Total</b>	<b>215.24</b>	<b>205.87</b>

Provision for Non-moving and slow moving inventories.

Write-downs in inventories of finished goods, work-in-progress & raw materials amounted to ₹ 634.45 Million (31 December, 2023: ₹ 485.42 Million) as at the period end. Accordingly, an amount of ₹ 149.03 Million was written down during the year. The write-downs are included in cost of material consumed.

## 15. Cash and Cash Equivalents

	As at 31 December, 2024	As at 31 December, 2023
<b>Cash and cash equivalents</b>		
(a) Balances with banks		
(i) Current Accounts	1,689.56	2,060.56
(ii) Deposits with original maturity of less than three months	1,290.00	-
(iii) EEFC Accounts	29.00	23.82
(b) Cheques, drafts on hand	-	10.96
(c) Cash in hand	0.48	0.11
<b>Total Cash and cash equivalents</b>	<b>3,009.04</b>	<b>2,095.45</b>
<b>Bank Balances other than above</b>		
(a) Balances with Banks:		
(i) On margin accounts	233.42	265.06
(ii) Fixed Deposits with maturity greater than 3 months but less than 12 months	-	26.70
<b>Total Other Bank balances</b>	<b>233.42</b>	<b>291.76</b>
<b>Total cash, cash equivalents and other bank balances</b>	<b>3,242.46</b>	<b>2,387.21</b>



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## 16. Equity Share Capital

	As at 31 December, 2024		As at 31 December, 2023	
	No. of shares	Amount	No. of shares	Amount
<b>Authorised:</b>				
Equity shares of ₹ 10/- each with voting rights	516,592,621	5,165.93	516,592,621	5,165.93
4% non-cumulative redeemable preference shares of ₹ 31/- each	5	—*	5	—*
Compulsory convertible Preference share of ₹ 10/- each	250,000	2.40	250,000	2.40

**Issued:**

Equity shares of ₹ 10/- each with voting rights	379,363,322	3,793.63	379,363,322	3,793.63
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**Subscribed and Paid Up:**

Equity shares of ₹ 10/- each with voting rights <sup>^</sup>	379,362,377	3,793.62	379,362,377	3,793.62
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Terms and rights attached to Equity Shares

Equity shares have a par value of ₹ 10/-. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the Company in proportion to the number of and amounts paid on the shares held.

Every holder of equity shares present at a meeting in person or by proxy is entitled to one vote, and upon a poll each share is entitled to one vote.

Reconciliation of the number of shares outstanding at the beginning and at the end of the year.

Equity Shares with voting rights		Opening Balance	Issue of Equity Shares on account of Employee Stock Option Scheme	Closing Balance
<b>Year Ended 31 December, 2024</b>	<b>No. of Shares</b>	<b>379,362,377</b>	<b>—</b>	<b>379,362,377</b>
	<b>Amount</b>	<b>3,793.62</b>	<b>—</b>	<b>3,793.62</b>
Year Ended 31 December, 2023	No. of Shares	379,317,379	44,998	379,362,377
	Amount	3,793.18	0.44	3,793.62

\*Shareholders of the Holding Company had approved reclassification of authorised preference share capital vide Extra Ordinary General Meeting held on 13<sup>th</sup> Oct 2016. Amount is below the rounding off norm adopted by the Group.

<sup>^</sup>Mahindra Composites Limited which was merged with the Company in the year 2013 had issued 1,050 equity shares and not allotted the same to the shareholders. Based on the swap ratio the Holding Company has issued 945 equity shares and not allotted the same and the same has been kept in abeyance.

**Information regarding issue of shares in the last five years**

- The Holding Company has not issued any shares without payment being received in cash.
- The Holding Company has not issued any bonus shares.
- The Holding Company has not undertaken any buy-back of shares

**Shares reserved for issue under options**

Information relating to CIE Automotive India Limited Employee Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 37.



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

Details of shares held by the holding Company, the ultimate holding Company, their subsidiaries and associates:

	Equity Shares with Voting rights
<b>As at 31 December, 2024</b>	
<b>Participaciones Internacionales Autometal, Dos S.L. (PIA2), the holding Company</b>	<b>249,239,013</b>
As at 31 December, 2023	
Participaciones Internacionales Autometal, Dos S.L. (PIA2), the holding Company	249,239,013
<b>Details of shares held by promoters</b>	

### As at 31 December, 2024

S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of ₹ 10 each fully paid	Participaciones Internacionales Autometal, Dos S.L. (PIA2)	249,239,013	-	249,239,013	65.70%	0%
<b>Total</b>		<b>249,239,013</b>	<b>-</b>	<b>249,239,013</b>	<b>65.70%</b>	

As at 31 December, 2023

S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of ₹ 10 each fully paid	Participaciones Internacionales Autometal, Dos S.L. (PIA2)	249,239,013	-	249,239,013	65.70%	-0.01%
Equity shares of ₹ 10 each fully paid	Mahindra & Mahindra Limited (M&M) upto 10 October, 2023	35,102,068	(35,102,068)	-	0.00%	-100.00%
<b>Total</b>		<b>284,341,081</b>	<b>(35,102,068)</b>	<b>249,239,013</b>	<b>65.70%</b>	

### Details of shares held by promoter shareholder and each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	31 December, 2024		31 December, 2023	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Participaciones Internacionales Autometal, Dos S.L. (PIA2)	249,239,013	65.7%	249,239,013	65.7%
HDFC Mutual Fund through various schemes	32,762,058	8.64%	4,197,882	1.11%

Mahindra and Mahindra Limited has been reclassified as Public Shareholder in accordance with provisions of Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with effect from 10<sup>th</sup> October, 2023.

### Distribution made and proposed

	As at 31 December, 2024	As at 31 December, 2023
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### Dividends on equity shares declared and paid:

Final dividend for the year ended on 31 December, 2023 : ₹ 5.00 per share (31 December 2022 : ₹ 2.50 per share)	1,888.81	948.41
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## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

**Distribution made and proposed****Proposed dividends on Equity shares:**

Proposed dividend for the year ended on 31 December, 2024 : ₹ 7.00 per share (31 December, 2023 : ₹ 5.00 per share)	<b>2,655.54</b>	1,896.81
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Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31 December.

**17. Other Equity**

	<b>As at 31 December, 2024</b>	As at 31 December, 2023
<b>(i) Securities premium (Refer note 'a')</b>	<b>15,371.84</b>	15,359.65
Opening balance	-	11.08
Addition on Exercise of options- Proceeds Received	-	1.11
Others	<b>15,371.84</b>	15,371.84
<b>Closing balance</b>		
<b>(ii) Equity settled employees' benefits reserve (Refer note 'b')</b>	<b>As at 31 December, 2024</b>	As at 31 December, 2023
Opening balance	-	5.00
Options exercised during the year	-	(5.00)
<b>Closing Balance</b>	-	-
<b>(iii) Retained earnings (Refer note 'c')</b>	<b>As at 31 December, 2024</b>	As at 31 December, 2023
Opening Balance	<b>24,788.73</b>	14,485.65
Add: -		
Profit for the year	<b>8,275.14</b>	11,251.49
Dividend distributed	<b>(1,896.81)</b>	(948.41)
<b>Closing balance</b>	<b>31,167.06</b>	24,788.73
<b>(iv) Remeasurement of post employment benefit obligation</b>	<b>As at 31 December, 2024</b>	As at 31 December, 2023
Opening Balance	<b>285.54</b>	285.05
Add: -		
Items of Other Comprehensive income or (loss) (net of income tax)	<b>(7.31)</b>	0.49
<b>Closing balance</b>	<b>278.23</b>	285.54
<b>(v) Capital reserves (Refer note 'd')</b>	<b>As at 31 December, 2024</b>	As at 31 December, 2023
Balance as at beginning and end of the year	<b>7,693.00</b>	7,693.00
<b>(vi) Capital Redemption reserve ('e')</b>	<b>As at 31 December, 2024</b>	As at 31 December, 2023
Balance as at beginning and end of the year	<b>164.71</b>	164.71



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

**(vii) General Reserve ('f')**

	<b>As at</b> <b>31 December, 2024</b>	As at 31 December, 2023
Balance as at beginning and end of the year	<b>6,028.00</b>	6,028.00

**(viii) Foreign currency translation reserve (Refer note 'g')**

	<b>As at</b> <b>31 December, 2024</b>	As at 31 December, 2023
Opening balance	<b>1,754.24</b>	3,170.61
Other Comprehensive income	<b>(482.15)</b>	676.17
Reclassified to statement of profit and loss on account of sale of disposal group (Refer note 23)	-	(2,090.62)
Others	<b>(0.71)</b>	(1.92)
<b>Closing balance</b>	<b>1,271.38</b>	1,754.24
<b>Grand Total</b>	<b>61,974.22</b>	56,086.06

**Nature and purpose of Reserves****a) Securities premium reserve**

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

**b) Equities settled employees' benefits reserve**

The Equities settled employees benefits reserve is used to recognize the grant date fair value of options issued to employees under the CIE-India Stock Options Scheme.

**c) Retained Earnings**

Retained earnings are the profits that the Group has earned till date.

**d) Capital reserve**

Capital reserve is reserves generated on account of:

- a. Merger under The Integrated Scheme of Amalgamation and the Composite Scheme of Amalgamation (Sections 391-395 of the Companies Act, 1956) for the merger of Mahindra Ugine Steel Group Limited (MUSCO), Mahindra Hinoday Industries Limited (MHIL), Mahindra Gears International Limited (MGIL), Mahindra Investment India Private Limited (MIPL), Participaciones Internacionales Autometal Tres S.L. (PIA3) and Mahindra Composites Limited (MCL). The merger was approved by the Honorable High Court of Judicature at Bombay on 31<sup>st</sup> October, 2014. The Schemes came into effect on 10<sup>th</sup> December, 2014, the day on which the order was delivered to the Registrar of Companies. The reserve is capital in nature and is not available for distribution as dividend.
- b. Merger under the Scheme of Amalgamation (Sections 230-234 and other applicable provisions of the Companies Act, 2013) of Mahindra Gears and Transmission Pvt Ltd, Mahindra Forging Global Limited, Mahindra Forging International Limited and Crest Geartech Pvt Ltd. The merger was approved by the Honourable National Company Law Tribunal (NCLT) at Mumbai on December 13, 2017. The reserve is capital in nature and is not available for distribution as dividend.

**e) Capital redemption reserve**

Capital redemption reserve is transferred by virtue of the merger referred to above which was in the books of MUSCO and was created to redeem preference shares issued by MUSCO before merger. These shares have since been redeemed and is available for use as per the relevant provisions of Companies Act, 2013.



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## f) General reserve

General reserve created by virtue of merger of Mahindra Stokes Holding Company Limited, Mahindra Forgings Overseas Limited and Mahindra Forgings Mauritius Limited into the Group vide High Court Order dated December 27, 2007. The reserve is available for distribution as dividend.

## g) Other reserves – Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognized in other comprehensive income and accumulated in a separate reserve with equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed off.

## 18. Borrowings

	Rate of interest % p.a.	Maturity	As at 31 December, 2024	As at 31 December, 2023
<b>Non-current borrowings</b>				
<b>Measured at amortised cost</b>				
<b>A. Secured borrowings:*</b>				
Term loans				
From banks	6.57%	2025	-	32.93
<b>Total secured borrowings</b>			<b>-</b>	<b>32.93</b>
<b>B. Unsecured borrowings</b>				
From banks	2.9 to 4.9%	2028	<b>889.34</b>	344.64
Loans from related parties (Refer Note 34)	5.0% to 4.7%	2026	<b>3,328.56</b>	631.66
<b>Total unsecured borrowings</b>			<b>4,217.90</b>	976.30
<b>Total non-current borrowings</b>			<b>4,217.90</b>	1,009.23
<b>Current borrowings</b>				
<b>A. Secured Borrowings:*</b>				
Loans repayable on demand				
From Banks	6.57 to 9.50%		<b>31.98</b>	346.56
<b>Total Secured Borrowings</b>			<b>31.98</b>	346.56
<b>B. Unsecured Borrowings:</b>				
Loans from related parties (Refer Note 34)	5.0% to 4.7%		<b>32.99</b>	4,365.28
Loans repayable on demand				
From Banks	2.9 to 4.9%		<b>927.34</b>	2,312.41
<b>Total Unsecured Borrowings</b>			<b>960.33</b>	6,677.69
<b>Total Current Borrowings</b>			<b>992.31</b>	7,024.25
<b>Total borrowings</b>			<b>5,210.21</b>	<b>8,033.48</b>

The Group's policy is to diversify its financing sources. There is no concentration risk in respect of its bank borrowings as it works with multiple entities.

Current borrowings includes current maturities of long term borrowings.

\*Secured borrowings includes borrowings secured by mortgage of land and building and hypothecation of other fixed assets and current assets.



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## Non-current borrowings have the following maturities:

	As at 31 December, 2024	As at 31 December, 2023
Between 1 and 2 years	3,862.16	377.57
Between 3 and 5 years	355.74	631.66
More than 5 years	-	-
	<b>4,217.90</b>	<b>1,009.23</b>

## Reconciliation of movements of liabilities to cash flows arising from financing activities:

	Current borrowings	Non-current borrowings	Total borrowings
Borrowings as on 31 December 2022	8,045.21	1,188.29	9,233.50
Cash flows	(2,588.36)	383.63	(2,204.73)
Foreign Exchange adjustments	99.82	1.31	101.13
Interest expense	445.85	240.79	686.64
Interest paid	(435.27)	(240.79)	(676.06)
Others	-	893.00	893.00
Transfers	1,457.00	(1,457.00)	-
<b>Borrowings as on 31 December, 2023</b>	<b>7,024.25</b>	<b>1,009.23</b>	<b>8,033.48</b>
Cash flows	(5,943.34)	3,254.95	(2,688.39)
Foreign Exchange adjustments	(123.33)	(21.28)	(144.61)
Interest expense	130.18	116.68	246.86
Interest paid	(120.45)	(116.68)	(237.13)
Transfers	25.00	(25.00)	-
<b>Borrowings as on 31 December, 2024</b>	<b>992.31</b>	<b>4,217.90</b>	<b>5,210.21</b>

Refer Note 43 for additional disclosures as per schedule III related to borrowings

## 19. Trade Payables

	As at 31 December, 2024	As at 31 December, 2023
Trade payable - Micro and small enterprises (Refer Note 36)	500.18	393.78
Trade payable - Other than micro and small enterprises	14,480.49	17,854.30
Acceptances*	828.55	1,093.06
<b>Total</b>	<b>15,809.22</b>	<b>19,341.14</b>

## Of the above, trade payable to:

- Related Parties (Refer Note 34)	743.06	613.69
- Others	15,066.16	18,727.45
	<b>15,809.22</b>	<b>19,341.14</b>

\*The Group has entered into an agreement with banks for the supply chain financing arrangement. As per the arrangement the suppliers may elect to factor their receivable from the Group and receive the payment due from the bank before the due date. As per the arrangement the bank agrees to pay amounts which Group owes to its suppliers and the Group agrees to pay the bank at a date later than suppliers are paid.

The nature and function of the liabilities remain the same even after factoring as the Group is neither legally released from its original obligation to the supplier nor the terms of the original liability are amended in a way that is considered a substantial modification. Hence, the Group has not derecognized the liabilities which are factored and disclosed the said amount within trade payables. Further, no additional interest has been paid to the bank by the Group on the amounts due to the suppliers. The payable under supply chain financing arrangement amounts to ₹ 828.55 Million as at 31 December, 2024 (31 December, 2023: ₹ 1,093.06 Million).



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## Trade Payables aging schedule

Outstanding for following periods from transaction date

As at 31 December, 2024	Not due	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 years	Total
Micro and small enterprises	432.13	68.05	–	–	–	500.18
Others	7,679.38	6,653.54	10.29	2.02	3.74	14,348.97
Disputed dues – Micro and small enterprises	–	–	–	–	–	–
Disputed dues – Others	–	–	–	–	–	–
<b>Total</b>	<b>8,111.51</b>	<b>6,721.59</b>	<b>10.29</b>	<b>2.02</b>	<b>3.74</b>	<b>14,849.15</b>
Accrued Expenses	–	–	–	–	–	960.07
<b>Total</b>	<b>8,111.51</b>	<b>6,721.59</b>	<b>10.29</b>	<b>2.02</b>	<b>3.74</b>	<b>15,809.22</b>

As at 31 December, 2023	Not due	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 years	Total
Micro and small enterprises	182.00	211.78	–	–	–	393.78
Others	12,262.58	5,582.79	68.39	–	29.70	17,943.46
Disputed dues – Micro and small enterprises	–	–	–	–	–	–
Disputed dues – Others	–	–	–	–	–	–
<b>Total</b>	<b>12,444.58</b>	<b>5,794.57</b>	<b>68.39</b>	<b>–</b>	<b>29.70</b>	<b>18,337.24</b>
Accrued Expenses	–	–	–	–	–	1,003.90
<b>Total</b>	<b>12,444.58</b>	<b>5,794.57</b>	<b>68.39</b>	<b>–</b>	<b>29.70</b>	<b>19,341.14</b>

## 20. Other Financial Liabilities

	As at 31 December, 2024		As at 31 December, 2023	
	Current	Non- Current	Current	Non- Current
Creditors for capital supplies/services	599.29	–	566.70	–
<b>Total</b>	<b>599.29</b>	<b>–</b>	<b>566.70</b>	<b>–</b>

## 21. Provisions

	As at 31 December, 2024		As at 31 December, 2023	
	Current	Non- Current	Current	Non- Current
<b>Provision for employee benefits</b>				
Long term Employee Benefits (Note 32)	257.98	517.63	228.21	519.35
<b>Other provisions</b>				
Provisions for Litigative Matter <sup>^</sup> (Other than water charges)	212.81	–	224.35	–
Water Charges*	–	262.28	–	262.28
Other Provisions #	82.79	143.37	71.25	223.58
<b>Total provisions</b>	<b>553.58</b>	<b>923.28</b>	<b>523.81</b>	<b>1,005.21</b>

\*Provision of ₹ 262.28 Million is towards an ongoing dispute with the Irrigation Department (Water Resource Department) in respect of levy of charge for use of water for the period July 1991 to May 2012 for an aggregate amount of ₹ 587 Million including penal charge of ₹ 102 Million and late fee charge of ₹ 223 Million. Presently the matter is being legally pursued. The Group has provided ₹ 262.28 Million towards arrears of water charges. Refer Note 33 Contingent liabilities and commitments.

<sup>^</sup>Majorly includes provision of ₹ 120 Million (31 December, 2023: ₹ 120 Million) has been recognised for Provident Fund liability basis Supreme Court judgement in 'Regional provident fund commissioner (II) West Bengal vs Vivekananda Vidyamandir and others' in accordance with Ind AS-37. The remaining amount pertains to provision against levy of cross subsidy charges and additional surcharge by Maharashtra State Electricity Distribution Company Limited during the year on account of power consumption from non-captive generating plant.

## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

#This represents provisions made for probable liabilities payable to regulatory authorities. Above provisions are affected by various uncertainties and management has taken all efforts to make a best estimate. It is not practicable for the Group to estimate the accurate timing of cash outflows, if any, in respect of the above.

### Details of Provision for employee benefits Note 32

	As at 31 December, 2024		As at 31 December, 2023	
	Current	Non- Current	Current	Non- Current
Provision for Gratuity	202.84	85.56	172.30	75.93
Provision for employee termination benefits	-	127.41	-	126.62
Provision for compensated absences	55.14	304.66	55.86	316.80
<b>Total</b>	<b>257.98</b>	<b>517.63</b>	<b>228.16</b>	<b>519.35</b>

Details of movement in other provisions – non- current	Other provisions
Balance as at 01 January 2023	235.51
Unused amount reversed	(11.93)
Movement from non-current to current	-
<b>Balance as at 31 December, 2023</b>	<b>223.58</b>
Unused amount reversed	(80.21)
Movement from non-current to current	-
<b>Balance as at 31 December, 2024</b>	<b>143.37</b>

Details of movement in other provisions current	Other regulatory provisions	Litigative matters
Balance as at 01 January 2023	89.23	232.12
Movement from non-current to current	-	-
Additional provisions recognized/(used)	(17.98)	(7.77)
<b>Balance as at 31 December, 2023</b>	<b>71.25</b>	<b>224.35</b>
Movement from non-current to current	-	-
Additional provisions recognized/(used)	11.54	-
<b>Balance as at 31 December, 2024</b>	<b>82.79</b>	<b>224.35</b>

## 22. Other Liabilities

	As at 31 December, 2024		As at 31 December, 2023	
	Current	Non- Current	Current	Non- Current
Contract Liabilities*	774.62	-	487.18	-
Taxes payable (other than income taxes)	635.93	-	648.67	-
Payable to employees	1,437.39	-	1,419.03	-
Deferred Income^	263.45	917.95	157.43	744.35
Other Payables	71.32	307.04	77.75	287.13
<b>Total</b>	<b>3,182.71</b>	<b>1,224.99</b>	<b>2,790.06</b>	<b>1,031.48</b>

^Refer note 27B for details

\*The contract liabilities primarily relate to the advance consideration received on contracts entered with customers for which performance obligations are yet to performed, therefore, revenue will be recognised when the control is passed on to the customers.





## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

### 23. Discontinued operations

(See accounting policy in note 2.26)

#### I. United Kingdom operations

In September 2018, the Board of Directors of CIE Automotive India Limited (formerly known as Mahindra CIE Automotive Limited) decided to dispose off the forging business in the United Kingdom, pertaining to the Company Stokes Group Limited. Due to that decision, the Group has discontinued the operations of Stokes Group Limited, classifying them as a disposal group, and reclassifying the profit and loss account of the Company to results from discontinued operations in its consolidated result. Stokes Group Limited has been liquidated on September 05, 2023.

	As at 31 December, 2024	As at 31 December, 2023
<b>1. Financial performance and cash flow information</b>		
Total Income	-	34.66
Total Expenses	-	-
<b>Profit before tax</b>	-	34.66
Tax expenses	-	-
<b>Net Profit/ (Loss) for the year from discontinuing operations</b>	-	34.66
<b>Cash flow from/ (Used in) discontinued operation</b>		
	<b>31 December, 2024</b>	<b>31 December, 2023</b>
Cash inflow from operating activities	-	47.91
Net Cash flow from Investing activities	-	-
Net Cash outflow from financing activities	-	(47.91)
Net cash flows for the year	-	-

#### II. Germany operations

The Board, in its meeting held on 14<sup>th</sup> December, 2022, took note of the proposal approved by CIE Galfor, S.A.U. (Galfor) to launch an active program to locate a buyer for the German Forging Operations comprising of CIE Forgings Germany GmbH (CFG) and its subsidiaries. In accordance with the applicable accounting standards, considering Galfor's decision to launch the program, all the German Forging Operation's "assets and liabilities" were categorised as assets and liabilities held for sale and classified as discontinued operation.

Further, the Board of Directors of the Holding Company at its meeting held on August 10, 2023, approved the transaction of sale of 100% stake held by CFG in its subsidiaries in Germany namely Jeco Jellinghaus GmbH (JECO), Gesenkschmiede Schneider GmbH (GSA), Falkenroth Umformtechnik GmbH (FUG) and Schoneweiss & Co. GmbH (SCG) to Mutares SE & Co KgaA (the Buyer) (the Transaction).

Thereafter, CFG as seller of JECO, GSA, FUG and SCG and the Buyer entered into binding agreements to give effect to the Transaction on August 10, 2023. As per this agreement, under the relevant accounting standards effective 1<sup>st</sup> July, 2023, JECO, GSA, FUG and SCG results are not included in the consolidated results.

The Foreign currency translation reserve (FCTR) (under other equity) pertaining to the disposed group amounting to ₹ 2,090.62 million (including ₹ 3,132 million in relation to translation of goodwill) was credited to Statement of Profit and Loss, during the previous year ended December 31, 2023.

FCTR is created by translation of disposal group results and financial position from foreign currency to ₹ as per applicable Indian Accounting Standards and is accumulated in FCTR until actual disposal.

The Group had recognised further loss on fair valuation of disposal group of ₹ 1,536.45 million during the previous year ended on December 31, 2023.



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

	31 December, 2024	31 December, 2023
<b>1. Financial performance and cash flow information</b>		
Total income	<b>72.08</b>	13,909.34
Total expenses	<b>-</b>	8,603.47
<b>Profits before exceptional items and tax for the year</b>	<b>72.08</b>	5,305.87
Loss on fair valuation of assets and liabilities	<b>-</b>	(1,536.45)
<b>Profit/ (loss) before tax</b>	<b>72.08</b>	3,769.42
Tax expense	<b>-</b>	528.89
<b>Profit/ (loss) after tax</b>	<b>72.08</b>	3,240.53
<b>Cash flow from/ (Used in) discontinued operation</b>	<b>31 December, 2024</b>	31 December, 2023
Net cash flow for operating activities	<b>-</b>	1,794.93
Net cash flow for investing activities	<b>-</b>	1,026.95
Net cash flow for financing activities	<b>-</b>	-
Net cash used in discontinued operations	<b>-</b>	2,821.88

**24. Deferred taxes**

Deferred tax assets - Tax credits	Tax losses	Tax credits R&D, training	Total
<b>Balance as at 01 January 2023</b>	<b>26.15</b>	<b>2.34</b>	<b>28.48</b>
(Charged) against / credited to profit and loss	16.59	(1.07)	15.52
Transfers	-	-	-
Foreign currency translation differences	0.32	(0.15)	0.17
<b>Balance as at 31 December, 2023</b>	<b>43.06</b>	<b>1.12</b>	<b>44.17</b>
(Charged) against / credited to profit and loss	17.43	(1.09)	16.34
Transfers	-	-	-
Foreign currency translation differences	0.01	(0.03)	(0.02)
<b>Balance as at 31 December, 2024</b>	<b>60.50</b>	<b>0.00</b>	<b>60.50</b>

Deferred tax assets - Others	Provisions	Leases	Others	Total
<b>Balance as at 01 January 2023</b>	<b>206.27</b>	<b>-</b>	<b>370.51</b>	<b>576.78</b>
(Charged) against / credited to profit and loss	(2.15)	(0.08)	(24.72)	(26.95)
Charged against / (credited) to equity	4.32	-	(5.82)	(1.50)
Transfers	(5.41)	126.49	(15.47)	105.61
Discontinued Operations	-	-	-	-
Foreign currency translation differences	1.45	0.74	0.25	2.44
<b>Balance as at 31 December, 2023</b>	<b>204.48</b>	<b>127.15</b>	<b>324.75</b>	<b>656.38</b>
(Charged) against / credited to profit and loss	4.06	(10.78)	53.19	46.47
Charged against / (credited) to equity	(1.72)	-	3.07	1.35
Transfers	(1.77)	0.51	(3.79)	(5.05)
Foreign currency translation differences	(5.37)	(1.00)	0.02	(6.35)
<b>Balance as at 31 December, 2024</b>	<b>199.68</b>	<b>115.88</b>	<b>377.24</b>	<b>692.80</b>



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

Deferred tax liabilities	Depreciation and amortization	Grants	Leases	Others	Total
<b>Balance as at 01 January 2023</b>	1,133.38	113.42	-	2,558.67	3,805.47
Charged against / (credited) to profit and loss	38.21	(9.32)	-	-	28.89
Transfers	(9.58)	(1.63)	112.57	-	101.36
Foreign currency translation differences	0.73	1.20	0.73	-	2.66
<b>Balance as at 31 December, 2023</b>	<b>1,162.74</b>	<b>103.67</b>	<b>113.30</b>	<b>2,558.67</b>	<b>3,938.38</b>
Charged against / (credited) to profit and loss	101.01	(10.74)	(10.63)	(16.56)	63.08
Transfers	(353.24)	4.12	0.63	349.78	1.29
Foreign currency translation differences	(1.08)	(0.93)	(0.99)	0.99	(2.01)
<b>Balance as at 31 December, 2024</b>	<b>909.43</b>	<b>96.12</b>	<b>102.31</b>	<b>2,892.88</b>	<b>4,000.74</b>

**Summary of net deferred tax assets/ (liabilities):-**

	As at 31 December, 2024	As at 31 December, 2023
I. Deferred tax assets- Tax credits	60.50	44.17
II. Deferred tax assets- Others	692.80	656.38
III. Deferred tax liabilities	(4,000.74)	(3,938.38)
<b>Net Deferred tax liabilities</b>	<b>(3,247.45)</b>	<b>(3,237.82)</b>

Deferred income tax assets are recognised for tax loss carry-forwards and unused tax credits to the extent that the realisation of the related tax benefit through future taxable profits is probable, being its estimated recoverability less than 10 years.

Deferred tax assets that were recognised by the Group at 31 December, 2024 and 31 December, 2023 are as follows: -

	As at 31 December, 2024		As at 31 December, 2023	
	Tax losses	Others	Tax losses	Others
Spain	-	68.57	1.10	53.21
Italy	-	15.19	-	8.25
Mexico	-	84.92	-	60.13
India	60.50	524.12	43.14	535.22
	<b>60.50</b>	<b>692.80</b>	<b>44.24</b>	<b>656.81</b>

Certain subsidiaries of the group have undistributed earnings of ₹ 9,210.45 Million (₹ 9,032.56 Million on 31 December, 2023) which, if paid out as dividends, would be subject to tax in the hands of recipients. An assessable temporary difference exists, but no deferred tax liability has been recognised as the parent entity is able to control the timings of distributions by these subsidiaries.

**25. Tax expense****(i) Income Tax recognised in Profit or loss**

	Year ended 31 December, 2024	Year ended 31 December, 2023
<b>Current Tax:</b>		
Continuing operations	2,643.46	2,741.89
Discontinuing operations	-	257.29
<b>Deferred Tax:</b>		
Continuing operations	0.21	40.32
Discontinuing operations	-	271.60
<b>Total income tax expense on continuing discontinuing operations</b>	<b>2,643.67</b>	<b>3,311.10</b>



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## (ii) Income tax recognised on Other comprehensive income

	Year ended 31 December, 2024	Year ended 31 December, 2023
Income taxes related to items that will not be reclassified to profit or loss	2.44	(1.50)

## (iii) Reconciliation of income tax expense and the accounting profit multiplied by Group's domestic tax rate:

	Year ended 31 December, 2024	Year ended 31 December, 2023
<b>Profit before tax</b>		
for continuing operations	10,846.73	10,758.51
for discontinued operations	72.08	5,340.53
Income tax expenses calculated at 25.168% (Dec 23: 25.168%)	2,748.05	4,051.81
Effect of tax rates in foreign jurisdictions	(117.94)	(882.75)
Effect of lower corporate tax rate applicable to Indian subsidiary	2.18	2.28
Effect of expenses that are non-deductible in determining taxable profit	25.17	25.71
Effect of current year losses for which no deferred tax asset is recognized	-	114.05
Other Items	(13.79)	-
<b>Income tax expense recognised in profit or loss from continuing operations</b>	<b>2,643.67</b>	<b>3,311.10</b>
<b>Tax expenses reported in profit or loss for continuing operations</b>	<b>2,643.67</b>	<b>2,782.21</b>
<b>Tax expenses reported in profit or loss for discontinuing operations</b>	<b>-</b>	<b>528.89</b>

## Unused tax loss balances pertaining to tax Assessment Year (AY):

Year ended 31 December, 2024	AY 2019-20	AY 2022-23	AY 2024-25	Total
Balance at the beginning of the year	8,807.44	3.45	-	8,810.89
Addition/ (utilised) during the year*	-	-	3,698.34	3,698.34
Balance at the end of the year*	8,807.44	3.45	3,698.34	12,509.23
Balance can be carried forward till AY	AY 2027-28	AY 2030-31	AY 2032-33	
Year ended 31 December, 2023	AY 2019-20	AY 2022-23	Total	
Balance at the beginning of the year	9,156.95	-	9,156.95	
Addition/(utilised) during the year	(349.51)	3.45	(346.06)	
Balance at the end of the year*	8,807.44	3.45	8,810.89	
Balance can be carried forward till AY	AY 2027-28	AY 2030-31		

## Unused tax losses

\*During the previous fiscal year 23-24, ₹ 3,698.35 Million were added which pertains to sale of subsidiaries. The total loss as on 31<sup>st</sup> December 2024 and 31<sup>st</sup> December 2023 represents capital loss.



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## 26. Fair value measurements

Financial instruments by category	31 December, 2024			31 December, 2023		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
<b>Financial assets</b>						
<b>1. Non- Current Assets</b>						
Investments	-	-	11.00	-	-	11.00
Loans (refer note 12)	-	-	1,722.55	-	-	4,894.91
Incentive Receivable (refer note 10)	-	-	527.38	-	-	266.57
Other Financial Assets (refer note 10)	-	-	268.90	-	-	452.16
<b>2. Current Assets</b>						
Investments (refer note 9)	9,909.71	-	3.48	7,810.91	-	3.59
Trade Receivables (refer note 11)	-	-	6,271.34	-	-	6,331.35
Incentive Receivable (refer note 10)	-	-	940.76	-	-	570.87
Loans (refer note 12)	-	-	587.51	-	-	87.93
Cash and Cash Equivalents (refer note 15)	-	-	3,009.04	-	-	2,095.45
Other Bank balances (refer note 15)	-	-	233.42	-	-	291.76
Other Financial Assets (refer note 10)	-	-	1,112.29	-	-	892.67
<b>Total financial assets</b>	<b>9,909.71</b>	<b>-</b>	<b>14,687.67</b>	<b>7,810.91</b>	<b>-</b>	<b>15,898.26</b>
<b>Financial liabilities</b>						
<b>1. Non-current Liabilities</b>						
Borrowings	-	-	4,217.90	-	-	1,009.23
Lease Liabilities	-	-	295.96	-	-	335.00
<b>2. Current Liabilities</b>						
Borrowings	-	-	992.31	-	-	7,024.25
Trade Payables	-	-	15,809.22	-	-	19,341.14
Lease Liabilities	-	-	193.56	-	-	185.67
Other financial liabilities	-	-	599.29	-	-	566.70
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>22,108.24</b>	<b>-</b>	<b>-</b>	<b>28,461.99</b>

**Financial instrument carried at amortized cost**

Fair value of current financial assets and current financial liabilities carried at amortized cost is not materially different from the carrying amount.

This disclosure is not applicable for lease liabilities

**Fair Value Hierarchy**

Financial assets	31 December, 2024			31 December, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Mutual Funds – Growth	9,909.71	-	-	7,810.91	-	-
<b>Total</b>	<b>9,909.71</b>	<b>-</b>	<b>-</b>	<b>7,810.91</b>	<b>-</b>	<b>-</b>



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## 27A. Revenue from operations

	Year ended 31 December, 2024	Year ended 31 December, 2023
Revenue from contracts with customers		
Sale of Products and services	86,295.12	88,120.43
Other Operating Revenue (Including Scrap Sales, Export incentives)	3,345.55	4,683.06
<b>Total</b>	<b>89,640.67</b>	<b>92,803.49</b>

Refer Note-5 for geographical segmentwise revenue details

## Reconciliation of revenue with contract price :-

	Year ended 31 December, 2024	Year ended 31 December, 2023
Revenue as per Statement of Profit and loss (sale of products and sale of services)	86,295.12	88,120.43
Add: Incentive/rebates	-	-
<b>Contract Price</b>	<b>86,295.12</b>	<b>88,120.43</b>

## Performance obligations

The Group satisfies its performance obligations pertaining to the sale of products at a point in time when the control of goods is actually transferred to the customers. The control of goods is transferred to the customer based on the delivery terms.

No significant judgment is involved in evaluating when a customer obtains control of the promised goods. The payment is generally due within 30 - 90 days. There are no obligations on account of refunds or returns.

## Disclosure for transaction price allocated to the remaining performance obligations

There is no remaining performance obligation for any contract for which revenue has been recognised till period end. Further, in accordance with paragraph 121 of Ind AS 115, the Group is not required to disclose information about its remaining performance obligation since the Group does not have any performance obligation that has an original expected duration of more than one year.

## Determining the timing of satisfaction of performance obligations

There is no significant judgement involved in ascertaining the timing of satisfaction of performance obligations, in evaluating when a customer obtains control of promised goods, transaction price and allocation of it to the performance obligations.

## Determining the transaction price and the amounts allocated to performance

The transaction price ascertained for the single performance obligation of the Group (i.e. sale of products) is agreed in the contract with the customer. There is no variable consideration involved in the transaction price.

## Details of contract balances:

There are no contract assets as at 31 December, 2024. Refer note 11 for information on trade receivables.

## Details of contracts liabilities:

The following table provides information about contract liabilities from contracts with customers:





## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

Particulars	Year ended 31 December, 2024	Year ended 31 December, 2023
Contract liabilities	774.62	487.18

The contract liabilities primarily relate to the advance consideration received from customers, for which revenue is recognised as and when control in promised goods is transferred.

Significant changes in the contract liability balances during the year ended 31 December, 2024 are as follows:

Particulars	Year ended 31 December, 2024	Year ended 31 December, 2023
Contract liabilities at the beginning of the year	487.18	405.03
Less : Revenue recognised that was included in the advance from customers balance at the beginning of the year	(487.18)	(405.03)
Add : Increase due to cash received, excluding amounts recognised as revenue during the year	774.62	487.18
Contract liabilities at the end of the year	774.62	487.18

### 27B. Other Income

	Year ended 31 December, 2024	Year ended 31 December, 2023
<b>Interest Income under the effective interest method on :</b>		
On Financial Assets at amortised cost	160.62	411.30
<b>Financial assets at FVTPL</b>		
Fair value gain on financial instruments measured at FVTPL	419.93	166.00
Net gain on sale of property, plant and equipments	16.85	-
Grant income*	749.51	242.80
Miscellaneous income	49.56	-
<b>Total</b>	<b>1,396.47</b>	<b>820.10</b>

\*Grant income includes income recognized of ₹ 658.63 Million for the year ended 31 December, 2024 (₹ 204.94 Million in 2023) pursuant to receipt of eligibility certificate under Maharashtra Government Package Scheme of Incentives (PSI) 2013 by the subsidiary CIE Aluminium Casting India Limited (CACIL) formerly known as Aurangabad Electricals Limited.

CIE Aluminium Casting India Limited (CACIL) (formerly known as Aurangabad Electricals Limited), the subsidiary is eligible for Government Grant income under Maharashtra Government Package Scheme of Incentives (PSI) 2013. This incentive is in the form of refund from the Government of Maharashtra on actual VAT/SGST paid by the Company from the period February 01, 2016 to January 31, 2023 (7 years) with a maximum limit of ₹ 2,674 Million.

During the year ended December 31, 2024, CACIL has received a period enhancement for this subsidy upto January 31, 2025 and a maximum value enhancement upto ₹3,112 Million. As a result of this extension, additional grant income of ₹220 Million which pertains to the period upto 31 December, 2023, has been recognised in the Profit and Loss Account during the year ended December 31, 2024.

### 28. Cost of material consumed

	Year ended 31 December, 2024	Year ended 31 December, 2023
Opening stock of raw materials	2,803.00	3,435.96
Add: Purchases	46,355.00	47,900.64
	49,158.00	51,336.60
Less: Closing stock of raw materials	(2,687.88)	(2,803.00)
Cost of materials consumed	46,470.12	48,533.60



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

**29. Employee benefit expenses**

	Year ended 31 December, 2024	Year ended 31 December, 2023
Salaries and wages, including bonus	8,251.61	8,027.08
Contribution to provident and other funds [refer note 32]	269.34	172.99
Share based payments	59.47	73.31
Social security expense	1,015.41	1,134.63
Staff welfare expenses	508.90	536.14
<b>Total</b>	<b>10,104.73</b>	<b>9,944.15</b>

**30. Finance costs**

	Year ended 31 December, 2024	Year ended 31 December, 2023
Interest expense on financial liabilities measured at amortised costs	720.27	1,008.46
Interest on Lease Liabilities [Refer note 6 (ii)]	36.60	38.42
Other borrowing cost	19.11	26.80
<b>Total</b>	<b>775.98</b>	<b>1,073.68</b>

**31. Other expenses**

	Year ended 31 December, 2024	Year ended 31 December, 2023
Tools & Stores consumed	3,912.98	4,137.62
Power & Fuel	4,222.07	4,260.31
Repairs and maintenance	1,624.45	1,740.70
Subcontracting, Hire and Service Charges	5,910.89	5,861.75
Freight outward	1,434.17	1,282.33
Professional services	365.73	392.13
Travelling expenses	146.08	145.39
Rental expenses	295.14	253.59
Insurance, taxes, fees and commission	518.02	462.82
Expenditure on corporate social responsibility (CSR) under section 135 of the Companies Act, 2013. (Note 38)	115.78	72.59
Loss / (gain) on disposal of property, plant and equipment	-	7.41
Auditors remuneration and out-of-pocket expenses		
(i) Audit fee	13.32	13.00
(ii) Other services	5.72	1.00
(iii) For reimbursement of expenses*	0.54	-*
Other Expenses	760.35	881.51
<b>Total</b>	<b>19,325.24</b>	<b>19,512.15</b>

\* Amount below rounding off norm adopted by the Group



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

**32. Defined benefits and contribution****(a) Defined Contribution plan**

The Group's contribution to Provident Fund and other funds aggregating ₹ 191.23 Million (₹ 172.99 Million) has been recognised in the statement of Profit or Loss under the head Employee Benefit expenses.

**(b) Defined benefit plans****(i) Gratuity**

The Group operates gratuity plan covering qualifying employees in India. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Group scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Group makes annual contribution to the Group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

**(ii) Compensated absences**

Group's liability towards leave encashment are determined using the Projected Unit Credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past service costs are recognised on straight line basis over the statement of Profit or loss as income or expense. Obligation is measured at the present value of estimated future cash flow using a discount rate that is determined by reference to market yields at the Balance Sheet date on government bonds where the currency and terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

**(iii) Pensions**

Pension provisions are for operations in Germany and are entirely unfunded. These benefits are in the nature of long term service awards and lifetime pension and retirement plans. Liabilities are determined using projected unit credit method together with mortality tables. Obligation is measured at the present value of estimated future cash flow using the discount rate that is determined by reference to average market yields of ten years.

**(iv) Employee Termination Benefits**

Employee termination provisions are for operations in Italy and are entirely unfunded. These benefits are provided to some employees, as a result of the Group's decision to end their employment contract before ordinary retirement age or whenever employees agree to take voluntary redundancy in exchange of these benefits. The Group recognises these benefits when there is evidence that it has made decision to end an employee's contract under a formal detailed plan from which it does not have the opportunity to withdraw, or by providing termination benefits to encourage voluntary redundancy. Benefits that have remained unpaid for more than twelve months after the end of the reporting period are discounted for the related present value.

**(c) Risks**

Through its defined benefit plans the Group is exposed to risks, the most significant of which are detailed below:

**(i) Asset Volatility**

The plan liabilities are calculated using a discount rate set with references to government bond yields; if plan assets under perform compared to the government bonds discount rate, this will create or increase a deficit.

**(ii) Changes in Bond Yields**

A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plans' bond holdings.



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

**1. Provisions for Gratuity, Voluntary Retirement Scheme and Pension: -**

	<b>Funded Plan-Gratuity</b>	
	<b>31 December, 2024</b>	<b>31 December, 2023</b>
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Service Cost		
- Current Service Cost	<b>81.75</b>	81.24
- Past service cost and losses from settlements	<b>7.51</b>	-
Net interest expense	<b>17.03</b>	8.48
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>106.29</b>	89.72
Re-measurement on the net defined benefit liability		
Actuarial gains and loss arising from changes in financial assumptions	<b>5.17</b>	(5.39)
Actuarial gains and loss arising from experience adjustments	<b>3.67</b>	3.69
Actuarial gains and loss arising from Demographic assumptions	<b>0.90</b>	-
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>9.74</b>	(1.70)
<b>Total</b>	<b>116.03</b>	88.02
<b>I. Net Asset/(Liability) recognised in the Balance Sheet as at 31 December</b>		
1. Present value of defined benefit obligation as at 31 December	<b>(1,173.37)</b>	(1,060.93)
2. Fair value of plan assets as at 31 December	<b>882.97</b>	812.65
3. Surplus/(Deficit)	<b>(290.40)</b>	(248.28)
4. Current portion of the above	<b>202.84</b>	172.35
5. Non-current portion of the above	<b>87.56</b>	75.93
<b>II. Change in the obligation during the year ended 31 December</b>		
1. Present value of defined benefit obligation at the beginning of the year	<b>1,060.93</b>	973.69
2. Expenses Recognised in Profit and Loss Account		
- Current Service Cost	<b>81.75</b>	81.24
- Past Service Cost	<b>7.51</b>	-
- Interest Expense (Income)	<b>76.35</b>	69.60
3. Recognised in Other Comprehensive Income		
- Re-measurement (gains) / losses		
- Actuarial (Gain)/ Loss arising from:		
i. Demographic Assumptions	<b>0.90</b>	-
ii. Financial Assumptions	<b>5.41</b>	(4.07)
iii. Experience Adjustments	<b>(0.73)</b>	(1.59)
4. Benefit payments	<b>(58.75)</b>	(57.94)
5. Present value of defined benefit obligation at the end of the year	<b>1,173.37</b>	1,060.93



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

	<b>Funded Plan-Gratuity</b>	
	<b>31 December, 2024</b>	31 December, 2023
<b>III. Change in fair value of assets during the year ended 31 December</b>		
1. Fair value of plan assets at the beginning of the year	<b>812.65</b>	699.90
2. Expenses Recognised in Profit and Loss Account		
- Expected return on plan assets	<b>59.32</b>	61.12
3. Recognised in Other Comprehensive Income		
Re-measurement gains / (losses)		
-Demographic Assumptions	-	-
-Financial Assumptions	<b>0.24</b>	1.32
-Experience Adjustments	<b>(4.40)</b>	(5.28)
4. Contributions by employer (including benefit payments recoverable)	<b>73.91</b>	113.53
5. Benefit payments	<b>(58.75)</b>	(57.94)
6. Fair value of plan assets at the end of the year	<b>882.97</b>	812.65
<b>IV. The Major categories of plan assets</b>		
- List the plan assets by category here		
Funds managed by Insurer	<b>882.97</b>	812.65
% to total assets	<b>100%</b>	100%
<b>V. Actuarial assumptions</b>		
1. Discount rate	<b>6.8% to 7%</b>	7.15% to 7.5%
2. Expected rate of return on plan assets	<b>7.3% to 7.5%</b>	7.3% to 7.6%
3. Attrition rate	<b>2% to 22%</b>	1% to 15.94%
4. Salary Escalation	<b>7% to 8%</b>	7% to 8%
5. Mortality	<b>India assured lives mortality (2012-14) Ultimate</b>	
6. Life expectancy of person retiring at year end	<b>14 to 24 years</b>	

**Other Information:**

Percentage of variation of the defined benefit commitment to changes in the assumptions weighted is as follows:-

	Change	<b>31 December, 2024</b>	31 December, 2023
Decrease in Discount rate	1%	<b>Increase by 9.43%</b>	Increase by 8.34%
Increase in Discount rate	1%	<b>Decrease by 7.17%</b>	Decrease by 7.40%
Decrease in Salary increment	1%	<b>Decrease by 6.47%</b>	Decrease by 6.92%
Increase in Salary increment	1%	<b>Increase by 8.43%</b>	Increase by 7.16%

**VII. The weighted average duration of the defined benefit obligation is 10.5 years (2023 – 9.9 years). The expected payment analysis of undiscounted gratuity is as follows:**

	<b>Less than a year</b>	<b>Between 1-2 years</b>	<b>Between 3-5 years</b>	<b>Over 5 years</b>	<b>Total</b>
<b>31 December, 2024</b>					
Defined benefit obligation	116.41	112.92	390.27	685.49	1,305.09
<b>31 December, 2023</b>					
Defined benefit obligation	101.91	84.48	279.73	770.09	1,236.21



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## 2. Provision for Employee Termination benefits:

	As at 31 December, 2024	As at 31 December, 2023
Balance at the beginning of the year	126.62	125.42
Add:-		
Interest Expense	3.55	2.14
Provided during the year	3.55	2.14
Less:-		
Benefits paid	(8.71)	(5.03)
Re-measurement gains	(1.26)	(2.23)
Exchange differences	3.66	4.18
Balance at the end of the year	127.41	126.62

## 33. Contingent Liabilities and Commitments

	Year ended 31 December, 2024	Year ended 31 December, 2023
<b>Contingent liabilities (to the extent not provided for):**</b>		
(a) Claims against the Group not acknowledged as debt		
- Income tax claims	235.25	230.03
- Excise cases against the Company	137.42	130.60
- Service Tax	11.94	80.97
- Goods and Service Tax (GST), Sales Tax and Value Added Tax (VAT)	36.98	8.06
- MSEDCL Related Litigations *	527.37	527.37
- Stamp Duty, Government Cess and others	156.05	244.00
- Water Charges (Refer Note 18)	325.12	325.12
- The Group had imported capital goods under the Export Promotion Capital Goods (EPCG), of the Government of India, at concessional rate of duty on an understanding to fulfill quantified exports against future obligation	4.91	4.91
(b) Commitment (Net of Advances)		
Capital expenditure net of capital advances contracted for at the end of the reporting period but not recognized as liabilities.	810.48	859.24

\*Maharashtra State Electricity Distribution Company Limited (MSEDCL) has levied the Cross Subsidy Surcharge (CSS) and Additional Surcharge levied (ASC) on the units of power consumed by the Company as a captive consumer from two Captive Generating Plant (CGP) Units of Sai Wardha Power Generation Limited (SWPGL) which was an independent Special Purpose Vehicle set up for Generation and supply of electricity. The Hon'ble Maharashtra Electricity Regulatory Commission (MERC) vide its separate orders dated October 22, 2020 and October 29, 2020 has rejected the captive status of the said two CGP units of SWPGL for the year 2016-17 and the year 2017-18 respectively. MSEDCL has raised supplementary invoices of ₹ 208.00 million (including interest) for the year 2016-17 and of ₹ 263.00 million (including interest) for the year 2017-18 towards alleged Cross Subsidy Surcharge and Additional Surcharge applicable for non-captive power consumption. The Company has challenged the impugned orders before Hon'ble Appellate Authority of Electricity (APTEL). Hon'ble APTEL vide its Order dated November 26, 2021 (APTEL Order) set aside the Orders of MERC and remanded the matter to MERC for fresh determination of captive status based on the opinion expressed in the APTEL Order. MERC vide its Order dated 16<sup>th</sup> March, 2022 (MERC Remand Order) held Unit 3 and Unit 4 of Sai Wardha Power Generating Limited as captive generating plant for FY 2016-17 and FY 2017-18. MERC further held that 24.73 MUs and 53.53





## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

MUs for FY 2016-17 and FY 2017-18 respectively were injected from the non-captive units and thus unscheduled power. Hence, the Distribution Licensees were directed to treat this unscheduled power in accordance with the applicable provisions of the Electricity Act, 2003 and the relevant Rules and Regulations. However, DISCOMs have filed an appeal against the APTEL Order before Hon'ble Supreme Court of India which is sub-judice. The Company has also filed appeal against the MERC Remand Order for limited issue of the units which were held as Unscheduled Power.

The Hon'ble Maharashtra Electricity Regulatory Commission vide its dated February 09, 2018 in Case No.77 of 2015 for FY 2014-15 and order dated March 19, 2018 in Case No.159 of 2016 for FY 2015-16 (Original MERC Order) had upheld the captive status of the units of SWGPL for those years. However, it had treated the units supplied by SWGPL from other two non-CGP units of SWGPL, as non-contracted power for 2015-16. MSEDCL has accordingly raised a supplementary bill of ₹ 33 million for the year 2015-16 towards the units supplied by SWGPL from non-CGP units. Thereafter MERC had in its review order, allowed review of the said MERC orders and held that the captive status of SWPGL be redetermined for FY 2014-15 and FY 2015-16. APTEL vide the APTEL Order set aside the Review Order and upheld the Original MERC Orders holding SWPGL as captive for these two years as well. However, DISCOMs have filed an appeal against the APTEL Order before Hon'ble Supreme Court of India. The Company is also contesting the issue of non-CGP units of 2015-16.

The Hon'ble Supreme Court of India have delivered a common judgment on 9<sup>th</sup> October, 2023, whereby the Court has elucidated the interpretation of the relevant provisions of the Electricity Act, 2003 and Rule 3 of the Electricity Rules, 2005. The Court has also mentioned that these principles shall be applied to the facts and circumstances of each case. As per the record of proceedings issued separately, the matters will be listed for hearing and disposal before the appropriate Bench of the Court.

\*\* Pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timing of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgement/decisions pending with various forums/authorities.

Further, the Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in the standalone financial statements. The management believes that the ultimate outcome of above proceeding will not have a material adverse effect on the Group's financial position and results of operations.

### 34. Related Party Transactions

Names of Related Parties:

#### (a) Holding Company :

Ultimate Holding Company - CIE Automotive S.A.

Principal Shareholder of the Holding Company - CIE Berriz, S.L

Holding Company - Participaciones Internacionales Autometal, DOS S.L

#### (b) Names of fellow subsidiaries where transactions have taken place during the year

1. Gameko Fabricación de Componentes, S.A.
2. Somaschini North America LLC
3. Somaschini S.p.A.
4. CIE Automotive de Mexico, SAPI de C.V.
5. Forjas de Celaya, S.A. de C.V.
6. GAT Mexico
7. CIE Automotive Goian, S.L.U
8. Maquinados de Precisión México
9. Pintura, Estampado y Montaje, S.A. de C.V.
10. Century Plastics, LLC
11. CIE Compiegne S.A.S.



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

12. Nanjing Automotive Forging Co., Ltd
13. Componentes de Automoción Recytec, S.L.U
14. Componentes de Dirección Recylan S.L.U.
15. Maquinados Automotrices y Talleres Industriales de Celaya, S.A. de C.V
16. Nova Recyd, S.A.U.
17. Egaña 2, S.L.
18. Leaz Valorización, S.L.
19. CIE Metal CZ, s.r.o.
20. CIE Praga Louny, a.s.
21. CIE Matricon CUI
22. CIE Mecauto S.A.

**(c) Name of Associate Companies where transactions have taken place during the year:**

1. Gescrap India Private Limited
2. Galfor Eólica, S.L (Associate of Galfor)
3. Clean Max Deneb Power LLP
4. Sunbarn Renewables Private Limited
5. Renew Surya Alok Private Limited
6. Strongsun Solar Private Limited (w.e.f. December 21, 2022)
7. Sunseed Solar Private Limited (Associate of CACIL w.e.f. July 04, 2023)
8. Ojaha Renewables Private Limited (w.e.f. April 25, 2024)
9. ReNew Green (MHK Two) Private Limited (w.e.f. October 29, 2024)

**(d) Name of Associates of Ultimate Holding Company where transactions have taken place during the year**

1. Gescrap Autometal Mexico Sociedad Anonima De Capital Variable
2. Fundación CIE I+D+I
3. Gescrap, S.L.
4. Gam España Servicios de maquinaria S.L.U.
5. Samper Refeinsa Galicia, S.L.
6. UAB Gescrap LT

**(e) Entities having significant influence over group**

Mahindra & Mahindra Limited (M&M) (Holding Company and Ultimate Holding Company are Associates upto May 24, 2023.)

Mahindra & Mahindra Limited (M&M) (Ultimate holding company is an associate company w.e.f. May 25, 2023)

**(f) Subsidiaries of entities having joint control/ significant influence over group where transactions have taken place during the year**

1. Classic Legends Private Limited
2. Gromax Agri Equipments Limited
3. Mahindra Auto Steel Private Limited
4. Mahindra Defence Systems Limited
5. Mahindra Electric Mobility Limited



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

6. Mahindra Heavy Engines Limited
7. Mahindra Integrated Business Solutions Private limited
8. Mahindra Accelo Limited (formerly known as Mahindra Intertrade Limited)
9. Mahindra Last mile Mobility limited
10. Mahindra Logistics Limited
11. Mahindra Sanyo Special Steel Private Limited (upto 27 April 2023)
12. Mahindra Two Wheelers Limited

**(g) Other Related Parties (Enterprises owned or significantly influenced by key management personnel or their relatives) where transactions have taken place during the period**

1. Economic Laws Practice

**(h) Key Managerial Personnel (KMP)**

Sr. No.	Name	Designation
1	Mr. Shriprakash Shukla	Non-Executive Director
2	Mr. Ander Arenaza Alvarez	Executive Director and Group Chief Executive Officer
3	Mr. Manoj Mullassery Menon	Executive Director and Chief Executive Officer
4	Mr. Anil Haridass	Non-Executive Director
5	Mr. Jesus Maria Herrera Barandiaran	Non-Executive Director (upto 20 <sup>th</sup> June, 2024)
6	Mr. Manojkumar Maheshwari	Independent Director (upto 28 <sup>th</sup> September, 2024)
7	Mr. Dhananjay Narendra Mungale	Independent Director (upto 9 <sup>th</sup> June, 2023)
8	Mr. Kadambi Narahari	Independent Director (Upto 9 <sup>th</sup> June, 2023)
9	Mrs. Roxana Meda Inoriza	Independent Director
10	Mr. Alan Savio D'Silva Picardo	Independent Director
11	Mr. Suhail Amin Nathani	Independent Director (upto 11 <sup>th</sup> December, 2024)
12	Mr. Jairaj Purandare	Independent Director (w.e.f. 10 <sup>th</sup> June, 2023)
13	Dr. Nuria Gisbert Trejo	Independent Director (w.e.f. 1 <sup>st</sup> July, 2024)
14	Mr. Hari Krishnan	Chief Executive Officer – Forgings and Bill Forge (upto 31 <sup>st</sup> March, 2024)
15	Mr. Rajendra Vadlapudi	Chief Executive Officer – Iron Castings (w.e.f. 02 <sup>nd</sup> May, 2024)
16	Mr. Rahul Desai	Chief Executive Officer – Stampings, Magnetics Products and Composites Divisions (w.e.f. 2 <sup>nd</sup> May, 2024) (upto 19 <sup>th</sup> February, 2025)
17	Mr. Sunil Narke	Chief Executive Officer – Forgings (w.e.f. 1 <sup>st</sup> April, 2024)
18	Mr. K. Jayaprakash	Chief Financial Officer
19	Mr. Pankaj Vijay Goyal	Company Secretary and Compliance Officer



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## (i) Transactions with Related parties during the year

Nature of transactions with Related Parties	For the year ended	Ultimate holding company	Holding company	Entities having joint control/ significant influence over Group (Note 1)	Fellow Subsidiaries of Ultimate Holding Company	Subsidiaries of Entities having joint control/ significant influence over Group	Associate companies	Other Related Parties	Associates of ultimate holding company
Sale of goods	31 December, 2024	-	-	16,373.31	651.08	1,521.14	1,017.90	-	642.77
	31 December, 2023	-	-	16,452.74	723.38	897.29	2,561.36	-	598.63
Purchase of goods	31 December, 2024	-	-	1.80	107.23	1,876.45	-	-	-
	31 December, 2023	-	-	0.35	140.92	1,568.38	-	-	-
Purchase of property and other assets	31 December, 2024	-	-	-	75.86	-	-	-	-
	31 December, 2023	-	-	-	20.00	-	-	-	-
Sale of property and other assets	31 December, 2024	-	-	-	28.98	-	-	-	-
	31 December, 2023	-	-	-	53.92	-	-	-	-
Rendering of services	31 December, 2024	-	-	54.29	16.54	-	-	-	-
	31 December, 2023	-	-	-	15.34	-	-	-	-
Receiving of services	31 December, 2024	287.29	-	1.68	317.46	193.41	504.55	0.17	40.17
	31 December, 2023	312.73	-	-	194.10	112.87	373.41	0.18	58.98
Rent received	31 December, 2024	-	-	-	-	-	-	-	-
	31 December, 2023	-	-	-	-	-	-	-	-
Rent paid	31 December, 2024	-	-	19.25	-	-	-	-	20.65
	31 December, 2023	-	-	17.12	-	-	-	-	19.83
Interest received	31 December, 2024	409.82	62.53	-	11.46	-	-	-	-
	31 December, 2023	278.25	57.36	-	-	-	-	-	-
Interest paid	31 December, 2024	440.00	-	23.64	43.31	0.23	-	-	-
	31 December, 2023	214.68	5.45	2.13	283.96	-	-	-	-
Dividend paid	31 December, 2024	-	1,246.20	-	-	-	-	-	-
	31 December, 2023	-	623.10	-	-	-	-	-	-
Investment in Associate	31 December, 2024	-	-	-	-	-	52.24	-	-
	31 December, 2023	-	-	-	-	-	74.46	-	-
Loan Taken	31 December, 2024	15,309.59	-	-	-	-	-	-	-
	31 December, 2023	6,003.11	7.06	-	621.41	-	-	-	-
Loan Given	31 December, 2024	3,376.84	1,014.34	-	587.51	-	-	-	-
	31 December, 2023	17,954.55	450.40	-	-	-	-	-	-

Note 1:

The transactions with Related parties during the period have been disclosed net off Goods and Services Tax.



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## (j) Balances with Related parties at the end of the year

Nature of Balances with Related Parties	Balance as on	Ultimate holding company	Holding company	Entities having joint control/ significant influence over Group (Note 1)	Subsidiaries of Ultimate Holding Company	Subsidiaries of Entities having joint control/ significant influence over	Associate companies	Associates of ultimate holding company
Trade payables	<b>31 December, 2024</b>	-	-	<b>2.34</b>	<b>57.70</b>	<b>670.43</b>	<b>5.20</b>	<b>7.38</b>
	31 December, 2023	-	-	1.37	70.50	508.87	18.42	14.53
Trade receivables	<b>31 December, 2024</b>	<b>6.17</b>	<b>61.41</b>	<b>653.57</b>	<b>89.51</b>	<b>19.84</b>	<b>9.11</b>	<b>28.10</b>
	31 December, 2023	-	-	527.42	146.56	424.73	-	14.06
Loans & advances taken	<b>31 December, 2024</b>	<b>3,361.55</b>	-	-	-	-	-	-
	31 December, 2023	650.87	5.61	-	4,340.47	-	-	-
Loans & advances given	<b>31 December, 2024</b>	-	<b>1,722.55</b>	-	<b>587.51</b>	-	-	-
	31 December, 2023	4,274.62	708.22	-	-	-	-	-
Advances received	<b>31 December, 2024</b>	-	-	-	-	-	-	-
	31 December, 2023	-	-	-	-	-	-	-
Other balances	<b>31 December, 2024</b>	-	-	<b>20.51</b>	<b>60.21*</b>	<b>1.81</b>	-	-
	31 December, 2023	-	-	19.52	-	-	-	-
Investments	<b>31 December, 2024</b>	-	-	-	-	-	<b>458.90</b>	-
	31 December, 2023	-	-	-	-	-	380.04	-
Interest received	<b>31 December, 2024</b>	-	-	-	-	-	-	-
	31 December, 2023	-	-	-	-	-	-	-

\*Other balances include capital creditors

## (k) Remuneration to Key Managerial Personnel

Details of Remuneration	31 December, 2024	31 December, 2023
Short term employment benefits	<b>72.28</b>	51.06
Long term employment benefits (Gratuity and leave encashment)	<b>3.08</b>	1.40
Share based payments	<b>29.73</b>	51.32
Director sitting fees, Commission	<b>28.05</b>	26.10
<b>Total</b>	<b>133.14</b>	129.88

## (l) Balance payable to Key Managerial Personnel

Details of Remuneration	31 December, 2024	31 December, 2023
Short term employment benefits	<b>0.42</b>	1.69
Long term employment benefits (Gratuity and leave encashment)	<b>18.97</b>	11.76
Share based payments	<b>52.57</b>	18.93
Director sitting fees & Commission	<b>20.26</b>	20.47
<b>Total</b>	<b>92.22</b>	<b>52.85</b>



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## 35. Earnings per share

## a) Calculation of basic and diluted earnings per share

Basic earnings per share are calculated by dividing the profit attributable to the parent Group's shareholders by the weighted average number of ordinary shares in the year, excluding treasury shares acquired by the Group.

	31 December, 2024 ₹ Per Share	31 December, 2023 ₹ Per Share
<b>Basic earnings per share</b>	<b>21.81</b>	29.66
From continuing operations	<b>21.62</b>	21.03
From discontinuing operations	<b>0.19</b>	8.63
<b>Diluted earnings per share</b>	<b>21.81</b>	29.66
From continuing operations	<b>21.62</b>	21.03
From discontinuing operations	<b>0.19</b>	8.63

## b) The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

## (i) Basic earnings per share

	31 December, 2024	31 December, 2023
Profit for the year attributable to owners of the Group	<b>8,275.14</b>	11,251.49
- from continuing operations	<b>8,203.06</b>	7,976.30
- from discontinuing operations	<b>72.08</b>	3,275.19
Weighted average number of equity shares	<b>379,362,377</b>	379,358,916
Earnings per share – Basic	<b>21.81</b>	29.66
- from continuing operations	<b>21.62</b>	21.03
- from discontinuing operations	<b>0.19</b>	8.63

## (ii) Diluted earnings per Share

The diluted earnings per share has been computed by dividing the Net profit after tax available for Equity shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding Warrants and Stock options for the respective periods. Since, the effect of the conversion of Preference shares was anti-dilutive, it has been ignored.

	31 December, 2024	31 December, 2023
Profit for the year	<b>8,275.14</b>	11,251.49
- from continuing operations	<b>8,203.06</b>	7,976.30
- from discontinuing operations	<b>72.08</b>	3,275.19
Weighted average number of equity shares used in the calculation of Diluted EPS	<b>379,362,377</b>	379,358,916
Diluted EPS	<b>21.81</b>	29.66
- from continuing operations	<b>21.62</b>	21.03
- from discontinuing operations	<b>0.19</b>	8.63





## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

### 36. Details of dues under Micro Small and Medium Enterprises Development Act 2006

The identification of suppliers as micro and small enterprises covered under the “Micro Small and Medium Enterprises Development Act 2006” was done on the basis of the information to the extent provided by the supplier to the Group. Total outstanding to Micro and Small Enterprises, which were outstanding are given below:

Particulars	31 December, 2024	31 December, 2023
The amounts remaining unpaid to micro and small suppliers at the end of the year		
Principal	499.38	393.72
Interest due thereon	0.80	0.06
Interest paid in terms of Section 16 of the MSMED Act along with the amount of payment made to the supplier beyond the appointed day during the year		
– Principal paid beyond the appointed date	198.54	55.13
– Interest paid in terms of Section 16 of the MSMED Act	-	-
Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	0.29	0.29
The amount of interest accrued and remaining unpaid at the end of each accounting year	1.26	0.35
Further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	12.21	10.95

### 37. Employees Stock Options Scheme

The Group instituted the Employees Stock Options Scheme 2007 (ESOS 2007) plan for employees in pursuance of a special resolution passed by the shareholders approving the scheme on July 25, 2007, amended by special resolution dated July 29, 2008, August 02, 2011 and pursuant to the Integrated scheme of Amalgamation and Composite Scheme of Amalgamation in terms of High Court dated October 13, 2014. Further, the Group instituted the Employees Stock Options Scheme 2015 (ESOS 2015) plan for employees in pursuance of a special resolution passed by the shareholders approving the scheme on September 15, 2015.

Pursuant to the schemes, the Company has granted options to eligible employees at various exercise prices per equity share of ₹10 each. Under the terms of scheme, the vesting period will be spread equally over 4 years (ESOS 2007) and 3 years (ESOS 2015). Options will vest at 25% (ESOS 2007) and 33% (ESOS 2015) from the grant date. When exercisable, each option is convertible into one equity share of the Company. The Board of Directors has terminated the Employees' Stock Option Scheme (ESOS-2007) and Employees' Stock Options Scheme 2015 (ESOS-2015) with effect from 25<sup>th</sup> April, 2023

**Movement of share options are as under:**

Date of the Tranche	As on 31 December, 2024					
	Opening Balance		Forfeited during the year	Exercised during the year	Outstanding at the end of the year	Exercisable at the end of the year
	Number of Options	Weighted average exercise price	Number of Options	Number of Options	Number of Options	Number of Options
	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

Date of the Tranche	Opening Balance		As on 31 December, 2023			
			Forfeited during the year	Exercised during the year	Outstanding at the end of the year	Exercisable at the end of the year
	Number of Options	Weighted average exercise price	Number of Options	Number of Options	Number of Options	Number of Options
On 22 February 2016	45,615	150	617	44,998	-	-
<b>Total</b>	<b>45,615</b>		<b>617</b>	<b>44,998</b>	<b>-</b>	<b>-</b>

Share options outstanding at the end of the year have the following expiry dates and exercise prices:

Grant Date	Expiry Date	Exercise price	Number of Options- 31 December, 2024	Number of Options- 31 December, 2023
22-Feb-16	24-Feb-24	150	-	-
Total			-	-
Weighted average remaining contractual life of options outstanding at end of period			-	-

**Expense arising from share-based payment transactions (Stock Appreciation Rights)**

Total expenses arising from share-based payment transactions recognized in profit and loss as part of employee benefit expense were as follows:

	31 December, 2024	31 December, 2023
Total Employee share-based payment expense (Stock Appreciation Rights)	<b>59.47</b>	73.31

**38. Corporate Social Responsibility (CSR)**

Particulars	31 December, 2024	31 December, 2023
(a) Amount required to be spent by the Group during the year	<b>110.04</b>	79.44
(b) Amount approved by Board of Directors to be spent during the year	<b>110.04</b>	79.44
(c) Amount of expenditure incurred on:		
(i) Construction/acquisition of any assets	<b>7.51</b>	50.30
(ii) On purposes other than (i) above	<b>97.80</b>	34.08
(iii) On purposes other than (i) above pertaining to previous year shortfall	-	10.51
(d) Shortfall at the end of the year	<b>14.14</b>	5.06
(e) Total of previous year shortfall*	<b>5.06</b>	25.40
(f) Excess amount spent at the end of the year*	-	6.00
(g) Reason for shortfall	<b>Constraints associated with implementing projects</b>	Constraints associated with implementing projects
(h) Nature of CSR activities	<b>Promoting Education, Rural Development, Promoting Healthcare etc.</b>	Promoting Education, Rural Development, Promoting Healthcare etc.



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

(i) Movement in provision with respect to a liability incurred by entering into a contractual obligation		
Opening provision	15.10	25.56
Add: Provision during the year	34.22	18.42
Less: Utilisation during the year	(29.49)	(28.88)
Closing provision**	19.83	15.10

\*\* The shortfall amount has been deposited in separate schedule bank account as per statutory requirement

*Details of excess amount spent	Opening balance	Amount required to be spent during the year	Amount utilized during the year	Closing balance
i) for the year ended 31 December, 2024	6.00	-	6.00	-
ii) for the year ended 31 December, 2023	-	61.30	67.30	6.00

^Details of unspent amount	Opening balance	Amount required to be spent during the year	Amount spent during the year	Closing balance
i) for the year ended 31 December, 2024	15.95	110.04	(105.31)	20.68
ii) for the year ended 31 December, 2023	25.40	18.14	(27.59)	15.95



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

## 39. Additional information of subsidiaries as required by schedule III of Companies Act, 2013

Sr. No.	Name of the entity	Net assets			Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income		
		Amount	As a % of consolidated	Amount	As a % of consolidated	Amount	As a % of consolidated	Amount	As a % of consolidated		
<b>Parent</b>											
1	CIE Automotive India Limited	31 December, 2024	53,326.52	81.08%	5,834.13	70.50%	(10.34)	2.11%	5,823.79	74.80%	
	31 December, 2023	49,423.55	82.54%	5,618.70	49.94%	14.52	2.15%	5,633.22	47.23%		
<b>Subsidiaries</b>											
<b>Indian</b>											
1	CIE Aluminium Casting India Limited (Subsidiary of CIE-India)	31 December, 2024	3,207.44	4.88%	1,115.31	13.48%	5.16	-1.05%	1,120.47	14.39%	
	31 December, 2023	2,927.00	4.89%	818.03	7.27%	(12.84)	-1.90%	805.19	6.75%		
2	BF Precision Private Limited (Subsidiary of CIE-India)	31 December, 2024	-	0.00%	1.38	0.02%	-	0.00%	1.38	0.02%	
	31 December, 2023	63.71	0.11%	0.88	0.01%	-	0.00%	0.88	0.01%		
3	CIE Hosur Limited (Subsidiary of CIE-India)	31 December, 2024	1,066.44	1.62%	(148.75)	-1.80%	(2.13)	0.44%	(150.88)	-1.94%	
	31 December, 2023	1,096.71	1.83%	(141.28)	-1.26%	-	0.00%	(141.28)	-1.18%		
<b>Foreign</b>											
1	Stokes Group Limited (SGL) (Liquidated on September 05, 2023)	31 December, 2024	-	0.00%	-	0.00%	-	0.00%	-	0.00%	
	31 December, 2023	-	0.00%	34.66	0.31%	-	0.00%	34.66	0.29%		
2	CIE Forgings Europe GmbH (CFG) (subsidiary of Galfor)	31 December, 2024	939.32	1.43%	72.08	0.87%	-	0.00%	72.08	0.93%	
	31 December, 2023	946.24	1.58%	104.48	0.93%	-	0.00%	104.48	0.88%		
3	Jeco Jellinghaus GmbH (subsidiary of CFG)*	31 December, 2024	-	0.00%	-	0.00%	-	0.00%	-	0.00%	
	31 December, 2023	-	0.00%	25.82	0.23%	-	0.00%	25.82	0.22%		
4	Gesenskschmiede Schneider GmbH (subsidiary of CFG)*	31 December, 2024	-	0.00%	-	0.00%	-	0.00%	-	0.00%	
	31 December, 2023	-	0.00%	1,038.39	9.23%	-	0.00%	1,038.39	8.71%		
5	Falkenroth Uniformtechnik GmbH (subsidiary of CFG)*	31 December, 2024	-	0.00%	-	0.00%	-	0.00%	-	0.00%	
	31 December, 2023	-	0.00%	827.55	7.35%	-	0.00%	827.55	6.94%		
6	Schonoeweiss& Co GmbH (subsidiary of CFG)*	31 December, 2024	-	0.00%	-	0.00%	-	0.00%	-	0.00%	
	31 December, 2023	-	0.00%	1,240.46	11.02%	-	0.00%	1,240.46	10.40%		
7	Metacastello S.p.A (MC) (subsidiary of Galfor)	31 December, 2024	3,157.12	4.80%	379.97	4.59%	-	0.00%	379.97	4.88%	
	31 December, 2023	2,876.70	4.80%	671.00	5.96%	1.70	0.25%	672.70	5.64%		
8	UAB CIE Galfor SA (Galfor)	31 December, 2024	10,606.90	16.13%	1,673.83	20.23%	-	0.00%	1,673.83	21.50%	
	31 December, 2023	9,262.54	15.47%	3,194.80	28.39%	-	0.00%	3,194.80	26.78%		
9	CIE Legazpi SA (subsidiary of Galfor)	31 December, 2024	(116.73)	-0.18%	(352.48)	-4.26%	-	0.00%	(352.48)	-4.53%	
	31 December, 2023	90.01	0.15%	(138.02)	-1.23%	-	0.00%	(138.02)	-1.16%		
10	UAB CIE LT Forge (subsidiary of Galfor)	31 December, 2024	2,914.17	4.43%	618.99	7.48%	-	0.00%	618.99	7.95%	
	31 December, 2023	2,383.36	3.98%	593.04	5.27%	-	0.00%	593.04	4.97%		
11	Bill Forge Mexico S.A de C.V (subsidiary of CIE-India)	31 December, 2024	3,552.85	5.40%	26.52	0.32%	-	0.00%	26.52	0.34%	
	31 December, 2023	(1,481.53)	-2.47%	(334.05)	-2.97%	(2.89)	-0.43%	(336.94)	-2.82%		
	Adjustment on consolidation	31 December, 2024	(12,886.03)	-19.59%	(945.83)	-11.43%	(482.15)	98.51%	(1,427.98)	-18.34%	
	31 December, 2023	(7,708.62)	-12.87%	(2,302.97)	-20.47%	676.18	99.93%	(1,626.78)	-13.64%		



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

Sr. No.	Name of the entity	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
		Amount	As a % of consolidated	Amount	As a % of consolidated	Amount	As a % of consolidated	Amount	As a % of consolidated
Associates									
Indian									
1	Gescrap India Private Limited	31 December, 2024	264.24	0.40%	22.70	0.27%	-	22.70	0.29%
		31 December, 2023	189.43	0.32%	(18.88)	-0.17%	-	(18.88)	-0.16%
2	Clean Max Deneb Power LLP	31 December, 2024	328.39	0.50%	(2.85)	-0.03%	-	(2.85)	-0.04%
		31 December, 2023	345.46	0.58%	8.27	0.07%	-	8.27	0.07%
3	Sunbarn Renewables Private Limited	31 December, 2024	343.02	0.52%	2.37	0.03%	-	2.37	0.03%
		31 December, 2023	338.52	0.57%	(1.54)	-0.01%	-	(1.54)	-0.01%
4	Renew Surya Alok Private Limited	31 December, 2024	293.49	0.45%	7.93	0.10%	-	7.93	0.10%
		31 December, 2023	268.05	0.45%	5.04	0.04%	-	5.04	0.04%
5	Strongsun Solar Private Limited	31 December, 2024	128.42	0.20%	(0.63)	-0.01%	-	(0.63)	-0.01%
		31 December, 2023	130.04	0.22%	2.25	0.02%	-	2.25	0.02%
6	Sunseed Solar Private Limited (Associate of CACIL) (w.e.f. July 04, 2023)	31 December, 2024	68.02	0.10%	(2.80)	-0.03%	-	(2.80)	-0.04%
		31 December, 2023	-	-	-	-	-	-	-
7	Ojaha Renewables Private Limited (Associate of Hosur) (w.e.f. April 25, 2024)	31 December, 2024	59.87	0.09%	0.25	0.00%	-	0.25	0.00%
		31 December, 2023	-	-	-	-	-	-	-
8	ReNew Green (MHK Two) Private Limited (w.e.f. October 29, 2024)	31 December, 2024	115.50	0.18%	-	0.00%	-	-	0.00%
		31 December, 2023	-	-	-	-	-	-	-
Foreign									
1	Galfor Eólica, S.L (Associate of Galfor)	31 December, 2024	-	0.00%	-	0.00%	-	-	0.00%
		31 December, 2023	-	-	-	-	-	-	-

\* Discontinued w.e.f. 1<sup>st</sup> July, 2023

## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

**40. Additional disclosures required by schedule III**

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iv) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (v) The Group does not have any investments through more than two layer of investment companies as per section 2(87)(d) and section 186 of Companies Act, 2013.
- (vi) The Group has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.
- (vii) The Group is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
- (viii) The Group has no transaction with the Companies struck off as per section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- (ix) The Group has complied with the number of layers prescribed under the Companies Act, 2013.
- (x) The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (xi) The Group does not have charges or satisfaction of charges which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

**41. The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:**

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

**42. The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:**

- (a) 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
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

**43. For CIE Automotive India Limited (formerly known as Mahindra CIE Automotive Limited) (Holding Company)**

The Holding Company does not have any secured loans pertaining to year ended 31 December, 2024 .

Secured Loan with bank of Baroda, pertaining to 31 December, 2023, non fund base for the period was ₹110 million. The quarterly returns or statements filed by the holding company for working capital limits with Bank of Baroda banks are in agreement with the books of account of the holding company except for statements filed for quarters ended March, 2023 and September, 2023 where differences were noted between the amount as per books of account for respective quarters and amount as reported in the quarterly statements. The differences are due to some of the items where not taken while reporting to banks due to grouping mismatch. The differences were in case of Payables with respect to period ended March, 2023 and September, 2023 are ₹ 173.36 million and ₹109.60 million respectively.

For CIE Aluminium Casting India Limited (formerly known as Aurangabad Electricals Limited) (Subsidiary Company) - Pertaining to 31 December, 2024

Secured Loans with HDFC Bank and ICICI Bank with non fund base for the period was ₹ 840 million and ₹ 450 million respectively. The quarterly returns or statements filed by one of the subsidiary companies for working capital limits with the aforementioned banks are in agreement with the books of account of the Company except for statements filed for quarter ended September 30, 2024 where differences were noted between the amount as per books of account for quarter and amount as reported in the quarterly statement. Difference is mainly on account of advance to suppliers amount included in stock statements and Trade receivable from related parties not included in stock statement. Company has subsequently rectified the same on 10 February 2025. The differences were in case of Inventory, Trade Receivables and Payables with respect to period ended September 30, 2024 is ₹ 41.85 million.





## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

There are no differences in the statement filed by the Subsidiary Company and books of accounts for the period pertaining to 31 December, 2023

### 44. The following table summarises the transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended / as at 31 December, 2024:

Name of struck off Company	Nature of transactions with struck off Company	Number of Shares	Amount of transactions	Balance Outstanding
Aveeta Investments Pvt Ltd	Dividend Payable	3715	0.02	0.02
B M Portfolios Pvt Ltd.	Dividend Payable	142	—*	—*
Barracuda Consultancy Ser Pvt Ltd	Dividend Payable	8	—*	—*
Chandrajyot Holdings Pvt Ltd	Dividend Payable	8	—*	—*
Devendra Investments Pvt Ltd	Dividend Payable	200	—*	—*
Investedge Financial Consultancy Private Limited	Dividend Payable	30	—*	—*
Kansons Trade Co P Ltd	Dividend Payable	25	—*	—*
Ritaraj Investment Private Ltd	Dividend Payable	852	—*	—*
Snehankur Investment Pvt Ltd	Dividend Payable	11	—*	—*
Ulka Power Tech Pvt Ltd	Dividend Payable	40	—*	—*
Vibhuraj Investments Pvt Ltd.	Dividend Payable	200	—*	—*
Vaishak Shares Limited	Dividend Paid	17	—*	—

The Group did not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended / as at 31 December, 2023.

\* Amount is below the rounding off norm adopted by the Group.

### 45. Audit Trail

As per proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account, the Group and its subsidiaries in India is using SAP ERP System for maintaining books of account which has feature of recording an Audit Trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made. It also has feature of ensuring that the audit trail cannot be disabled.

The audit trail was enabled and operated throughout the year for application level. The audit trail functionality at database level is enabled, however, the system was not able to produce the report to verify the Audit Trail.

Further the software used for maintaining record relating to payroll, also has the feature of recording audit trail (edit log) facility. The audit trail was enabled and operated throughout the year for application level and for data base level it was enabled from 17<sup>th</sup> December 2024.

There was no instance of the audit trail feature being tampered with during the year in respect of both these softwares.

### 46. The Board of Directors of group at their meeting held on February 20, 2025 recommended final dividend of ₹ 7.00/- per Equity Share of ₹ 10.00 each fully paid up for financial year 2024 (₹ 5.00 per Equity Share of ₹ 10.00 each fully paid up for financial year 2023).

For **BSR & Co. LLP**  
Firm Registration No.101248W/W-100022

**Abhishek**  
Partner  
Membership No. 062343

Mumbai, February 20, 2025

For and on behalf of the Board of Directors of  
**CIE AUTOMOTIVE INDIA LIMITED (formerly known as Mahindra CIE Automotive Limited)**

**Ander Arenaza Alvarez**  
Executive Director & Group CEO -DIN : 07591785

**Manoj Menon**  
Executive Director & CEO - DIN : 07642469

**Sunil Narke**  
CEO-Forging Division

**K. Jayaprakash**  
Chief Financial Officer

Mumbai, February 20, 2025

**Alan Savio D'Silva Picardo**  
Independent Director - DIN : 08513835

**Rajendra Vadlapudi**  
CEO-Iron Casting Division

**Pankaj Goyal**  
Company Secretary  
FCS : FI303



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

**Form AOC-1**  
**PART - A- Statement containing salient features of the financial statement of Subsidiaries**

Name of Subsidiary	Date of acquisition	Reporting Currency	Exchange Rate	Share Capital	Reserves & Surplus (including equity)	Total Assets	Total Liabilities	Total Investment (Other than subsidiaries)	Gross Turnover	Profit before tax	Provision for Tax	Profit after tax	Proposed Dividend	Existing shareholding in%
CIE Forgings Germany GmbH (CFG) (subsidiary of Galfor)	1 <sup>st</sup> April 2007	EURO	88.93	444.67	939.31	1,101.26	161.96	-	-	72.08	-	72.08	-	100%
Metacastello S.p.A (MC) (subsidiary of Galfor)	1 <sup>st</sup> Oct 2013	EURO	88.93	889.34	3,157.12	5,250.70	2,093.58	-	4,534.25	476.00	96.03	379.97	-	99.96%
CIE Galfor SAU (Galfor)	1 <sup>st</sup> Oct 2013	EURO	88.93	222.49	10,606.94	19,266.55	8,659.61	-	13,487.53	2,126.88	453.05	1,673.83	-	100%
CIE Legazpi SA (subsidiary of Galfor)	1 <sup>st</sup> Oct 2013	EURO	88.93	222.33	(116.63)	3,788.89	3,905.53	-	5,004.68	(359.42)	(6.94)	(352.48)	-	100%
UAB CIE LT Forge (subsidiary of Galfor)	1 <sup>st</sup> Oct 2013	EURO	88.93	670.65	2,914.17	3,946.87	1,032.70	-	5,211.52	713.44	94.45	618.99	-	100%
CIE Aluminium Castings India Limited (CACIL)	9 <sup>th</sup> April 2019	₹	1	29.40	3,207.44	7,696.94	4,489.50	-	11,305.58	1,495.07	379.76	1,115.31	-	100%
BF Precision Private Limited (under voluntary liquidation)	1 <sup>st</sup> Oct 2016	₹	1	0*	-	-	-	-	-	1.38	-	1.38	-	100%
Bill Forge Mexico S. DE R. L. DE C V**	1 <sup>st</sup> Oct 2016	USD	85.60	5,059.17	3,552.89	3,899.90	347.02	-	2,985.89	21.58	(4.94)	26.52	-	99.99%
CIE Hosur Limited	6 <sup>th</sup> Aug 2021	₹	1	0*	1,066.44	2,146.76	1,080.32	-	1,347.02	(153.39)	(4.63)	(148.75)	-	100%

\* Amount is below the rounding off norm adopted by the Group.

\*\* Subsidiary of the Company upto February 19, 2024 and Subsidiary of Galfor from February 20, 2024



## Notes to the Consolidated Financial Statements as at and for the year ended 31 December, 2024

(₹ in Million except earning per share data)

**Form AOC-1**  
**PART -B- Details of Associates/ Joint ventures [ as per Section 2(6) of the Companies Act, 2013**

Name of Associates	Audited Balance Sheet Date	No. of Equity shares held	Proportion of ownership interest	Cost of investments	Networth attributable to shareholding as per latest audited Balance Sheet	Profit/ (loss) for the year considered in consolidation	not considered in consolidation
Gescrap India Private Limited	31 <sup>st</sup> Mar 2024	3,720,000	30.00%	78.92	264.24	22.70	NA
Galfor Eólica, S.L (Associate of Galfor)	31 <sup>st</sup> Dec 2023	68,000	25.00%	5.00	0*	0*	NA
Clean Max Deneb Power LLP	31 <sup>st</sup> Mar 2024	-	26.00%	85.38	328.39	(2.85)	NA
Sunbarn Renewables Private Limited	31 <sup>st</sup> Mar 2024	1,112,813	26.16%	89.60	343.02	2.37	NA
Renew Surya Alok Private Limited	31 <sup>st</sup> Mar 2024	8,260,000	31.20%	35.12	293.49	7.93	NA
Strongsun Solar Private Limited (w.e.f. 12. 12. 2022)	31 <sup>st</sup> Mar 2024	418,750	27.35%	91.57	128.42	(0.63)	NA
Sunseed Solar Private Limited (w.e.f. July 04, 2023)	31 <sup>st</sup> Mar 2024	295,238	26.49%	20.82	68.02	(2.80)	NA
ReNew Green (MHK Two) Private Limited (w.e.f. 29 <sup>th</sup> October, 2024)	NA	924,000	31.20%	36.04	59.87	0.25	NA
Ojha Renewables Private Limited (w.e.f. April 25, 2024) (Associate of Hosur)	NA	202,500	27.89%	16.45	115.50	-	NA

\*Amount is below the rounding off norm adopted by the Group.

For and on behalf of the Board of Directors of  
**CIE AUTOMOTIVE INDIA LIMITED (formerly known as Mahindra CIE Automotive Limited)**

**Ander Arenaza Alvarez**  
 Executive Director -DIN : 07591785

**Alan Savio D'silva Picardo**  
 Independent Director -DIN : 08513835

**Manoj Menon**  
 Executive Director & CEO  
 DIN : 07642469

**Rajendra Vadlapudi**  
 CEO-Iron Casting Division

**Sunil Narke**  
 CEO-Forging Division

**Pankaj Goyal**  
 Company Secretary  
 FCS : FI303

**K. Jayaprakash**  
 Chief Financial Officer

Mumbai, February 20, 2025



## This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

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## CSR



Project "Harit Gram" – Renovation of Washroom facility at Govt. School, Shapar, Rajkot



Project "WASH 2" (Water, Sanitation & Hygiene) in 14 Schools – Inauguration of Drinking Water Station and Renovation of Washroom facility at Govt. School, Balewadi, Pune



Project "WASH 2" (Water, Sanitation & Hygiene) in 14 Schools – Handing over ceremony of Newly constructed Hand Wash Station and Renovation of Washroom facility at Govt. School, Kanhe, Pune



Project "WASH 2" (Water, Sanitation & Hygiene) in 14 Schools – Newly constructed Hand Wash Station at Govt. School, Kanhe, Pune



Project "GEMS 2" (Green Education Movement in 4 Schools) – Distribution of School Uniforms at Yashwantrao Chavan Ashram Shala, Bhosari, Pune



Project "GEMS 2" (Green Education Movement in 4 Schools) – Eco Friendly Ganpati making by students of Yashwantrao Chavan Ashram Shala, Bhosari, Pune



Project "SaniSafe" at Rajkot, Pune, Chh. Sambhajinagar and Bengaluru – Menstrual Hygiene Management (MHM) Awareness and Distribution of re-usable sanitary pad kits



Project "GEMS 3" (Green Education Movement in Schools at Bengaluru) – Flower making activity conducted by students



# Annual Report 2024

Forgings



Stampings



Aluminium



Gears



Castings



Composites



Magnetics



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