

17<sup>th</sup> October, 2018

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

**Subject: Proposal to close business of Stokes Group Limited, one of the wholly owned subsidiary of the Company**

**Reference: Regulation 30 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015**

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, we wish to inform you that, the Board of Directors of the Company at its meeting held on 16<sup>th</sup> October, 2018, reviewed, the Business situation of and the requirement of infusion of additional equity in, Stokes Group Limited (stokes) one of the subsidiaries of the Company.

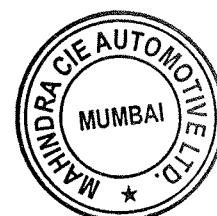
Sales and profit of Stokes has ramped down considerably and old projects are close to end of life. The business of Stokes is reliant on the British market which does not have significant growth opportunities in the short term. The few long term projects the company has are not sufficient to maintain sustained profitability. The last sales forecast of Stokes clearly suggest that the long term viability of its business is suspect. Hence Board agrees with the proposed closure of Stokes within a period of next two years.

The Company had already provided for impairment of all the investments it has in Stokes and its goodwill is fully impaired in previous years.

Further, Stokes has a negative net-worth and is not able to generate cash. Hence to facilitate the closure the Board of Directors of the Company also approved to infuse an equity of Euro 14 million into stokes.



Mahindra CIE Automotive Limited  
CIN: L27100MH1999PLC121285



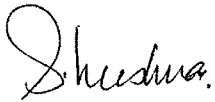
The details as required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular CIR/CFD/CMD/4/2015 dated 9<sup>th</sup> September, 2015 in the specified format is enclosed herewith.

Kindly acknowledge receipt and take the same on the records.

Thanking you,

Yours faithfully,

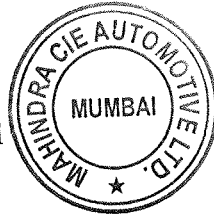
For Mahindra CIE Automotive Limited



Krishnan Shankar

Company Secretary & Head - Legal

Membership No.: F 3482

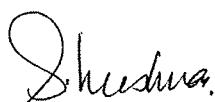


## Annexure

### Disclosure for the proposed closure of business of Stokes Group Limited

1	date of such binding agreement, if any, entered for sale of such unit/division, if any;	No binding agreement has been entered into. The Board of Directors of the Company has agreed to the proposed closure plan at its meeting held on 16 <sup>th</sup> October, 2018
2	amount & percentage of turnover or revenue or income and net worth of the listed entity contributed by such unit or division during the last financial year	The consolidated revenue of Stokes for the financial year ended 31 <sup>st</sup> December, 2017 was Rs. 946 million (about 1.47% to consolidated revenue of MCIE) and net loss after tax was Rs. 94 million [about -2.6% (negative) to consolidated revenue of MCIE]
3	date of closure or estimated time of closure	Within 2 years
4	reasons for closure	Already explained in the letter above

For Mahindra CIE Automotive Limited



Krishnan Shankar  
Company Secretary & Head - Legal  
Membership No.: F 3482

