

SEC/2021/062

17th May 2022

BSE Limited Corporate Relationship Department, P.J. Towers, Dalal Street, Fort, Mumbai - 400 001. BSE Scrip Code: 532756	National Stock Exchange of India Ltd., Corporate Relationship Department, Exchange Plaza, 5 th Floor, Plot no.C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051. NSE Scrip Code: MAHINDCIE
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Sub: Transcript of 23rd Annual General Meeting

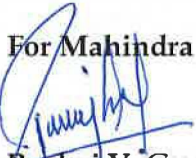
Dear Sir/Madam,

In compliance with General Circular No. 21/2021 read with General Circular Nos. 02 of 2021, 14 of 2020, 19 of 2021, 17 of 2020 and 20 of 2020 issued by Ministry of Corporate Affairs, the transcript of the 23rd Annual General Meeting of the Members of the Company held on 25th April 2022 through Video Conference ("VC") / Other Audio Visual Means (OAVM) has been uploaded on the website of the Company www.mahindracie.com. The copy of the same is enclosed herewith.

Kindly acknowledge receipt and take the same on the records.

Yours faithfully,

For Mahindra CIE Automotive Limited


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



Encl : As above

Transcript of 23rd Annual General Meeting of Mahindra CIE Automotive Limited
held on 25th April 2022

Mr. Shriprakash Shukla: Good morning, ladies and gentlemen. Welcome to 23rd Annual General Meeting of Mahindra CIE Automotive Limited. It is for third year running that we have had to meet virtually. While I would not have liked anything better than to meet everyone in person, I'm still glad to be talking to you all virtually. These virtual meetings have become a new normal, and while we try to take care of all eventualities, the odd technical glitch may slip through, and I request your indulgence in advance.

In compliance with general circulars issued by the Ministry of Corporate Affairs and other applicable provisions of the Companies Act 2013 and rules made thereunder, this meeting is being conducted through video conferencing without the physical presence of the members at a common venue. The proceedings of the AGM are deemed to be conducted at the Registered Office of the Company, which is the deemed venue of this AGM. It is now 10:30 a.m. IST and the requisite quorum is present. I, as Chairman, call the 23rd Annual General Meeting of Mahindra CIE Automotive Limited to order.

Before we begin AGM proceedings, I would bring your attention to the common instructions already communicated to the members through email today and also displayed on your screen at login. I assume the same as the read. Request the members to adhere to the same for smooth conduct of the meeting.

I welcome the members of the Board at this AGM, who have participated through video conferencing from their respective locations. For benefit of the members, I request the members of the Board and Chairman of different Board Committees as I call out to kindly identify themselves and the location from where they are participating. I would now call out my fellow Directors one by one.

Mr. Dhananjay Mungale. Sir, you are on mute.....

Mr. Manoj Maheshwari.

Mr. Manoj Maheshwari: This is Mr. Manoj Maheshwari. I am participating in the AGM of MCIE held on 25th of April at 10:30 a.m. from my residence in Mumbai. I am the Chairman of the Nomination and Remuneration Committee.

Mr. Shriprakash Shukla: Thank you. Mr. Kadambi Narahari.

Mr. Kadambi Narahari: Hello, I am Kadambi Narahari, Independent Director of the Company. I am Chairman of the Stakeholder Relationship Committee and the CSR Committee of the Company. I am attending the AGM from my residence in Bangalore.

Mr. Shriprakash Shukla: Thank you. Mr. Ander Arenaza.

Mr. Ander Arenaza: Yes, hello, good morning, everybody. This Ander Arenaza. I am the CEO of the Company and I am attending the meeting from my residence in Bilbao in Spain. Thank you.

Mr. Shriprakash Shukla: Thank you. Mr. Manoj Menon.

Mr. Manoj Menon: Good morning, everyone. I'm Manoj Menon, the Executive Director and the CEO of the Stampings, Composites, Foundry, Magnetics Products and Gears, and the Chairman of the Board Risk Committee. I am attending the AGM from our office in Pune. Thank you.

Mr. Shriprakash Shukla: Thank you. Mr. Anil Haridass.

Mr. Anil Haridass: Good morning, everybody. This is Anil Haridass, a Non-Independent Director of the Company, Non-Executive Director of the Company, I beg your pardon, and I'm dialling in on this meeting from Bangalore, India. Thank you.

Mr. Shriprakash Shukla: Thank you. Mr. Jesus Maria Herrera. I think there is some technical difficulty. We'll move next to Mr. Puneet Renjhen. We'll come back. Mr. Alan D' Silva.

Mr. Alan De Silva: Hello, I'm Alan D' Silva and I am Independent Director and I'm connecting for this meeting from my residence in Madrid, Spain.

Mr. Shriprakash Shukla: Thank you. Mr. Suhail Nathani. Mrs. Roxana Meda.

Mrs. Roxana Meda: Good morning, everybody. This is Roxana Meda. I am Independent Director of the Company, and I am attending the meeting from my residence in Bilbao in Spain.

Mr. Shriprakash Shukla: Thank you so much. Apart from the Directors, members of senior management team of the company are also participating through video conference. Representatives of M/s Price Waterhouse, Chartered Accountants LLP, the statutory auditors, representatives of M/s. Dhananjay. Joshi & Associates, who are cost auditors, and Mr. Sachin Bhagwat, the Secretarial Auditor of the Company, are also present at this AGM.

Since this AGM is being held through VC, the facility for appointment of proxies by the members was not available for this AGM. The Register of Directors and Key Managerial Personnel and their shareholding under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, and the Certificate of Secretarial Auditor on the Implementation of Employee Stock Options Scheme under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations 2021 are also available for inspection in electronic mode to every member who is attending this meeting.

In compliance with MCA circulars, the Company had, on 25th March 2022, issued a Notice by way of an advertisement in newspapers informing that the 23rd Annual General Meeting shall be held through video conferencing and other matters relating thereto. The Notice of the AGM, along with the Annual Report for financial year ended on 31st December 2021, were sent to the members by email on the email addresses of the members as registered with the depositories or Registrar, and the printed copies thereof were also sent on registered postal address by permitted mode to all those whose e-mail addresses are not registered on 1st April 2022. The Notice and the Annual Report have also been uploaded on the website of the Company, the website of the stock

exchanges, and website of Companies Registrar and Transfer Agent KFin Technologies Limited. The Company had published another Notice by way of advertisement in the newspapers on 3rd April 2022 providing information referring to the AGM, the remote e-voting, and details of participation in the AGM through video conferencing, etc.

Thus, the Company has indeed made all efforts feasible under the circumstances for enabling our members to participate and vote on the items being considered in this AGM.

The Notice of the AGM setting out the ordinary and special businesses to be transacted, the explanatory statement thereto, along with the Annual Report of the Company for the financial year ended on 31st December 2021, which inter alia comprises the Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st December 2021, and Report of the Board of Directors and Auditor's Report thereon, were circulated to members in advance. I consider the same as read.

The Statutory Auditor's Report on the annual financial statements of the Company for the financial year ended 31st December 2021 and the Secretarial Audit Report for the said period do not contain any qualifications, observations, or comments on financial transactions or matters which have adverse effect on the functioning of the Company. Hence, the same need not be read at this Annual General Meeting.

I would like to inform you that as per the provisions of Section 108 of the Companies Act, 2013 and rules made thereunder, and Regulation 44 of the SEBI Listing Obligations and Disclosure Requirements/Regulations 2015, your Company had provided the facility of remote e-voting for ensuring wider participation of the members and to enable them to cast their vote electronically. As per the timeline mentioned in the notice of the AGM, the remote e-voting has already concluded at 5 p.m. yesterday.

Members attending the AGM who have not already cast their vote by remote e-voting shall be able to cast their vote electronically during the meeting. E-voting during the AGM is integrated with this VC platform and no separate login is required for the same. Members can cast their vote after the window for e-voting is activated, and at the same time, they can continue to participate in the proceedings of the meeting.

Mr. Sachin Bhagwat, Practising Company Secretary, has been appointed as the Scrutinizer to scrutinise the remote e-voting process in a fair and transparent manner.

I will first proceed with my statement, as is customary. Thereafter, I will move to the item of businesses to be transacted at this AGM when the window for e-voting shall also be activated. Thereafter, we will move to our discussions and question-answer session. The members who have registered as speakers shall be able to express their views during this session. Now, I will go ahead with the flow of the AGM procedure.

Moderator: Sir, you have muted yourself. I request you to kindly unmute.

Mr. Shriprakash Shukla:

Ladies and gentlemen,

Welcome once again to the 23rd Annual General Meeting of Mahindra CIE Automotive Limited. 2021 was a year of ups and downs. The year began on a sound note, as the positive momentum from the second half of 2020 carried over. A debilitating second wave of COVID in India, a resurgence of the virus in Europe, the ongoing semiconductor chip shortage, increasing energy and commodity prices, and now the war in Ukraine have greatly added to market uncertainty. IMF in its economic outlook dated 25th January 2022 states, "The global economy enters 2022 in a weaker position than previously expected".

However, India has showed great resilience in overcoming the difficult second wave of the pandemic and grew handsomely at 8.9% in 2021. Economy watchers, though, would want to keep an eye on how the surge in global oil and commodity price has affected inflation and growth in India. The economic scenario in India remains optimistic, nevertheless, and IMF projects that India's GDP will grow by 8.2% in 2022 and by 6.9% in 2023. Among the highest rates globally, but slightly lower than earlier estimates.

The European economy in 2021 struggled with supply side issues and rising energy prices. But despite these, the IMF in its latest April-22 report, estimates that GDP in Euro area will grow by 5.3% higher than their forecast. It was expected that the headwinds around the European economy will ease, but this expectation has been dashed by the war currently waging in Ukraine. Currently, IMF expects Europe to grow by 2.8% in 2022, and 2.3% in 2023. The 2022 estimates are now 1.1% lower than January estimates, the war in Ukraine clearly has had an impact in Europe.

Last year, the auto industry was affected by chip shortage that is still ongoing. A global research agency, IHS, estimates that almost 10% of global light vehicle production was lost due to this. The shortage is easing now, but still forecasted to affect demand in first half of 2022.

Different segments of Indian automotive market have behaved differently. Light vehicles in India experienced pent-up demand, but were held back by supply side issues, primarily related to chip shortages. Two-wheelers remained sluggish, as rural incomes got hit by the second wave of the pandemic. Tractors experienced a boom in first half of the year, which gradually slowed down as the year closed. Trucks continued their recovery from a low base. On the demand side, the story continues to be positive, and good growth is expected, especially in light and heavy vehicles. Rising input costs, continuing chip shortage, and the war in Ukraine can dampen this optimistic mood.

Heavy trucks and light vehicles are key market segments for MCIE Europe. Heavy truck production in Europe grew at a healthy rate in 2021, though the lower base of 2020 contributed to it. In contrast, the light vehicle production in 2021 was lower than even the low base of 2020. This was largely on account of chip shortage affecting the production. While the light vehicle segment is still expected to experience low single digit growth in 2022, the heavy truck segment is expected to shrink, reflecting the negative impact of the war in Ukraine.

Let me outline what your Company did in calendar 2021. The first quarter was an excellent one, continuing the upturn from the latter half of 2020. Q2CY21 was a difficult quarter, as India got affected by severe second wave of COVID. The downward trend continued on to Q3CY21 as the chip shortage peaked both in India and Europe. The fourth quarter continued to be weighed down by chip shortage and the recurrence of the pandemic in Europe. The year also saw a steep jump in input cost, as steel, minerals, energy, shipping prices, and these may be further aggravated by the ongoing war in Ukraine.

On the other hand, the order book of the Company, especially in India, continued to be robust. New plants were launched in India in the Forgings and Aluminium vertical. The Casting plant was upgraded and plans to increase capacity were put in place at the Magnetics and Gears vertical. With the Indian market growing at a faster clip than Europe, the share of India in consolidated revenues of MCIE has been steadily rising over the years. In CY-21 MCIE India constituted greater than 50% of the consolidated revenues for the first time.

MCIE's results of CY-21 reflect the impact of above business drivers. I come to now highlights. MCIE's consolidated sales were 37% higher than CY 20 and the EBITDA margin was 13.4% versus 9.6% in the previous year. CY 20 was severely affected by global lockdowns, and it would be more appropriate to compare the performance with CY 19. If we compare with CY 19, our sales and margins in 2021 were slightly better despite the adverse conditions, confirming that your Company has matched its pre-pandemic performance in CY2021.

On a consolidated basis, the total revenue of the Company in CY 21, was INR 84,423 million, while profit from ordinary activities before tax was INR 6,766 million. The net profit from ordinary activities after tax for the year stood at INR 3,928 million. If we looked at things on a standalone basis, the total revenue of the Company in CY21 was INR 33,081 million, while profit from ordinary activities before exceptional items was INR 3,146 million. The net profit after tax and after exceptional items for the year stood at INR 1,103 million.

The auto industry continues to be on the cusp of change, as electric cars continue to surge in Europe, and interest in electric two-wheelers takes off in India. Non-traditional power trains like battery electric vehicles and hybrids, etc., today constitute more than a third of European light vehicle sales in Europe. Your Company is excited by the new opportunities emerging and has made significant progress in developing the EV order book. MCIE's Italian plant has received a large-size order from a US-based transmission supplier to EV OEMs. MCIE's Indian operations are in dialogue with key electric OEMs, existing as well as new, in all segments, and the order book developed so far is encouraging. Key products in the EV space include drive train parts like gears, shafts, and CV joints and chassis parts, etc.

The manufacturing industry is experiencing the Fourth Industrial Revolution today and new avenues to increase efficiency keep emerging. Your Company aims to keep on improving operations through process reengineering, automation, and digitization. The effort is to ensure that all plants continue their journey to be world-class.

I would like to acknowledge the confidence that customers, suppliers, and financiers have placed in us so that we continue to focus on best-in-class technology and products.

Let me thank our team that made sure that the business carried on smoothly in these volatile times. The dedicated effort and positive approach of our employees and unions is praiseworthy. Let me also acknowledge and remember the hardship faced by many of our colleagues and their loved ones affected by the pandemic.

On behalf of the team, and myself, I place on record our appreciation for the Board for its counsel and support.

And to you, dear shareholders, we express our deepest gratitude for continued faith in the Company. We assure you that we will strive harder to meet your expectations.

Thank you.

Mr. Shriprakash Shukla: We will now move to the item of businesses to be transacted at this AGM. Since the remote e-voting is already concluded, many members have cast their vote, there will be no proposer or seconder for the businesses as set out in the Notice of AGM.

For the benefit of the members present, I will read out the items on the agenda which are placed before this meeting.

First item on the agenda is Consideration and Adoption of the Audited Financial Statements, including Audited Consolidated Financial Statements of the Company for the financial year ended 31st December 2021 and Reports of the Board of Directors and Auditors thereon.

Second item on the agenda is Declaration of Dividend of Rs 2.50 per ordinary equity share of face value of Rs. 10, each for the financial year ended 31st December 2021. As the members will note, this is the first dividend.

The third item on the agenda is reappointment of Mr. Anil Haridass, who retires by rotation, and being eligible, offers himself for reappointment as Director of the company liable to retire by rotation.

Fourth item on the agenda is reappointment of Mr. Ander Arenaza who retires by rotation, and being eligible, offers himself for reappointment as Director of the Company liable to retire by rotation.

Fifth item is regarding the appointment of BSR & Co LLP, Chartered Accountants, as Auditors of the Company to hold office for a consecutive term of five years from the conclusion of this 23rd Annual General Meeting until the conclusion of 28th AGM to be held in the year 2027, including the manner in which remuneration and other terms of appointment of the auditors shall be fixed.

The sixth item on the agenda is ratification of the remuneration payable to M/s Dhananjay V. Joshi & Associates, Cost Accountants, as cost auditors of the company.

Seventh item on the agenda is for appointment of Mr. Puneet Renjhen as Director of the Company liable to retire by rotation.

Eighth item on the agenda is approval of reappointment of Mr. Manoj Mullassery Menon as Whole-Time Director of the Company for a period of three years from 17th October 2022, and to approve remuneration payable to him.

Ninth item on the agenda is a Special Resolution regarding approval of reappointment of Mr. Ander Arenaza as a Whole- Time Director of the Company for a period of three years from 13th September 2022 and to approve remuneration payable to him.

And the 10th item on the agenda is a Special Resolution regarding approval of remuneration payable to Mr. Anil Haridass as Non-Executive Director of the Company for a period of three years, from 23rd February 2022 to 22nd February 2025.

All resolutions along with objectives and implications of all the agenda items are set out in the additional information and explanatory statement annexed to the Notice of AGM and the Annual Report.

For the sake of brevity, I am not going to repeat them.

Before beginning with the question-and-answer session, I request the moderator to activate e-voting window to enable the members attending the AGM who have not already cast their vote by remote e-voting, to cast their vote electronically during this meeting. Moderator to please confirm.

Moderator: Sir, instapoll is activated, sir. The members who have not cast their vote, they can cast their vote now. Thank you.

Mr. Shriprakash Shukla: The window for electronic voting shall remain open for 15 minutes post conclusion of question-and-answer session. Thereafter, the same shall be closed. Members may kindly choose to vote now. For voting, please click on the vote as appearing on bottom at left side of your screen. You will be redirected to voting page, while you will continue to be part of the meeting.

We will now move on to our discussion and question-answer session. Members were able to seek any clarifications or ask any questions relating to the agenda before the AGM. All the questions which were received before the AGM and the questions which may be asked by members who have registered themselves as speakers, will be responded after all the speakers have completed expressing their views or asking their queries.

A list of speakers has already been placed before me. Before I call on those who wish to speak on the proposed resolutions, I request you to be brief. Avoid being repetitive. Also, in the interest of all present, I would request you to strictly confine and restrict, limit only to the points which are arising out of agenda items. I request the members to kindly complete their views within three minutes as a courtesy to others, so that other speakers can also express their views.

I will now come to the list of speakers which has been received before the AGM and who have already registered themselves. First speaker is Mr. Tushar D. Sodha. Tushar ji, you're most welcome. You're there?

Mr. Tushar D. Sodha: Good morning to everyone. Am I clearly audible?

Mr. Shriprakash Shukla: Absolutely, Tushar. How are you?

Mr. Tushar D. Sodha: I'm good. I'm doing good, sir. How are you?

Mr. Shriprakash Shukla: All is well. Thank you.

Mr. Tushar D. Sodha: Thank you, sir, by grace of God. Thank you so very much for the confirmation, sir. Very Respected Chairman Sir, esteemed Board of Directors and my fellow shareholders, many congratulations for the highest ever 8400 crores of revenues. Our Company has achieved these numbers despite a VUCA business world that is Volatile, Uncertain, Complex, and Ambiguous. Thanks to our Chief Executive Officer, Mr. Ander Alvarez, there has been a speedy integration and better synergies with our parent company, CIE, Spain. Mr. Ander, in his CEO communication to the stakeholders, has mentioned about plant greenfield and brownfield expansions for many business verticals in India. I request you to kindly share details of the same. I thank the entire Board of Directors, for the first time ever, with 25% dividend for the shareholders. I'm pretty sure that our Company will continue return of capital on a sustainable basis incurred in the coming years. I am very happy that overall net debt has decreased to 780 crores. Can we expect this trend to continue in the forthcoming years? Capital Expenditure this year was higher at around 6.5% of total sales. What capex percentage can we expect in the coming years? Chairman Sir, what is the kind of volume outlook that you have that you have for the key end-use segments for both Indian as well as the European markets? Kindly discuss how we are gearing up to challenges emerging from electrical vehicles. Also, please inform about our efforts to win new businesses in existing segments. Going ahead, do you foresee any business conflicts or conflict of interest with CIE Automotive globally? Sir, please share with us management plans for increased capacity utilizations and expected order book for the next three years. I take this opportunity to thank entire Team MCIE, who has been prudent in financial management and efficiently striving for controlling costs, reducing working capital and debt. Indeed, praiseworthy. I remain optimistic of our Company's ability to deliver robust sales growth and margin recovery in the coming years. I'm convinced that Mahindra CIE is committed to enhancing value for all the stakeholders. Thank you so very much, Chairman Sir, for giving me this opportunity to put forth my queries and express my views. Thank you, sir.

Mr. Shriprakash Shukla: Thank you, Sodha ji. As always, you do a thorough job. Appreciate. We'll come back. Now, I would invite Ms. Lekha Satish Shah. Lekha ji, you are there?

Ms. Lekha Satish Shah: Hello. Can you hear me, sir?

Mr. Shriprakash Shukla: Of course, Lekha ji. How are you?

Ms. Lekha Satish Shah: I'm fine, sir. Thank you, sir. Respected Chairman Sir, Board of Directors, and my fellow members, good morning to all of you. Myself, Lekha Shah from Mumbai. First of

all, I'm very thankful to our Company Secretary, Mr. Pankaj Goyal ji, especially Mandar Ji, for extending very good investor services, and also sending me the AGM Notice well in time, in such a difficult situation, which is full of knowledge, facts and figures in place. And also our company secretarial team, Mr. Mandar ji, he always answered all my calls, and has happily cleared my doubts. Thank you once again, Mr. Mandar ji. Thank you, Chairman Sir, for explaining us well about the company. Congratulations for excellent work, sir. Sir, I pray to God that He always shower his blessings upon you. I'm happy the Company is doing very well in the field of CSR activities. Sir, I would like to ask few questions. My first question is, how many employees are there in different categories? My second question is, are there employees working from home, or they are working from the office? So, I would like to say, I strongly support all the resolutions for today's meeting, and my best wishes always to our Company and it's prosperity. Thank you, sir.

Mr. Shriprakash Shukla: Thank you so much, Lekha ji and we appreciate your good wishes and blessings. Thank you. I'll come back to them, your questions shortly. Now, I would like to invite Dinesh Bhatia ji. Bhatia ji, you are there?

Mr. Dinesh Bhatia: Hello?

Mr. Shriprakash Shukla: Bhatia ji?

Mr. Dinesh Bhatia: हाँ, आप सुन सकते हैं, मुझे sir?

Mr. Shriprakash Shukla: बिल्कुल.

Mr. Dinesh Bhatia: आवाज़ आ रही है?

Mr. Shriprakash Shukla: जी हाँ, बिल्कुल सुन सकते हैं. बताइए.

Mr. Dinesh Bhatia: हाँ, first तो मैं Chairman ji, आपको और आपकी team को congratulations कहूँगा के जो हमारा result है, बहुत अच्छा result है. बहुत excellent result के लिए आपको और आपकी पूरी team को congratulate करता हूँ. बहुत अच्छी बात है. Company आगे ऐसे ही प्रगती करती रहे. खाली मेरा एक ही सवाल आपको पूछना था की foreign exchange हमारा income कितना है और outgoing कितना है? थोड़ा आप जानकारी देंगे? बाकी तो यह secretarial department का भी जो service है shareholder के लिए, बहुत बढ़िया है. उनकी team को भी मैं thanks करता हूँ जिन्होंने मेरेको मौका दिया meeting में आने के लिए. मैं Bombay से ही बात करता हूँ. Thank you. All the best.

Mr. Shriprakash Shukla: Thank you so much, Bhatia ji. I'll get this detail for you and thank you for all the compliments. Now I would come to Vimal kumar, Agarwal ji. Vimal ji, you are there? Agarwal Sahab, we cannot hear you. Are you there? Okay, we'll come back to Agarwal ji later. So now I would request Mr. Yusuf Rangwala. Yusuf ji is our old shareholder, Yusuf ji, are you there?

Mr. Yusuf Rangwala: Yeah, yeah, yes. Respected Chairman, can hear my voice? Good morning, sir. Can you hear my voice? Hello?

Mr. Shriprakash Shukla: I can hear very well, Yusuf ji.

Mr. Yusuf Rangwala: Yeah, Good morning, sir. Namaskar, sir.

Mr. Shriprakash Shukla: How are you this morning?

Mr. Yusuf Rangwala: Bas fine, sir, with God's grace, and with your blessing, you are just like friend sir, I'm very happy and I'm very oldest shareholder. Sir, I have some small points, sir. Namaste, Sir, पहले नमस्ते मेरा स्वीकार करिए sir. Sir, as you mentioned, we are in the 200, आज आपका market rate 205 है. Why? Because your... your result is very excellent, sir. That is why our shares are going up. And sir, this is the first time after that we had a dividend. So, this means, sir, all the foreign institutions and LIC who were not buying, they are buying sir, today. They are the main buyers of our company, sir. And point number one, sir as we are having three Spain's directors, sir. उनको, sir, मैं बहुत welcome करता हूँ और उनको Good Morning बोलता हूँ, the Spain Directors. Sir, ये अपना Registered Office Pune है, अगर next year, अभी तो June तक ये video June तक होगा. After July it will be normal. So my request, next year से अगर 24th and 25th, sir I would like to know, next 2 years will be our 25th year, as we are entering in this is 24th and 25th will be our silver jubilee year. How we will celebrate, sir? whether we get a bonus from you. My first question, sir. Number two, sir in COVID-19, how many people in the staff are affected? As you mentioned in the opening, our all staff and all people have taken the COVID vaccine, sir. This shows how we are caring for all the staff. That is very good. Keep up, sir. And, sir, we are having export, we have foreign customers also, sir. That is one of the very excellent, sir. And as you mentioned, I have received email report. Sir, that is a very fantastic and very knowledgeable. And, sir, one more thing. Sir, having this excellent report, around on email it was around 100 pages, sir. It was very excellent. I liked the report, and the presentation, and I also thank Mandar sir who phoned me and tell me whether you're joining, sir? So that is why I joined with you. Nothing more to add. My good wishes are there. Sir, हो सके, month of July or August आप अपना factory visit करिए, sir. मेरा एक humble request hai की आप से sir मिलना चाहते हैं.

Mr. Shriprakash Shukla: Yusuf ji. आपका network थोड़ा सा कट रहा है लेकिन मैं आपकी बात समझ गया हूँ. Thank you, for inviting to Pune and factory visit, I will do my best.

Mr. Yusuf Rangwala: Thank you very much, sir.

Mr. Shriprakash Shukla: आपने बड़े प्यार से सबका स्वागत किया, सबका हौसला-अफ़ज़ाई किया, उसके लिए बहुत बहुत शुक्रिया.

Mr. Yusuf Rangwala: Thank you, sir. धन्यवाद Saab. Namaskar, sir. Namaskar.

Mr. Shriprakash Shukla: Namaskar. I would request Aspi Bhesania ji to kindly come in next. Aspi ji? आप हैं? Aspi ji?

Mr. Aspi Bhesania: Sir, can you see me and hear me?

Mr. Shriprakash Shukla: जी हॉ, we can see you. Thank you so much. And welcome.

Mr. Aspi Bhesania: Sir, your voice is not audible, can you talk loudly?

Mr. Shriprakash Shukla: Loudly ज़्यादा बोलना नहीं चाहिए, ठीक बात नहीं है लेकिन आप इजाज़त दे रहे हैं तो मैं ज़ोर से बोलता हूँ, Aspi ji? Can you hear?

Mr. Aspi Bhesania: Yes, sir. Sir, proposal from the government to stop sending physical communication to the shareholders. Sir, you please continue with the physical communication. The bureaucrats get high-speed, expensive internet at taxpayers' expense. So, they do not realise the quality of internet we get on our mobiles. Sir, now since there are only two internet service providers, they're not interested in improving quality. They're only interested in milking the public. Sir, please inform the Speaker Number in advance so that we know when our turn will come. The Secretary is not informing. Sir, and thanks for the 2.50 rupees dividend. Sir, what was the hurry to give a dividend? Sir, Q4 result is not easy to read on BSE site. Please send a good copy to BSE, or else you only, you only put the results on BSE site. Sir, how much percentage of our income comes from electric vehicles? And how much are the orders on hand now, and how much percentage is from EV? Sir, you had a board meeting for Q1 results today. Sir, you should have the board meeting before the AGM, so that we can discuss the results also. Sir, and 0.34% of our equity is in physical. That's a very small sum. Why don't you buy back compulsorily from all such shareholders? Because I'm also having equity shares on two folios. And it's just not possible to demat, because every time due to slightest reason, these people reject the application for demating. Sir, I would request you to compulsorily buy back from those physical shareholders. Then also, the Karvy site on which we are holding our meeting, is not proper. I can see left arrow and right arrow. When I press left arrow or right arrow, I can go back to the main screen. So, please ask them to make a proper site before they start using it for the shareholders. Sir, thank you very much, and all the best.

Mr. Shriprakash Shukla: Thank you so much, Aspi ji. I am making note of your suggestions as well as queries, and we will soon respond. But thank you once again, for being such a good support.

Mr. Aspi Bhesania: Sir, please talk loudly, it's very difficult to hear you.

Mr. Shriprakash Shukla: Thank you so much, Aspi ji. We will revert soon on your queries. Now I would invite Ms. Celestine Elisabeth Mascarenhas. Celestine ji, are you there?

Ms. Celestine Elisabeth Mascarenhas: Hello, hello. Hello. Can you hear me?

Mr. Shriprakash Shukla: Yes Celestine. I can hear you. You are welcome.

Ms. Celestine Elisabeth Mascarenhas: Yeah, what has happened, there were two meetings at same time and without giving numbers. I didn't know what to do, whether to concentrate on MCIE, which is I'm having from many years, or whether to talk in Grameen. So anyhow, this

numbers came, I just said because my mind is disturbed, I will wish you all the best and I left there, and I've come here. Because I cannot afford to miss this meeting. And the numbering.

Mr. Shriprakash Shukla: Celestine, Mahindra CIE is always first priority. All others can wait. Thank you.

Ms. Celestine Elisabeth Mascarenhas: No, no. This forging, which was forging, when there was no dividend. And this year, I'm very excited because we have given dividend earlier there was no dividend. So now I just start what I want to say. Respected Chairman, SP Shukla, and CEO Ander Alvarez, other Honourable Directors attending this virtual, my fellow shareholders virtual, and I'm speaking from Bombay. I am Mrs. C. E Mascarenhas. First of all, I thank the Company Secretary, Pankaj Goyal and his team, and also KFin Tech for giving me this to speak and facilitating what I want to say. The Annual Report is fantastic, is very good, self-explanatory, with lots of pictures. And at the same time, adhering to all the corporate norms. As we are the subsidiary of CIE Automotive Limited, Spain, and this company is listed in Madrid Stock Exchange, it is we are also a very, very big global company. I admire the good CSR work done, shown in picture on page number 7. Keep it up. Also, chapter on ESG on page 6, which is all with pictures, is excellent. Next year, if everything settles properly, all the geopolitical issue, I would even feel you should go for ESG rating. Because, with this rating, more mutual funds, more global entities will be participating in our company, and our Company will go 100 times more upper than what is now. So now, my queries is, as there is acute shortage of semiconductor chips, forced-automatic OEMs to curtail production, leading to significant drop in demand, especially in light vehicles, sir what about going for manufacturing semiconductors and we can be world leaders in this field? Because we can be the India can shine as a world leader, just as Taiwan did some years back. And, our present government gives lot of support through PLI. Sir, can you share some thoughts on this? Any effect other than what is said in the above, especially Ukraine-Russia war, carries on for still more time, and other geopolitical issues, how we will do the de-risking part? Sir, whether we are still facing supply chain bottlenecks? If so, what methods or what tools we have taken to solve this? The future roadmap for the next three years, the capex plan for the organic growth, and non-organic, any acquisition in the piping? I support all the resolutions. I wish my company all the best, may we grow in leaps and bounds. With this, thank you so much, and I wish moreover Mr. Shukla, your team, our MCIE staff, holding, and our Company, all the best in health, so that we can give the best for the Company and thereby reward more and more to the shareholders. With this, thank you so much.

Mr. Shriprakash Shukla: Thank you so much, Celestine. Thank you for your good wishes and thank you for the suggestions. I will revert shortly. You have been a great supporter. Thank you once again. May I now request Praveen Kumar Ji to take his question next?

Mr. Praveen Kumar: Hello. Hello, I'm audible sir?

Mr. Shriprakash Shukla: Yes, Praveen Ji. You are very much audible. Go ahead.

Mr. Praveen Kumar: Respected Chairman Sir, and Esteemed Board of Directors, and my co-fellow shareholders, myself Parveen Kumar, joining this meeting from New Delhi, sir. First of all, sir, I love to congratulate you and the entire team and each and every employee of the Company who worked really hard. Really hard. They are the real warrior of the Company and I wish them

all the health, all the happiness, sir. Due to them, under your able direction, and I welcome our team of Directors from Spain also, now our company is truly, you know Indian multinational company, that's why our company come up with very, very good results despite you really mentioned in your opening speech, very, very detailed analysis of Russia-Ukraine war and semiconductor shortage and with corona behind us. Now, we are looking for a bright future under your leadership, sir, and a sustainable growth. The dividend which we are getting is a great appreciation for each and every shareholder, which earlier speaker also said. I really support that. And for the retail investors, sir, the most important barometer of the company is excellent corporate governance. The corporate governance of the Company is carrying out, and in this aspect, I would love to thank our Company Secretary, Mr. Pankaj Goyal and his entire team for doing such a fantabulous job, sir. I am from Delhi, and if I have any queries, or anything which is related to our company, that team will respond very, very quickly. So, sir, I request to you, please maintain this standard. I think I'm really proud and honoured to be part of such a legacy. And I wish all the team that God Almighty guide you to the right direction, and you will take our Company to the more heights in the near future. And thank you very much, Respected Chairman, Sir, for giving me such a platform to express my observations, my views. I wish you all the very, very best. Thank you, sir. Thank you very much.

Mr. Shriprakash Shukla: Praveen ji, thank you so much. Really appreciate. I'm sure Company Secretary is listening right now. But I will separately also convey your good wishes to him. Thank you. May I now request to Mina Agarwal ji?

Mr. Vinod Agarwal: Hello? Can you hear me?

Mr. Shriprakash Shukla: Yes, Mina ji, we can hear you.

Mr. Vinod Agarwal: Yes. I'm a joint shareholder with Mina Agarwal. I'm Vinod Agarwal. Yes. Respected Chairman, Shri Shriprakash Shukla Ji, and other directors and everyone, I am pleased to attend this meeting for the first time, sir. Sir, your initial statement was very, very good and very foresight was there in the statement. I've got two or three queries, sir. One is, commodity prices have increased significantly and that impacts our input costs. Now, with OEMs, you generally have the term contracts. Like, for six months' supply. There would be a lag period to pass on the increased cost to the suppliers. So, what will be the time period that it takes for renewal of contracts and the passing on of the increased cost to these, to your buyers, sir? And another thing which is noted is that the EVs are gaining ground everywhere, sir, and EVs are stated to require a far lesser amount of components to make up the vehicle than an ICE engine vehicle. The components which go into an internal combustion engine vehicle are far more than in an EV. Since we make so many parts, sir, do we foresee a reduction in the amount of parts that we will be supplying to EV vehicles? This is one query, sir? Your foresight into this we'd like to know. And, sir, on page 13, in the Director's Report, the tabulation has only been given for the standalone figures, sir. You could have given side by side the tabulation for the consolidated figures also, sir, in the tabulation, sir. I am pleased with the turnover of 84,423 million in the past year compared to 61,050 million, which is significant, more than 30% increase in the total revenues for the previous year. And even we have come back to the dividend list this year, sir, for the first time, and I'm pleased with that, sir, and I compliment the management for that. Sir, another two or three, sir. We could have shown within the Annual Report, list of plants which our company is having on a map wherever our plants are there. We can have 10, plants, 20 plants,

wherever they are, we've got multiple plants in multiple countries, sir. One is in Italy itself, some are in Germany, or maybe in Spain. We could have shown on a map where the plants are located, so we know where the plants are. And I also wish, compliment the Spanish Directors joining this meeting, which is at seven o'clock early morning for them, sir. It is, just get up and join the meeting. At seven o'clock it's too early for them to join. The meeting could have been held at 11:30 in our time, or even in the afternoon, so that it's a little more better time for them to join. The 10:30 meeting time is seven o'clock their time, sir. So we can consider meeting to be held, if it is there virtually, at a little later time, sir. So it becomes easier for them to join. Seven o'clock is too early for anyone to join an AGM, sir. Sir, I compliment Pankaj Goyal and his team and also Mandar from his team for making us, connecting with us for joining this meeting, and for making such a colourful Annual Report. I wish the Company all the best for the future, sir. Signing off, Vinod Agarwal from Mumbai, sir.

Mr. Shriprakash Shukla: Thank you so much, Agarwal Sahab, very good suggestions you have given. I will respond to them, but appreciate your inputs. I now come to Mr. Saket Kapoor. Kapoor Sahab, you're there?

Mr. Saket Kapoor: Yes, sir. I am here, sir. Am I audible, sir?

Mr. Shriprakash Shukla: जी हाँ, you are audible, but we cannot see you.

Mr. Saket Kapoor: Just a second. I will just switch on the video also.

Mr. Shriprakash Shukla: दर्शन तो होने चाहिए ना, Saket ji?

Mr. Saket Kapoor: ज़रूर, sir ji. Just a second. Now you can see me, sir? Just a second, sir. Am I visible now?

Mr. Shriprakash Shukla: Very much. Saket, you're welcome. Go ahead with your question.

Mr. Saket Kapoor: Yes, sir. Thank you for this opportunity and thank you, the secretarial team for letting me know when the time for speaker registration. Otherwise, sir, I would have missed this opportunity this time. Thank you, Mandar ji. Sir, firstly, to take things into the perspective, sir, the margin compression which we have been seeing and which you have articulated earlier in your opening remarks, where are we in midst of that? Are these margins compressions, the compressions which you have seen is still abated, or are we moving out of it and going forward we can see the margins expanding or maintaining at these levels? If we look at the fourth quarter numbers, there has been a significant compression in margins because of the raw material prices and other factors which you have already articulated. So, to give us some more colour on where we are in terms of how the margins are likely to shape up? What steps are we taking, to maintain and improve the margins going forward? And also, sir, what was our average utilisation levels for the last year, and taking into account what the order booking is currently for Europe and India, how are we seeing the utilisation levels shaping up? Sir, about the net debt level, I think so 870 crores was mentioned earlier. So, what are we eyeing for this year? Including what kind of capex, operating capex we are doing, OpEx we are doing for this year, and also on any other further capacity built up that we are eyeing? If you could give some more colour on the same.

Raw material basket, sir, if you could give us some more colour, what's the key constituents and how are we are sourcing and what is the lag effect in terms of the increase, the pass-on which we are going, which will go to our clients? And, sir, earlier part, just to understand better, how is 2022 shaping up, sir? Today we are already into the fourth month, that is April. So, and post today's results, we would have a better understanding of how the first quarter would have shaped up. So, taking into account the factors that are prevailing today, how are you seeing? Whether it is good to assume that 2022 would be better than 2021 in terms of business environment and the margin profile, or otherwise? If you could give some colour on the same. Sir, coming to the point which earlier speakers have also pointed out, if you look at our results being uploaded at the BSE site, this is just I am bringing to the attention of the Company Secretary, we find that the print quality is not up to the mark. And it is very, very difficult for investors to even find out what the numbers are mentioned there. So please take note about the PDF files which are being uploaded and just viewing the same that it is readable for all investors. This is in the public domain. You can cross-check the same. And also, sir, there should be a provision for press release along with the numbers. If there are, please point it out and I stand corrected. But I didn't find any press release. Although we are doing con call, but press release on business environment, how the different geographies have behaved, what is the way forward should be, should be a part of what the numbers are. So that would suffice a lot of queries and would make the interactive session, would make the session more interactive for the con call also. I hope these suggestions, if they derive merit, would be definitely looked into and we hope to hear more from the management going forward. And sir, if time permits and I have any follow up once you start answering, sir, please provide us an opportunity for the same. And thank you again, sir, for giving this opportunity. Namaskar.

Mr. Shriprakash Shukla: Thank you, Saket. Really appreciate your suggestions and questions. We will revert shortly. Thank you. We now come to Dinesh Kotecha ji. Kotecha ji आप हैं? Mr. Kotecha, please.

Mr. Dinesh Kotecha: Can you hear me, sir?

Mr. Shriprakash Shukla: Yes, I can hear you very clearly. You are most welcome.

Mr. Dinesh Kotecha: Okay, okay, okay. Good morning to all of you. Sir, I have been hearing all the speakers for the last one hour. My observations and my queries and my clarifications on the points of the balance sheet, I would like to ask you. First of all, we are now living in an age of where, you know, integrated annual accounts have started being printed. And so, I would also like, you know, the Mahindra Group as such, to start with integrated accounts reports. From next year at least you can start with it. And also, you know, I would like you to give some clarification about the evolving factors which are relevant for the short term, medium term, and next 10 years down the line to fulfil the proclaimed claim, thought of process being purpose-led, and how are we going to future fit in terms of emerging fierce competition from local and global players? Sir, a second question is, how have you, and how do you look at, differentiation during the disruptions of the last two pandemic COVID-19 still continuing in 2021 and expected to surge again in 2022 by experts? Sir, I appreciate the maiden dividend pay-out and the accountability towards the shareholders. I really appreciate it that after so many years of struggle, we have been come out...we have come out with a maiden dividend of Rs. 2.50 per share. Sir, next question is, what were the planned and the crucial commitments which remained to be fulfilled in the year

and were deferred to '22-23? Can you give us a small summary of the present first quarter as to what is the impact of the third wave, which is going on very much in Europe, and any commitments as on date which are likely to be deferred to 2023 and beyond? Sir, next question is, any questions for acquisition of any horizontal or vertical investment during the current year? Are we planning anything, or is there anything in the pipeline? Sir, at Hosur, we are setting up a new plant, and what is the capex incurred till date? And what is the stage of completion till date? What is the cost to be incurred to complete the plant till trial run? Is there any time and cost over and expected? That is question number one on Hosur. Plus, we are putting a wholly owned subsidiary, Greenfield CIE Hosur Limited, for the same products incorporated on 6-8-21. Sir, what is the rationale for having two, I mean, two companies. One expansion and one greenfield, for the same plan? Please explain. Sir, we have stated somewhere in the balance sheet that there were challenges as a German unit, and several and many were explained in the Annual Report. What is the strategy that you have put in place to overcome them? Sir, next question is, you know, I'm coming to the consolidated accounts on page number 108-109. 166 and 167. Sir, I've seen the consolidated accounts that goodwill, you know, nearly takes up 37% of our total assets. Now they are as such non-productive. So why don't we take a policy decision as to what should we do with the goodwill write-off? That should be our first priority, sir. Our goodwill write-off also is there in the stand-alone balance sheet. Now, I think that that cleaning of the balance sheet is required at this stage now, rather than, you know, distributing dividends and pay-outs. Another question on the profit and loss account is, our Other Operating Revenues has gone up from Rs. 232 crores to Rs. 441 crores. And that constitutes nearly 5.22% of my Profit Before Tax as compared to 3.80%. Now, this is very much higher side. Now, what do you expect for other operating revenues during the current year? And what can we take it as a percentage of Profit Before Tax? One congratulations, pat you require on the back is that your IPR, the Incremental Profit Ratio, has gone up by 100%. For the first time, I am seeing Mahindra CIE giving an incremental profit ratio of more than 100 percent. I am very much happy about it. And your EPS is also nearly 3.71 times better than last year, Rs 2.80 and this year Rs. 10.36. Sir, I am very much happy about the results. But sir, I require some more information as to, you know, which, in the balance sheet we should have a mission statement, a vision statement, a 10-year highlight summary, our historical, you know, growth for the company with landmarks in which year what happened. A small chart should be shown, the journey should be shown. And along with that, I really wish that if we come up with an integrated annual report, that will cover a lot of my points which I'm sharing right now. Because now, good companies have started coming out with integrated annual reports. And that gives us a better summary of the company's working. More responsibility as far as international accounting, some points are also to be included. And I wish you all the best and the group and the Company Secretary also deserves a pat, because he had called me twice and he sent me the balance sheet. Thank you for him and his entire secretarial team. Wish you all the best, Mr. Shukla, and your team. Thank you.

Mr. Shriprakash Shukla: Thank you, Mr. Kotecha, thank you for various observations as well as some very valuable solutions. We will take everything into account and revert to you shortly. Thank you. Now, I come to Mr. Anil Parekh. Parekh Sahab, you are there?

Mr. Anil Parekh: Sir, I'm very much there. Are you able to hear me, sir?

Mr. Shriprakash Shukla: जी हाँ, we are able to hear you. Not able to see you.

Mr. Anil Parekh: And now you can see me?

Mr. Shriprakash Shukla: अभी तक तो दर्शन नहीं हुए हैं. Wait कर रहे हैं.

Mr. Anil Parekh: अच्छा? Hello?

Mr. Shriprakash Shukla: हाँ आप please ask the question till then.

Mr. Anil Parekh: Okay. Chairman Sir, other Board of Directors, and my fellow shareholders, sir, good morning to you all, and I'm happy that this is the first company of your, your standard that is a good, big companies that are holding AGM in April month. Otherwise, I see many companies holding meeting after May/June. So I'm thankful to you, sir. And also, I'm thankful to our Company Secretary Mr. Pankaj Goyal, Mandar, and everybody at CS team for extending good cooperation as far as investor relation is concerned. Thirdly, I would like to extend my cooperation to all the people who has allowed me to speak from this forum. Sir, this year was a landmark for all of us, since you have declared 25% dividend for the benefit of small shareholders. Sir, congratulations, many congratulations to you for taking care of investors. Hello? Am I able to speak properly, sir? And are you able to listen me?

Mr. Shriprakash Shukla: Absolutely, Mr. Parekh, we can hear you very well.

Mr. Anil Parekh: Okay. Okay. Thank you, sir. Sir, I have received well in advance, our Annual Report for the year 2021. And wherein all the corporate governance and compliances are in place. So, many congratulations to our CS team. Sir, our consolidated revenue has grown to 8380 crores, of which 39% operations of our company, Mahindra CIE, and 60% is contributed by subsidiary. Sir, I would like to know in coming years, can we increase our volume and surpassing subsidiaries? Can I have your views on that? Sir, also, this year we have incorporated CIE Hosur, our wholly owned subsidiary. Sir, what likely it will contribute to our top line and bottom line? Sir, I would like to have your views on EV components, how we are ready to compete in EV segment, and what is our investment strategy? Sir, we have also unspent CSR amount of rupees 45 million, which I understand this year or maybe coming year, you will spend. Sir, what is our impact on our company due to Russia and Ukraine war, and how we are ready to tackle this situation? Sir, my next question is about to Gescrap. We all made investment in Gescrap for metal recycling and total waste. Sir, how much it will contribute to our balance sheet by reducing total waste and metal recycling? Also, in your opening remarks, you made a statement that there is a worldwide shortage of chips. Sir, can we also make investment in chip manufacturing, and how it is viable? Please have your views on that. Sir, next question is, we have done one liquidation of a Deutschland GmbH Corporation. Any liabilities now remaining with us? And also, sir, your view is invited on hydrogen use in auto sector in future. How we are evaluating that hydrogen use in auto sector? Sir, and my last request is, sir, now everything prevailing good as far as the COVID-19 is concerned, I would like to request you, please have our next shareholder meeting in physical form. We don't find comfortable us attending these virtual conferences, and the physical meeting where we can meet and greet each other for excellent work what you have done. Once again, Shukla ji, मुझे आपका meeting conduct करने का जो रवैया है ना, बहुत अच्छा लगा, की आप जिस उत्साह से हमें आमंत्रित कर रहे हो, तो हमें बहुत अच्छा लगा और हमें यह लगता है की हम

भी ये family के part हैं. बहुत अच्छा लगा, sir. Thank you for patient hearing and I support all the resolutions proposed today. Thank you.

Mr. Shriprakash Shukla: Anil ji, आप का बहुत बहुत धन्यवाद. आप वास्तव में family के member हैं. We consider it one family of shareholders. Thank you so much. I would request now Bharat Shah ji. Bharat Shah ji, please join the meeting. Bharat ji?

Moderator: Mr. Bharat Moolchand Shah, we request you to kindly unmute your audio, switch on your webcam, and proceed with your question.

Mr. Shriprakash Shukla: I think Bharat ji is not there, so we can go to the next member. Mr. Subhash Talwar.

Moderator: Mr. Subhash Talwar, we request you to kindly unmute your audio.

Mr. Shriprakash Shukla: I think Subhash ji is also not there. So I will take one check if...

Moderator: Sir, give me a minute. Mr. Subhash, yeah, we can hear you, sir. Kindly proceed with your question. Sir, Mr. Bharat Moolchand Shah has joined us back. Yeah.

Mr. Shriprakash Shukla: Bharat ji, you're most welcome. Please go ahead with your question.

Ms. Smita Shah: Sir, मैं Smita Shah बात कर रही हूँ. Bharat Shah बाद में आएँगे, sir. थोड़ा connectivity में बहुत ही तकलीफ़ आ रही है.

Mr. Shriprakash Shukla: जी. आपकी बात समझ गये. Bharat ji को हमारा कहिएगा और इस बार नहीं तो फिर अगली बार उनसे ज़रूर बात होगी. बहुत बहुत धन्यवाद, Smita ji. Mr. Subhash Talwar, can you please join?

Moderator: Mr. Subhash Talwar, you're on mute, sir. We request you to kindly unmute. Mr. Subhash, we request you to kindly unmute.

Mr. Subhash Talwar: Hello?

Moderator: Sir, we can hear you, but your voice is cracking, sir.

Mr. Subhash Talwar: Hello?

Mr. Shriprakash Shukla: हाँ Subhash ji, बोलिए.

Mr. Bharat Moolchand Shah: Hello sir, Bharat Shah बात कर रहा हूँ. Hello?

Moderator: Yes, Mr. Bharat Moolchand Shah, we request you to kindly proceed with your question.

Mr. Bharat Moolchand Shah: Sir, एक तो आपके KFin Tech का service का बहुत problem है, sir. हम लोग बहुत AGM attend करते हैं. ये मैंने first time देखा ऐसा, बहुत तकलीफ पड़ रही है, sir, यह आपका registered service से, sir. और sir, बहुत अन्याय हो रहा है, sir, हमारे से. मैं कितना AGM attend करता हूँ, इतना तो... ज़रा मैं sir, करिए, बाकी तो आपका result, sir, अच्छा है. पर आपका secretarial department को भी कहिए की हर shareholder के साथ neutrally काम करे, sir. Speaker में बहुत partiality, sir, हो रही है. Speaker में भी partiality हो रही है, shareholder में भी partiality हो रही है, sir. मैं तो कितना AGM, sir, attend करता हूँ 40 साल से, लेकिन मेरा यह first experience है, sir. तो आपके Pankaj Bhai को भी बोलिए की ज़रा व्यवस्थित हर shareholder को बराबर neutral समझें, sir. और उनके साथ बरोबर करें, sir. बाकी तो, sir, result बहुत अच्छा है आपका. और sir, balance sheet का copy हमको भेजने की कृपा करिए. हम हर time बोलते हैं, sir. और, sir, next time हो सके तो face-to-face ज़रूर मिलना, तो अपन आनमियता का बढ़ावा होगा. बाकी तो आपका काम काज व्यवस्थित है, sir. Company बहुत आगे बढ़े, ईश्वर को मेरी बहुत हृदयपूर्वक प्रार्थना है, sir. और sir, 25 years हो रहे हैं, उसकी बहुत आनंद, खुशी है. 25 years में अपनी Company बहुत बहुत आगे बढ़े, sir. जितना काम करे उस से दो गुणा प्रगती करे, वह मैं चाहता हूँ, sir. और करेंगे, sir, आप लोगों की मेहनत है तो ज़रूर Company आगे बढ़ेगी, sir. उसमें कोई दिक्कत नहीं है, sir. और sir, 25 years के लिए कुछ celebrate करना, bonus, हो सके तो bonus देना, sir. नहीं तो sir, जो Rangwala जी ने बोला ऐसा factory visit ज़रूर May-June में करवाना, तो आप भी साथ में रहिए तो, sir, हम आएँगे और साथ में factory visit होगा, sir. अभी तो COVID भी control में आ रहा है, sir. और next time, sir, face-to-face service करना. और CSR activity भी बहुत अच्छी चल रही है, sir. बहुत बहुत धन्यवाद देता हूँ, sir. बहुत आशीर्वादके पात्र हैं, sir. Sir, physical report भेजना, और मैं सारे shareholders को शुभकामनाएँ देता हूँ और sir resolutions में मेरा पूरा support है, sir. Sir, Smita Shah बोल रही थी.

Mrs. Smita Shah: Hello? Hello, sir. Sir, आवाज़ आ रही है हमारी?

Mr. Shriprakash Shukla: एकदम सॉफ आवाज़ आ रही है.

Mrs. Smita Shah: Okay, okay, thank you sir, thank you. Sir, हम कब से connectivity कर रहे हैं लेकिन थोड़ा बहुत दिक्कत आ रही है. Sir, हमारी यही request है की अभी से अपनी AGM face-to-face रखें तो बहुत अच्छा रहेगा, sir, क्यूंकी sir, यह connectivity, यह सब internet का बहुत काफ़ी सारा बहुत तकलीफ़ आ रही है, sir. और दूसरी बात है की हमारे और आप में दूरी बनती जा रही है. हम 3 साल से तो कर रहे हैं pandemic situation se, लेकिन हम बस भगवान को प्रार्थना करते हैं की next time से हम physically मिल सकें और sir, मेरे एक request है की अभी अपना physical report भी भेजिए क्यूंकी पता है की हमारी कंपनी प्रगती की ओर बढ़ रही है, ये हमारे लिए खुशी की बात है, सो हमारी हमेशा support रहता है. आज भी मेरा fully support है. और मैं Mandar ji का बहुत बहुत शुक्रिया दा करती हूँ

Mr. Shriprakash Shukla: जी. बहुत बहुत धन्यवाद आपका. आपने जो सुझाव दिए और जो आपने प्रशंसा की, दोनों का धन्यवाद. और physical report के लिए मैं Company Secretary को अभी बोलूँगा. धन्यवाद. Can we go to Subhash Talwar ji now? If the network quality is better now. Talwar ji, can you hear me? Mr. Subhash Talwar, are you able to hear?

Mr. Subhash Talwar: [Voice breaks]

Mr. Shriprakash Shukla: Your voice is breaking. I'm not able to hear you.

Mr. Subhash Talwar: [Voice breaks]

Mr. Shriprakash Shukla: Are you travelling? Then very often network quality becomes bad.

Mr. Subhash Talwar: [Voice breaks]

Mr. Shriprakash Shukla: Talwar Sahab, I cannot hear anything.

Mr. Subhash Talwar: Yeah. Hello. Hello?

Moderator: Mr. Talwar, actually your voice is cracking, sir. Mr. Subhash Talwar, your voice is cracking, sir, we are not able to hear you properly.

Mr. Shriprakash Shukla: I think Subhash ji, we will respond to your questions through the Company Secretary Department. We can respond to your questions through Company Secretary Department, there is no problem, because there is nothing I can hear.

Moderator: Mr. Talwar, we will connect with you offline, and we will take your question and we will respond to your question offline. Thank you.

Mr. Shriprakash Shukla: So, I would like to thank all the members who have today expressed their views, given suggestions, also given compliments to the Company and the Board. I thank you all. I would now take up questions one by one, starting with the first question, which came from Mr. Tushar Sodha. Sodha ji, first of all, thank you so much for your kind words. You had inquired about greenfield and brownfield expansion and business verticals. You had wanted to know a little bit more. So, new plants were launched in India in forging and aluminium verticals. The casting plant was upgraded. Also, we had put in place plans to increase capacity at the magnetics and the gears vertical. These were the activities taken during this year. You have complimented the Board for the dividend of 25%. Thank you so much. Company strategy is focused on delivering shareholder expectations around both growth and return. We will continue to endeavour in this direction. Your next question was the debt has decreased to 780 crores and you were very happy about it. Thank you. You had asked whether this trend will continue. This we can answer simply by saying that our cash flows are very healthy. The cash which is generated is used to fund capex, to pay dividend, to reduce debt, as well as utilise for any merger and acquisition opportunities which come up. The possibility of debt reduction will depend upon combination of these three factors. Any one of the three, if it goes up or goes down, it impacts the debt level, whether it slightly goes up or it slightly goes down. I'm sure, as a businessperson,

you will know fully that this just a variable. There are several variables at play here. But our endeavour remains always to utilise our cash flows in the most effective and most optimal manner. You have enquired about capital expenditure being at 6.5% and what can we expect at this level in future. So, actually, if you see over the years, our capex has been in the 6% range. It has been pretty stable. The capex was higher in 2021 as compared to the thumb rule by a very small margin, because we made investments in capacity in India, which I explained in the earlier question. You have also asked what kind of volume outlook you have for key end-use segments in both India and Europe. We talked about the growth of the vehicle segment because our demand comes from vehicle production. So, in India, we expect that truck segment will grow by almost 15% in Calendar '22. It is on a low base, and light vehicles are also expected to do well. They will grow by 7 to 8%. Tractors and two-wheeler might be somewhat subdued, as rural demand has slightly taken a hit, both because of pandemic and inflation. So in Europe, we expect light vehicles to grow in low single digits in Calendar '22. I may also add that Ukraine War and its impact on global inflation can impact these scenarios during the year, as various variables impacting the economy play out. But as we speak today, these are the broad expectations for different vehicle segments, and it is those vehicle segments which translate into growth for us. Your next question was, how are we gearing up to challenges emerging from electric vehicles. Well, the rapid transition to EV has taken place in Europe, and this has given us a chance to review our product portfolio. We are aiming to increase share of our business at existing crankshaft users, the customers. We will focus on non-engine parts more and more, because they do not have dependency on any use of fuel that what is the source of energy for the vehicle being used. We are also introducing aluminium forgings, Metalcastello, which is our Italian company, has received a large size order from a US-based transmission supplier to electric vehicle OEMs. Our Indian operations are also in dialogue with several key electric OEMs who are both existing as well as new. In all segments of EV market, so far, the way order book is developing is very encouraging in India also. And this activity will remain a key focus for all our special teams in India. Bill Forge, stampings, gears, composites, all verticals have won new orders in EV space. The key products include drivetrain parts. And, what are these parts? Gears, shafts, CV joints, classic parts. So I'm happy to just say in one line, your Company is well positioned to participate in EV market and all our verticals are making every effort to make best use of the opportunities which are coming up in this space.

Now, I come to question from Lekha Shah ji. Lekha ji, your question was, how many employees are there in different categories? So, in India, we have 4,448 employees. In Spain, we have 731 employees. In Germany, we have 692 employees. And in Italy, we have 221 employees. As you know, we are a manufacturing company and not a services company, like IT companies. So, most of our employees are working from the plants. Very few can do work from home in a manufacturing company.

We come to the next question, which is from.... yeah, this question is about the foreign exchange earnings and outflows. This is from Dinesh Bhatia ji. Bhatia ji, it was a very good question. And it is always important to know how much foreign exchange we bring to the country. Thank you for asking. Our foreign exchange earnings in Calendar 2021 were 2,625 million rupees and our outgo on imports was 1,309 million. So, practically you will see, our exports were double of our imports. I hope that answers your query. And thank you once again for asking, which allowed us to highlight our achievement, achievement of your Company.

There was a question from Yusuf Bhai, Mr. Yusuf Rangwala, how are we celebrating silver jubilee? So, Yusuf ji, first of all, thank you for remembering that our silver jubilee is coming. I'm sure in the family also you remember all the anniversaries and you are a very popular family member with all the family members. So, this is great, thank you. So, Yusuf ji, all I can say at this stage that we will plan appropriately, and you will be hearing from us in due course. COVID vaccine status of employees and staff-caring activities. We have provided vaccine facility to all our employees as per government guidelines, and also to the family members. In that way, your Company has been a very caring employer and that is also good to maintain hygiene and safety at plant and factories. You have requested for a factory visit. Our Company Secretary will be in touch with you to see how we can organise but thank you so much. Yusuf Rangwala ji also had a question about registered office in Pune. Answer is yes, it is in Pune. Earlier address was Mahindra Tower, Worli. Now, you know, our head office and registered office, we should make a distinction. Plant is in Pune. But registered office need not be at the plant, it can be at any location. So, when registered offices are set up, they're kept in mind all the logistics factors. की where a company needs to deal with relevant statutory regulatory bodies so that it is convenient to handle. So right now, our registered office is at Grand Hyatt Offices, Kalina, which is in Mumbai itself.

There was one question about impact of COVID. Yusuf Rangwala ji, I'm sorry to say that, unfortunately, our Company had 10 fatalities in this pandemic. Our condolences are always there with the families and Company has done its best to extend support to the families of ten employees whom we lost. Thank you for inquiring, I understand your concern and empathy for the employees. Thank you.

Aspi ji, Aspi Bhesania ji, had made several suggestions. I will take them one by one. Physical communication with shareholders to continue. Aspi ji, we follow government guidelines and regulations in this matter. We have taken note of your suggestion and we will see what best can we do for those shareholders who have such a request. But thank you so much for your suggestion. Another query was that you welcome the dividend but you were asking, why did we declare the dividend? Aspi ji, you're the only person who has actually asked Why did we declare the dividend? We have actually received requests from many shareholders that company should now start declaring dividend as business is stable. I'm very happy to say that Mahindra CIE has very good cash flows. We have confidence in future, based on hard work of the entire Company employees. And it is that confidence in future, in the economy, in our customers, in our employees, and current healthy cash flows, which has allowed us to meet this shareholder expectation of giving dividend. You would have noticed that we have also put our dividend policy on the website and that is what we will be following. Thank you for your appreciation for the dividend. You have said put a good copy of results on the BSE website. Thank you, we have taken note, we will do whatever best we can. Other question from Aspi ji was income from EV and percentage. As you know, income as of today is not very significant since actual EV production is still low. We are in touch with all EV manufacturers, and as I gave the details earlier, we are confident that we will be building up our order book in this space. We are very confident that your company is very well positioned to be a large player in the space, EV space. There is one question related to regulatory matter, why is Board meeting after the AGM? All I would say is, AGM pertains mostly to last year's results, Calendar '21 results. And the board meeting is for first quarter this year result. This year there was a factor that new statutory auditors need to be appointed. And that statutory auditor's approval happens by the AGM. So we needed to

complete the regulatory process of appointing the statutory auditors, approval from the AGM, and subsequently go to the Board meeting. Why buyback is not thought from physical holders? Currently, we have no such plans, but we have taken note of your suggestion and we will study various provisions of law, regulatory and other things, to see what we can do in this respect. Thank you so much once again.

Next, I come to Celestine. Mrs. Mascarenhas, you have given various suggestions. First of all, I must say thank you for a very out-of-box suggestion. Why don't we simply start manufacturing chips, if there is so much chip shortage? It was really out-of-box idea, and anyone in any company in the strategy department will be proud of coming up with this idea, so thank you for the idea. I would only like to say that every company focuses on its area of expertise. Our area of expertise has been parts, components, sub-assemblies, assemblies for the vehicle manufacturers. Chip has been a very specialised area, and very few companies in the world make them. In fact, that is one of the reasons for the shortage. So, at the moment, we do not have any plans to manufacture chips in India. But I'm sure you will hear several companies taking up chip production in the country because of the various government incentives. We might hear about this. And in due course, chip shortage is likely to be addressed, I have no doubt about it. De-risking Ukraine. Again, a very insightful question. Thank you. MCIE has revenues from India, Europe, and Mexico, all the three geographies, and they're actually three continents. So in that way, we have de-risked ourselves, because we are not focused on one single continent. Because that exposes and increases our risk if we were only on one continent. Indian market is doing extremely well, as you are aware, and there is some sluggishness in Europe. But our geographical diversification has made sure that your company continues to perform well and delivers good results. As far as supply chain risk, commodity prices are concerned, we proactively plan to make sure that our long-term supplies are assured, and things run smoothly. On capex, I think I have answered this question earlier. Our normal range of capex is 5 to 6%. In Calendar '21, it was 6.5%, very marginally higher. But then, we should keep in mind, as I explained earlier, your Company is doing well. So we had to plan capacity expansions and that increase our capex slightly, which is always followed by revenue, and the percentage comes back to normal range after that. In fact, if I may say with your permission, a Company planning capex for growth is one of the best signs anyone can look for in a company's performance. You also inquired about inorganic growth opportunities. Here, the general scenario always is that our customers – and our customers are OEMs and tier-1's – they always want to deal with large, well-managed, well capitalised companies which they can deal with confidence, so that they do not have any disruptions in supplies. In that way, your company is perhaps best placed in the Indian context. There are very few suppliers like us, whom customer can deal with, with eyes closed. Excellent governance, excellent financial stability, excellent quality controls. So, these are the kind of customer, this is the kind of suppliers every customer is looking for. It is possible that some small suppliers will face difficulties in the current environment. We continue to evaluate our acquisition opportunities, and if there is a strategic gap which we need to fill, and of course, if the price is right, we definitely evaluate such opportunities. Currently, we are not pursuing any opportunities at this moment. Thank you. I hope, with that, I have answered all the questions. So, thank you once again, Mrs. Mascarenhas. Thank you so much.

As Praveen Kumar had not asked any questions, but he had congratulated the company on good progress, and had also wished that we continue to perform well in future. So Praveen ji, thank

you for that. I'm sure the management team led by our CEO Ander will come up to your expectation in future also. Thank you very much.

Mina Agarwal ji. In this case, the joint holder Vinod Agarwal ji had asked the question. First question was commodity prices are increasing, can the same be passed on to the customer, and what is the timeline? In such cases, are there long contracts for this matter? Vinod ji, you're right, commodity prices keep rising, and every supplier has to pass it on. Generally, there is some time lag. Suppose price of steel goes up by 1000 rupees per tonne. I'm just saying one example. To get in touch with the customer, customer evaluates, customer checks his own data, and after some time gap, customer accepts your pricing. There is competition. Customer will always weigh and see if someone else can supply without the price increase. It is normal commercial prices, as you will understand. While there is no hard and fast rule, typically, it can be a delay of about one quarter from the time price increase happens till the time new prices become applicable. It is a process of very deep engagement and negotiation, which always takes time. I hope I have tried and explained the process to you. Your second question pertained to EV demand increasing, and do we foresee any decrease in business due to electric vehicles? It's a very comprehensive question. Very insightful question. I wish I was an astrologer! But I will do my best to answer it as best as I can at this early stage of EV market. As I said earlier, industry is on the cusp of change. Electric vehicles have been discussed for quite some time. Of late, the pace of adoption of electric vehicles has begun to increase. Of course, normal issues remain. Recharging facilities, where can you charge them? Recharging points, are they available in when you go out of the city? Those points remain. But, having said that, the pace of change is increasing now. In Europe, light vehicles are adopting more electric vehicles today, but in India, it is two-wheelers which are leading the move to electric vehicles. Again, non-traditional vehicles can have two options. One is completely battery electric vehicle and second are hybrid electric vehicles. Hybrid have the option of using both the modes of energy. In Europe, together, they're going to constitute almost a third of light vehicle sales. Your Company is very excited by the opportunities which are emerging in this space. We are, as you know, leader in the supplier ecosystem, which handles all the OEMs on three continents. I think I mentioned earlier, our Italian company has already bagged a very big order from a US-based transmission supplier who specialises in supplies to EV OEMs. Our Indian operations are also in continuous dialogue with both existing companies as well as new companies which are coming up into this space. We are confident that our relationships, our discussions and conversations which are happening, the work we are doing in our plants and our development centres, in our R&D, they will lead to very healthy order book in EV space. Other point which you asked was, and that is where I'll be happy to once again give you something on a very positive note, the roughly 25% of our consolidated sales are towards the powertrains. That is the only small part which can have any impact, any transition with the launch of EV. Remaining 75% is not impacted at all. So, it is that 25%. We are looking at smooth transition. And, in fact, we are going beyond that. We are saying that we will also look at new opportunities coming up in this space where we, as a well-established supplier, can benefit from. So, if we try and summarise, in Europe, our strategy is simple. Increase the share of business from existing crankshaft customers, focus on non-engine parts which has nothing to do with source of energy, and introduce aluminium forgings, which has already started. In future more and more EV transition will happen. All I can say at this stage, your Company is very well positioned to take advantage of new opportunities with existing customers, transition to EV supply lines, and handle the transition and reduce our dependence more and more. We are well positioned. Rest assured, thank you. Agarwal Sahab, you are very keen on electric vehicles, I can see that. So, I

see your another question. How's the demand? I think I tried an answered this earlier. In Europe, EV demand is growing fast in light vehicle segment, and in India, demand is growing. Though it is still very small, but it is growing in two-wheeler segment. What else have you asked? You have asked for Director's Report tabulation for standalone. Please also give for Consolidated. Agarwal Sahab, this is in line with the regulation as per Companies Act, which we follow. However, we'll evaluate your suggestion. Thank you. There is one very good suggestion, again. You have said list of plants on map of India as well as global map can be given, where all we have plants, for the Annual Report. We have taken note and we will do the needful in the next report. So, thank you, Agarwal Sahab. With that, I have answered all your questions. Thank you.

Next, we come to a question from Mr. Saket Kapoor. Saket, I must say that you have asked a very good question, insightful question on margin compression. I wish I was an astrologer to do justice to your question. But I will do my best based on information available. As everybody knows, margin compression happens when commodity prices go up. What it means in simple English, cost goes up, prices follow with a time lag. Steel is the item which has been most impacted by this cost increase today, and it is a major raw material for your Company. These are uncertain times. Prices do go up and go down. They all follow, commodity prices follow a cycle, as I'm sure you're well aware. While we cannot control the commodity prices, we do our best to recover the costs from our customers, who are understanding, who are very appreciative of the cost increase because they themselves are tracking the commodity prices. And as I said earlier, it takes a while, but generally with a time lag of a quarter or so, we are able to recover the price. But then, weighted average comes down slightly when there is a upcycle in commodity prices. Once prices stabilise, then we are in a more predictable situation. I hope we will reach that situation soon and commodity prices will stabilise. That is the best we can hope for. You enquired how is the market looking in Europe and India. Some of it, I have covered earlier in response to the questions from other shareholders. We are expecting good growth in all our key market segments in India. Indian economy is doing well 8.2% as well as 6.3%, if I remember right, in '22 and '23. They are one of the highest GDP growths anywhere in the world. So, we believe growth story is good of Indian market, Indian economy. Your company plans to make full use of this opportunity offered by the Indian market and grow faster than the underlying market segments growth. Which means, we target to increase our share of these markets. Order book is also good. That is why we have had to focus on capacity expansion in Calendar '21. So that we are in a position to meet the demand wherever growth is good, foundry, magnetic products, gears, Bill Forge, Aurangabad Electrical, we are well positioned. Many divisions are also increasing value-added products in their portfolio, and that also improves the margins, when you add value-added products. For example, Foundry is adding machine value-add, magnetic division is aiming for better-grade magnets, gear division is moving more and more into more complex gears. All this leads to increase in value creation, value-addition. Business verticals, almost all of them, are aiming at increasing exports, which once again benefit, because there has been depreciation of rupee and that helps in better realisation. In Europe, we are actively participating in EV market. That once again helps us in pushing both higher share of existing parts and develop new parts where we were not participating earlier. Aluminium forging has been again a great source of potential revenue as well as margins. Capex, we continue to remain at 5 to 6% range. When there is a capacity expansion, it may go up slightly, but generally that is the range. Your next question was on net debt, how are we planning for capex? So, all I can say is, we are confident that we will be able to meet our requirements through internal accruals. That, we are confident of. Raw material sourcing, you had enquired about. Company has a very well-established system of sourcing its

raw materials and we do not expect any change this year also. Inflation in prices is something which is beyond our control. Other than that, we do not expect any change in our sourcing pattern of raw materials. Thank you for your suggestion that PDF file loaded on Stock Exchange website are not of good quality. We will once again examine and look into it. Thank you so much. Your last suggestion was press release should be given, and with numbers. We will examine the suggestion. Generally, we put it up on the website and that has been sufficient so far. We have not received any requests from any shareholder so far for a press release. But thank you for the suggestion. We will definitely examine this.

Next question came from Dinesh Kotecha Ji. There are many questions. I hope Kotecha ji, you are there. You have suggested about integrated accounting system in the Annual Report by MCIE. Thank you, we will evaluate this going forward. You have also inquired about short-term, midterm, and 10 years plan down the line, how are we going to compete with global and local players? Kotecha Sahab, I will only quote one of the shareholders from today's meeting who said that we are in a VUCA world. Volatile, uncertain world. Our efforts continue that we keep getting into new parts to get new business from our current customers as well as continue to explore opportunities with new customers. That has been a continuous plan, and it has been effective, as you have seen from the results. In the long term, we will participate, and we have all our plans in place to participate in the evolving EV segment. And we are confident of being successful there. You have asked future plans for next three quarters. I'm sorry, we cannot make such forward-looking statements. We are working towards very good progress of the company in coming quarters. But I cannot really comment on forward-looking statements. On acquisition, I have already answered in response to the other shareholder. Hosur, you had a specific question, what is the capex and what is the stage of completion? In the first phase, the capex plan is 1.13 billion rupees. We are progressing well on our capex implementation, accepting some delay which has been caused by COVID in the last quarter of Calendar 21. We are expecting to begin commercial production in current quarter. We will be reporting this on a regular basis. You also inquired about the rationale for a separate company. Well, this is a new technology which we are going to use in Hosur. We, as you know, every few years technologies go upgrade, so you have new plant, new machinery, making use of the best technology available at a point in time. And this will meet both export requirements as well as EV requirements. So, that was the primary rationale. And then, additionally, there is a separate incentive provided by government regulations that whenever a new company comes up with new plant and machinery, new technology, addressing new demand, they receive some extra tax benefit. So, from both factors it makes sense. You have also inquired about goodwill and its provisioning, its statement in the balance sheet. We follow all the regulations in terms of accounting, all guidelines in terms of accounting for goodwill, and we have been following the same. It is accounted for on the basis of future cash flows. Every year, it is evaluated very carefully, and impairment if any happens as per accounting standards. You have enquired about other operating revenue having gone up, and that is I think 5% you said is the percentage of operating profit. And you wanted to know, what is it? Well, non-operating revenues include largely the scrap sale. Any manufacturing company in our field will have large amount of scrap sale. And that gets generated mostly in stampings and forgings. That is from where large part of revenue comes from. Balance Sheet, you have made a suggestion in the Annual Report, that mission and vision statement and past journey of previous few years of revenue growth, that gets shown in Annual Report. Thank you so much for your suggestion, we have taken note of it. I will definitely ask our finance and company secretary department to see how we can make good use of your suggestions. Thank you so much.

That brings me to the question from Anil Parekh ji. Anil Parekh ji, you asked, can we increase our volume in coming years and surpass our revenue which is coming from subsidiaries? Basically, you're saying why can't main company, the parent company do more than the subsidiaries? So, all I will say is, our efforts continue to grow in all our entities. As you know, we have several subsidiaries in countries other than India. Our goal is that all companies grow, not only Indian companies but also other companies in Europe, Mexico. So, all will grow. We will do our best to grow main company also in India. If all grow, it is the consolidated performance which is what a shareholder will perhaps look at. But, thank you so much. I'm going to ask our colleagues in the main company to put in more efforts to grow. That point will be conveyed. Thank you so much. How will Hosur contribute in top and bottom line of the company? As I mentioned in response to earlier question, this will be a state-of-the-art plant and will generate revenue not only from existing ICE engine parts but will also cater to export orders as well as EV parts. Plant will go commercial shortly and we will have a good estimate of future revenues in next few quarters. Your question on EV has already been replied in response to questions asked by earlier shareholders. Thank you for your positive comments on CSR. It is our endeavour always to make a positive difference in the society, in the community where we operate. As to carried forward amounts, they are all identified and linked to the projects. Some projects are multi-year projects, and therefore, amounts are getting spent not in one year, but over several years. We expect that all the previous projects will get completed in the current year. Impact on business of Ukraine war. Once again, I will say that your company is very well placed. We have geographical diversification which reduces the impact of any one disruption. So, we operate in India, in Europe, and in Mexico and therefore, the impact of war in Ukraine, it gets minimised to that extent. Of course, supply chains will be impacted because of the Ukraine war, which is a larger issue, but specific to your Company, our geographical diversification has been a very big advantage. You have enquired about Gescrap investment, how much it will contribute to our balance sheet? Well, it buys scrap from your company. That Gescrap buys scrap. And then, they recycle it, they use it again for their purpose. So, they play a very important role, they help to clear all the scrap from the plant. It happens instantly, and it does not affect our production. To that extent, automation here helps. We believe that it is, they're providing a very useful service to us by just-in-time clearing of scrap from the plant and then use it for their business. Scrap is a small part of our revenue. It reflects in non-operating revenue. So, it does not have major impact as far as financials are concerned. In your opening remarks, you had mentioned about chips. As I said earlier, that is not our area of specialisation, and therefore, we will let others manufacture it and supply to the vehicle manufacturers. On liquidation of AEL Deutschland, your question was if there are any liabilities with us. You know, when we acquired Aurangabad Electricals, this came with it. We have simply decided not to pursue this opportunity. There are no related issues with this particular company. Now, another interesting question for hydrogen using auto sector. As an engineer, I can talk about hydrogen; it is a fascinating subject. But truth is, it is still in early stages. I do not think this is the right forum where we can discuss pros and cons of hydrogen, its future use. Vehicle manufacturers are evaluating hydrogen as a potential clean fuel in future. Cost economics, technical and commercial feasibility, that is all under consideration by the vehicle manufacturers. We are monitoring, keeping a very close watch on it. Rest assured, just like EV, your Company will be fully prepared as and when hydrogen finds a place in the auto ecosystem. Next suggestion was about next AGM to be physical. Thank you, we have taken note. As I said earlier, I would be delighted to meet all our shareholders personally. Nothing can be better than that. If the conditions permit, we will endeavour to do that.

There was a suggestion from Bharat Shah Ji. The voice quality was not very good because of the network issues. But they had wanted to get a physical copy of the report. I'm asking Company Secretary to immediately see what best can we do, and how soon it can be made available. Physical AGM, again they had suggested that we should have. We have taken note. They had wanted factory visit. If possible, we have taken note, we will see what can be done. And 25 years congratulations, thank you so much Shah ji. I thank both Bharat and Smita Shah ji for that and remembering that 25th year is coming. They have made suggestions about bonus, etc. Your Directors will definitely evaluate all the suggestions we are receiving from shareholders and take the decision which is most appropriate in the interest of the Company. Whatever is the right thing to do, we will do. Please rest assured, all suggestions will be considered and evaluated most carefully. Sorry for the network quality and any inconvenience. I sincerely regret. If you have any further queries, please feel free to contact the Company Secretary, and it will be our endeavour to give fastest responses as possible. Thank you so much. With that, I think we have come almost close to the questions. There are any other questions? Or here I'm just looking at, so that I've not missed out any. I think somebody had asked about liquidation of JECO, any liabilities? There are no liabilities. Everything has been provided for. There was a question on German strategy. Well, strategy is very focused. Wherever our margins are low, we are doing rebalancing of the portfolio so that we focus on high margin products, which will improve the EBITDA levels. Ukraine, another question had come. As I said earlier, our geographical diversification has been a great advantage. We have been affected much lower than somebody who was focused only in a particular geographic. So, that has worked out.

There are also questions which came before the AGM. Some shareholders had sent the questions. And, if they're present here, I'm giving some answers now. But otherwise, they're most welcome to be in touch with Company Secretary Department and get answers to your questions. Mr. T Sreenivasan had requested to clarify what is our preparedness to cater to e-vehicles? I think I have answered this question in response to other shareholders, that your company is really excited about the prospects in electric vehicle market. We are not only bagging new orders already in Europe, even in India, we are in dialogue with both new and existing customers to participate fully in a big way in this segment. In India, it is still early days. Two-wheeler is where earliest promise of EV is there. In Europe, light vehicles are showing faster transition towards electric power. We are confident, Mr. Sreenivasan, that your Company will be well positioned in future. Mr. Sreenivasan has also said that Government of India is encouraging e-vehicles. He has said that in future, half the vehicles could be e-vehicles. So, Mr. Sreenivasan, thank you very much for the prediction. Yes, electric vehicles usage will grow over a period of time. It is difficult to say when it will reach 50%. But direction is that. Figure of two-wheeler electric vehicles are reaching about 4%. It is still a small number. But we believe, as a strategy, your Company will focus on every new emerging opportunity and so that we are well prepared when the share grows in future. So, whether small or large, we will focus and give it our best attention, preparing for the future. There is a very interesting question from Mr. Sreenivasan. What is our plan to convert existing plants and set up new plants to cater to e-vehicles in future? Will this entail capex, and if yes, how it is proposed to be funded? Here, I would not like to get into much detail on manufacturing and manufacturing processes in this forum. I would only say that, as a parts manufacturer, we can utilise our existing plants to manufacture EV parts also. It is only change of assembly lines, it is change of manufacturing planning and processes. Some modifications are needed, but there is no need to set up new plants only for EV. It will be more of a transition. We

do not think we will need any separate capex than what is needed by traditional parts. A part is a part, whether it goes into electric car, hybrid car, or an ICE engine car. So, capex will be incurred for meeting the demand. Whether customer is making electric vehicle or other vehicle, for us, we are a part of manufacturer, and therefore, from our existing plants, we will be able to supply and cater to demand through our assembly, our current processes. I hope I've been able to answer your question and address the concern on investment.

Mr. Marathe, another shareholder, had also sent a written query. This was regarding the sales per employee in Europe is more than India. Mr. Marathe, it is a very insightful question. And I'm happy to answer in two parts. First and foremost, automation and digitization is increasing today in Indian plants also. This we have outlined in management discussion and analysis section of the Annual Report. But even then, it is lower than our European plants. And, therefore, productivity per employee may be higher in Europe compared to India in the short term. But there is another interesting point which we need to keep in mind, that while productivity is lower, when you look at the number of employees, the cost per employee is also lower in India. To that extent, it will offset the factor. We continuously do cost-benefit analysis, what we call Capex versus Opex. And your Company takes the best decision in the interest of shareholders, which will give optimal results. But, thank you for asking this question. You can also observe that EBITDA levels in India today are higher than EBITDA levels in Europe, which again tells you that we take decisions at the Board level, at the management level in the best interest of the shareholder, and productivity per employee remains the focus area. Optimal decisions are taken, keeping in mind cost of automation, capex, everything. There is a question about shares held in unclaimed suspense accounts. So, I would request you, Mr. Marathe, to refer to the corporate governance report on page 81. All the details in respect of shares held in unclaimed suspense account are provided there. It is a regulatory requirement as well as part of good governance practice which your Company follows. These are held in Demat suspense account in compliance with Schedule 6 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations of 2015. We also send necessary communication to rightful owners of the shares. So, all steps are taken to make these shares reach the rightful owners. You have inquired about managing supply of raw materials at multiple locations in India. And you have also said that Company should think of suppliers who can supply at a predetermined price and manage delivery at our site. Thank you so much for the suggestion. I have taken note of it and it will be passed on to our procurement department. Thank you. On having two captive power plants, Mr. Marathe has mentioned that we incur more cost on power fuel and suggested we should think for alternative solar/ wind/ biomass energy to help the country as well as the company. Mr. Marathe, thank you so much. You will be happy to know that two captive power plants which you have mentioned are both solar plants. Your Company has very high focus on utilising renewable energy. The details of our efforts and captive consumption, these details are provided on page number 39 of Annual Report. I'm sure you will get some more interesting information there. We stay committed to increasing the use of renewable energy in our operations. Mr. Marathe, you had also had some queries and had sought some clarifications regarding accounting related matters, including some typo. I think our secretarial department has already explained and clarified things to you. I would like to once again personally thank you for the keen observation, high level of engagement which you have shown. If there are any further queries, please feel free to ask company secretarial department, and we will be very happy to share any information you might need. Thank you so much.

I have tried to answer all questions as far as possible. But if, inadvertently, in long list of questions, I have missed any, our team will respond by email. I would also like to mention that Mr. Suhail Nathani, our Director on the Board, was not able to join at the time of roll call, as he's suffering from COVID. I wish him speedy recovery.

Mr. Suhail Nathani: Thank you, Chairman. I'm on the line now.

Mr. Shriprakash Shukla: Oh, Mr. Nathani is back. How are you?

Mr. Suhail Nathani: Yeah, I joined pretty soon. Thank you. I'm better but just the usual symptoms. Thank you. Nothing severe.

Mr. Shriprakash Shukla: Thank you so much. So, now, we are reaching the end of today's meeting. I will check once again to follow the correct procedure. I hope all question-answers have been to the satisfaction to our shareholders. And, as I said earlier, your Company believes in highest standards of ethics, governance, and transparency. If there are any questions after this also, we will be always available to answer. The combined results of remote e-voting and e-voting during the AGM along with the scrutiniser's report shall be communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the company are listed, and will also be placed on the company's website and on the website of KFin Technologies Limited within statutory timeline. I request moderator to, now what's the time? Now it is 1 p.m. I would request the moderator to close and de-activate the e-voting window at 1:15 p.m., which is 15 minutes post to the time of making the statement now, when the proceedings of 23rd Annual General Meeting shall stand closed. All participants who have completed their vote may kindly log off now. Let me acknowledge the pain many of us have gone through in last couple of years of pandemic, and I hope and I pray for good health and safety of all of you, dear shareholders, and your families. I thank the members for their presence and active participation and support extended to the Company.

Thank you so much.