

SEC/2023/224

20th November, 2023

BSE Limited Corporate Relationship Department, P. J. Towers, Dalal Street, Fort, Mumbai – 400 001. BSE Scrip Code: 532756	National Stock Exchange of India Limited 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: CIEINDIA
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Sub: Update on pending litigation**Ref: Disclosure under Regulation 30 read with sub-para 8 of Para B of Part A of Schedule III of the Listing (Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)**

Dear Sir/Madam,

This is further to our letter dated 11th August, 2023 whereby we had informed about the pending litigations/disputes in accordance with sub-paragraph 8 of paragraph B of Schedule III to the Listing Regulations read with the proviso to Regulation 30(4)(i)(d) of the Listing regulations which were considered as material by the Company as per the revised materiality criterion. At annexure E of the said letter, we had informed about the Dispute regarding CPC Assessment u/s 143 (1) of Income Tax Act 1961 for the AY 2020-21.

We would now like to inform that pursuant to Section 143(3), 144C(3) of the Income Tax Act, 1961, the Assistant Commissioner of Income Tax, has forwarded order of assessment dt. 17th November 2023 which was accessed by us today i.e. 20th November 2023.

In the said order, the application filed with the Assessing Officer against the erroneous adjustments made by CPC during processing of the Companies Income Tax return on various grounds like erroneous additions of item of incomes twice, disallowance of certain amount as expense is accepted in favour of the Company. However, certain additional disallowances and adjustments are made in computation of Total Income in the said order. Therefore, the demand of Income Tax of INR Rs. 32,97,47,360/- as per the

CIE Automotive India Limited

(Formerly known as Mahindra CIE Automotive Limited)

CIN: L27100MH1999PLC121285

Corporate Office

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

Tel: +91 20 29804622

Registered Office

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

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CPC Assessment is converted into a refund of INR 14,52,16,939/- as per the Assessment under Section 143(3) read with Section 144C(3) of the Income Tax Act, 1961.

However, the said refund is below the refund claimed by the Company of INR 20,98,00,000/-.

Hence, the company will initiate the appropriate proceedings before the Income Tax Authorities to pursue the deficit in refund.

The required details as per SEBI Circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023 are provided in Annexure E.1.

The same is also being uploaded on the website of the Company i.e., <https://www.cie-india.com>.

Kindly take the same on record.

Thanking you,
Yours faithfully,

For CIE Automotive India Limited

Pankaj Goyal
Company Secretary and Compliance Officer
Membership No. A 29614
Encl: As above

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Annexure-E.1

Update - Dispute regarding CPC Assessment u/s 143 (1) of Income Tax Act 1961 (earlier disclosure in respect of this matter is enclosed herewith i.e. Annexure E of our letter dated 11th August, 2023)- litigation is concluded

S. No.	Particulars	Details
(a)	the details of any change in the status and / or any development in relation to such proceedings;	<p>The Assistant Commissioner of Income Tax has forwarded Order of assessment in the application filed with the Assessing Officer against the erroneous adjustments made by CPC during processing of the Companies Income Tax return is accepted in favour of the Company.</p> <p>The demand of Income Tax of INR 32,97,47,360/- as per the CPC Assessment is converted into a refund of INR 14,52,16,939/- as per the Assessment under Section 143(3) read with Section 144C(3) of the Income Tax Act, 1961. Hence, the proceedings before the Assistant Commissioner of Income Tax relating to said matter stands concluded.</p>
(b)	in the case of litigation against key management personnel or its promoter or ultimate person in control, regularly provide details of any change in the status and / or any development in relation to such proceedings.	Not applicable
(c)	in the event of settlement of the proceedings, details of such settlement including - terms of the settlement, compensation/penalty paid (if any) and impact of such settlement on the financial position of the Company.	Not applicable

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Annexure-E

5. Dispute regarding CPC Assessment u/s 143 (1) of Income Tax Act 1961

Sr No.	Initial disclosure of the Ongoing Litigation/Dispute pursuant to SEBI Circular: - SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123	
1.	brief details of litigation viz. :-	
	name(s) of the opposing party	Income tax Department
	Court/ Tribunal/ Agency where litigation is filed,	Assistant Commissioner of Income Tax Circle 7(1)(1), Aayakar Bhavan, Mumbai [Income Tax Department]
	Brief details of dispute/ litigation;	<p><u>Background:-</u></p> <p>During the processing of return of income for AY 2020-2021, CPC erred in considering certain operating revenue twice and also made disallowances erroneously and certain advance payments of tax were missed to be considered.</p> <p>Intimation u/s 143(1) was issued by Central Processing Unit CPC (“CPC”) on October 29, 2021 against which an application was filed by the company, for rectification u/s 154 with the Jurisdictional Assessing Officer (“AO”) and with the Faceless AO simultaneously by the Company.</p> <p><u>Dispute details:-</u></p> <p>An application has been filed with the Assessing Officer against the erroneous adjustments made by CPC during processing of the Companies Income Tax return on various grounds like erroneous additions of item of incomes twice, disallowance of certain</p>

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		<p>amount as expense, short grant of tax deducted at source and levying consequential interest thereon. This resulted in raising of tax demand of Rs. 32,97,47,360/- as against the refund claimed by the Company of Rs. 20,98,00,000/-.</p> <p>As per the Legal Opinion, the company has good case on merits to defend this liability.</p>
2.	Expected financial implications if any, due to compensation, penalty, etc.	Rs. 32,97,47,360/-
3.	quantum of claims, if any;	Rs. 20,98,00,000/-
4.	in the case of litigation against key management personnel or its promoter or ultimate person in control, regularly provide details of any change in the status and/ or any development in relation to such proceedings.	Not Applicable

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