

ANNEXURE-I

MANAGEMENT DISCUSSION AND ANALYSIS

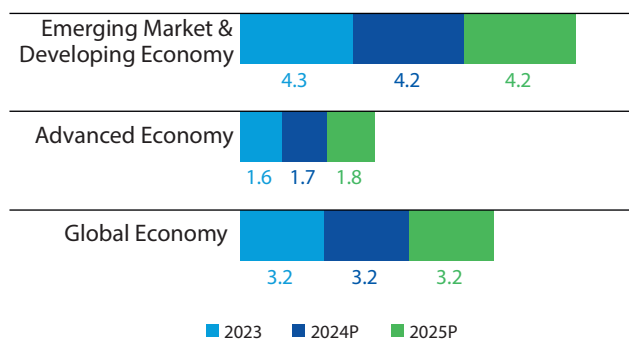
ECONOMIC SCENARIO

Global Economy

The global economy is poised for continued stability with growth projections of 3.2% for 2024 and 2025, as per the IMF's latest forecasts. While this growth rate is below the historical average, it reflects the impact of restrictive monetary policies, fiscal support withdrawal, and underlying productivity challenges. The United States is estimated to have grown around 2.5% in 2023, with projections of 2.7% growth in 2024. In advanced Asian economies, Japan's output is forecasted to slow from 1.9% in 2023 to 0.9% in 2024 and 1% in 2025, owing to the waning influence of transient factors such as the surge in inbound tourism. Emerging and developing Asia, however, is expected to experience a moderation in growth, from 5.6% in 2023 to 5.2% in 2024 and 4.9% in 2025, due to factors such as the easing of post-pandemic consumption boosts, fiscal stimulus, and the weakening of China's property sector.

Central banks in major advanced economies aggressively raised policy rates in 2023 to combat high inflation but are anticipated to start reducing rates in the second half of 2024 as inflation declines toward targets. The Federal Reserve's policy rate is expected to decrease from around 5.4% to 4.6% by the fourth quarter of 2024. Governments in advanced economies maintained expansionary fiscal stances in 2023 but are expected to tighten their fiscal stances in 2024, 2025, and 2026. Overall, while the global economic outlook remains stable, the pace of expansion is expected to be moderate, reflecting the lingering effects of policy normalisation and structural productivity challenges.

Real GDP Growth (%)



P: Projected

(Source: International Monetary Fund)

The global economic outlook is characterised by a decline in inflation, expected to drop from 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025. This downward trend can be attributed to the resolution of supply-side issues and the implementation of restrictive monetary policies. However, geopolitical tensions, unresolved trade disputes, and potential energy market

disruptions pose ongoing risks to stability. While the impact of tight monetary conditions is still felt in housing and credit markets, global activity has shown resilience. Private sector confidence is improving, and trade growth has turned positive. However, significant uncertainty remains due to the potential for inflation to stay higher for longer, growth disappointment in China, and the prevalence of high geopolitical tensions.

Indian Economy

The Indian economy has demonstrated remarkable resilience and growth in FY 2023-24, with a robust GDP growth rate of 8.2% for the fiscal year. This performance is a testament to the country's strong economic fundamentals, driven by thriving domestic demand, prudent financial management, high savings rates, and favourable demographic trends.

The country's diverse economic landscape has enabled it to emerge as the world's fourth-largest consumer market, with nearly 70% of its GDP propelled by domestic consumption. The nation has also made significant advancements in digitisation, high-end manufacturing capacity, and enhanced export competitiveness. The country's large and growing middle-income class with increasing disposable incomes has driven strong domestic demand for goods and services.

Moreover, India's per capita income has steadily increased by 140% from 2014 to 2022, reaching US\$ 2,341.10. This rise in purchasing power has led to growing demand for premium and luxury products and services, in addition to basic goods. Despite the impact of the COVID-19 pandemic, India's economy has shown resilient domestic demand, with private consumption improving to 3.5% Y-o-Y growth in the third quarter of FY 2023-24. Indicators like the index of industrial production of consumer durables and improved passenger and two-wheeler sales, point to a revival in private consumption.

While household debt levels have risen, India's household-debt-service ratio remains lower than many major economies, indicating household debt stress is less likely to pose systemic risks. Controlling household debt will be important to maintain economic stability.

Indian Outlook

The Indian economy is poised for continued growth and resilience in the coming years, with a strong foundation laid by robust economic performance. The Reserve Bank of India's effective monetary tightening measures have managed inflation well, with a forecasted retail price inflation of 4.5% for FY 2024-25, down from 5.4% in FY 2023-24. Direct tax growth at 19.88% and a significant increase in Gross GST collection indicate a positive economic trajectory. India's notable average GDP growth of 6-7% since the 21st century reflects a consistent upward trend. The country's ambitious target of becoming a US\$ 5 Trillion economy, coupled with its



ANNEXURE-I TO THE BOARD'S REPORT (Contd.)

current status as the world's fifth-largest economy by nominal GDP and third-largest by purchasing power parity in 2024, cementing its position as a key player in the global economic landscape. With a focus on sustaining growth momentum, enhancing domestic demand, and leveraging key sectors like manufacturing and services, India is well-positioned to maintain its growth trajectory and economic prominence on the global stage.

The Interim Union Budget for FY 2024-25 shows the government's commitment to driving economic expansion through increased capital expenditure, slated to rise from ₹ 10 Lakh Crores in the Union Budget 2024 to ₹ 11 Lakh Crores in Interim Union Budget 2025. This heightened investment is anticipated to not only spur private sector participation but also push job creation, consumer demand, and overall economic growth in an upward trajectory.

INDUSTRY OVERVIEW

Global Automotive Industry

The global automotive industry is a dynamic and highly competitive sector that encompasses the design, development, production, and sale of motor vehicles. It plays a significant role in the global economy, contributing to employment, trade, and technological advancements. Technological advancements such as electric vehicles, autonomous driving, connectivity, and shared mobility are shaping the industry.

Sustainability and environmental concerns are driving the development of electric vehicles and alternative fuels.

The industry has been ever-growing thanks to technological advancements like Advanced Driver Assistance Systems (ADAS), Intelligent All-Wheel Drive, Active Aerodynamics, Augmented Reality Windshields, Autonomous Emergency Braking, Connected Cars, Fuel Cells, Self-Driving Cars, Car Sharing, and In-Car Entertainment, among others.

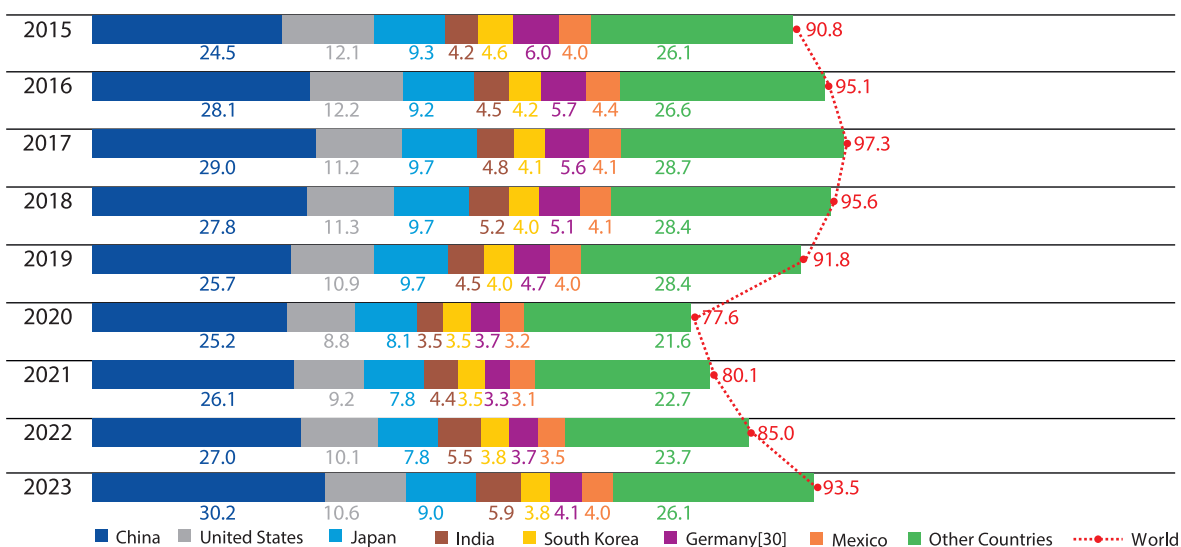
Global Motor Vehicle

In 2023, global vehicle production reached 93.5 Million units growing by 10% in comparison to last year. This growth indicates a positive trend in the automotive industry, with new auto demand being boosted by improved supply chain operations and inventory restocking.

The global passenger vehicle market experienced a mix of challenges and opportunities in 2023. One of the notable developments was the struggles faced by the West European car market. The region grappled with a range of factors, including economic conditions, shifting consumer preferences, and regulatory changes, all of which contributed to the overall poor shape of the market.

In stark contrast, the Asia-Pacific region emerged as the undisputed champion of motor vehicle production and sales. This dominance is likely to be further boosted by rising income levels, particularly in India, a regional powerhouse. This translates to a rising consumer base with the financial muscle to acquire vehicles. Production of vehicles in China also rebounded with 12% growth driven by higher global demand for electric vehicles and a surge in commercial vehicle sales, retaining the world's largest market position.

Global Motor Vehicle Production by Region (In Million)



(Sources: International Organisation of Motor Vehicle Manufacturers)

ANNEXURE-I TO THE BOARD’S REPORT (Contd.)

In contrast, the US saw a below average growth in auto production impacted by high interest rates and declining market conditions which weakened the overall growth trajectory.

These diverse developments across different regions underscored the dynamic nature of the global passenger vehicle market in 2023. While some markets faced challenges, others experienced strong growth, driven by a combination of economic conditions, consumer preferences, technological advancements, and regulatory changes. The industry's ability to navigate these shifting landscapes will be crucial in shaping the future of the global passenger vehicle market.

Global Motorcycle

In recent years, the global two-wheeler segment has experienced remarkable growth, driven by increasing urbanisation, rising income levels, and growing demand for personal mobility. By 2023, the market had expanded to a size of US\$ 130 Billion. The global Motorcycle production was 52 Million in CY 2021, and 50 Million in CY 2022 and is estimated to rebound to 54 Million Units in the year 2023 surpassing the pre-pandemic levels.

Geographically, the Asia-Pacific region has emerged as a driving force, with India leading the way as the world's largest market, thanks to regulatory changes and the growing prominence of local manufacturers. Other notable contributors include Indonesia, Brazil, and Türkiye, which have witnessed substantial sales increases in 2023.

The global electric two-wheeler (EV) segment is also witnessing remarkable growth, propelled by increasing environmental consciousness and the pressing need for sustainable transportation solutions.

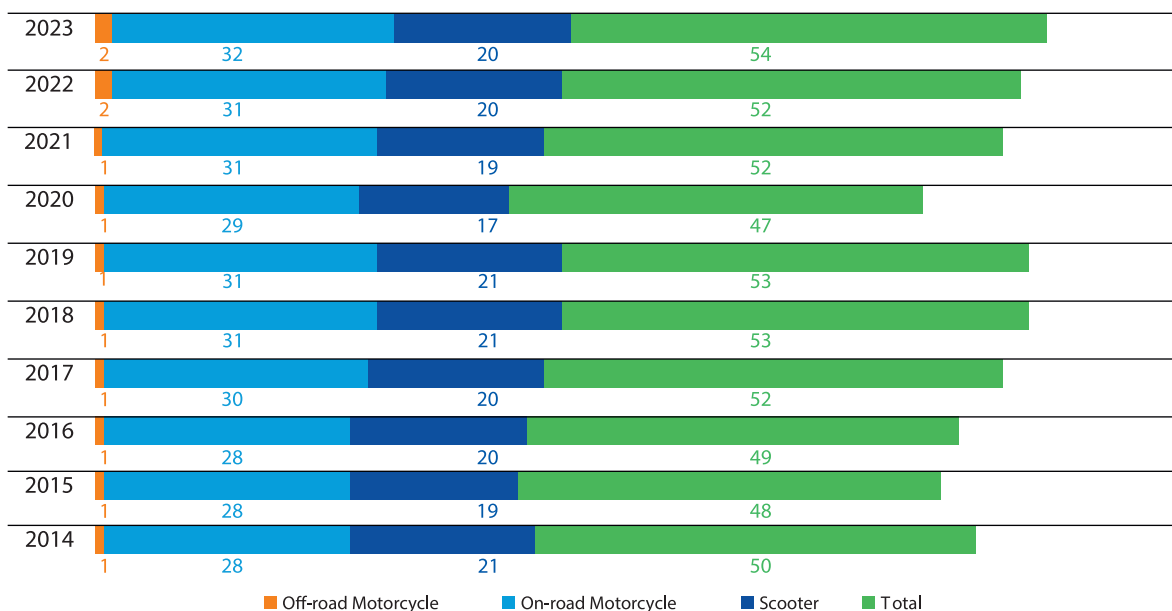
Economic factors, such as rising fuel prices and economies shifting towards greener transportation to decrease their carbon footprint, have further amplified the demand for EV two-wheelers globally. The outlook for this segment remains highly promising, with electrification, connectivity, shared mobility, and favourable government policies playing pivotal roles in shaping its future growth trajectory.

Though challenges such as fluctuating raw material prices and the need for continued infrastructure development must be addressed to sustain this upward trajectory, the outlook for the global two-wheeler segment remains promising. Changing consumer lifestyles, the need for practical mobility solutions in congested urban areas, and the ongoing shift towards electric vehicles are expected to propel the industry's growth.

The projections indicate this growth trajectory will persist, with forecasts estimating the market to reach US\$ 230.7 Billion by 2032, demonstrating a steady compound annual growth rate (CAGR) of 6.58% during the period 2024 to 2032. This surge in the industry is underlined by the substantial increase in global sales of motorcycles, scooters, and registered mopeds, totalling 62.6 Million units, marking a notable 2.7% increase compared to the previous year.

The growth drivers include rapid urbanisation, coupled with rising disposable incomes and improved road infrastructure,

Global Motorcycle Production in Millions



Source: Statista

Motorcycles include Motorcycles, Scooters and Mopeds >50cc

**ANNEXURE-I TO THE BOARD'S REPORT (Contd.)**

which has fuelled the demand for affordable and convenient modes of transportation. Additionally, the increasing focus on fuel efficiency and the adoption of electric and hybrid technologies have further boosted the segment's growth, aligning with sustainability goals and environmental concerns.

Electric Vehicles

Electric car sales in 2023 were 3.5 Million units higher than in 2022, a 35% Y-o-Y increase. Throughout the year 2023, 13.6 Million electric vehicles were sold globally, with 9.5 Million being fully electric or battery electric vehicles (BEVs) and the remaining sales attributed to Plug-in Hybrid Electric Vehicles (PHEVs). Electric cars accounted for around 18% of all cars sold in 2023, up from 14% in 2022 and only 2% five years earlier, in 2018. These trends indicate that growth remains robust as electric car markets mature. Battery electric cars accounted for 70% of the electric car stock in 2023.

The global electric vehicle market size was valued at US\$ 384.65 Billion in 2022 and is projected to grow from US\$

500.48 Billion in 2023 to US\$ 1,579.10 Billion in 2030, exhibiting a CAGR of 17.8% during the forecast period of 2023 to 2030.

The surge in electric vehicle (EV) adoption can be predominantly attributed to several key factors. These include the escalating costs associated with fuel-based vehicles, mounting environmental apprehensions, continuous technological advancements in EV technology, ongoing infrastructure development to support EV usage, stricter CO² emission standards, and significant governmental support and incentives for EV initiatives.

Despite automaker price cuts and government incentives designed to make them more affordable, a variety of other challenges continue to stand in the way, including range anxiety, charging time, and availability of charging infrastructure. Consumer interest in Internal Combustion Engines (ICE) vehicles is rebounding in some markets surveyed as affordability concerns continue to weigh heavily on forward intentions.

Indian Automotive Industry

The 'Sunrise Sector', also known as Automotive Industry is one of the key drivers of economic growth in India with robust backward and forward integrations. The Indian automotive sector has exhibited resilience amid global economic challenges and inflation. The contribution of this sector to the National GDP has risen to about 7.1% in 2023 from 2.77% in 1992-93. It is also poised to rank number three globally by 2030, led by initiatives such as the ₹ 25,938 Crores PLI for automobile and auto components, according to a report by the Ministry of External Affairs.

Indian Automotive Segment-Wise Production Trends

Category	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	Y-o-Y Growth in FY 2023-24
Passenger Vehicles	4,028,471	3,424,564	3,062,280	3,650,698	4,578,639	4,901,844	7%
Two-Wheelers	24,499,777	21,032,927	18,349,941	17,714,856	19,458,917	21,468,527	10%
Three-Wheelers	1,268,833	1,132,982	614,613	758,088	855,696	992,936	16%
Commercial Vehicles	1,112,405	756,725	624,939	805,527	1,035,346	1,066,213	3%
Quadricycle	5,388	6,095	3,836	4,061	2,897	5,006	73%
Grand Total	30,914,874	26,353,293	22,655,609	22,933,230	25,931,495	28,434,526	10%

Source: Society of Indian Automobile Manufacturers

As shown in the above table, overall production during the year increased by 10% to 28.43 Million.

The passenger vehicle segment witnessed a milestone year once again surpassing the highest-ever production driven by improved vehicle availability, a compelling model mix, and the launch of new models. The passenger vehicle segment recorded growth of approximately 7% Y-o-Y, reaching 4.9 Million units. The production and sales also rose due to enhanced supply dynamics, strategic marketing efforts, and expansion in road infrastructure. The year also witnessed high demand for sports utility vehicles (SUVs). FADA said that for the first time in India, SUVs now hold a market share of 50%.

ANNEXURE-I TO THE BOARD’S REPORT (Contd.)

Passenger Vehicle Category-Wise Production Trends

Passenger Vehicles	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Passenger Cars	2,711,160	2,175,242	1,772,972	1,844,985	2,184,844	1,979,911
Utility Vehicles (UVs)	1,099,780	1,124,973	1,182,085	1,691,081	2,253,272	2,777,051
Vans	2,17,531	1,24,349	1,07,223	1,14,632	1,40,523	1,44,882
	4,028,471	3,424,564	3,062,280	3,650,698	4,578,639	4,901,844
% of Category						
Passenger Cars	67.3%	63.5%	57.9%	50.5%	47.7%	40.4%
Utility Vehicles (UVs)	27.3%	32.9%	38.6%	46.3%	49.2%	56.7%
Vans	5.4%	3.6%	3.5%	3.1%	3.1%	3.0%

In the current FY 2023-24, the two-wheeler segment witnessed a remarkable growth of around 10 % Y-o-Y, fuelled by a recovery in rural demand, particularly supporting sales growth in the entry-level segment (<110 cc). Two-wheeler production was 21.5 Million units in FY 2023-24. The Indian two-wheeler market is also the largest in the world, accounting for about 40% of global volume, and Indian OEMs have been successful in defending their turf against powerful foreign competitors. In 2023-24, the Indian two-wheeler industry experienced a significant recovery and growth after a sharp decline in 2020 due to the COVID-19 pandemic.

India also enjoys a strong position in the global heavy vehicles market as it is the largest tractor producer, second-largest bus manufacturer, and third-largest heavy truck manufacturer in the world. The growth in the commercial vehicle segment continued in FY 2023-24, registering 3% growth driven by an increase in industrial activities and replacement demand breaching pre-pandemic levels.

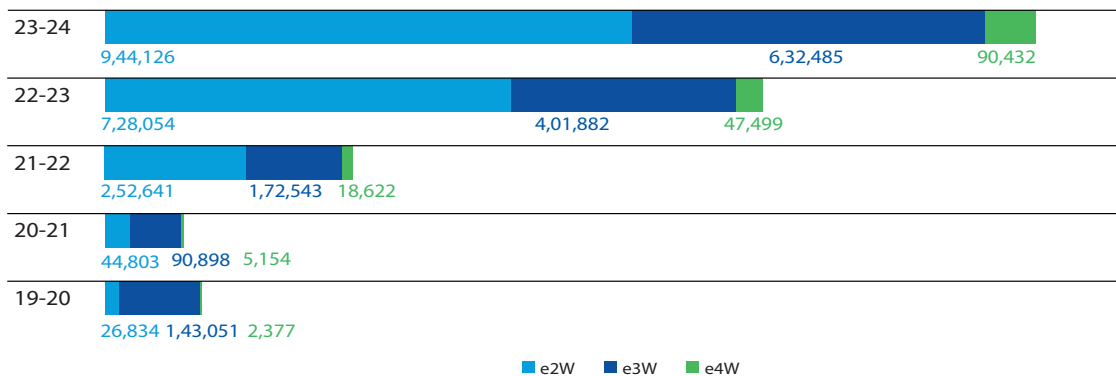
The growth drivers for the Indian automotive sector are multifaceted. The industry's adaptation to shifting consumer

demands, technological advancements in electrification, and favourable government policies have played pivotal roles in shaping its trajectory. The market was also fuelled by the growth of the electric segment and the resilience of internal combustion engine (ICE) models, highlighting the industry's key role in Indian individual mobility, especially in a country with over 1.4 Billion people and limited transportation infrastructure.

Furthermore, the influx of Foreign Direct Investment (FDI) amounting to US\$ 35.40 Billion between April 2000 and September 2023 has significantly contributed to the sector's growth, accounting for 5.48% of the total FDI inflow into India during this period.

Looking ahead, the outlook for the Indian automotive industry remains promising. The industry is expected to continue its growth momentum in the FY 2024-25, with projections of 7-10% growth for two-wheelers, 6-9% growth for passenger vehicles, and a 2-4% Y-o-Y increase for commercial vehicles, nearing pre-pandemic peaks.

Electric Vehicle Sales in India



Source: Vahan Registration and Society of Manufacturers of Electric Vehicles



ANNEXURE-I TO THE BOARD'S REPORT (Contd.)

Electric Vehicle Market in India

The electric vehicle (EV) market in India is growing rapidly. It gained significant traction in recent years as a cleaner and more efficient alternative to traditional gasoline-powered cars. This surge in demand can be attributed to a variety of factors, including government initiatives, increased awareness about sustainable transportation, decreasing battery costs, infrastructure development, and innovation and collaborations.

India accomplished a significant milestone, with the sale of 1,670,736 EVs (from April 2023 to March 2024), averaging 4,562 EVs sold each day, a significant jump from the 3,242 daily sales the previous year.

The Indian government's FAME (Faster Adoption and Manufacturing of Electric Vehicles) schemes have played a pivotal role in accelerating the adoption of electric vehicles (EVs) in the country. The majority of the Indian populace prefers two-wheelers for their daily transport considering the cost of ownership and Indian traffic conditions. The rising demand and adoption of electric micro-mobility vehicles such as electric two-wheelers and electric three-wheelers are also propelling the market growth.

In 2023, there was a notable surge in sales for both two-wheelers (2W) and three-wheelers (3W), experiencing growth rates of 37% and 66%, respectively. Passenger vehicles (PV) also witnessed a substantial increase of 113%, while commercial vehicles (CV) recorded a remarkable growth of 169%. This anticipated growth is driven by rising consumer demand and ongoing governmental backing, including incentives aimed at encouraging electric vehicle (EV) adoption. Looking ahead to 2024, the industry maintains an optimistic outlook, with sales projected to surpass 2 Million units.

Indian Auto Component Industry

The Indian auto component industry plays a pivotal role in the automobile value chain, encompassing both organised and unorganised segments. With a trajectory set to propel it to the third-largest auto component industry globally by 2025, its market size is forecasted to reach a substantial US\$ 206 Billion by 2030.

In FY 2022-23, the auto component industry experienced an impressive growth of 23% in both domestic and international markets, primarily led by the growth in vehicle sales due to the shifting market preference towards premium vehicles and the increased turnover of the auto-components sector due to value-added components. Exports also witnessed steady growth of 6% compared to FY 2021-22, despite recessionary trends in key export destinations like Europe and the US, the industry's top two export markets which account for 63% of total exports.

As per the Auto Component Performance review published by ACMA, the turnover of the automotive component industry stood at ₹ 2.98 Lakh Crores (US\$ 36.1 Billion) for the period April to September 2023, registering a growth of 12.6% over the first half of the previous year. Exports grew by 2.7% to US\$ 10.4 Billion (₹ 85.87 Lakh Crores) while imports grew by 3.6% to US\$ 10.6 Billion (₹ 87.42 Lakh Crores). The Aftermarket, estimated at ₹ 45,158 Crores also witnessed a growth of 7.5%. Auto component sales to OEMs in the domestic market grew by 13.9% to ₹ 2.54 Lakh Crores.

In its relentless pursuit of energy efficiency and environmental sustainability, the Indian auto component industry is at the forefront of exploring next-generation composites and alloys. These advanced materials offer a compelling proposition: they not only shed weight from vehicles without sacrificing safety or performance but also embrace the tenets of the circular economy by promoting recyclability and repurposing. This translates to a more responsible approach to resource management and a demonstrably reduced ecological footprint.

Undeniably, challenges persist. The industry must grapple with supply chain disruptions, fluctuating raw material prices, and the ever-evolving preferences of consumers. These hurdles need to be overcome to sustain the current momentum and safeguard the industry's competitive edge in both domestic and international markets.

Nonetheless, the outlook for the Indian auto component industry remains resolutely optimistic. The growth drivers for the Indian auto component sector are multitudinous. Growth is projected to continue, fuelled by a confluence of factors: rising vehicle sales, surging demand for value-added components, the growing electric vehicle market, and a resolute commitment to sustainable materials and practices. This multi-pronged approach ensures the Indian auto component industry remains a future-proof powerhouse.

OPPORTUNITIES

Government Incentives and Schemes

The objective is clear: To promote India's self-reliance (Aatmanirbhar Bharat) by establishing a globally competitive manufacturing industry. A prime example of this goal in action is the Automotive Production-Linked Incentive (PLI) programmes initiated by the Government. This scheme targets the automobile and auto components industry, offering incentives for advanced technology, green vehicles, and advanced chemistry cells, along with indirectly supporting semiconductors and electronics.

The PLI Scheme for the automotive sector was further extended by one year after representation by various stakeholders on

ANNEXURE-I TO THE BOARD'S REPORT (Contd.)

the progress of the scheme. Post extension, the five-year scheme, originally in place from FY 2022-23 to FY 2026-27, will be active till FY 2027-28. As many as 95 companies have been admitted under the scheme that looks to promote local manufacturing of new technology products. The Government has now also started awarding PLI certifications to OEMs and auto component players.

The transition to clean mobility is a top priority for the Government, leading to various initiatives aimed at boosting the production and adoption of electric vehicles (EVs) in India. Notably, the Faster Adoption and Manufacture of Hybrid and Electric Vehicles in India (FAME) scheme incentivises the sale of electric vehicles.

This scheme has served as a potent catalyst for the nation's electric vehicle (EV) sector. Launched in 2019 with a three-year budget of ₹ 10,000 Crores, the programmes initially aimed to bolster the adoption of electric buses, three-wheelers, passenger cars, and two-wheelers. Recognising its success, an additional ₹ 1,500 Crores was subsequently allocated. As of 30 March 2024, a remarkable 15,42,452 electric vehicles have been subsidised under FAME II, with two-wheelers leading the charge at 13,64,929 units, followed by three-wheelers (1,57,171) and four-wheelers (20,352). The government's unwavering support extends beyond the current programmes. While the Government did not extend FAME II in the recent interim budget, it has announced a new scheme called the Electric Mobility Promotion Scheme (EMPS) 2024 with a total outlay of ₹ 500 Crores for 4 months, w.e.f. 1 April 2024 till 31 July 2024, for faster adoption of electric two-wheelers (e-2W) and three-wheelers (e-3W). EMPS being seen as a stop-gap measure, the automotive industry is eagerly looking forward to the announcement of FAME III by the newly formed government.

Export Opportunities

In a world where supply chain security and not just costs determine the location, India emerges as an attractive destination to become a manufacturing destination. Players across industries are restructuring global supply chains to reduce dependence on China in the post-COVID world. Manufacturing companies are increasingly adopting the 'China+1' strategy.

Although exports from India form less than 10% of the global auto component market, it has grown significantly in the last few years, registering at a CAGR of 14.1% between FY 2016-17 and FY 2022-23. In 2023-24 (April-September), the export value of auto components/parts was estimated at US\$ 10.4 Billion contributing to 29% of the industry's turnover. There is potential for strong growth in the export of auto components, going forward, as India gains the spotlight in the global arena.

As per ACMA, auto component exports are expected to grow and reach US\$ 30 Billion in FY 2025-26

Factors like rising supplies to new platforms because of vendor diversification by global OEMs, higher value addition partly stemming from higher outsourcing by global Tier-1s and OEMs, aftermarket demand potential, increasing cost competitiveness due to tariffs on Chinese imports in the US and opportunities for casting/forging players from plants in EU shutting due to viability issues augur well for auto ancillaries.

India is currently a hub for sourcing traditional ICE components. An increase in the supply of advanced technology components, including those for electric and alternate fuel vehicles, will result in both an increase in content per vehicle and value addition/margins. Moreover, with premiumisation and periodic changes in regulatory norms, the demand for advanced components is only expected to increase going forward. Indian auto component manufacturers are working in this direction, and schemes like the PLI are a step in the right direction for this.

Rise in Connected Cars

The Indian automotive industry is undergoing a metamorphosis, propelled by factors such as growing disposable incomes, evolving consumer preferences, and burgeoning infrastructural development; all reshaping the landscape. At the forefront of this transformation lies the introduction of connected car solutions, a paradigm shift that promises to elevate the driving experience. These solutions offer a trifecta of benefits: enhanced safety, improved efficiency, and unparalleled convenience for drivers.

Understandably there are infrastructure limitations and the associated integration costs present hurdles that need to be overcome. However, the industry stands on the precipice of a revolution. Leading players are forging strategic partnerships with technology companies to develop ground-breaking solutions specifically tailored to the Indian market. Artificial intelligence and machine learning are emerging as the cornerstones of these innovations.

Furthermore, the demand for connected features is experiencing an upward trajectory. Consumers are increasingly discerning, placing a high premium on advanced in-car infotainment systems and seamless connected services. This confluence of factors positions the Indian automotive industry for a future characterised by intelligent and interconnected vehicles.

Digital Transformation

The auto component industry is undergoing a profound digital transformation, reshaping operations and opening new avenues for growth. Leveraging digital advancements,



ANNEXURE-I TO THE BOARD'S REPORT (Contd.)

manufacturers are expanding their global reach, enhancing competitiveness, and streamlining production processes with next-generation robotics and artificial intelligence. This digital revolution extends across the entire value chain, driving efficiency, performance, and collaboration among stakeholders.

Digitalisation has become a necessity, with significant improvements seen in product quality and operational excellence. From product design to procurement, production, and supply chain management, digital technologies are driving innovation and meeting evolving customer demands. Artificial intelligence is optimising production processes, while blockchain technology ensures transparency and compliance with environmental regulations.

Vehicle Scrappage Policy

The Vehicle Scrappage Policy in India aims to remove old and poorly maintained vehicles to curb pollution and promote sustainable mobility. Initiated in 2021, the government-funded programmes facilitates the replacement of old vehicles with new ones. The policy prohibits the re-registration of cars older than 20 years and commercial vehicles older than 15 years. It targets increased demand for new vehicles, environmental benefits, a strengthened automobile sector, and economic growth.

Besides reducing pollution, the policy yields benefits like recycling recoverable materials from scrapped vehicles to manufacture new vehicles at lower costs, stimulating sales in the auto sector.

The policy outlines a timeline for implementing fitness tests for different vehicle categories, overseen by the Ministry of Road Transport and Highways. Overall, the scrappage policy marks a significant stride towards reducing pollution, enhancing vehicular safety, improving fuel efficiency, and fostering employment in the auto industry.

BUSINESS OVERVIEW

Uno Minda Limited (referred to as 'Uno Minda' or 'the Company') is a leading global manufacturer and supplier of auto components and systems to **OEMs** as Tier-1.

With a rich legacy spanning over six decades in the automotive industry, Uno Minda stands as a stalwart, boasting an extensive array of over 28 product lines, housed within 74 cutting-edge

manufacturing facilities across the globe, including India, Indonesia, Vietnam, Spain, and Mexico. Its key product lines include automotive switching systems, automotive lighting systems, automotive acoustics systems, automotive seating systems alloy wheels, sensors, controllers, and EV-specific, among others. The Company has a leadership position in almost all the products it manufactures. While almost all its existing product lines are engine agnostic, it has built a strong product portfolio for EV-specific components for e-2W, e-3W, e-CV and e-PV.

Uno Minda's global presence extends across 12 countries, supported by a dedicated workforce exceeding 32,000 employees.

Catering to a diverse clientele worldwide, Uno Minda offers a comprehensive product portfolio tailored to meet the demands of both global and domestic markets. Our commitment to expansion is evidenced by continuous investments in enhancing capacity, diversifying product offerings, and expanding distribution channels, all while prioritising advancements in infrastructure, technology, and research and development.

The Company also has a strong presence in the B2C aftermarket segment along with its presence as a preferred choice among OEMs. Over the years, we have built a very strong distribution network across the country covering 600 districts, and 7000+ pin codes catering to more than one lakh channel partners.

Technology and innovation are the two strong pillars of the organisation, based on which it has continued to lead the emerging trends in the automotive sector, over the past few decades. The Company employs a team of 1200+ skilled engineers in its 37 R&D and engineering centres across India, Germany, Spain, and Taiwan. This formidable workforce has propelled our efforts in product localisation and innovation, resulting in the filing of over 444 patent applications and securing 463 design registrations, further cementing our position as a leader in the automotive sector.

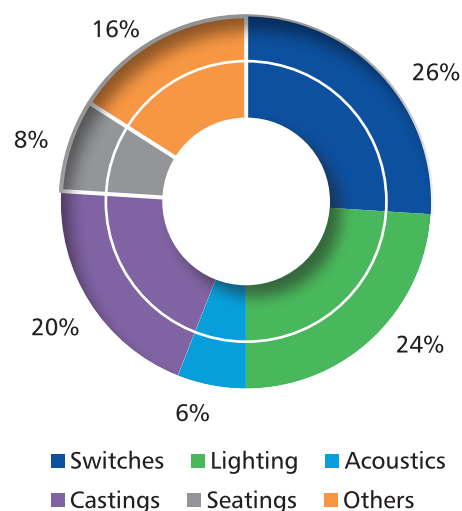
While we have a strong in-house research and development team, we have also acquired access to advanced technologies by joining hands with renowned foreign technology collaborators to shorten the time to hit the market and meet customers' immediate demands. Currently, we have 19 JVs/ Technical Agreements with world-renowned manufacturers from Germany, Korea, China, and Japan, among others.

ANNEXURE-I TO THE BOARD'S REPORT (Contd.)
FINANCIALS

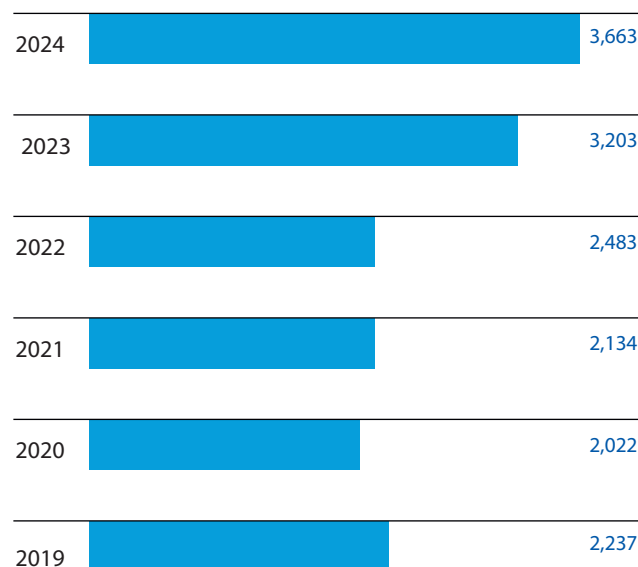
Particulars (Crores)	FY 2023-24	FY 2022-23	Y-o-Y %
Revenue from Operations	14,031	11,236	25%
Raw Material	9,064	7,224	
Employee Cost	1,779	1,460	
Other Expenses	1,603	1,310	
EBITDA	1,585	1,242	28%
EBITDA Margin	11.30%	11.05%	25 bps
Other Income	34	49	
Depreciation	526	430	
EBIT	1093	861	27%
EBIT Margin	7.79%	7.66%	13 bps
Finance Cost	113	70	
Profit before Share of Profit/Loss of JVs and Tax	980	791	24%
PBT Margin	6.98%	7.04%	-6 bps
Tax	267	191	
Profit before Share of Profit/Loss of JVs	739	600	23%
PAT Margin%	5.27%	5.34%	-7 bps
Share of Profit/Loss of JVs	185	100	
Exceptional Items	27	0	
Net Profit/(Loss) after Share of Profit/(Loss) of Associates Joint Ventures (A)	925	700	32%
PAT Attributable to:			
- Owners of UML	880	654	35%
- Non-Controlling Interests	44	47	
PAT (UML Share excluding Exceptional Income)	860	654	32%

We have achieved consolidated revenues of ₹ 14,031 Crores for the year ending in March 2024, registering a growth of 25% on a Y-o-Y basis. We would like to highlight that while industry volume growth for FY 2023-24 was 10%, our revenues grown by 25% i.e. 2.5x of industry volume growth. The growth demonstrated was significantly higher than our long-term guidance of 1.5x of industry volume growth.

The EBITDA for the period grew by 28% at ₹ 1,585 Crores registering EBITDA margins of 11.3%. The profit after tax which is Uno Minda's share for the period excluding exceptional items was at ₹ 860 Crores as against ₹ 654 Crores in the corresponding period last year, reporting growth of 32%.

OPERATIONAL PERFORMANCE

Switch Business

Uno Minda is dedicated to maintaining its global leadership position as one of the foremost manufacturers of switching systems and handlebar assemblies across the vehicle segments. Serving a vast array of major OEMs, the Company specialises in developing top-notch products tailored to the diverse needs of the automotive industry. With a significant market share in Indian OEMs and a growing presence internationally, the division prides itself on its commitment to delivering reliable, cost-effective, and innovative products.

Switch Business


The switch business achieved strong revenue growth of 14% in FY 2023-24, reaching ₹ 3,663 Crores compared to ₹ 3,203 Crores in FY 2022-23. This success can be attributed to two key strategies:



ANNEXURE-I TO THE BOARD'S REPORT (Contd.)

- **Smarter Switches and Deeper Penetration:** The Company saw a rise in 'kit value,' driven by a double win: the adoption of smarter switches and an increase in the number of switches per vehicle.
- **Strategic Expansion and Market Capture:** The Company successfully expanded its reach by securing business from previously underserved customers, solidifying our market position. Additionally, exports in the two-wheeler switch segment became a major growth driver, showcasing our global competitiveness.

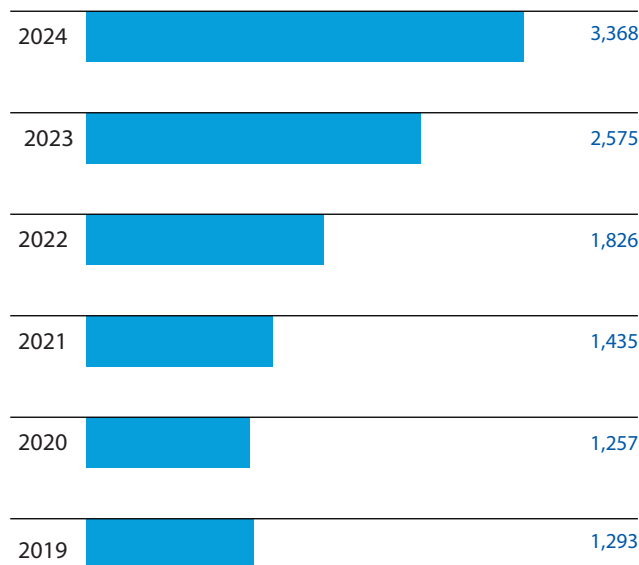
To meet rising demand, the Company commissioned its brownfield expansion in Chennai during the year, enhancing our four-wheeler switch capacity. The Company is further investing in a greenfield project in Farukhnagar (Gurugram), which is expected to begin production in FY 2024-25 and will primarily focus on parts manufacturing.

The Company believes exports in the two-wheeler switch segment and advancements in switch technology, leading to higher 'kit value,' will continue to propel the Switch business forward.

Lighting Business

Uno Minda started manufacturing automotive lights in 1980, since then the Company has emerged as a leading automotive lamp manufacturer in India, renowned for its commitment to developing cutting-edge yet affordable lighting solutions for two-, three-, four-wheelers and off-road vehicles. A cornerstone of the Company's success lies in its self-reliance model, which has enabled it to innovate and adapt to evolving market demands effectively.

Lighting segment



Lighting business achieved revenue of ₹ 3,368 Crores for FY 2023-24 growing by 31% Y-o-Y basis. The Company's lighting business has delivered significant growth in the recent past with the 4W lighting business almost doubling in less than 2 years.

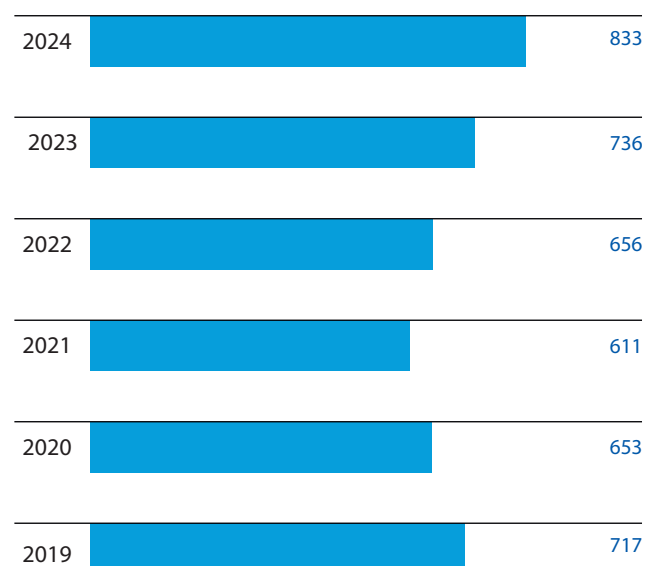
Following strategic order wins secured over the past two years, we are witnessing the gradual commencement of production (SOP), which is significantly propelling the growth trajectory of the lighting business, particularly in the 4W segment. We currently supply three long tail lamps and one signature-led front DRLs for the EV model of an OEM in India, establishing ourselves as a leader in long tail lamps.

Uno Minda is introducing new technologies in lighting that offer improved performance, safety, and aesthetics. From OLED Lighting to adaptive lighting, illuminated badges, logo projection, and interior moonlighting, the Company's diverse product offerings cater to the evolving needs of the automotive industry. Leveraging global R&D and design centres, Uno Minda's lighting business continues to push the boundaries of lighting technology, delivering end-to-end solutions to India's leading OEMs and solidifying its position as a top player in the automotive lighting sector.

Acoustics Business

Uno Minda's acoustic division stands out as India's premier manufacturer of automobile horns, commanding an impressive market share of more than 50% and serving as the preferred supplier to Indian OEMs. Specialising in producing high-quality acoustic solutions, this division caters to a diverse range of vehicles, including two-wheelers, four-wheelers, off-road vehicles, and commercial vehicles.

Acoustics



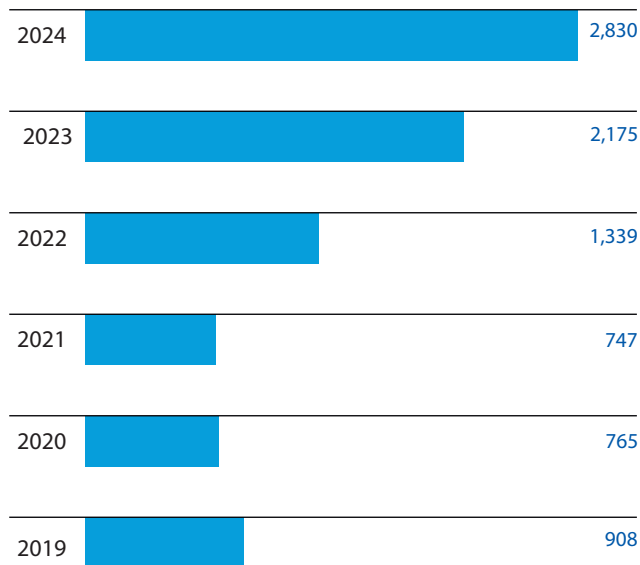
ANNEXURE-I TO THE BOARD'S REPORT (Contd.)

The acoustic business also grew by 13% to ₹ 833 Crores. The Indian acoustic business consistently demonstrated industry-led growth. However, the European subsidiary, Clarton Horn, experienced fluctuations throughout the year but ended on a positive note.

Castings Business

Uno Minda's casting business encompasses the production of alloy wheels for both four-wheelers and two-wheelers, along with aluminium die-casting components. With annual manufacturing capacities of approximately 4.5 Million and 6.00 Million wheels for four-wheelers and two-wheelers, respectively, Uno Minda holds a leading position in both segments. Established in 2011, Uno Minda's casting division, formed through the merger of MJ Casting Limited with Uno Minda Limited in 2019, which is also a prominent manufacturer of die-casting components in India.

Casting



The casting business has grown tremendously in the last few years driven by increasing penetrations, vehicle volume and size of the wheels. Castings business achieved revenues of ₹ 2,830 Crores in FY 2023-24, growing by 30% on a Y-o-Y basis.

Alloy wheel penetration in PV has reached around 45% from 15% in 2015 i.e. when we entered the market. Considering the global trend, we expect the penetration level will continue to rise in a gradual manner presenting exciting opportunities for the Company. Buoyed by the demand, the Company has also been aggressively expanding its PV alloy wheel capacity. After the commission of an additional 30K per month wheel line in the Gujarat plant, PV alloy wheel capacity stands at 3,90,000 wheels per month, running at almost 100% utilisation. We are further expanding by 60,000 wheels in the Bawal plant

with 30K expected to be commissioned in FY 2024-25 and work on the remaining capacity will commence depending on the necessary approval for land acquisition.

During the year, we also announced another greenfield plant with a capacity of 1,20,00 wheels per month at IMT Kharkhoda, Haryana. The plant with a capital outlay of ₹ 542 Crores will be set up in a phased manner over the next 5 years with phase 1 commissioning in Q2 FY 2025-26. The construction work for the same has also commenced.

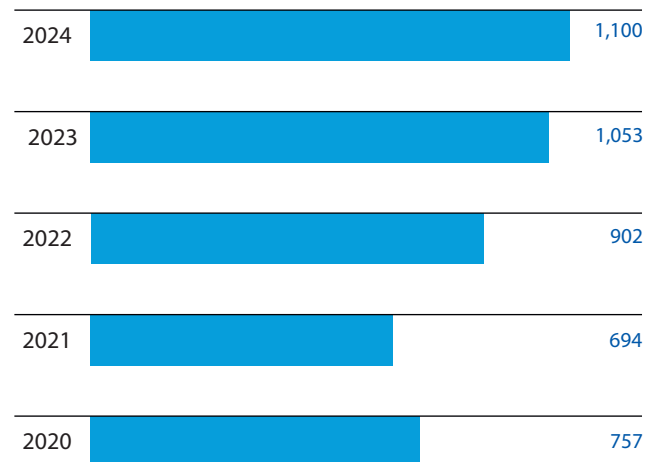
The Company also commissioned all three lines of 2-Million-wheel expansion at its 2W alloy wheel plant at Supa Maharashtra. The said lines will ramp up in the coming quarter. Supported by additional orders, the Company is undertaking another expansion at the Supa plant by 2 Million wheels per annum committing capital expenditure of ₹ 300 Crores. The enhanced capacity is expected to be commissioned in FY 2025-26. Post expansion, the capacity of the 2W alloy wheel will be enhanced to 8 Million Wheels per annum.

Seating Business

In April 2021, Uno Minda's seating business emerged following the merger of Harita Seating Systems Limited (HSSL) with Uno Minda. This strategic move positioned the Company as a significant player in automotive systems solutions.

Specialising in the manufacturing of automotive seats for two-wheelers, three-wheelers, commercial vehicles, and off-road vehicles, the seating business also produces a range of related products such as Polyurethane (PU) foam pads, two/three-wheeler seats, PU composites, MCU, and interior modules for automobiles.

Seating



To further strengthen its position in the automotive seating market, Uno Minda entered into a joint venture with TACHI-S Company Limited, a global leader in seat systems based in Tokyo, Japan, in September 2022. This joint venture aims



ANNEXURE-I TO THE BOARD'S REPORT (Contd.)

to manufacture and market seat recliners for four-wheeler passenger vehicles in India. Initially focussing on recliners, the joint venture plans to expand its product offerings to include other seating mechanisms, seat frames, and complete seating assemblies in years to come. Uno Minda holds a 51% stake in the joint venture, with the remaining stake owned by TACHI-S.

In the last year, the Seating's business achieved revenue of ₹ 1,100 Crores in FY 2023-24 as compared to ₹ 1,053 Crores in FY 2022-23 contributing 7% of our total turnover.

The Company's customer diversification strategy is working out well with the start of supplies to 2 new-age EV OEMs. The supplies for the new incumbent 2W OEM will start in the next six months.

Uno Minda solidified its global presence by becoming a supplier for a prominent American-based commercial and off-road vehicle manufacturer. The Company has been successfully exporting its products to the manufacturer's plants in the United States and Europe for the last few years. This achievement has significantly boosted Uno Minda's export performance, enabling the business to record exports of approximately ₹ 200 Crores in FY 2023-24.

The Company have secured an order for Mechanical Suspended seats and Pneumatic suspended seats to be supplied to domestic CV OEMs as well. Until now we have been supplying suspended seats only to the export market. The SOP of the said order is expected in FY 2024-25.

Looking ahead, we anticipate the Seating business to maintain a healthy growth momentum, fuelled by new order confirmations and the upcoming execution of the new orders along with suspended seat orders for the Indian market.

OTHER BUSINESS

EV Business

Uno Minda embarked on its journey into electrification around 2017-18, adopting a two-pronged strategy. Initially, the focus was on enhancing existing products for electrification, such as transitioning from traditional bulb-based lighting to LED headlamps and tail lamps and modifying high-current switches to low-current switches with connectivity. Additionally, efforts were made to increase the operating voltages of Electronic Control Units (ECUs). Concurrently, the Company incubated new products tailored specifically for Electric Vehicles (EVs), including on-board chargers, DC-DC Converters, and Smart plugs.

Since then the Company has made significant strides in the electrification trends. Under the umbrella of its EV product portfolio for two-wheelers and three-wheelers, Uno Minda now boasts a comprehensive range of products, including but not limited to BMS, on-board chargers, off-board chargers,

RCD cables, body control modules, smart plugs, telematics, and sound boxes.

The Company has set up a greenfield plant under a joint venture with FRIWO AG in Farukhnagar, Haryana, to produce vital EV components for two-wheelers and three-wheelers. In the first year of full operation itself, the plant has crossed revenues of ₹ 195 Crores. Besides, we also have certain EV-specific components being manufactured in our Controller business.

Additionally, it has established a plant under Uno Minda Buehler Motor Private Limited (UMBM) in Bawal, Haryana, focused on manufacturing traction motors and BLDC motors for EVs. The commercial product from this plant is expected to commence in FY 2024-25.

Building on its low-voltage EV-specific components, the Company is now building capabilities for high-voltage EV-specific components. The Company entered into a technical license agreement with StarCharge Energy Private Limited in March 2024 for wall-mounted AC chargers designed for convenient home charging. The Company is also partnering with Suzhou Inovance Automotive Co., Limited, China to manufacture and sell Charging Control Units (CCU), EV inverter, EV motors and next-generation 3-in-1 electric drive systems (e-Axle).

These investments and partnerships demonstrate Uno Minda's commitment to expanding its presence in the rapidly growing EV market and meeting the increasing demand for EV-specific products and components. The Company's strategic partnerships and relentless focus on expanding its EV component production capabilities position it as a key player in the rapidly evolving EV market.

Sensor and ADAS Business

The Company's sensor division offers an extensive line-up of cutting-edge products designed for both two-wheelers and four-wheelers, as well as off-road vehicles. From Contact and non-contact type speed sensors, temperature control sensors, engine and exhaust sensors and various position and magnetic sensors, Uno Minda sets the benchmark alongside the world's best auto component brands.

Uno Minda prides itself on offering a comprehensive suite of Advanced Driver Assistance Systems (ADAS) designed to redefine the driving experience. The key solutions provided by Uno Minda's ADAS portfolio include Parking Assistance Systems, 360-degree Camera Systems, Driver Attention Monitoring, Collision Warning and Avoidance and Lane Departure Warning (LDW) systems.

Automotive sensors and ADAS have become indispensable components in modern vehicles, providing real-time data on various parameters to optimise vehicle operation and

ANNEXURE-I TO THE BOARD'S REPORT (Contd.)

ensure driver safety. The automotive sensors and ADAS market has witnessed steady growth in recent years, driven by technological advancements, regulatory mandates, and consumer demand for advanced vehicle features. Capitalising on these trends, Uno Minda's Sensor and ADAS business has also grown significantly. Revenues from sensors have grown significantly from ₹ 160 Crores in FY 2020-21 to over ₹ 400 Crores now. We have combined the ADAS division with sensors from an operational perspective. Together with ADAS, sensor secured revenues of ₹ 600 Crores.

Controllers Business

The controllers division is responsible for manufacturing body control modules, climate control modules, Light control modules, wireless chargers and telematics solutions. Notably, Uno Minda is the first Company in India to fully localise wireless chargers, showcasing its commitment to technological advancement and meeting the evolving needs of the automotive industry.

The controller division is also manufacturing and supplying some EV components like chargers and DC-DC converters.

Driven by sales of wireless chargers and EV components, the controller business contributed ₹ 375 Crores revenue in the Company's total consolidated turnover for FY 2023-24 more than doubling from last year.

Blow Moulding Business

Uno Minda Kyoraku Limited (UMKL), a subsidiary of Uno Minda Limited, stands as a market and technology leader in the automotive blow moulded products sector. Renowned for its innovative offerings such as Roof Ducts, IP Ducts, Spoilers, Washer Bottles, Deck Boards, and EA Pads, UMKL operates across three state-of-the-art plants located in Bawal, Bengaluru, and Devakada.

To address the growing demand and accommodate new orders, UMKL embarked on an expansion journey by setting up a new greenfield plant in Bangalore during FY 2020-21. With the commissioning of the plant in Bengaluru, UMKL also reported a remarkable growth of 45% in revenues to ₹ 395 Crores in FY 2023-24 from ₹ 272 Crores in FY 2022-23, positioning it for continued growth and excellence in delivering high-quality automotive blow moulded products. Through relentless innovation and a commitment to customer satisfaction, UMKL continues to solidify its position as a leader in the industry, driving progress and setting new benchmarks for excellence.

Aftermarket

Uno Minda's aftermarket division emerges as a pivotal force in India's automotive aftermarket landscape, fuelled by a strategic merger that integrated Minda Distribution Services

Limited with Uno Minda Limited w.e.f. 1 April 2019. With a focussed vision to establish a preeminent global distribution entity for Uno Minda products, the division is dedicated to enriching stakeholders across the value chain.

Supported by an extensive distribution network spanning 600 districts and over 7,000 pin codes, the aftermarket division serves as a vital link between Uno Minda's offerings and the diverse needs of automotive enthusiasts and professionals nationwide. Committed to its leadership position, particularly in electrical components for two- and three-wheelers, the division has adeptly diversified its portfolio to encompass electronics, consumables, and mechanical components across a spectrum of automotive segments, including passenger vehicles, commercial vehicles, tractors, and off-road vehicles.

Uno Minda's aftermarket division has witnessed a remarkable growth over the last five years, propelled by strategic investments, proactive market strategies, and a keen eye for emerging opportunities. The aftermarket business achieved revenue of ₹ 1,010 Crores in FY 2023-24, registering a growth of 56% over FY 2018-19.

In alignment with its growth trajectory, the aftermarket division continues to fortify its presence through continuous innovation, refreshed branding initiatives, and dynamic marketing campaigns. The Company works with a leading branding agency to strengthen its marketing efforts and create awareness among consumers for using genuine auto parts.

Uno Minda has also created a dedicated e-commerce platform, www.unomindakart.com, a seamless digital hub designed to cater specifically to the B2C segment, further amplifying Uno Minda's accessibility and reach in the aftermarket realm.

Key Ratios

Particular	FY 2023-24	FY 2022-23
Debtors' Turnover (Days)	54	56
Inventory Turnover (Days)	43	43
Creditors Turnover (Days)	68	73
Current Ratio	1.23	1.21
Net Debt Equity Ratio	0.25	0.24
Interest Coverage Ratio	10	12
ROCE (%)	19.81%	19.16%
ROE (%)	19.35%	17.22%

The Company's working capital cycle edged slightly higher to 28 days in FY 2023-24 compared to 26 days in FY 2022-23. While inventory remained stable at 43 days, there was a positive development in receivables collection, which improved to 54 days. However, shorter payment terms to



ANNEXURE-I TO THE BOARD'S REPORT (Contd.)

suppliers (creditor days reduced to 68 days) contributed to the overall increase in the working capital cycle.

Despite the slight increase in the working capital cycle, the Company maintains a very healthy financial position. The net debt-to-equity ratio remains low at 0.25, and the interest coverage ratio is a robust 10 at the end of FY 2023-24.

The Company's profitability is on an upward trend. Return on Capital Employed (ROCE) reached 19.8%, and Return on Equity (ROE) climbed to 19.3% for FY 2023-24.

RISK AND MITIGATION

Risk management stands as a linchpin for driving a business's success and realising long-term objectives. We embrace a holistic approach, meticulously assessing risks to optimise growth avenues while safeguarding against potential pitfalls. By prioritising effective risk management, we navigate the delicate equilibrium between pursuing growth and ensuring financial returns, mindful of the inherent risks.

Our commitment to risk management is evident in our Integrated Report, where we meticulously outline and document diverse risk categories alongside corresponding mitigation strategies. This comprehensive framework ensures that we proactively address potential challenges, thereby bolstering resilience and enhancing overall business sustainability.

HUMAN RESOURCES

Uno Minda is dedicated to creating a welcoming and secure atmosphere for its employees, focussing on growth opportunities, safety, health, and diversity. Recognising employees as invaluable assets, the Company prioritises their development, well-being, and professional growth. By nurturing a work environment that values employees' needs, offering advancement opportunities, and fostering a positive culture, Uno Minda empowers its workforce to excel. The Company understands that investing in employees not only benefits them individually but also contributes to the organisation's overall success, fostering a collaborative and fulfilling workplace where everyone can thrive.

Employee well-being is a cornerstone of Uno Minda's approach to cultivating a healthy work environment. By prioritising physical, mental, and emotional health, the Company demonstrates its commitment to employee satisfaction, engagement, and productivity. Promoting work-life balance, providing wellness programmes, encouraging open communication, and facilitating personal and professional growth opportunities are integral to Uno Minda's strategy for enhancing employee well-being. Through these initiatives, the Company aims to create a positive and fulfilling workplace environment where individuals can thrive and contribute their best.

Uno Minda actively engages with its employees through initiatives like annual surveys, town halls, and other platforms, fostering a culture of listening and responsiveness. The annual survey serves as a crucial tool for gathering employee feedback, identifying areas for improvement, and enhancing employee satisfaction and well-being.

Leveraging data-driven insights, the Company continually refines its strategies to meet employee needs effectively. Uno Minda provides access to an ethics helpline, reinforcing its commitment to open communication and maintaining a safe and ethical work environment. In line with its commitment to employee wellness, Uno Minda has implemented various programmes and initiatives to support holistic well-being. From Uno Minda Energise webinars covering topics like mindfulness and mental health to Uno Minda Tele OPD providing healthcare services for employees, the Company ensures comprehensive support for its workforce.

Uno Minda has garnered recognition for its exceptional workplace culture, characterised by credibility, respect, fairness, pride, and camaraderie. Proudly certified as a 'Great Place to Work (2024)' by the Great Place to Work Institute India for the third consecutive year, the Company has ascended to the top 25 Best Workplaces among manufacturing companies. This achievement underscores Uno Minda's commitment to fostering a high-trust, high-performance environment where employees thrive.

In addition to its internal accolades, Uno Minda is dedicated to making a positive impact in the community through its corporate social responsibility (CSR) initiatives. By reaching out to a wide audience and providing opportunities for holistic development, the Company contributes to responsible growth while shaping the lives of individuals. This devotion to CSR has been recognised with prestigious awards such as CSR Excellence in Women's Empowerment at the India CSR and Sustainability Conclave 2023 and CSR Universe Social Impact Award 2023 in categories such as education promotion and women's empowerment. These accolades reflect Uno Minda's dedication to making a meaningful difference beyond the confines of its workplace.

ENVIRONMENT, HEALTH AND SAFETY (EHS)

Uno Minda's dedication to fostering a safe and healthy work environment for its employees and stakeholders is unwavering. Through a robust occupational health and safety programmes, the Company prioritises the well-being and productivity of its workforce. This comprehensive initiative encompasses various measures, including regular training sessions to educate employees about potential hazards and necessary precautions, thereby instilling a culture of safety throughout the organisation.

ANNEXURE-I TO THE BOARD'S REPORT (Contd.)

With an established EHS policy and OHS management system, Uno Minda ensures that safety remains at the forefront of its operations. Regular reviews of Hazard Identification and Risk Assessment (HIRA), along with the proactive capture of unsafe acts, conditions, and near misses, underscore the Company's pledge to continuous improvement in safety standards. Mandatory participation of employees in EHS committee meetings further emphasises the collaborative approach towards maintaining a safe workplace environment.

As a responsible corporate entity, Uno Minda upholds stringent compliance with applicable EHS legal requirements and integrates environmental and occupational health measures into all facets of its activities. Through stakeholder consultation and participation, including employees, contractors, and key business partners, the Company fosters a culture of awareness and accountability. By prioritising the prevention of pollution, ill health, and injury, Uno Minda demonstrates its allegiance to sustainable growth and innovation while ensuring the well-being of its workforce.

INTERNAL CONTROL SYSTEMS

Uno Minda is a system-driven Company. Our effective internal control system plays a crucial role in maintaining efficient daily operations. The Company follows a systematic method of financial reporting of various transactions, efficiency of operations, safeguarding of assets and compliance with applicable statutes and regulations. Our structured audit system is an ongoing process. It forms a basis for reviewing the adequacy of internal control systems. Our internal control is aptly designed, to ensure the reliability of financial and other records necessary for the preparation of financial information and other related data. Our comprehensive budgetary

monitoring control system helps evaluate the performance. This evaluation is done concerning budgeted performance by the management review committee daily. The discrepancies, if any, between actual performance and the budgets are methodically analysed regularly. The Management Review Committee, in consultation with the Audit Review Committee, then suggests possible remedial actions. The Internal Audit is carried out by the internal team and the appointed Internal Auditors of the Company. The reports, thereby prepared, are reviewed in the Audit Committee meetings. Corrective measures to strengthen the internal controls are suggested and taken into consideration. Further, the suggestions by the Internal Audit Committee are reviewed and considered by the Board's Audit Committee. This is done quarterly. The motto here is the improvement of internal controls and systems within the Company. The Board then reviews the Internal Audit Committee's suggestions. After reviewing, the Board approves suggestions and the resultant reports are reviewed by the Audit Committee and the Board members together.

CAUTIONARY STATEMENT

The statements made in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, and expectations may be 'forward-looking' statements within the meaning of applicable securities laws & regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand, supply, and price conditions in the domestic & overseas markets in which the Company operates, changes in Government regulations, tax laws & other statutes, and other incidental factors.



ANNEXURE-J

COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS

To
The Board of Directors
Uno Minda Limited
(formerly known as Minda Industries Limited)

This is to certify that, as provided under Regulation 34 (3) read with Schedule-V (D) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior management for the year ended 31 March 2024.

For Uno Minda Limited
(Formerly known as Minda Industries Limited)

Date: 23 May 2024
Place: Nagoya, Japan

Nirmal K Minda
Chairman & Managing Director
DIN: 00014942

ANNEXURE-K

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members

Uno MINDA LIMITED

(Formerly Known as Minda Industries Limited)

B-64/1 Wazirpur, Industrial Area Delhi 110052

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Uno Minda Limited** (formerly known as *Minda Industries Limited*) and having CIN L74899DL1992PLC050333 and having Registered office at B-64/1 Wazirpur, Industrial Area Delhi 110052 India (hereinafter referred to as '**the Company**'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including *Directors Identification Number (DIN) status at the portal www.mca.gov.in*) as considered necessary and explanations furnished to us by the Company & its officers and based on declarations received from respective Directors, We hereby certify that as on Financial Year ended on March 31, 2024 none of the Directors on the Board of the Company as stated below have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

S.No.	Name of the Director	DIN	Date of appointment in Company
1.	Nirmal Kumar Minda	00014942	16 September 1992
2.	Anand Kumar Minda	00007964	14 April 2011
3.	Ravi Mehra	01651911	01 April 2021
4.	Rakesh Batra	06511494	19 July 2021
5.	Rajiv Batra	00082866	01 April 2022
6.	Satish Balkrishna Borwankar	01793948	12 April 2022
7.	Rashmi Urdhwaresh	08668140	25 January 2023
8.	Vivek Jindal	01074542	01 April 2023
9.	Krishana Kumar Khandelwal	09477623	15 June 2023

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Chandrasekaran Associates

Company Secretaries

FRN: P1988DE002500

Peer Review Certificate No: 5715/2024

Lakhan Gupta

Partner

Membership No.: F12682

Certificate of Practice No.: 26704

UDIN: F012682F000414886

Date: 23 May 2024

Place: Delhi



ANNEXURE-L

CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

*(Regulation 17(8) Read with Schedule II Part B of Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To
The Board of Directors
Uno Minda Limited
(formerly known as Minda Industries Limited)

This to certify that we, the undersigned, have reviewed the financial statements and the cash flow statement of Uno Minda Limited (formerly known as Minda Industries Limited) ("the Company") for the year ended 31 March 2024 and that to the best of our knowledge and belief:

- a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;

We further state that to the best of our knowledge and belief, no transactions entered into by the Company during FY 2023-24, which are fraudulent, illegal or violate the Company's Code of Conduct;

We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee of deficiencies, if any, of which we are aware, in the design or operation of the Internal Control Systems and that we have taken the required steps to rectify these deficiencies.

We further certify that: -

- a) there have been no significant changes in internal control over financial reporting during this year.
- b) significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
- c) there have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system over financial reporting.

Sunil Bohra
Group CFO

Date: 23 May 2024
Place: Gurugram

Nirmal K Minda
Chairman and Managing Director
DIN: 00014942

Date: 23 May 2024
Place: Nagoya, Japan