



## **CIE AUTOMOTIVE INDIA LIMITED**

(Formerly known as Mahindra CIE Automotive Limited)

[CIN: L27100MH1999PLC121285]

**Registered Office:** Suite F9D, Grand Hyatt Plaza (Lobby Level),  
Off Western Express Highway, Santacruz (E), Mumbai- 400 055

**Website:** [www.cie-india.com](http://www.cie-india.com); E-mail: [contact.investors@cie-india.com](mailto:contact.investors@cie-india.com)

Tel: +91 22 62411031; Fax: +91 22 62411030

To,

**The Members,**

**CIE Automotive India Limited (the "Company")**

**Notice** is hereby given pursuant to Section 110 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 ("Rules"), Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force and guidelines prescribed by the Ministry of Corporate Affairs ("MCA") vide its General circular no. 11/2022 dated 28<sup>th</sup> December, 2022 read with earlier general circulars issued in this regard viz. 14/2020 dated 8<sup>th</sup> April, 2020, 17/2020 dated 13<sup>th</sup> April, 2020, 22/2020 dated 15<sup>th</sup> June, 2020, 33/2020 dated 28<sup>th</sup> September, 2020, 39/2020 dated 31<sup>st</sup> December, 2020, 10/2021 dated 23<sup>rd</sup> June, 2021, 20/2021 dated 8<sup>th</sup> December, 2021 and 3/2022 dated 5<sup>th</sup> May, 2022 (collectively referred to as the "MCA Circulars"), Secretarial Standards on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India and other applicable laws, rules and regulations, if any, that the items of businesses set out in the Notice annexed hereto are proposed to be transacted through Postal Ballot which, as per the MCA Circulars shall mean voting **only by electronic means through the remote e-voting facility ("remote e-voting")**.

In compliance with the MCA circulars, the Notice of Postal Ballot which comprises of resolutions proposed for approval of the members and the explanatory statement thereto and reasons thereof, is being sent only by email to the Members, whose email addresses are registered with the Depositories (in case of Members holding shares in Demat form) or with Registrar and Share Transfer Agent of the Company (in case of Members holding shares in physical form) and whose names appear in the Register of Members / List of Beneficial Owners as received from National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"), as on Friday, 18<sup>th</sup> August, 2023 ("**cut-off date**"). A person, whose name is recorded in the register of members of the Company and/ or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date shall only be entitled to cast their vote through remote e-voting.

**Please note that printed copy of the Notice of Postal Ballot along with Postal Ballot Form and pre-paid business reply envelope will not be sent to the Members. Members are required to communicate their assent or dissent only through the remote e-voting facility.**

The remote e-voting facility to enable the members to cast their vote in electronic mode is provided through the Registrar and Share Transfer Agent of the Company i.e., KFin Technologies Limited ("KFinTech" or "RTA"). Further, pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 9<sup>th</sup> December, 2020 on "e-Voting facility provided by Listed Companies", all the individual shareholders holding shares in demat mode, may cast their vote through remote e-voting by way of single login credential through their demat accounts / websites of Depositories / Depository Participants (DPs). Members desiring to exercise their votes are requested to refer Note No. 8 of Notice of Postal Ballot.

The remote e-voting facility for Members to cast their vote electronically, will be available during the following period:

- i. Day, date and time of commencement of remote e-voting: **Thursday, 24<sup>th</sup> August, 2023 at 9:00 a.m. (IST)**.
- ii. Day, date and time of end of remote e-voting: **Friday, 22<sup>nd</sup> September, 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.

The Notice of Postal Ballot shall also be hosted on the website of the Company under the tab "Postal Ballot" at the weblink: <https://www.cie-india.com/periodic-public-information8.html#General-Meetings> and on the website of



KFintech i.e., <https://evoting.kfintech.com>. The same shall also be available on the websites of National Stock Exchange of India Limited i.e., [www.nseindia.com](http://www.nseindia.com) and BSE Limited i.e., [www.bseindia.com](http://www.bseindia.com).

Pursuant to Rule 22(5) of the Companies (Management and Administration) Rules, 2014, the Board of Directors has appointed Mr. Sachin Bhagwat, Practicing Company Secretary (Membership No. ACS 10189; CP No. 6029) as the Scrutinizer for conducting the Postal Ballot voting process in a fair and transparent manner. The Scrutinizer's decision on the validity of the vote shall be final.

The Scrutinizer will submit his report to the Executive Director of the Company or the Company Secretary of the Company, being authorised by the Board, after completion of the scrutiny of the votes cast by the remote e-voting facility. The Executive Director or the Company Secretary of the Company will declare the results of the Postal Ballot by 23<sup>rd</sup> September, 2023 at 5:00 p.m. by placing it, along with the scrutinizer's report, on the website of the Company at [www.cie-india.com](http://www.cie-india.com). In the event the resolutions as set out in the Notice of Postal Ballot is assented to by the members with requisite majority, by means of Postal Ballot i.e., remote e-voting, the same shall be deemed to have been passed on the last date specified by the Company for remote e-voting, i.e., 22<sup>nd</sup> September, 2023 and pursuant to Section 110(2) of the Act, it shall be deemed to have been passed as Special Business at an Extraordinary General Meeting. The result will also be displayed on the website of KFintech at <https://evoting.kfintech.com> and upon submission to Stock Exchanges, on the websites of National Stock Exchange of India Limited i.e., [www.nseindia.com](http://www.nseindia.com) and BSE Limited i.e., [www.bseindia.com](http://www.bseindia.com).

By Order of the Board

For **CIE Automotive India Limited**

**Pankaj V. Goyal**  
**Company Secretary and Compliance Officer**  
Membership Number – A 29614

Pune, 10<sup>th</sup> August, 2023

**Registered Office:**

**CIE Automotive India Limited**

(Formerly known as Mahindra CIE Automotive Limited)

Suite F9D, Grand Hyatt Plaza (Lobby Level),  
Off Western Express Highway, Santacruz (E),  
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**Notice of Postal Ballot**

[Notice pursuant to Section 110 of the Companies Act, 2013 read with Rule 22(1) of Companies (Management and Administration) Rules, 2014]

**NOTICE** is hereby given to the Members of CIE Automotive India Limited (formerly known as Mahindra CIE Automotive Limited) (the Company), pursuant to Section 110 of the Companies Act, 2013 (the Act) read with the Companies (Management and Administration) Rules, 2014 and other applicable provisions of the Act, Rules made and Circulars issued thereunder for the time being in force, that the Company seeks consent of the Members, for the following items of businesses through Postal Ballot which shall mean voting only by electronic means through remote e-voting facility:

**Special Businesses:**

- To consider and approve the divestment of entire stake in Jeco Jellinghaus GmbH (JECO), Gesenkschmiede Schneider GmbH (GSA), Falkenroth Umformtechnik GmbH (FUG) and Schoneweiss & Co. GmbH (SCG) held by CIE Forging Germany GmbH ("CFG"), the wholly owned subsidiary of the Company**

To consider and, if thought fit, pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to Regulation 24(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations") and applicable provisions of the Companies Act, 2013 ("the Act"), if any, and the rules framed under the Act, including any statutory modification(s) or re-enactment thereof for the time being in force, approval of the members of the Company be and is hereby accorded for divestment of entire stake in Jeco Jellinghaus GmbH (JECO), Gesenkschmiede Schneider GmbH (GSA), Falkenroth Umformtechnik GmbH (FUG) and Schoneweiss & Co. GmbH (SCG), held by CIE Forging Germany GmbH ("CFG"), the wholly owned subsidiary of the Company, by way of transfer of all the shares held by CFG in each of JECO, GSA, FUG and SCG, to Mutares SE & Co KgaA (the Buyer) for total consideration of Euro 25,000,000 (Euro Twenty Five million) including an amount of Euro 2,300,000 (Euro Two million three hundred thousand) which is subject to realization of certain financial assets.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (referred to as the Board which

expression shall include any Committee thereof or persons authorized by the Board), be and is hereby authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to resolve any question, difficulty or doubt that may arise in this regard and to take such actions or give directions as may be necessary or desirable for giving effect to this resolution."

- Approval of modification to material related party transactions of CIE Galfor SA with CIE Automotive SA**

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"), including any statutory modification(s) or re-enactment thereof for the time being in force, read with circulars issued by Securities and Exchange Board of India dated 30<sup>th</sup> March, 2022 and 8<sup>th</sup> April, 2022, the Company's Policy on Materiality of and Dealing with Related Party Transactions and in partial modification of the resolution passed by the members at 24<sup>th</sup> Annual General Meeting held on 9<sup>th</sup> June, 2023, and in accordance with the omnibus approval of the Audit Committee and recommendation of the Board, approval of the members of the Company be and is hereby accorded to modify the limits of the material related party transaction(s) of CIE Galfor S.A. (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 was approved by the shareholders at 24<sup>th</sup> Annual General Meeting held on 9<sup>th</sup> June, 2023 in the following manner:

- In relation to the transaction of Cash Pooling Arrangement - the limit in respect of aggregate amount of funds transferred by Galfor to CIE's Common Cash Pool Account during a Financial Year, be increased from Euro 185 Million (Euro One hundred and Eighty

Five Million) to Euro 250 Million (Euro Two hundred and fifty Million) and the limit of the maximum amount receivable by Galfor from CIE at any point of time during the Financial Year, be increased from Euro 50 Million (Euro Fifty Million) to Euro 80 million (Euro Eighty Million).

**RESOLVED FURTHER THAT** except the modification as aforesaid, all other limits as approved by the shareholders at 24<sup>th</sup> Annual General Meeting held on 9<sup>th</sup> June, 2023 in relation to the material related party transaction(s) of Galfor with CIE, as detailed in the explanatory statement, shall remain same.

**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.”

By Order of the Board

For **CIE Automotive India Limited**

**Pankaj V. Goyal**  
**Company Secretary and Compliance Officer**  
Membership Number – A 29614

Pune, 10<sup>th</sup> August, 2023

**Registered Office:**

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**Notes:**

1. The Explanatory Statement pursuant to the provisions of Sections 102 and 110 of the Companies Act, 2013 (“the Act”) stating material facts and reasons for the proposed resolution(s) is annexed hereto.
2. In accordance with the circular no. 11/2022 dated 28<sup>th</sup> December, 2022 issued by Ministry of Corporate Affairs (“MCA”) read with earlier circular issued in this regard by MCA viz: General Circular Nos. 14/2020 dated 8<sup>th</sup> April, 2020, 17/2020 dated 13<sup>th</sup> April, 2020, and 3/2022 dated 5<sup>th</sup> May, 2022 (collectively referred to as the “MCA Circulars”), the Notice of Postal Ballot which comprises of resolution(s) proposed for approval of the members and the explanatory statement thereto and reasons thereof, is being sent only by email to the Members, whose email addresses are registered with the Depositories (in case of Members holding shares in Demat form)

or with Registrar and Share Transfer Agent of the Company (in case the Members holding shares in physical form) and whose names appear on the Register of Members/ List of Beneficial Owners as received from National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”), as on Friday, 18<sup>th</sup> August, 2023 (“cut-off date”).

The Notice of Postal Ballot shall also be placed on the website of the Company i.e., [www.cie-india.com](http://www.cie-india.com) and on the website of Registrar and Transfer Agent of the Company i.e., KFin Technologies Limited (“Kfintech” or “RTA”) at <https://evoting.kfintech.com> and upon submission to Stock Exchanges on their websites of National Stock Exchange of India Limited i.e., [www.nseindia.com](http://www.nseindia.com) and BSE Limited i.e., [www.bseindia.com](http://www.bseindia.com).

3. In accordance with the MCA Circulars, printed copy of the Notice of Postal Ballot along with Postal Ballot Form and pre-paid business reply envelope will not be sent to the Members. Members are required to communicate their assent or dissent only through the remote e-voting facility.
4. The voting rights of members shall be in proportion to the equity shares held by the members in the paid-up equity share capital of the Company as on cut-off date i.e., Friday, 18<sup>th</sup> August, 2023. A person, whose name is recorded in the register of members of the Company and/or in the List of Beneficial Owners maintained by the Depositories as on the cut-off date shall only be entitled to cast their vote through remote e-voting.
5. The Company has appointed Mr. Sachin Bhagwat, Practicing Company Secretary (Membership No. ACS 10189) as the Scrutinizer to conduct the Postal Ballot voting process in a fair and transparent manner. The Scrutinizer’s decision on the validity of the vote shall be final. Scrutinizer will submit his report to the Executive Director or the Company Secretary as authorised by the Board after completion of the scrutiny of the votes cast by the remote e-voting facility. The Executive Director or the Company Secretary of the Company will declare the results of the Postal Ballot by Saturday, 23<sup>rd</sup> September, 2023 by placing it, along with the scrutinizer’s report, on the website of the Company at [www.cie-india.com](http://www.cie-india.com). The result shall also be uploaded on the website of KFinTech <https://evoting.kfintech.com> and upon submission, on the websites of National Stock Exchange of India Limited i.e., [www.nseindia.com](http://www.nseindia.com) and BSE Limited i.e., [www.bseindia.com](http://www.bseindia.com).
6. **Remote e-Voting:** Pursuant to the provisions of Section 108 of the Act, Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and the MCA Circulars, the Company



is providing facility of remote e-voting to its Members through Company's Registrar and Transfer Agent i.e., KFin Technologies Limited ("KFinTech" or "RTA"). Further, pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020 on "e-Voting facility provided by Listed Companies", all the individual shareholders holding shares in demat mode, may cast their vote through remote e-voting by way of single login credential through their demat accounts / websites of Depositories / Depository Participants (DPs).

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

- a) Day, date and time of commencement of remote e-voting: **Thursday, 24<sup>th</sup> August, 2023 at 9:00 a.m. (IST).**
- b) Day, date and time of end of remote e-voting beyond which remote e-voting will not be allowed: **Friday, 22<sup>nd</sup> September, 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.

**8. Instructions for members for remote e-Voting:**

In compliance with the provisions of section 108 of the Act read with Rule 20 and 22 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 9<sup>th</sup> December, 2020, Members are provided with the facility to cast their vote electronically on the resolution(s) set forth in the Notice of Postal Ballot, through remote e-voting during the remote e-voting period. The members may cast their vote electronically in the following manner:

- i. **For individual shareholders holding shares in demat mode :** Individual shareholders holding shares in demat mode, may cast their vote through remote e-voting by way of single login credential through their demat accounts /websites of Depositories/Depository Participants (DPs).

For further details please refer Note No. 8 (A) of this Notice of Postal Ballot.

- ii. **For non-individual shareholders holding shares in demat mode and all shareholders holding shares in physical mode:** The Login Credentials provided in the email received from KFinTech/generated as per procedure provided in Note No. 8 (B) shall be required for remote e-voting during the remote e-voting period as mentioned above.

For further details please refer Note No. 8 (B) of this Notice of Postal Ballot.

**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 9<sup>th</sup> December, 2020 on "e-Voting facility provided by Listed Companies", all the individual shareholders holding shares in demat mode, may cast their vote through remote e-voting by way of single login credential through their demat accounts / websites of Depositories / Depository Participants (DPs) in order to increase the efficiency of the voting process. 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) thereby not only facilitating seamless authentication but also ensures ease and convenience of participating in remote e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access remote e-Voting facility.

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	<p><b>1. User already registered for IDeAS facility:</b></p> <ul style="list-style-type: none"> <li>I. Visit URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>II. Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section.</li> <li>III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting"</li> <li>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.</li> </ul> <p><b>2. User not registered for IDeAS e-Services:</b></p> <ul style="list-style-type: none"> <li>I. To register click on link : <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>II. Select "Register Online for IDeAS" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>III. Proceed with completing the required fields.</li> <li>IV. Follow steps given in point 1</li> </ul>





Type of shareholders	Login Method
	<p><b>3. Alternatively, by directly accessing the e-Voting website of NSDL:</b></p> <ol style="list-style-type: none"> <li>I. Open URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a></li> <li>II. Click on the icon "Login" which is available under 'Shareholder/Member' section.</li> <li>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.</li> <li>IV. Post successful authentication, you will be requested to select the name of the company and the e-Voting Service Provider name, i.e. KFintech.</li> </ol> <p>On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.</p>
Individual Shareholders holding securities in demat mode with CDSL	<p><b>1. Existing user who have opted for Easi / Easiest:</b></p> <ol style="list-style-type: none"> <li>I. Visit URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>II. Click on New System Myeasi</li> <li>III. Login with your registered user id and password.</li> <li>IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal.</li> <li>V. Click on e-Voting service provider name to cast your vote.</li> </ol> <p><b>2. User not registered for Easi/Easiest:</b></p> <ol style="list-style-type: none"> <li>I. Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>II. Proceed with completing the required fields.</li> <li>III. Follow the steps given in point 1</li> </ol> <p><b>3. Alternatively, by directly accessing the e-Voting website of CDSL:</b></p> <ol style="list-style-type: none"> <li>I. Visit URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>II. Provide your demat Account Number and PAN No.</li> <li>III. System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account.</li> <li>IV. After successful authentication, user will be provided links for the respective ESP, i.e., KFintech where the e-voting is in progress.</li> </ol>
Individual Shareholder login through their demat accounts / Website of Depository Participant	<ol style="list-style-type: none"> <li>I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility.</li> <li>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.</li> <li>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.</li> </ol>

**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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> 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 Friday, 18<sup>th</sup> August, 2023 and receiving this Notice of Postal Ballot by email (in cases where email id of member is registered):**

- i. Member will receive an e-mail from KFinTech [for Members whose e-mail IDs are registered with the Company/RTA Depositories] which includes details of E-Voting Event Number ("EVEN"), USER ID and password. Kindly follow the following steps:
- ii. Launch internet browser by typing the URL: <https://evoting.kfintech.com>.
- iii. 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. 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 credentials.
- vii. On successful login, the system will prompt you to select the "EVENT" of CIE Automotive India Limited.
- viii. On the voting page, the item as mentioned in the Notice of Postal Ballot 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](mailto:sbhagwatcs@yahoo.co.in) copy to [evoting@kfintech.com](mailto:evoting@kfintech.com). They may also upload the same in the e-voting module in their login. The scanned image of the above-mentioned documents should be in the format "Corporate Name\_ EVENT NO."

**II. In case of Member holding shares as on Friday, 18<sup>th</sup> August, 2023 and whose email address is not registered:**

The login method and process of E-voting is same for all the members as provided in Note No. 8 B (I) above, except that the password required to log-in needs to be obtained by the shareholders whose emails are not registered and in consequence the Notice of Postal Ballot could not be serviced, by following the instruction given hereinunder for resetting/generating new password.

Please note that as mentioned above 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.

**Instructions for resetting/generating new password:**

Members who hold share as on the cut-off date i.e., Friday, 18<sup>th</sup> August, 2023 wishes to reset/generate new password, may obtain the 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> I402345612345678
  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 must follow the process below.

a. First register the same by following the procedure mentioned below:

- Physical Holding: Send relevant documents to the RTA along-with duly filled 'Form ISR 1' (please see detailed instructions in Note No. 12 and Note No. 13 regarding updation of KYC details)
- Demat Holding: By contacting respective Depository Participant ("DP") and registering e-mail address and mobile number in demat account, as per the process advised by the DP.

b. Upon updation of Mobile Number and/ or e-mail ID, the shareholders may generate the password by using any of the method mentioned in (i) or (ii) above to reset/generate the password.

Once the password is received/retrieved by the shareholder, you may kindly follow the instructions as mentioned under Note No. 8 B (i) above and cast vote by remote e-voting.

#### 9. 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 1800-3094-001 or can send email to [evoting@kfintech.com](mailto:evoting@kfintech.com). Any grievances connected with the remote e-voting may be addressed to Mr. Prem Kumar Maruturi, Senior Manager - Corporate Registry, KFin Technologies Limited, Unit: CIE Automotive India Limited, Selenium Tower B, Plot 31- 32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, Contact No. 040 - 6716 1511, E-mail: [einward.ris@kfintech.com](mailto: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 [contact.investors@cie-india.com](mailto:contact.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](mailto: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](mailto:helpdesk.evoting@cDSLindia.com) or contact at 022- 23058738 or 022-23058542-43.

10. Pursuant to Section 110(2) of the Act, in the event the resolution(s) as set out in the Notice of Postal Ballot is assented to by the members with requisite majority, it shall be deemed to have been passed as Special Business at an Extraordinary General Meeting. The resolution(s), if approved by the requisite majority of members by means of Postal Ballot i.e., remote e-voting, shall be deemed to have been passed on the last date specified by the Company for remote e-voting, i.e., Friday, 22<sup>nd</sup> September, 2023.

11. All documents referred to in this Notice of Postal Ballot will also be available electronically for inspection without any fee to the members from the date of circulation of the Notice of Postal Ballot up to the closure of the remote e-voting period. Members wishing to inspect such documents can send an email to [contact.investors@cie-india.com](mailto:contact.investors@cie-india.com).

12. We draw your attention to SEBI Circular dated 16<sup>th</sup> 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:

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

#### Freezing of Folios without valid PAN, KYC details, Nomination

- a. Folios wherein any one of the said document / details are not available on or after 1<sup>st</sup> October, 2023, shall be frozen and you will not be eligible to lodge grievance or avail service request from the RTA. Further effective 1<sup>st</sup> April, 2024 you will not be eligible for receiving dividend in physical mode.
- b. After 31<sup>st</sup> 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 at the earliest.





### 13. Issuance of Securities in dematerialized form in case of Investor Service Requests

We would further like to draw your attention to SEBI Notification dated 24<sup>th</sup> January, 2022 read with SEBI Circular SEBI/HO/MIRSD/ MIRSD\_RTAMB/P/ CIR/2022/8 dated 25<sup>th</sup> January, 2022 and SEBI/ HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2022/65 dated 18<sup>th</sup> 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 <sup>st</sup> 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(s) may submit Form SH-13 to file Nomination. However, in case a Member do not wish to file nomination 'declaration to Opt-out' in Form ISR-3 shall be submitted.

In case of major mismatch in the signature of the members(s) as available in the folio with the RTA and the present signature or if the signature is not available with the RTA, then the member(s) shall be required to furnish Banker's attestation

of the signature as per Form ISR-2 along-with the documents specified therein. Hence, it is advisable that the members send the Form ISR-2 along-with the Form ISR-1 for updating of the KYC Details or Nomination.

All the aforesaid forms can be downloaded from the website of the Company at: <https://www.cie-india.com/investors-faqs1.html> and from the website of the RTA at <https://ris.kfintech.com/clientservices/isc/>.



## **Mode of submission of form(s) and documents**

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

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

**KFin Technologies Limited,**

**Unit: CIE Automotive India Limited**

Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032

### **b. Through Electronic Mode with e-sign**

In case members have registered their email address, they may send the scan soft copies of the form(s) along with the relevant documents, duly e-signed, from their registered email id to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or upload KYC documents with e-sign on RTA's website at the link: <https://ris.kfintech.com/clientservices/isc/>.

### **c. Submitting Hard copy at the office of the RTA**

The form(s) along-with copies of necessary documents can be submitted by the securities holder (s) / claimant (s) in person at RTA's office. For this, the securities holder/claimant should carry Original Documents against which copies thereof shall be verified by the 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.

- d.** 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.

## **Explanatory Statement pursuant to Sections 102 and 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014**

The Company's German Forging Operations comprises of CIE Forging Germany GmbH ("CFG") and its subsidiaries namely Jeco Jellinghaus GmbH (JECO), Gesenkschmiede Schneider GmbH (GSA), Falkenroth Umformtechnik GmbH (FUG) and Schoneweiss & Co. GmbH (SCG).

CFG is a holding company holding shares in the above-mentioned subsidiaries namely JECO, GSA, FUG and SCG. It will also be recalled that JECO is operationally closed and has been a dormant entity. The German Forging Operations have three operating companies namely GSA, FUG and SCG that supply forging parts primarily for the European truck industry. CIE Galfor S.A. (Galfor), a wholly owned subsidiary of the Company and immediate holding company of CFG, also supplies forging parts to the light vehicles industry manufactured in its own plant and other subsidiaries in Europe. The light vehicles industry in Europe is seeing a rapid transition to Electric Vehicles (EVs) and the Company is focused on managing this transition. The Company also intends to benefit from the growth opportunities emerging in the Indian automotive industry.

In view of the above, the Board of Directors of the Company at its meeting held on 14<sup>th</sup> December 2022, reviewed the future plans of the Company's German Forging Operations and noted the proposal approved by the board of directors of Galfor, the immediate holding company of CFG, to launch an active program to locate a buyer for the German Forging Operations comprising of CFG and its subsidiaries. Thus, in accordance with the applicable accounting standards, considering Galfor's decision to launch the program, all the "assets and liabilities" of these entities were categorised as "assets and liabilities held for sale".

As per the approval of its board, the management of Galfor had launched an active program to locate a buyer and after due process of negotiation, finalized a proposal for divestment of entire stake held by CFG in its subsidiaries in Germany i.e., JECO, GSA, FUG and SCG (the Transaction).

### **Details of the Transaction**

#### **a. Divestment of entire stake**

As a part of the Transaction CFG shall sell by way of transfer of 100% shares held by it in each of the subsidiaries namely JECO, GSA, FUG and SCG to Mutares SE & CO (the Buyer), a German private equity listed in Frankfurt stock exchange. Subject to receipt of necessary approvals, the transfer of shares is expected to complete by 30<sup>th</sup> September, 2023.

Effective date of transfer of business from CFG to the Buyer shall be 30<sup>th</sup> June, 2023 and during the period of transition i.e. From 1<sup>st</sup> July, 2023 till closing date, the operations will be managed by CFG, for the



benefit of the Buyer i.e., the profit & cash generated therefrom shall belong to the Buyer

## b. Consideration

Net consideration to be received by CFG for the Transaction is Euro 25 million equivalent to INR 2,230.25\* million which includes an amount of Euro 2.3 million (equivalent to INR 205.18\* million) subject to realization of certain financial assets.

\*As per June exchange rate = INR 89.21 / Euro indicated for reference purpose only.

Please note that, in addition to the consideration to be received for the Transaction, CFG (the holding company which continues to be a Wholly Owned Subsidiary of the Company post the Transaction) as of 30<sup>th</sup> June, 2023 had a net cash position of Euro 18.2 Million.

## c. Valuation

Details of valuation considered is as under:

Particulars	Amount in Euro million
Adjusted Recurring EBITDA	11.1
EV/ Adjusted EBITDA Multiple (X)	5.0
<b>Enterprise Value (EV)</b>	<b>55.5</b>
<b>Debt, Pension &amp; Other Liabilities :</b>	<b>(30.5)</b>
<b>Equity Value of JECO, GSA, FUG and SCG</b>	<b>25.0</b>
Net cash at CFG	18.9
Other payables of CFG	(0.7)
<b>Total</b>	<b>43.2</b>

## Approval and Recommendation of the Board

The Audit Committee of the Board at its meeting held on 10<sup>th</sup> August, 2023, reviewed the Transaction as proposed along-with other relevant details related thereto. The Committee was of the opinion that the valuation arrived at for the Transaction was fair and reasonable based on the market situation and other aspects governing the business. Accordingly, the Audit Committee approved and recommended the Transaction to the Board.

The Board of Directors of the Company at its meeting held on 10<sup>th</sup> August, 2023, reviewed the Transaction along-with recommendation of the Audit Committee. The Board agreed with the recommendation of the Audit Committee and was of the opinion that the proposed Transaction is in the best interest of the Company and its shareholders. Accordingly, the Board granted its approval to the Transaction, subject to receipt of necessary approvals as may be required to give effect to the said Transaction as per applicable laws of relevant jurisdictions.

The Board noted that on standalone basis CFG, JECO, GSA, FUG and SCG do not qualify as material subsidiary of the Company i.e., the standalone turnover or net worth of these entities do not exceed 10% of the consolidated turnover or net worth of the Company and its subsidiaries in immediately preceding accounting year. However, since the proposed transaction involved divestment of entire stake in all the operating companies in Germany namely GSA, FUG and SCG and aggregate turnover of these entities whose stake is proposed to be divested exceeds 10% of the consolidated turnover of the Company and its subsidiaries in immediately preceding accounting year, the Board has placed the matter for approval of the members of the Company under Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Upon completion of the Transaction, JECO, GSA, FUG and SCG shall cease to be subsidiaries of the Company.

## Regulatory Requirements

Regulation 24(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") provides that no listed entity shall dispose of shares in its material subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than or equal to fifty percent or cease the exercise of control over the subsidiary without passing a special resolution in its general meeting, except in cases where such divestment is made under a scheme of arrangement duly approved by a Court / Tribunal.

A material subsidiary, in terms of the Company's "Policy for Determining Material Subsidiaries and Governance Requirements in respect of Subsidiaries", means a subsidiary whose income or net worth exceeds 10% (ten percent) of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

As mentioned above, the Transaction involves sale of entire stake of all the operating subsidiaries which collectively constitutes the entire forging operations in Germany. The aggregate income of the German Forging Operations is in excess of 10% of Company's consolidated income. Accordingly, approval of Members of the Company via special resolution is sought under Regulation 24(5) of the Listing Regulations for the Transaction.

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. 1.

The Board is of the opinion that the Proposed Transaction is in the best interests of the Company and accordingly, the Board recommends the Resolution as set out at Item No. 1 of this Notice for approval of the Members as a Special Resolution.



## ITEM NO. 2

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. 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. All these transactions are governed and are in compliance with Spanish Law.

The 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. 1<sup>st</sup> 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 prior approval of the Shareholders.

The Cash Pooling Arrangement exceeds 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.

### **Earlier approval of shareholders to the Transactions of CIE Galfor SA with CIE Automotive S.A.**

In accordance with the requirements of Regulation 23(3) of the Listing Regulations, the Company has obtained the prior approval of its shareholders at the 24<sup>th</sup> Annual General Meeting (AGM) of the Company held on 9<sup>th</sup> June, 2023 for the material related party transactions to be entered into by CIE Galfor S.A. with CIE Automotive S.A. The Related Party Transactions limits as approved by the members of the Company are as under:

- i. Cash Pooling Arrangement –
  - 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 ("Transactions") provided that the aggregate amount of the Transactions taken together during a Financial Year shall not exceed Euro 4,000,000 (Euro Four Million only).

The aforesaid approval of the shareholders is valid upto the date of 25<sup>th</sup> Annual General Meeting of the Company to be held in the year 2024.

### **Modification to the material related party transaction approved by the shareholders**

The proposed divestment of 100% stake held by CIE Forgings Germany GmbH (CFG) in its subsidiaries is expected to increase the availability of cash with CIE Galfor S.A., which is an immediate holding company of CFG. As a part of cash management by Galfor, the excess cash with Galfor will be transferred to the Common Cash Pool Account till its deployment by Galfor for its operations or other business or corporate purposes. This may result in increase of cash transferred from CIE Galfor S.A. to CIE Automotive S.A. as well as maximum outstanding as at the end of the day.

Accordingly, the Audit Committee of Board of Directors of the Company at its meeting held on 10<sup>th</sup> August, 2023 considered a proposal for modification in the aforesaid limits and approved and recommended to the Board and the members, modification in the limits of material related party transaction(s) of Galfor with CIE as approved by the shareholders at 24<sup>th</sup> Annual General Meeting held on 9<sup>th</sup> June, 2023 as following:

- a. **In relation to the transaction of Cash Pooling Arrangement** - the limit in respect of aggregate amount of funds transferred by Galfor to CIE's Common Cash Pool Account during a Financial Year, be increased from Euro 185 Million (Euro One hundred and Eighty Five Million) to Euro 250 Million (Euro Two hundred and fifty Million) and the limit of the maximum amount receivable by Galfor from CIE at any point of time during the Financial Year, be increased from Euro 50 Million (Euro Fifty Million) to Euro 80 million (Euro Eighty Million).

Except the modification as aforesaid, all other limits as approved by the shareholders at 24<sup>th</sup> Annual General Meeting held on 9<sup>th</sup> June, 2023 in relation to the material related party transaction(s) of Galfor with CIE, shall remain same.

### **Requirement of approval of the shareholders:**

Pursuant to Regulation 23(2) and 23(4) of the SEBI Listing Regulations prior approval of shareholders is required for material Related Party Transactions and subsequent material modifications thereto.

Transaction with a related party shall be considered material, if transaction(s) to be entered into individually





or taken together with previous transactions during a financial year, exceeds INR 10,000 million or 10% of annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

Further, in accordance with the Company's policy on materiality of and dealing with Related Party Transactions (the Policy), "Material Modifications" shall mean the following:

- a. in relation to a Related Party Transactions for which Omnibus Approval of the Audit Committee has been obtained shall mean modifications to the terms of the Transaction which are not in Ordinary Course of business, or which are not on arms-length basis.
- b. in relation to other Related Party Transactions approved by the Audit Committee shall mean the modification which results in impact of 20% or more to the Company.

The aggregate value of transactions entered into by Galfor with CIE exceeds the materiality threshold. The present modification is in relation to increase in the limits of Related Party Transaction of Galfor earlier approved by the Shareholders viz: (i) the limit in respect of aggregate amount of funds transferred by Galfor to CIE's Common Cash Pool Account during a Financial Year; and (ii) the limit of the maximum amount receivable by Galfor from CIE at any point of time during the Financial Year. Apart from the increase in these limits, there is no other modification in the material Related Party Transactions of Galfor with CIE.

Information required vide SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22<sup>nd</sup> November, 2021 ("Circular") in relation to related party transactions of Galfor with CIE as disclosed to the members in Notice of 24<sup>th</sup> AGM dated 25<sup>th</sup> April, 2023 remains same and is reproduced below, with incorporating relevant changes pursuant modification sought herewith:

Particulars	Details
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 nature of Transaction of Galfor with CIE is broadly of two categories: <b>i. Cash Pooling Arrangement</b> <ol style="list-style-type: none"> <li>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</li> <li>b) Draws funds from the Common Cash Pool Account of CIE as it may require for its business operations.</li> </ol> <p>The Cash Pool Account is a reciprocal current account between CIE and various entities in the CIE group.</p> <b>ii. Transactions other than Cash Pooling Arrangement</b> 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 current approval sought from shareholders is limited to modification in sub-limits of Cash Pooling Arrangement relating to Transfer of Funds from Galfor to CIE and maximum amount receivable by Galfor at any point of time during a year, as mentioned hereinabove. All other limits as approved by the shareholders at 24 <sup>th</sup> Annual General Meeting held on 9 <sup>th</sup> June, 2023 in relation to the material related party transaction(s) of Galfor with CIE, shall remain same.  There is no change in Material Terms and other particulars of the transactions as approved by the shareholders at the 24 <sup>th</sup> AGM, including the applicable interest receivable/payable by Galfor on daily cash outstanding in the Cash Pool Account.



Particulars	Details																														
Tenure of the proposed transaction (particular tenure shall be specified)	<p>The Cash Pooling Arrangement and the other transactions in the nature of availing or rendering of services in Ordinary Course of Business of Galfor, are repetitive in nature.</p> <p>Audit Committee of the Company considers and grants approval to the Related Party Transactions which are repetitive in nature before the commencement of a Financial Year, which is valid for one Year in accordance with Regulation 23(3) of the Listing Regulations. The transactions entered pursuant to the Omnibus Approval are to be placed before the Audit Committee on a quarterly basis for review.</p> <p>In line with the same, the Audit Committee at its meeting held on 22<sup>nd</sup> February, 2023 had granted its Omnibus Approval to the Material Related Party transactions of Galfor with CIE to be entered for the period 1<sup>st</sup> April, 2023 till 31<sup>st</sup> 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. The same was also approved by the shareholders at the 24<sup>th</sup> AGM held on 9<sup>th</sup> June, 2023.</p> <p>The modification in the limits of the Material Related Party Transaction has been approved by the Audit Committee at its meeting held on 10<sup>th</sup> August, 2023. The approval of shareholders is now sought for the said modification.</p> <p>The approval of shareholders accorded at the 24<sup>th</sup> AGM held on 9<sup>th</sup> June, 2023 as may be amended by the proposed modification sought herewith shall be valid till the 25<sup>th</sup> AGM to be held in the year 2024.</p>																														
Justification for why the proposed transaction is in the interest of the Company	<p>The Cash Pooling Arrangement is a part of Galfor's daily cash management while optimizing its financial costs/returns.</p> <p>For Galfor, this arrangement provides for a secure, liquid, optimal return, based on market linked rate, on its daily surpluses when it has a positive balance in the cash pool account. While borrowing, it provides quick and flexible access to liquidity at a market linked cost with clear visibility on repayment obligation.</p> <p>For Company's subsidiaries in Europe, CIE's scale provides access to bank funds wherever required at very competitive rates. Long term surpluses of Company's subsidiaries are deployed to maximize stakeholder returns by deploying them at appropriate locations avoiding exchange and tax inefficiencies.</p> <p>The Other Related Party Transactions are part of Ordinary Course of Galfor's business and benefits the business operations of Galfor.</p>																														
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:	<table border="1" data-bbox="427 1197 1479 1721"> <thead> <tr> <th></th> <th><b>Approval Requested For Basis Estimation for CY23:</b></th> <th><b>€ Million</b></th> <th><b>% to Company's Consolidated Sales of CY2022*</b></th> <th><b>% to Galfor Sales of CY 2022</b></th> <th><b>% to CIE Consolidated Sales of CY2022</b></th> </tr> </thead> <tbody> <tr> <td>a.</td> <td>Aggregate Amount to be transferred to Cash Pool Account (€ Million Per Year)</td> <td>250</td> <td>25%</td> <td>144%</td> <td>7%</td> </tr> <tr> <td>b.</td> <td>Aggregate Amount to be drawn from Cash Pool Account (€ Million Per Year)</td> <td>160</td> <td>16%</td> <td>92%</td> <td>4%</td> </tr> <tr> <td>c.</td> <td>Max Outstanding Payable</td> <td>30</td> <td>3%</td> <td>17%</td> <td>1%</td> </tr> <tr> <td>d.</td> <td>Max Outstanding Receivable</td> <td>80</td> <td>8%</td> <td>46%</td> <td>2%</td> </tr> </tbody> </table> <p>Note: CIE India consolidated sales are presented in INR. To calculate the % above, average conversion rate of CY2022 is used which is Euro 01 = ₹ 82.6864</p>		<b>Approval Requested For Basis Estimation for CY23:</b>	<b>€ Million</b>	<b>% to Company's Consolidated Sales of CY2022*</b>	<b>% to Galfor Sales of CY 2022</b>	<b>% to CIE Consolidated Sales of CY2022</b>	a.	Aggregate Amount to be transferred to Cash Pool Account (€ Million Per Year)	250	25%	144%	7%	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	80	8%	46%	2%
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Particulars	Details
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 and cash it may receive from its wholly owned subsidiary CFG, which post divestment of stake in its operating companies in Germany will not have any operations of its own.
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	<p>The Cash Pooling Arrangement is unsecured.</p> <p><b>Repayment Terms:</b></p> <ul style="list-style-type: none"> <li>• Payable amounts by Galfor (i.e., when borrowing) are due on 31<sup>st</sup> December, 2025 with one year prior notice.</li> <li>• Receivable amounts to Galfor (Loan made) can be called back by Galfor at any time.</li> </ul> <p>Other details are already provided hereinabove.</p>
If the transaction relates to any loans, inter-corporate deposits, advances, or investments made or given by the listed entity or its subsidiary, then the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	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. 2 for approval of the members. The Audit Committee and the Board of Directors are of the opinion that the related party transactions of Galfor with 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 Galfor 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 further 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 25<sup>th</sup> AGM to be held in the year 2024 subject to maximum period of fifteen months from the date of the 24<sup>th</sup> AGM. The Company shall seek fresh approval of the members, before the expiry of this approval if required as per the Applicable Laws in force at the relevant time.

Pursuant to Regulation 23 of the Listing Regulations, members may also note that no related party of the Company shall vote to approve the resolution at Item No. 2 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. 2. 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.

Accordingly, the Board recommends the Resolution as set out at Item No. 2 of this Notice for approval of the Members as an Ordinary Resolution.

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

**Pankaj V. Goyal**  
**Company Secretary and Compliance Officer**  
Membership Number – A 29614

Pune, 10<sup>th</sup> August, 2023

**Registered Office:**  
**CIE Automotive India Limited**  
(Formerly known as Mahindra CIE Automotive Limited)  
Suite F9D, Grand Hyatt Plaza (Lobby Level),  
Off Western Express Highway, Santacruz (E),  
Mumbai- 400 055

**CIN:** L27100MH1999PLC121285

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