

NOTICE

The **TWENTY FOURTH ANNUAL GENERAL MEETING** of the Members of **MAHINDRA CIE AUTOMOTIVE LIMITED** (the Company) will be held on Friday, 9th June, 2023 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, to transact the businesses mentioned below.

The proceedings of the 24th Annual General Meeting ("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 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 31st December, 2022 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 31st December, 2022 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 ₹ 2.50/- per ordinary Equity Share of face value of ₹ 10 each for the financial year ended 31st December, 2022 and in this regard to consider and, if thought fit, pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT a Dividend of ₹ 2.50/- (Two rupees and fifty paise only) per Ordinary Equity Share of the face value of ₹ 10 each for the financial year ended 31st December, 2022 as recommended by the Board of Directors be and is hereby 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 31st December, 2022."

3. To re-appoint Mr. Jesus Maria Herrera Barandiaran (DIN: 06705854), 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. Jesus Maria Herrera Barandiaran (DIN: 06705854) 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."

4. 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

5. 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 31st December, 2023, amounting to ₹ 13,20,000/- (Rupees Thirteen Lakh Twenty 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 (including any Committee thereof) 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."

6. Approval of material related party transactions of the Company with Mahindra and 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, ("SEBI



Listing Regulations”), as amended from time to time, read with circulars issued by Securities and Exchange Board of India dated 30th March, 2022 and 8th April, 2022 and the Company’s Policy on materiality of and dealing with related party transactions, and in accordance with the omnibus approval 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 and Mahindra Limited, which inter-alia are in the nature of sale, purchase or supply of goods or materials, availing or rendering of services, payment or receipt of interest for delayed or advance payments, leasing/renting of property of any kind and paying/receiving the lease or rent or giving/receiving the security deposit for such property, selling or otherwise disposing off or buying property of any kind including plant and equipment, reimbursements to be made or received (“Transactions”), entered into or to be entered into in ordinary course of 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 Rs. 22,000,000,000 (Rupees Twenty Two Billion only).

RESOLVED FURTHER THAT in accordance with the omnibus approval of the Audit Committee and the recommendation of the Board, the approval of members be and is hereby accorded to Related Party Transactions of the Company with Mahindra and 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 further provided that aggregate value of such transactions taken together with the Transactions during a Financial Year in aggregate shall be within the aforesaid limits of ₹ 22,000,000,000 (Rupees Twenty Two Billion).

RESOLVED FURTHER THAT approval of the members be and is hereby accorded to the Board of Directors of the Company (which includes any Committee of 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.”

7. 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, (“SEBI Listing Regulations”), as amended from time to time, read with circulars issued by Securities and

Exchange Board of India dated 30th March, 2022 and 8th April, 2022 and the Company’s Policy on materiality of and dealing with related party transactions and in accordance with the omnibus approval 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 185,000,000 (Euro One Hundred Eighty Five Million) and at any point of time during the Financial Year the maximum amount receivable by Galfor from 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 160,000,000 (One Hundred Sixty Million) and at any point of time during the Financial Year the maximum amount payable by Galfor to CIE, shall not exceed Euro 30,000,000 (Euro Thirty Million).
 - c) the interest payable/receivable if any on the amount involved in the Cash Pooling Arrangement 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. Rendering or availing of services in ordinary course of business and on arm’s length basis provided that aggregate amount of all the Transactions taken together during a Financial Year shall not exceed Euro 4,000,000 (Euro Four Million only).

RESOLVED FURTHER THAT in accordance with the omnibus approval 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 only) per transaction (equivalent to Euro 121,167) 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 only).

RESOLVED FURTHER THAT approval of the members be and is hereby accorded to the Board of Directors of the Company (which includes any Committee of 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 this resolution."

By Order of the Board of Directors of
Mahindra CIE Automotive Limited

Pankaj V. Goyal
Company Secretary & Compliance Officer
Membership No.: A 29614

Mumbai, 25th April, 2023

Registered Office:

Mahindra CIE Automotive Limited

CIN: L27100MH1999PLC121285

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

E-mail: mcie.investors@cie-india.com

Website: www.mahindracie.com

Tel: +91 22 62411031

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NOTES

1. The Board of Directors of the Company at their meeting held on 14th December, 2022 have approved to change the name of the Company from "Mahindra CIE Automotive Limited" to "CIE Automotive India Limited". The shareholders of the Company have also approved the change in name of the Company and other consequential matters by passing a special resolution through Postal Ballot on 2nd March, 2023. The Company has filed the requisite application seeking approval of the Central Government to the change in name of the Company as required under Section 13(2) of the Companies Act, 2013 (the Act). Upon approval of the said application by the Central Government, a fresh certificate of incorporation in the new name of the Company i.e., CIE Automotive India Limited shall be issued by the Registrar of Companies as per Section 13(3) of the Act and the change in the name shall be complete and effective from the date of issuance of such certificate.
2. In compliance with General Circular No.10/2022 dated 28th December, 2022, 20/2020 dated 5th May, 2020, 02/2022 dated 5th May, 2022 and other relevant circulars issued by Ministry of Corporate Affairs, ("MCA Circulars"), the 24th 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 Meeting issued by the Institute of Company Secretaries of India ("ICSI") read with Guidance/Clarification dated 15th April, 2020 issued by ICSI, the proceedings of the AGM shall deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.

3. Pursuant to the provisions of the Companies Act, 2013 ("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, as the AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Further as per the MCA Circulars, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, pursuant to Section 113 of the Companies Act, 2013 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 with a copy marked to mcie.investors@cie-india.com.
4. 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.
5. The Explanatory Statement as required under Section 102 of the Act is annexed hereto. Further, additional information with respect to Item Nos. from 3 and 4, pursuant to the Secretarial Standards - 2 on General Meetings and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 5 to 7 of the Notice of AGM, as they are unavoidable in nature.
6. **Attending AGM:** All the Members will be provided with a facility to attend the AGM through VC/OAVM facility provided by KFin Technologies Limited, ("KFinTech" or "KFin"), the Registrar and Transfer Agent of the Company. Kindly refer Note No. 20 (C) below for detailed instruction for participating in the AGM through VC/OAVM facility. A member logging-in to the VC/OAVM facility using the remote e-voting credentials provided by KFin Technologies Limited 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.



7. **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 Transfer Agent of the Company. Kindly, refer Note No. 20 (A) and 20 (B) below for detailed instruction for remote e-voting.
8. **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. 20 (C) below for instruction for e-voting during the AGM.
9. The Register of Members and Transfer Book of the Company will be closed from Saturday, 3rd June, 2023 to Friday, 9th June, 2023 (both days inclusive) for the purpose of AGM and identifying the members entitled for dividend.
10. Pursuant to Sections 101 and 136 of the Companies Act, 2013 read with Rule 18(1) of the Companies (Management and Administration) Rules, 2014 read with the MCA Circulars, the Notice calling the 24th AGM along-with the Annual Report which inter-alia comprises the Standalone and Consolidated Financial Statements of the Company for the Financial Year ended 31st December, 2022 and Report of the Board of Directors and Auditors thereon ("the Annual Report") is being sent only by email to those Members whose e-mail addresses are registered with the Company/ Depository(ies).
11. Members who wish to obtain printed copies of above-mentioned documents can send a request on mcie.investors@cie-india.com. The Notice calling the AGM and the Annual Report is available on the website of the Company at www.mahindrachie.com. The Notice 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 and www.nseindia.com respectively. The same is also available on the website of KFin Technologies Limited at <https://evoting.kfintech.com/>
12. 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, 5th May, 2023 will be considered for the purpose of sending the Notice of AGM and the Annual Report. However, instructions have been given at Note No. 20 (B) (ii) to enable those persons who become members after Friday, 5th May, 2023 to receive the Notice of AGM and the Annual Report.
13. **Submission of questions / queries prior to AGM:**
- a. Members desiring any additional information with regard to Accounts/ Annual Reports or has any question or query, 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: mcie.investors@cie-india.com at least 24 hours before the date of the AGM i.e., till 5:00 p.m. (IST) on 8th June, 2023, 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.
- b. Alternatively, shareholders holding shares as on 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. 20(B) (ii). On successful login click on the tab "Post Your Queries Here" to post queries/ views/ questions. The window shall be available from Monday, 5th June, 2023 9:00 a.m. (IST) to Thursday, 8th June, 2023, 5:00 p.m. (IST).
14. **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 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. 20(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 Monday, 5th June, 2023 9:00 a.m. (IST) to Thursday, 8th June, 2023, 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. 13 above.**
15. **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 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. Friday, 9th June, 2023. Members seeking to inspect such documents can send an email to mcie.investors@cie-india.com.
16. 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 Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020, 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.

17. The remote e-voting facility will be available during the following period:

- i. Day, date and time of commencement of remote e-voting: **Monday, 5th June, 2023 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: **Thursday, 8th June, 2023 at 5:00 p.m. (IST)**

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

18. The Company has fixed Friday, 2nd June, 2023 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.

19. 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 :** The Login Credentials provided in the mail received from KFinTech/generated as per procedure provided in Note No. 20(B) (ii) are required for attending the AGM through VC/OAVM and e-voting during the AGM which is integrated with the VC platform. For remote e-voting, 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. 20 (A) and Note No. 20 (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 provided in the mail received from KFinTech as provided in Note No. 20(B) (i)/generated as per procedure provided in Note No. 20(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 RTA.

For further details please refer Note No. 20 (B) and Note No. 20 (C) of this AGM notice.

20. 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 securities in demat mode

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 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. 20(C) below.

The procedure to login and accessing remote e-voting platform, as advised by the Depositories, is given below:



| Type of shareholders | Login Method |
|--|---|
| Individual Shareholders holding securities in demat mode with NSDL | <ol style="list-style-type: none"> 1. User already registered for IDeAS facility: <ol style="list-style-type: none"> I. Visit URL: https://eservices.nsdl.com II. Click on the “Beneficial Owner” icon under “Login” under ‘IDeAS’ section. III. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting” IV. 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. 2. User not registered for IDeAS e-Services <ol style="list-style-type: none"> I. To register click on link : https://eservices.nsdl.com II. Select “Register Online for IDeAS” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp III. Proceed with completing the required fields. IV. Follow steps given in point 1 3. Alternatively by directly accessing the e-Voting website of NSDL <ol style="list-style-type: none"> I. Open URL: https://www.evoting.nsdl.com/ II. Click on the icon “Login” which is available under ‘Shareholder/Member’ section. III. 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. IV. Post successful authentication, you will 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. |
| Individual Shareholders holding securities in demat mode with CDSL | <ol style="list-style-type: none"> 1. Existing user who have opted for Easi / Easiest <ol style="list-style-type: none"> I. Visit URL: https://web.cdslindia.com/myeasinew/home/login/ or URL: www.cdslindia.com II. Click on New System Myeasi III. Login with your registered user id and password. IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal. V. Click on e-Voting service provider name to cast your vote. 2. User not registered for Easi/Easiest <ol style="list-style-type: none"> I. Option to register is available at https://web.cdslindia.com/myeasinew/Registration/EasiRegistration/ II. Proceed with completing the required fields. III. Follow the steps given in point 1 3. Alternatively, by directly accessing the e-Voting website of CDSL <ol style="list-style-type: none"> I. Visit URL: www.cdslindia.com II. Provide your demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. IV. After successful authentication, user will be provided links for the respective ESP, i.e., KFintech where the e - Voting is in progress. |



| Type of shareholders | Login Method |
|---|--|
| 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 securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL.

| Login type | Helpdesk details |
|---------------------------|--|
| Securities held with NSDL | Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |
| Securities held with CDSL | Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43 |

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

I. In case of Members holding shares as on 5th May, 2023 and receiving notice of AGM by email (in cases when email id is registered):

Member will receive an e-mail from KFintech [for Members whose e-mail IDs are registered with the Company/Depository Participant(s)] which includes details of E-Voting Event Number (“EVEN”), USER ID and Password. Kindly follow the following steps:

- i. Launch internet browser by typing the URL: <https://evoting.kfintech.com>.
- ii. 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.
- iii. In case of physical folio, User ID will be EVEN followed by Folio Number. In case of Demat account, User ID will be your DP ID and Client ID.
- iv. After entering these details appropriately, click on “LOGIN”.
- v. 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.
- vi. You need to login again with the new password as reset by you.
- vii. On successful login, the system will prompt you to select the “EVENT” of Mahindra CIE Automotive Limited.
- viii. On the voting page, all the items as mentioned in the notice of the AGM shall be listed.
- ix. Voting has to be done separately for each folio/ demat accounts.
- x. 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.

- xi. You may then cast your vote by selecting an appropriate option and click on "Submit".
 - xii. 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).
 - xiii. 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 with a copy to 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 naming format "Corporate Name_ EVENT NO."
- II. In case the persons who become member of the Company after 5th May, 2023 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, 5th May, 2023 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. Friday, 2nd June, 2023, may obtain their User Id and password in the manner as mentioned below:
- i. 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
 1. Example for NSDL:

MYEPWD
<SPACE>IN12345612345678
 2. Example for CDSL:

MYEPWD <SPACE>
1402345612345678
 3. Example for Physical:

MYEPWD <SPACE>
XXXX1234567890
 - ii. 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.
 - iii. Members whose email addresses and mobile numbers are not registered may contact KFinTech at toll free number 1800-309-4001 or write to them at evoting@kfintech.com to generate a password. You may have to provide scanned copies of your self-attested PAN Card, Aadhaar Card, Share Certificate or client master of the demat account in which shares of the Company are held etc. as may be required.
 - iv. The members holding shares as on Friday, 5th May, 2023 (being the date reckoned for the sending of the AGM Notice & Annual Report) and who continue to hold shares as on the cut-off date i.e., Friday, 2nd June, 2023, and whose email address and mobile number is not registered, may follow below procedure to temporarily register their email address and mobile number for limited purpose of receiving the Remote e-voting Login Credentials along-with copy of Notice of AGM and Annual Report:
 - a. Visit the link:

<https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>
 - b. Select the Company name viz. Mahindra CIE Automotive Limited.
 - c. Enter the DP ID & Client ID / Physical Folio Number and PAN details. If the PAN details are not available on record in respect of a Physical Folio, Member shall enter one of the Share Certificate numbers.



- d. Upload a self-attested copy of the PAN card (in case registered) or a self-attested copy of share certificate details of which are entered as mentioned above, for authentication.
- e. Enter your email address and mobile number.
- f. The system will then confirm the email address for receiving this AGM Notice.
- g. After successful submission of the email address, KFintech will email the Annual Report, the Notice of AGM along with the e-voting user ID and password to the shareholders on or before 5th June, 2023.
- v. Once the password is received/retrieved by the shareholders, you may kindly follow the instructions as mentioned in Note No. 20(B)(I).
- vi. E-voting during the AGM is integrated with the VC platform and no separate login is required for the same. For 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.

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

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/Company.
- iii. The remote e-voting credentials will either be received through email from the Company/KFintech (as mentioned in Note No. 20 (B)(I)(i)) or can be generated or retrieved by following the procedure as mentioned in Note No. 20 (B)(II)(iv).
- iv. After logging in, using the remote e-voting credentials provided by Company/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.
- 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. 20 (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. 14 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 casts 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 mcie.investors@cie-india.com or KFin's toll free No.: 1800-3454-001 for any further clarifications or can email queries to evoting@kfintech.com or mcie.investors@cie-india.com.
- 22. 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.
23. Once the vote on a resolution stated in this notice is cast by a Member 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.
24. 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.
25. The Results declared along with the consolidated Scrutinizer's Report shall be hosted on the website of the Company i.e., www.mahindracie.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 the National Stock Exchange of India Limited. The result shall also be displayed on the Notice Board at the Registered Office of the Company.
26. 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 favour of the Resolutions.
- 27. 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 1800-3454-001 or can send email to 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 Ms. Sheetal Doba, Manager - Corporate Registry, KFin Technologies Limited, Unit: Mahindra CIE Automotive Limited, Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032. Contact No. 040 - 6716 1511, E-mail: einward.ris@kfintech.com. The grievances can also be addressed to Mr. Pankaj Goyal, Company Secretary and Compliance Officer of the Company by sending e-mail to mcie.investors@cie-india.com
- Individual Shareholders holding securities 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 or call at toll free no.: 1800 1020 990 and 1800 22 44 30.
- Individual Shareholders holding securities 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 or contact at 022- 23058738 or 022-23058542-43.
- 28. DIVIDEND:** The dividend, as recommended by the Board of Directors, if approved at the AGM, would be paid subject to deduction of tax at source, as may be applicable, after 13th June, 2023, to those persons 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 2nd June, 2023; 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 2nd June, 2023.
- 29. 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 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.

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. 34 herein below to KFinTech to update their KYC details.

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 are to be intimated only to the Depository Participants by the Members. Further, instructions, if any, already given by them 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. In case, the Company is unable to pay the dividend to any Member by the electronic mode, due to non-availability of the details of the bank account, the Company shall dispatch the dividend warrant/demand draft to such Member by permitted mode.

30. **TDS ON DIVIDEND:** Pursuant to the Income-tax Act, 1961, as amended by the Finance Act, 2020, dividend income has become taxable in the hands of shareholders with effect from 1st 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, 2021 and amendments thereof. 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 Friday, 2nd June, 2023.

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 2023 (FY 2023-24 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 2023-24 does not exceed ₹ 5,000.

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, currently, PAN is mandatorily required to be linked with Aadhaar by 30th June, 2023. If PAN is not linked with Aadhaar by 30th June, 2023 (unless such due date is extended), such PAN will be deemed 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) of the Income-tax Act, 1961 along with self-attested copy of the PAN card.



- v. 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 1st 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 ₹ 5,000, 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.

- c) For Non-resident Shareholders:** Taxes are required to be deducted in accordance with the provisions of Section 195 of the Income-tax Act, 1961 at the applicable rates in force. As per the relevant provisions of Section 195 of the said Act, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of Dividend payable to them. 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.

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 2022-23;

- b. Self-declaration in Form 10F;
- 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. Shareholder is and will continue to remain a tax resident of the country of its residence during the FY 2023-24;
 - ii. Shareholder is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
 - iii. Shareholder has 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 2023-24. 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. 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 Monday, 5th June, 2023 in order to enable the Company to determine and deduct appropriate tax. No communication on the tax determination / deduction shall be entertained post Monday, 5th June, 2023. 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 shareholder 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 the Income Tax department of India <https://www.incometax.gov.in/home>.

For further details and formats of declaration, please refer FAQs on Dividend Distribution which are available on the Company's website at www.mahindrachie.com.

GENERAL INSTRUCTIONS AND INFORMATION FOR SHAREHOLDERS

31. Pursuant to the Integrated scheme and the Composites scheme of Amalgamation Mahindra Ugin Steel Company Limited (MUSCO) and Mahindra Composites Limited (MCL) merged with the Company, both MUSCO and MCL had unclaimed dividends which were transferred in the Books of the Company. Pursuant to the provisions of section 124 of the Companies Act, 2013 and Companies (Declaration and Payment of Dividend) Rules, 2014, the Company has already transferred the entire unclaimed dividend pertaining to MUSCO and MCL which was transferred in the books of the Company to Investor Education Protection Fund. No claim lies against the Company in respect of these dividends.

Further, pursuant to the Integrated scheme and the Composites scheme, the fractional entitlement of the member(s) of the Transferor Companies were consolidated and equity shares arising out of such consolidation were allotted to a Trustee who in turn had sold said shares in the open market at the prevailing market prices and transferred the net sale proceeds thereof to the Company and the Company had in turn distributed the said proceeds to respective members in the ratio of their fractional entitlements by permitted mode. The Period of seven years was completed on 14th February, 2022 and the Company has transferred such unclaimed fractional entitlement to IEPF in due course of time and therefor no claim lies against the Company in respect of these 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 <http://www.mahindra.com/investors/downloads/documents.html#unclaimed-amounts> and also on the website of IEPF viz. 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>.

32. We draw your attention to SEBI Circular dated 16th March, 2023 bearing reference no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37, issued in supersession of earlier circulars, whereby SEBI has mandated the following:

- Furnishing of PAN, email address and/or mobile number, bank account details and nomination by holders of physical securities;
- any service request and complaint shall be entertained only upon registration of the PAN, Bank details and the nomination; and
- ensuring that your PAN is linked to Aadhaar by 31st March, 2023 or any other date as may be specified by the Central Board of Direct Taxes to avoid freezing of your folio. Currently CBDT extended the date till 30th June, 2023.

Freezing of Folios without PAN, KYC details and Nomination:

- Folios wherein any one of the said document / details are not available on or after 1st October, 2023, shall be frozen and you will not be eligible to lodge grievance or avail service request from the RTA. Further effective 1st April, 2024 you will not be eligible for receiving dividend in physical mode.

- After 31st December, 2025, the frozen folios shall be referred by RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002.

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 as mentioned in the respective forms as the earliest. Kindly refer Note 33 to 36 hereunder.

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

- We would further like to draw your attention to SEBI Notification dated 24th January, 2022 read with SEBI Circular SEBI/HO/MIRSD/ MIRSD_RTAMB/P/ CIR/2022/8 dated 25th January, 2022 and SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/65 dated 18th May, 2022. 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.
- We hereby request to holders of physical securities to furnish the documents/details, as per the table below for respective service request, to the Registrars & 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 (Optional w.e.f. 1 st April, 2023) | |
| 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 |



| | | |
|----|---|-----------------|
| 11 | Request for issue of Securities in dematerialized form in case of below: i. Issue of duplicate securities certificate ii. Claim from Unclaimed Suspense Account & Suspense Escrow Demat Account iii. Replacement/Renewal / Exchange of securities certificate iv. Endorsement v. Sub-division / Splitting of securities certificate vi. Consolidation of securities certificates/folios vii. Transposition viii. 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 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.mahindrachief.com/investors/downloads/information-for-holders-of-physical-securities.html> and from the website of the RTA at <https://ris.kfintech.com/clientservices/diy/>

35. **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: Mahindra CIE Automotive 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 or upload KYC documents with e-sign on RTA's website at the link: <https://ris.kfintech.com/clientservices/diy/>

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 authorised 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 (s). In case the documents are submitted in electronic mode then the same should be furnished with e-sign of scan copies of the documents unless otherwise prescribed in the Companies Act, 2013 or the Rules issued thereunder or in SEBI Regulations or Circulars issued thereunder.

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.

36. 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.



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

Item No. 3

Mr. Jesus Maria Herrera Barandiaran, (DIN: 06705854), Non-Executive Director of the Company (w.e.f. 4th October, 2013) is liable to retire by rotation and being eligible, have offered himself for re-appointment.

Brief Profile of Mr. Barandiaran including the nature of expertise in specific functional area

Mr. Herrera, aged 56 years, is a graduate of Business Studies and Economics from the Basque University, and also holds the degree of Masters of International Expansion (from Euroforum). He joined CIE Automotive S.A. as CFO in 1991 and became the CEO of CIE Automotive S.A. group in 2013.

Mr. Herrera was first appointed as Additional Director (Non-Executive) of the Company with effect from 4th October, 2013 and as a Director, liable to retire by rotation, at the 15th AGM held on 29th September 2014. Mr. Herrera had retired by rotation last time at the 22nd Annual General Meeting of the Company held on 29th April, 2021. Mr. Herrera is a member of Nomination and Remuneration Committee of the Board of Directors of the Company.

Directorships and Committee positions

Apart from the Company, Mr. Herrera holds Directorship in Gescrap India Private Limited, Global Dominion Access, S.A. and he is CEO (Executive Director) of CIE Automotive S.A. and its group companies. He is not holding any committee position in any other public companies. Further, he has not resigned from any other listed entity from any other listed entity in past 3 years.

Attendance at Board Meetings in FY 2022

During the financial year ended on 31st December, 2022, 5 (Five) Board Meetings of the Company were held and Mr. Herrera attended 3 (three) Board meetings.

Remuneration drawn in FY 2022 and Shareholding

Mr. Herrera did not receive any remuneration from the Company. Mr. Herrera do not hold any Equity Shares of the Company as on the date of this Notice.

Mr. Herrera 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.

In accordance with the provisions of Article 144(2) of the Articles of Association (AOA) of the Company, Mr. Herrera has been nominated on the Board of Directors of the Company by Participaciones Internacionales Autometal Dos, S.L. (PIA2), one of the promoters of the Company.

Apart from Mr. Herrera, 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 this item. None of the Directors and Key Managerial Personnel of the Company are *inter-se* related.

The Board recommends the Ordinary Resolution as set out in Item No. 3 of this Notice for approval of the Members.

Item No. 4

Mr. Manoj Menon (DIN: 07642469), Executive Director of the Company (w.e.f. 17th October, 2019) is liable to retire by rotation and being eligible, have offered himself for re-appointment.

Brief Profile of Mr. Menon including the nature of expertise in specific functional area

Mr. Manoj Menon is the Whole-time Director and CEO of Stampings, Composites, Foundry, Magnetics Products and Gears Divisions of the Company. 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.

Mr. Manoj Menon, aged 54 years, holds degree of 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 32 years from setting up green field projects to heading operations and strategy. In 2017 Mr. Menon took over the Foundry and Magnetics products division of the Company as CEO in addition to his responsibility in the Gears Division.

Mr. Menon was first appointed as Additional Director of the Company with effect from 17th October, 2019 and as a Director, liable to retire by rotation, at the 21st Annual General Meeting held on 25th June, 2020.

Mr. Manoj Menon was also appointed as a Whole-time Director (Executive Director) of the Company for a period of 3 (three) years with effect from 17th October, 2019 which was approved by the members at the 21st Annual General Meeting of the Company held on 25th June, 2020 and was re-appointed for a further period of three years with effect from 17th October, 2022 which was approved by the members at the 23rd Annual General Meeting of the Company held on 25th April, 2022.

Directorships and Committee positions

Apart from the Company, Mr. Menon holds directorships in wholly owned subsidiaries of the Company namely; BF Precision Private Limited, CIE Hosur Limited and Aurangabad Electricals Limited. He neither holds Directorships in any listed entity other than the Company nor holds Audit committee position of any public company including the Company. He is the Chairman of Risk Management Committee of the Company and a member of Corporate Social Responsibility Committee and Stakeholders Relationship Committee. Further he



has not resigned from any other listed entity in past 3 years.

Attendance at Board Meetings in FY 2022

He has attended all the five meetings of Board of Directors of the Company held in financial year 2022.

Remuneration drawn in FY 2022 and Shareholding

Mr. Menon was paid an aggregate remuneration, including the perquisites, of ₹16.83 Mio during the Financial Year 2022 as the Executive Director of the Company.

The Board of Directors granted 2,00,000 Stock Appreciation Units in accordance with Stock Appreciation Benefit Policy of the Company to Mr. Manoj Menon with the pay-out dates of 19th February, 2023 (first pay-out) and 19th February, 2025 (final pay-out reduced by the amount already paid in first pay-out). Accordingly, the first pay-out has been made to Mr. Menon in March 2023.

Mr. Menon holds 23,558 equity shares of 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 listed company by virtue of any order of SEBI or any such authority.

In accordance with the provisions of Article 144(2) of the Articles of Association (AOA) of the Company, Mr. Menon has been nominated on the Board of Directors of the Company by Participaciones Internacionales Autometal Dos, S.L. (PIA2), one of the promoters of the Company.

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 this item. None of the Directors and Key Managerial Personnel of the Company are inter-se related.

The Board recommends the Ordinary Resolution as set out in Item No. 4 of this Notice for approval of the Members.

Item No. 5

The Board of Directors, at their Meeting held on 22nd February, 2023, 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 31st December, 2023, at a remuneration of ₹13,20,000 (Rupees Thirteen Lakh Twenty 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, consent of the Members of the Company is sought for ratification of the remuneration payable to the Cost Auditors for conducting the Audit of Cost records, for the Financial Year ending 31st December, 2023.

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 at Item No. 5 of the Notice for approval of the Members.

Item No. 6

Mahindra and Mahindra Limited (M&M) is a Related Party of the Company. The Company enters into various transactions with M&M in Ordinary Course of its business which *inter-alia* are in the nature of sale, purchase or supply of goods or materials, availing or rendering of services, payment or receipt of interest for delayed or advance payments, leasing/renting of property of any kind and paying/receiving the lease or rent or giving/receiving the security deposit for such property, selling or otherwise disposing off or buying property of any kind including plant and equipment, reimbursements to be made or received ("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 ("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 Listing Regulations, a transaction with a Related Party, undertaken by the listed entity 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 ₹1,000 crore or 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower ("materiality threshold").

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

In accordance with Regulation 23(4) of the Listing Regulations, the Members of the Company by a resolution passed on 23rd June, 2022 by way of Postal Ballot had approved material related party transaction with M&M which are of the nature as provided in the said resolution and which taken together during a financial year may exceed 10% of the Annual Consolidated Turnover of the Company as per the last audited financial statements, provided that aggregate amount of all such Transactions taken together during a Financial Year shall not exceed ₹18,000,000,000 (Rupees Eighteen Thousand Million).



In accordance with SEBI Circular bearing reference no. SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated 8th April, 2022 (the Circular) the said approval of the members is valid for a period of one year from the date of passing of the resolution i.e. till 22nd June, 2023.

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.

Information required vide SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November 2021 is as below:

| Particulars | Remarks | | | | | | | | | | | | |
|---|---|-------------|--------------|---------------|----------|--------------------------|------|-------------------|------|----------------------------|------|---------------------|------|
| Name of the related party; | Mahindra and Mahindra Limited ("M&M") | | | | | | | | | | | | |
| 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, Director of the Company is nominated on the Board of the Company by M&M and is in whole-time employment of M&M. Hence, he may be concerned or interested in the proposed transactions to the extent of his employment or shareholding in the M&M.</p> | | | | | | | | | | | | |
| Nature of relationship; | Mahindra and Mahindra Limited (M&M), the Investee Company in respect of which the Company is an associate. M&M is also a Promoter of the Company. | | | | | | | | | | | | |
| Nature, material terms, monetary value and particulars of the contract or arrangements; | <p>Transactions are in the nature of sale, purchase or supply of goods or materials, availing or rendering of services, payment or receipt of interest for delayed or advance payments, leasing/renting of property of any kind and paying/receiving the lease or rent or giving/receiving the security deposit for such property, selling or otherwise disposing off or buying property of any kind including plant and equipment, reimbursements to be made or received. All the transactions are on arm's length basis and in the ordinary course of business.</p> <p>Subject to the approval of the members, the Audit Committee at its meeting held on 13th December, 2022 has granted its omnibus approval to the related party transaction with M&M, to be entered into during 1st January, 2023 to 31st December, 2023 as per below details:</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>₹ in Million</th> </tr> </thead> <tbody> <tr> <td>Sale of goods</td> <td>20,000.0</td> </tr> <tr> <td>Purchase of fixed assets</td> <td>15.0</td> </tr> <tr> <td>Purchase of goods</td> <td>10.0</td> </tr> <tr> <td>Rent Paid & other services</td> <td>30.0</td> </tr> <tr> <td>Purchase of Service</td> <td>10.0</td> </tr> </tbody> </table> | Particulars | ₹ in Million | Sale of goods | 20,000.0 | Purchase of fixed assets | 15.0 | Purchase of goods | 10.0 | Rent Paid & other services | 30.0 | Purchase of Service | 10.0 |
| Particulars | ₹ in Million | | | | | | | | | | | | |
| Sale of goods | 20,000.0 | | | | | | | | | | | | |
| Purchase of fixed assets | 15.0 | | | | | | | | | | | | |
| Purchase of goods | 10.0 | | | | | | | | | | | | |
| Rent Paid & other services | 30.0 | | | | | | | | | | | | |
| Purchase of Service | 10.0 | | | | | | | | | | | | |
| | <p>The transactions to be entered into by the Company with M&M upto 22nd June, 2023 shall be within the approval limits granted by the shareholders vide their resolution dated 23rd June, 2022 i.e. the same shall not exceed ₹ 18,000 Million.</p> <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.</p> <p>The Audit Committee, at their meeting held on 22nd February, 2023 considered the matter of seeking shareholders' approval to the Material Related Party Transactions and approved to keep the same terms of the shareholders' approval as sought in the previous year, with the only change that the maximum amount of transaction is proposed to be increased to ₹ 22,000 Million.</p> | | | | | | | | | | | | |



| Particulars | Remarks |
|---|---|
| Tenure of the proposed transaction | <p>The Transactions are repetitive in nature.</p> <p>Audit Committee of the Company considered and granted 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 placed before the Audit Committee on quarterly basis for review. In line with the same, the Audit Committee, at its meeting held on 13th December 2022 has granted its omnibus approval for the transactions to be entered into during 1st January, 2023 to 31st December 2023 with M&M.</p> <p>In accordance with Regulation 23(4) read with the SEBI Circular No. SEBI/HO/CFD/CMD1/CIE/P/2022/47 dated April 8, 2022, the approval of the members granted at 24th AGM shall be valid for upto the date of the 25th AGM to be held in the year 2024 subject to the period not exceeding fifteen months from the date of 24th 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&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&M during CY2022 which accounted for 18.29% 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. Likewise, the Company also makes similar efforts for its business with M&M.</p> <p>Other transactions are also linked to or relevant for ensuring smooth supply of products to M&M.</p> <p>All the Transactions with M&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 |
| 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 |



| Particulars | Remarks |
|--|---|
| 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; | In this case valuation report is not required. All the Transactions with M&M are in the Ordinary Course of Company's business and are at Arm's Length basis. |
| 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 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. 6 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 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 25th AGM to be held in the year 2024 subject to maximum period of fifteen months from the date of this 24th 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. 6 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. 6. However, Mr. Shriprakash Shukla, Director of the Company, is nominated on the Board of the Company by M&M and is in whole-time employment of M&M. Hence, he may be concerned or interested in the resolution to the extent of their employment or shareholding in M&M.

The related party transactions with M&M shall not, in any manner, be detrimental to the interest of minority members and is in the best interest of the Company and its members.

The Board recommends the Ordinary resolution as set out at Item No. 6 of the Notice for approval of the Members.

Item No. 7

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 rendering or availing of services during the course of the year. All these transactions are governed and are in compliance with Spanish Law.

Galfor is, a wholly owned subsidiary of the Company. CIE is a related party of the Company and Galfor. Hence transactions amongst Galfor and CIE are related party transactions as per Regulation 2(zc) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) w.e.f. 1st April, 2022. As per regulation 23(4) of the SEBI 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.

The Cash Pooling Arrangement is expected to exceed the materiality threshold as provided under Regulation 23(1) of the Listing Regulations read with Company's Policy on materiality of and dealing with Related Party Transactions (the Policy).

Galfor has been participating in the Cash Pooling Arrangement in Ordinary Course of its business with CIE, now for more than last 10 (Ten) years as a part of its daily cash management and optimizing of its financial costs/returns. The Cash Pooling Arrangement is in compliance with Transfer Pricing Regulations, and other applicable laws, in Spain.

What is Cash Pooling Arrangement?

As a part of Cash Pooling Arrangement, Galfor:

- a) 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
- b) Draws funds from the Common Cash Pool Account of CIE as it may require for its business operations.

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 requirements such as payments to Suppliers etc.

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).

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.

How the Cash Pooling arrangement Operates?

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, which is reckoned as Loan by Galfor. In such scenario, the amount drawn by Galfor from the Common Cash Pool Account, will be a repayment of Loan by CIE.

On the contrary, 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 on cumulative basis, then Galfor will have Payable to CIE which is reckoned as Borrowing by Galfor. In such scenario, the amount transferred by Galfor to the said Common Cash Pool Account, will be a repayment of Borrowing by Galfor.

How is the interest calculated?

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 – Loan to corporations with an IRF period over one and upto five years (new business) – euro area". You may kindly refer the same at the link below:

https://sdw.ecb.europa.eu/quickview.do?SERIES_KEY=124.MIR.M.U2.B.A2A.I.R.A.2240.EUR.N&resetBtn=+Reset+Settings&start=&end=&trans=N
At present, the applicable rate of interest is 4.00% per annum. The rate of interest for Borrowing and Loan is the same. Interest is paid once per year within 10 days after yearly closing.

How the transaction is a "Material Related Party" transaction?

The explanation to Regulation 23 (1) of the SEBI Listing Regulations and Company's Policy on materiality of and dealing with Related Party Transactions' (the Policy) made under Regulation 23(1) of SEBI Listing Regulations, provides that a "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 consolidated annual turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

Regulation 2(1)(zc) of SEBI Listing Regulations defines "related party transactions" to mean, transfer of resources, services or obligations between related entities. Hence, the transfer of funds from Galfor to CIE and visa-versa can be construed as a Related Party Transaction.

As per the Regulation 23(1) of the SEBI Listing Regulations read with Company's Policy on materiality of and dealing with Related Party Transactions (the Policy) the materiality threshold for the ongoing financial year ending 31st December 2023 i.e. 10% of consolidated turnover of financial year ended 31st December, 2022 is ₹ 8,753.04. million (equivalent to Euro 105.85 million) .

During financial year ending 31st December 2022, Galfor had receivable position i.e. Loan to CIE. The maximum amount outstanding (either receivable or payable) on any given day during the said financial year did not exceed Euro 50 Million. This is well below the materiality threshold.

However, if we consider aggregate of only one leg of transaction i.e., either amount transferred by Galfor to the Common Cash Pool Account or visa-versa then the same during CY2022 was Euro 133.54 million and Euro 126.93 Million respectively and both the amounts are in excess of the materiality threshold of the Company.

While the amount outstanding at any point of time is well below the threshold, the aggregate of daily transfers by Galfor from/to the Common Cash Pool Account during a financial year exceeds the materiality threshold.

It is worth noting that at the beginning of CY 2022 i.e. 1st January, 2022, Galfor had payable position i.e. Borrowing of Euro 1.22 Million. Further, as on 31st December, 2022 Galfor has a receivable Position, a Loan Receivable from CIE of Euro 5.39 Million.

Transactions other than Cash Pooling Arrangement:

Other Related Party Transactions of Galfor with CIE, are in the nature of availing or rendering of services which are in Ordinary Course of Business of Galfor and are transacted on arms-length basis.

The aggregate value of the other Transactions during financial year ended 31st December, 2022 was Euro 1.96 Million.

Requirement of approval of the shareholders:

With effect from 1st 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 SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Accordingly, in accordance with Regulation 23(4) of the Listing Regulations and Company's Policy on materiality



of and dealing with Related Party Transactions, the Members of the Company by a resolution passed on 23rd June, 2022 by way of Postal Ballot had approved material related party transaction between Galfor and CIE.

In accordance with SEBI Circular bearing reference no. SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated 8th April, 2022 (**the Circular**) the said approval of the members is valid for a period of one year from the date of passing of the resolution i.e. till 22nd June, 2023.

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.

Information required vide SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November, 2021 ("Circular") 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) |
| 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 and Mr. Jesus Maria, Directors of the Company are in whole-time employment of CIE. Further, Mr. Jesus Maria and Mr. Shriprakash Shukla, Directors of the Company, are also Directors of CIE. Hence, they may be concerned or interested in proposed transactions to the extent of their Directorship, employment or shareholding in CIE as may be applicable. |
| Nature of relationship; | CIE Automotive SA is the ultimate holding Company of the Company. The Company is seeking approval since its wholly owned subsidiary namely CIE Galfor S.A. is entering into transaction with CIE. |
| Nature, material terms, monetary value and particulars of the contract or arrangements; | The requisite details are already provided herein above. |
| Tenure of the proposed transaction (particular tenure shall be specified) | The Cash Pooling Arrangement and the Transactions are repetitive in nature. 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. In line with the same, the Audit Committee at its meeting held on 25 th April, 2022 had granted its Omnibus Approval to the Material Related Party transactions between Galfor and CIE which was valid till 31 st March 2023. Further the Audit Committee at its meeting held on 22 nd February, 2023 has granted its omnibus approval to the transactions to be entered into between Galfor and CIE for the period 1 st April, 2023 till 31 st December, 2023 which taken together with the earlier transaction during a year may exceed 10% of the Annual Consolidated Turnover of the Company as per the last audited financial statements of the Company. In accordance with Regulation 23(4) read with the SEBI Circular No. SEBI/HO/CFD/CMD1/CIE/P/2022/47 dated April 8, 2022, this approval of the members shall be valid for upto the date of the 25 th AGM to be held in 2024 subject to period not exceeding fifteen months from this 24 th AGM. |
| Justification for why the proposed transaction is in the interest of the Company | The Cash Pooling Arrangement is a part of Galfor's daily cash management while optimizing its financial costs/returns. 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. For the Company and its 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. The Other Related Party Transactions are part of Ordinary Course of Galfor's business and benefits the business operations of Galfor. |



| 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: | Approval Requested For Basis Estimation for CY23: | € Million | % to Company's Consolidated Sales of CY2022* | % to Galfor Sales of CY 2022 | % to CIE Consolidated Sales of CY2022 |
| | a. Aggregate Amount to be transferred to Cash Pool Account (€ Million Per Year) | 185 | 19% | 106% | 5% |
| | b. Aggregate Amount to be drawn from Cash Pool Account (€ Million Per Year) | 160 | 16% | 92% | 4% |
| | c. Max Outstanding Payable | 30 | 3% | 17% | 1% |
| | d. Max Outstanding Receivable | 50 | 5% | 29% | 1% |
| Note: MCIE consolidated sales are presented in INR. To calculate the % above, average conversion rate of CY2022 is used which is Euro 01 = ₹ 82.6864 | | | | | |
| 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 | | | | |
| Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security. | The Cash Pooling Arrangement is unsecured. Repayment Terms: (a) Payable amounts by Galfor (i.e. when borrowing) are due on 31 st December 2025 with one year prior notice. (b) Receivable amounts to Galfor (Loan made) can be called back by Galfor at any time. Other details are already provided hereinabove. | | | | |
| 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; | Valuation report is not required. All the Transactions including under the Cash Pooling Arrangement are in the Ordinary Course of business and are at Arm's Length basis. | | | | |
| 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 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. 7 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 25th AGM to be held in the year 2024 subject to maximum period of fifteen months from the date of this 24th 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. 7 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. 7. However, Mr. Ander Arenaza and Mr. Jesus Maria, Directors of the Company are in whole-time employment of CIE. Further, Mr. Jesus Maria and Mr. S.P. Shukla Directors of the Company are also Directors 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.

The Board recommends the Ordinary resolution as set out at Item No. 7 of this Notice for approval of the Members.

By Order of the Board of Directors of
Mahindra CIE Automotive Limited

Pankaj V. Goyal
Company Secretary & Compliance Officer
Membership No.: A 29614

Mumbai, 25th April, 2023

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