(Please scan this QR Code to view the Draft Red Herring Prospectus)

DRAFT RED HERRING PROSPECTUS
Dated June 14, 2024
Please read Section 32 of the Companies Act
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Built Offer

HYUNDAI MOTOR INDIA LIMITED

CORPORATE IDENTITY NUMBER: U29309TN1996PLC035377

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	TELEPHONE AND E-MAIL	WEBSITE
Plot No. H-1, SIPCOT Industrial Park, Irrungattukottai, Sriperumbudur Taluk, Kancheepuram District 602 105, Tamil Nadu, India	Plot No. C-11 & C-11 A, City Centre, Urban Estate – 2, Sector 29, Gurugram 122 001, Haryana, India	Divya Venkat *Company Secretary and Compliance Officer*	+91 44 6710 5135 complianceofficer@hmil.net	www.hyundai.com/in/en

OUR PROMOTER: HYUNDAI MOTOR COMPANY

DETAILS OF THE OFFER TO PUBLIC

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL OFFER SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIBS, NIIS AND RIIS
Offer for Sale	Not applicable	Up to 142,194,700 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million	Up to 142,194,700 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million	The Offer is being made pursuant to Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"). For details, see "***Other Regulatory and Statutory Disclosures – Eligibility for the Offer***" on page 340. For details of share reservation among QIBs, NIIs and RIIs, see "***Offer Structure***" beginning on page 365.

DETAILS OF THE SELLING SHAREHOLDER, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE

NAME OF THE SELLING SHAREHOLDER	TYPE	MAXIMUM NUMBER OF OFFERED SHARES	AGGREGATE PROCEEDS FROM OFFERED SHARES	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (₹)[1]
Hyundai Motor Company	Promoter Selling Shareholder	Up to 142,194,700 Equity Shares of face value of ₹ 10 each	Up to ₹ [●] million	10.00

[1] *As certified by Manian & Rao, Chartered Accountants, by way of their certificate dated June 14, 2024.*

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of our Equity Shares is ₹ 10 each. The Floor Price, Cap Price and the Offer Price (as determined by our Company, in consultation with the BRLMs on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process and in accordance with SEBI ICDR Regulations, and as stated in "***Basis for Offer Price***" beginning on page 97) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer including the risks involved. The Equity Shares offered in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does the SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the Bidders is invited to "***Risk Factors***" beginning on page 28.

ISSUER'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, the Promoter Selling Shareholder, accepts responsibility for and confirms only statements and undertakings expressly made by the Promoter Selling Shareholder in this Draft Red Herring Prospectus solely in relation to itself and its respective portion of the Offered Shares and confirms that such statements are true and correct in all material respects and are not misleading in any material respect. However, the Promoter Selling Shareholder, does not assume any responsibility for any other statements and undertakings, including without limitation, any and all of the statements and undertakings made by or in relation to the Company or its business or any other person, in this Draft Red Herring Prospectus.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges being BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**", and together with BSE, the "**Stock Exchanges**"). For the purposes of the Offer, [●] is the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGERS

NAME OF THE BOOK RUNNING LEAD MANAGER AND LOGO		CONTACT PERSON(S)	TELEPHONE AND E-MAIL
kotak Investment Banking	Kotak Mahindra Capital Company Limited	Ganesh Rane	+91 22 4336 0000 hmil.ipo@kotak.com
citi	Citigroup Global Markets India Private Limited	Vaibhav Gupta	+91 22 6175 9999 hyundaimotorindiaipo@citi.com
HSBC	HSBC Securities and Capital Markets (India) Private Limited	Rachit Rajgaria/ Sumant Sharma	+91 22 6864 1289 hmilipo@hsbc.co.in
J.P.Morgan	J.P. Morgan India Private Limited	Saarthak Soni/ Vidit Jain	+91 22 6157 3000 hmi_ipo@jpmorgan.com
Morgan Stanley	Morgan Stanley India Company Private Limited	Honi Joshi/ Keyur Thakar	+91 22 6118 1000 hmil_ipo@morganstanley.com

DETAILS OF REGISTRAR TO THE OFFER

NAME OF REGISTRAR	CONTACT PERSON	TELEPHONE AND E-MAIL
KFin Technologies Limited	M Murali Krishna	+91 40 6716 2222/ 1800 309 4001 hmil.ipo@kfintech.com

BID/OFFER PERIOD

ANCHOR INVESTOR BIDDING DATE[1]	[●]	BID/OFFER OPENS ON[1]	[●]	BID/OFFER CLOSES ON[2][3]	[●]

[1] *Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.*
[2] *Our Company, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations.*
[3] *UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.*

DRAFT RED HERRING PROSPECTUS
Dated June 14, 2024
Please read Section 32 of the Companies Act
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Built Offer

HYUNDAI MOTOR INDIA LIMITED

Our Company was incorporated on May 6, 1996 as a public limited company under the Companies Act, 1956, with the name "Hyundai Motor India Limited", pursuant to a certificate of incorporation granted by the Registrar of Companies, Tamil Nadu and subsequently, a certificate of commencement of business dated May 10, 1996 was issued to our Company by the Registrar of Companies, Tamil Nadu. For details of changes in the registered office of our Company, see "***History and Certain Corporate Matters – Changes in the Registered Office***" on page 188.

Registered Office: Plot No. H-1, SIPCOT Industrial Park, Irrungattukottai, Sriperumbudur Taluk, Kancheepuram District – 602 105, Tamil Nadu, India
Corporate Office: Plot No. C-11 & C-11 A, City Centre, Urban Estate - 2, Sector 29, Gurugram – 122 001, Haryana, India
Contact Person: Divya Venkat, Company Secretary and Compliance Officer; **Tel:** +91 44 6710 5135
E-mail: complianceofficer@hmil.net; **Website**: www.hyundai.com/in/en; **Corporate Identity Number**: U29309TN1996PLC035377

OUR PROMOTER: HYUNDAI MOTOR COMPANY

INITIAL PUBLIC OFFER OF UP TO 142,194,700 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF HYUNDAI MOTOR INDIA LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹[●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION THROUGH AN OFFER FOR SALE ("THE OFFER") OF UP TO 142,194,700 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AGGREGATING UP TO ₹ [●] MILLION BY HYUNDAI MOTOR COMPANY ("PROMOTER SELLING SHAREHOLDER") (THE "OFFER FOR SALE" AND SUCH EQUITY SHARES, THE "OFFERED SHARES"). THE OFFER SHALL CONSTITUTE 17.50% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10 EACH. THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT SIZE WILL BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BRLMS, AND WILL BE ADVERTISED IN ALL EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), ALL EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND ALL EDITIONS OF [●] (A WIDELY CIRCULATED TAMIL DAILY NEWSPAPER, TAMIL BEING THE REGIONAL LANGUAGE OF TAMIL NADU, WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE BSE AND NSE FOR UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS.

In case of any revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Offer Period not exceeding 10 Working Days. In cases of *force majeure*, banking strike or similar unforeseen circumstances, our Company, may in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of one Working Day, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a public notice and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable.

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "**SCRR**"), read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Portion**"), provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors and the basis of such allocation will be on a discretionary basis by our Company, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations (the "**Anchor Investor Portion**"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("**Anchor Investor Allocation Price**"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids being received at or above the Offer Price, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Investors ("***Non-Institutional Category***") of which one-third of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹ 200,000 and up to ₹ 1,000,000 and two-thirds of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹ 1,000,000 and under-subscription in either of these two sub-categories of Non-Institutional Category may be allocated to Bidders in the other sub-category of Non-Institutional Category in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not less than 35% of the Offer shall be available for allocation to Retail Individual Investors ("**Retail Category**"), in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All Bidders (except Anchor Investors) shall mandatorily participate in this Offer only through the Application Supported by Blocked Amount ("**ASBA**") process and shall provide details of their respective bank account (including UPI ID (defined hereinafter) in case of UPI Bidders (defined hereinafter)) in which the Bid Amount will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or the Sponsor Bank(s), as the case may be. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see "***Offer Procedure***" beginning on page 369.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10. The Offer Price/Floor Price/Cap Price, as determined by our Company, in consultation with the BRLMs on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process and in accordance with the SEBI ICDR Regulations and as stated in "***Basis for Offer Price***" beginning on page 97, should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors must rely on their own examination of the Issuer and the Offer, including the risks involved. The Equity Shares have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "***Risk Factors***" beginning on page 28.

ISSUER'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, the Promoter Selling Shareholder, accepts responsibility for and confirms only statements and undertakings expressly made by the Promoter Selling Shareholder in this Draft Red Herring Prospectus solely in relation to itself and its respective portion of the Offered Shares and confirms that such statements are true and correct in all material respects and are not misleading in any material respect. However, the Promoter Selling Shareholder, in such capacity, does not assume any responsibility for any other statements and undertakings, including without limitation, any and all of the statements and undertakings made by or in relation to the Company or its business or any other person, in this Draft Red Herring Prospectus.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received in-principle approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of the Offer, [●] shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26(4) of the Companies Act. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see "***Material Contracts and Documents for Inspection***" beginning on page 421.

BOOK RUNNING LEAD MANAGERS					REGISTRAR TO THE OFFER
kotak Investment Banking	citi	HSBC	J.P.Morgan	Morgan Stanley	KFINTECH
Kotak Mahindra Capital Company Limited 27BKC, 1st Floor, Plot No. C – 27 "G" Block Bandra Kurla Complex Bandra (East) Mumbai 400 051 Maharashtra, India **Tel:** +91 22 4336 0000 **E-mail:** hmil.ipo@kotak.com **Investor grievance e-mail:** kmccredressal@kotak.com **Website:** https://investmentbank.kotak.com **Contact person:** Ganesh Rane **SEBI registration no.:** INM000008704	**Citigroup Global Markets India Private Limited** 1202, 12th Floor First International Financial Center G – Block Bandra Kurla Complex, Bandra (East) Mumbai 400 098 Maharashtra, India **Tel:** +91 22 6175 9999 **E-mail:** hyundaimotorindiaipo@citi.com **Investor grievance e-mail:** investors.cgmib@citi.com **Website:** www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm **Contact person:** Vaibhav Gupta **SEBI registration no.:** INM000010718	**HSBC Securities and Capital Markets (India) Private Limited** 52/60, Mahatma Gandhi Road, Fort Mumbai 400 001 Maharashtra, India **Tel:** +91 22 6864 1289 **E-mail:** hmilipo@hsbc.co.in **Investor grievance e-mail:** investorgrievance@hsbc.co.in **Website:** https://www.business.hsbc.co.in/en-gb/regulations/hsbc-securities-and-capital-market **Contact person:** Rachit Rajgaria/ Sumant Sharma **SEBI registration no.:** INM000010353	**J.P. Morgan India Private Limited** J.P. Morgan Tower, Off CST Road, Kalina Santacruz East, Mumbai 400 098 Maharashtra, India **Tel:** +91 22 6157 3000 **E-mail:** hmi_ipo@jpmorgan.com **Investor grievance e-mail:** investorsmb.jpmipl@jpmorgan.com **Website:** www.jpmipl.com **Contact person:** Saarthak Soni/ Vidit Jain **SEBI registration no.:** INM000002970	**Morgan Stanley India Company Private Limited** 18F, Tower 2, One World Centre Plot 841, Senapati Bapat Marg Mumbai 400 013 Maharashtra, India **Tel:** +91 22 6118 1000 **E-mail:** hmil_ipo@morganstanley.com **Investor grievance e-mail:** investors_india@morganstanley.com **Website:** www.morganstanley.com **Contact person:** Honi Joshi/ Keyur Thakar **SEBI registration no.:** INM00001123	**KFin Technologies Limited** Selenium Tower B, Plot No.31-32 Gachibowli, Financial District Nanakramguda, Serilingampally Hyderabad 500 032 Telangana, India **Tel:** +91 40 6716 2222/ 1800 309 4001 **E-mail:** hmil.ipo@kfintech.com **Investor grievance e-mail:** einward.ris@kfintech.com **Website:** www.kfintech.com **Contact person:** M Murali Krishna **SEBI registration no:** INR000000221

BID/OFFER PROGRAMME

Anchor Investor Bidding Date[(1)]	[●]	**Bid/Offer opens on**[(1)]	[●]	**Bid/Offer closes on**[(2)(3)]	[●]

(1) Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.
(2) Our Company, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations.
(3) UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.

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TABLE OF CONTENTS

SECTION I: GENERAL 1
DEFINITIONS AND ABBREVIATIONS 1
SUMMARY OF THE OFFER DOCUMENT 14
CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA 22
FORWARD-LOOKING STATEMENTS 26

SECTION II: RISK FACTORS 28

SECTION III: INTRODUCTION 71
THE OFFER 71
SUMMARY OF FINANCIAL INFORMATION 73
GENERAL INFORMATION 77
CAPITAL STRUCTURE 86
OBJECTS OF THE OFFER 94
BASIS FOR OFFER PRICE 97
STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS 107

SECTION IV: ABOUT OUR COMPANY 113
INDUSTRY OVERVIEW 113
OUR BUSINESS 150
KEY REGULATIONS AND POLICIES 178
HISTORY AND CERTAIN CORPORATE MATTERS 188
OUR MANAGEMENT 196
OUR PROMOTER AND PROMOTER GROUP 218
GROUP COMPANIES 223
DIVIDEND POLICY 227

SECTION V: FINANCIAL INFORMATION 228
RESTATED CONSOLIDATED FINANCIAL INFORMATION 228
OTHER FINANCIAL INFORMATION 292
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS 293
CAPITALISATION STATEMENT 325
FINANCIAL INDEBTEDNESS 326

SECTION VI: LEGAL AND OTHER INFORMATION 329
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS 329
GOVERNMENT AND OTHER APPROVALS 338
OTHER REGULATORY AND STATUTORY DISCLOSURES 340

SECTION VII: OFFER INFORMATION 358
TERMS OF THE OFFER 358
OFFER STRUCTURE 365
OFFER PROCEDURE 369
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES 389

SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION 391

SECTION IX: OTHER INFORMATION 421
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION 421

DECLARATION 424

SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline, policy, circular, notification or clarification shall be to such legislation, act, regulation, rule, guideline, policy, circular, notification or clarification as amended and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision. Further, the Offer related terms used but not defined in this Draft Red Herring Prospectus shall have the meaning ascribed to such terms under the General Information Document. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

*Unless the context otherwise indicates, all references to "**the Company**" or "**our Company**" or "**Issuer**", are references to Hyundai Motor India Limited, a public limited company incorporated under the Companies Act, 1956, and having its Registered Office at Plot No. H-1, SIPCOT Industrial Park, Irrungattukottai, Sriperumbudur Taluk, Kancheepuram District - 602 105, Tamil Nadu, India and Corporate Office at Plot No. C-11 & C-11 A, City Centre, Urban Estate - 2, Sector 29, Gurugram – 122 001, Haryana, India. Furthermore, unless the context otherwise indicates, all references to the terms, "**we**", "**us**" **and** "**our**" are to our Company and our Subsidiaries (as defined below) on a consolidated basis, as applicable.*

The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act the SEBI ICDR Regulations, the SCRA, the Depositories Act or the respective rules and regulations made thereunder.

*Notwithstanding the foregoing, terms in "**Statement of Possible Special Tax Benefits**", "**Industry Overview**", "**Key Regulations and Policies**", "**Restated Consolidated Financial Information**", "**Other Financial Information**", "**Outstanding Litigation and Material Developments**" and "**Main Provisions of Articles of Association**", beginning on pages 107, 113, 178, 228, 292, 329 and 391, respectively, will have the meaning ascribed to such terms in those respective sections.*

Conventional and General Terms and Abbreviations

Term	Description
₹/ Rs./ Rupees/ INR	Indian Rupees.
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under the SEBI AIF Regulations.
Air Act	Air (Prevention and Control of Pollution) Act, 1981.
Automobile PLI Scheme	Government of India's production-linked incentive scheme relating to the manufacturing of advanced automotive technology products.
Automobile PLI Guidelines	The guidelines laid down by the Government of India for an effective implementation of Automobile PLI Scheme.
Banking Regulation Act	Banking Regulation Act, 1949.
BSE	BSE Limited.
CAGR	Compounded annual growth rate.
CAFC	Corporate Average Fuel Consumption.
Category I AIF	AIFs registered as "Category I alternative investment funds" under the SEBI AIF Regulations.
Category I FPIs	FPIs registered as "Category I foreign portfolio investors" under the SEBI FPI Regulations.
Category II AIF	AIFs registered as "Category II alternative investment funds" under the SEBI AIF Regulations.
Category II FPIs	FPIs registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations.
Category III AIF	AIFs registered as "Category III alternative investment funds" under the SEBI AIF Regulations.
CDSL	Central Depository Services (India) Limited.
CIN	Corporate Identification Number.
CLRA	Contract Labour (Regulation and Abolition) Act, 1970.
Companies Act, 1956	The erstwhile Companies Act, 1956 read with the rules, regulations, clarifications and modifications thereunder.

Term	Description
Companies Act	Companies Act, 2013 read with rules, regulations, clarifications and modifications thereunder.
Competition Act	The Competition Act, 2020.
Consolidated FDI Policy	The Consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time.
Consumer Protection Act	The Consumer Protection Act, 2019.
CSR	Corporate social responsibility.
CST	Central sales tax.
Depositories Act	Depositories Act, 1996, read with the rules, regulations, clarifications and modifications thereunder.
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
DGFT	Director General of Foreign Trade, Ministry of Commerce.
DIN	Director Identification Number.
DP ID	Depository Participant's identity number.
DP/Depository Participant	A depository participant as defined under the Depositories Act.
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India.
EPS	Earnings per share.
EU	European Union.
Explosives Act	The Explosives Act, 1884
Factories Act	Factories Act, 1948.
FCNR	Foreign Currency Non-Resident.
FDI	Foreign direct investment.
FDI Circular	The Consolidated FDI Policy Circular dated October 15, 2020 issued by the DPIIT (formerly Department of Industrial Policy & Promotion).
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations thereunder.
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019.
Financial Year/Fiscal/Fiscal Year	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.
FPIs	Foreign portfolio investor registered with SEBI pursuant to the SEBI FPI Regulations.
FTA	Foreign Trade (Development and Regulation) Act, 1992 and the rules framed thereunder.
FVCI	Foreign venture capital investors registered with SEBI pursuant to the SEBI FVCI Regulations.
GoI/Central Government	The Government of India.
GST	The Goods and Services Tax.
HUF(s)	Hindu undivided family(ies).
ICAI	Institute of Chartered Accountants of India.
ICAI Guidance Note	Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as updated from time to time.
IFRS	International Financial Reporting Standards issued by the International Accounting Standard Board.
Income Tax Act	Income-tax Act, 1961.
Ind AS	The Indian Accounting Standards notified under Section 133 of the Companies Act read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Companies Act.
Ind AS 24	Indian Accounting Standard 24, "Related Party Disclosures", notified under Section 133 of the Companies Act read with Companies (Indian Accounting Standards) Rules, 2015.
Ind AS 37	Indian Accounting Standard 37, "Provisions, Contingent Liabilities and Contingent Assets", notified under Section 133 of the Companies Act read with Companies (Indian Accounting Standards) Rules, 2015.
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015.
Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016.
IST	Indian Standard Time.
IT Act	Information Technology Act, 2000.
K-IFRS	Korean International Financial Reporting Standards.
KPI	Key Performance Indicator.
KRW	Korean Republic Won.
KYC	Know Your Customer.
MCA/Ministry of Corporate	The Ministry of Corporate Affairs, Government of India.

Term	Description
Affairs	
MEIS	Merchant Export from India Scheme.
MHI	The Ministry of Heavy Industries, Government of India.
MSME	Micro, Small or a Medium Enterprise.
NACH	National Automated Clearing House.
NBFC-SI/ Systemically Important NBFCs	A systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
NCLT	National Company Law Tribunal.
NRE	Non-Resident External.
NRI	Non-Resident Indian.
NRO	Non-Resident Ordinary.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited.
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer.
P/E Ratio	Price/Earnings Ratio.
PAN	Permanent account number.
Patents Act	Patents Act, 1970.
PLI	Production Linked Incentive
RBI	Reserve Bank of India.
Regulation S	Regulation S under the U.S. Securities Act.
RoDTEP	Remission of Duties and Taxes on Exported Products.
RTGS	Real Time Gross Settlement.
Rule 144A	Rule 144A under the U.S. Securities Act.
SCRA	Securities Contracts (Regulation) Act, 1956.
SCRR	Securities Contracts (Regulation) Rules, 1957.
SCORES	SEBI complaints redress system.
SEBI	Securities and Exchange Board of India, constituted under section 3 of the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000.
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992.
SEBI RTA Master Circular	SEBI master circular bearing number SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
SEBI VCF Regulations	The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996.
SIPCOT	State Industries Promotion Corporation of Tamil Nadu.
STT	Securities Transaction Tax.
TAN	Tax deduction account number.
TNGST	The Tamil Nadu Goods and Services Tax.
Trade Marks Act	Trade Marks Act, 1999.
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America.
U.S. QIBs	Persons that are "qualified institutional buyers", as defined in Rule 144A.
U.S. Securities Act	U.S. Securities Act of 1933, as amended.
US$/USD/US Dollar	United States Dollar.
USA/U.S./US	United States of America.
VAT	Value added tax.
VCF	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 (*now repealed*) or the SEBI AIF Regulations, as the case may be.

Term	Description
Water Act	Water (Prevention and Control of Pollution) Act, 1974.

Offer Related Terms

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf.
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary(ies) to the Bidder as proof of registration of the Bid cum Application Form.
Allot/Allotment/Allotted	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the transfer of the Offered Shares pursuant to the Offer for Sale to successful Bidders.
Allotment Advice	The note or advice or intimation of Allotment sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.
Allottee(s)	A successful Bidder to whom the Equity Shares are Allotted.
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with SEBI ICDR Regulations and the Red Herring Prospectus, and who has Bid for an amount of at least ₹ 100 million.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors according to the terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company, in consultation with the BRLMs.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Anchor Investor Bidding Date	The date, one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which BRLMs will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed.
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company, in consultation with the BRLMs.
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid/Offer Closing Date.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the BRLMs, to Anchor Investors and the basis of such allocation will be on a discretionary basis by our Company, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.
ASBA/Application Supported by Blocked Amount	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid and authorizing an SCSB to block the Bid Amount in the relevant ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism.
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of a UPI Bidder which is blocked upon acceptance of a UPI Mandate Request made by the UPI Bidder using the UPI Mechanism.
ASBA Bid	A Bid made by an ASBA Bidder.
ASBA Bidders	All Bidders except Anchor Investors.
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Banker(s) to the Offer	Collectively, the Escrow Collection Bank(s), the Refund Bank(s), the Public Offer Account Bank(s) and the Sponsor Bank(s), as the case may be.
Basis of Allotment	Basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, described in "***Offer Procedure***" beginning on page 369.
Bid(s)	An indication by an ASBA Bidder to make an offer during the Bid/Offer Period pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of the Anchor Investor Application Form, to

Term	Description
	subscribe to or purchase Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations, in terms of the Red Herring Prospectus and the Bid cum Application Form. The term 'Bidding' shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form, and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid in the Offer, as applicable. In the case of Retail Individual Investors Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Investors and mentioned in the Bid cum Application Form.
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and all editions of [●] (a widely circulated Tamil daily newspaper, Tamil being the regional language of Tamil Nadu, where our Registered Office is located), and in case of any revision, the extended Bid/Offer Closing Date shall also be widely disseminated by notification to the Stock Exchanges by issuing a public notice and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as required under the SEBI ICDR Regulations. Our Company, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations.
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of [●] (a widely circulated English national daily newspaper) and all editions of [●] (a widely circulated Hindi national daily newspaper) and all editions of [●] (a widely circulated Tamil daily newspaper, Tamil being the regional language of Tamil Nadu, where our Registered Office is located), and in case of any revision, the extended Bid/Offer Opening Date also be widely disseminated by notification to the Stock Exchanges by issuing a public notice and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as required under the SEBI ICDR Regulations.
Bid/Offer Period	Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which Bidders (excluding Anchor Investors) can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors. Our Company, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations.
Bidder/Applicant	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an ASBA Bidder and an Anchor Investor.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Bid cum Application Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made.
Book Running Lead Managers/BRLMs	The book running lead managers to the Offer, being Kotak, Citi, HSBC, JPM and Morgan Stanley.
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com.
CAN/Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on or after the Anchor Investor Bidding Date.
Cap Price	The higher end of the Price Band, above which the Offer Price and Anchor Investor Offer Price will not be finalized and above which no Bids will be accepted. The Cap Price shall

Term	Description
	be at least 105% of the Floor Price and shall be less than or equal to 120% of the Floor Price.
Cash Escrow and Sponsor Bank Agreement	The agreement to be entered into amongst our Company, the Promoter Selling Shareholder, the Syndicate Members, the Registrar to the Offer, the BRLMs, and the Banker(s) to the Offer for, among other things, collection of the Bid Amounts from the Anchor Investors, transfer of funds to the Public Offer Account(s), and where applicable, remitting refunds, if any, to such Bidders, on the terms and conditions thereof.
CDP(s)/Collecting Depository Participant(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and other applicable circulars issued by SEBI as per the lists available on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, as updated from time to time.
Citi	Citigroup Global Markets India Private Limited.
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account.
Collecting Registrar and Share Transfer Agents	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the lists available on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, as updated from time to time
CRISIL	CRISIL Market Intelligence & Analytics, a division of CRISIL Limited.
CRISIL Report	Report titled "*Industry Report on the Passenger Vehicle Industry in India*", dated June 2024 prepared and issued by CRISIL, commissioned by and paid for by our Company, pursuant to an engagement letter with CRISIL dated April 10, 2024, exclusively for the purposes of the Offer.
Cut-Off Price	Offer Price, which shall be any price within the Price Band, finalized by our Company, in consultation with the BRLMs. Only Retail Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price.
Cut-Off Time	For all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on after the Bid/Offer Closing Date
Demographic Details	The details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation, bank account details and UPI ID, as applicable.
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com as updated from time to time.
Designated Date	The date on which the funds from the Escrow Account are transferred to the Public Offer Account(s) or the Refund Account, as appropriate, and the relevant amounts blocked in the ASBA Accounts are transferred to the Public Offer Account(s) and/or are unblocked, as applicable, in terms of the Red Herring Prospectus and the Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Equity Shares will be Allotted in the Offer.
Designated Intermediary(ies)	SCSBs, Syndicate, sub-Syndicate, Registered Brokers, CDPs and RTAs who are authorized to collect ASBA Forms from the ASBA Bidders, in relation to the Offer.
Designated RTA Locations	Such locations of the RTAs where ASBA Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com, respectively) as updated from time to time.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms used by the Bidders, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	[●].
Draft Red Herring Prospectus/DRHP	This draft red herring prospectus dated June 14, 2024 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto.
Eligible NRI	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid Cum Application Form and

Term	Description
	the Red Herring Prospectus will constitute an invitation to purchase the Equity Shares.
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank and in whose favour Anchor Investors will transfer the money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount while submitting a Bid.
Escrow Collection Bank	Bank which is a clearing member and registered with SEBI as a banker to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, and with whom the Escrow Accounts in relation to the Offer for Bids by Anchor Investors will be opened, in this case being [●].
First or sole Bidder	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalized and below which no Bids will be accepted.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018.
General Information Document/GID	The General Information Document for investing in public offers, prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 issued by SEBI and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLMs.
HSBC	HSBC Securities and Capital Markets (India) Private Limited.
JPM	J.P. Morgan India Private Limited.
Kotak	Kotak Mahindra Capital Company Limited.
Morgan Stanley	Morgan Stanley India Company Private Limited.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Mutual Fund Portion	The portion of the Offer being 5% of the Net QIB Portion consisting of 1,421,947 Equity Shares of face value of ₹ 10 each which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
Net Proceeds	Proceeds of the Offer less Offer expenses.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Non-Institutional Category/ Non-Institutional Portion	The portion of the Offer being not less than 15% of the Offer consisting of 21,329,205 Equity Shares of face value of ₹ 10 each, available for allocation to Non-Institutional Investors, of which one-third shall be available for allocation to Bidders with an application size of more than ₹ 200,000 and up to ₹ 1,000,000 and two-thirds shall be available for allocation to Bidders with an application size of more than ₹ 1,000,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors subject to valid Bids being received at or above the Offer Price.
Non-Institutional Investors/NIIs /Non-Institutional Bidders/NIBs	Bidders that are not QIBs or RIIs and who have Bid for Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs).
NPCI	National Payments Corporation of India.
NR/Non-Resident	Person resident outside India, as defined under FEMA and includes non-resident Indians, FVCIs and FPIs.
Offer	Initial public offering of up to 142,194,700 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] million comprising the Offer for Sale.
Offer Agreement	The agreement dated June 14, 2024 among our Company, the Promoter Selling Shareholder and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer.
Offer for Sale	The offer for sale of up to 142,194,700 Offered Shares aggregating up to ₹ [●] million by Hyundai Motor Company, being the Promoter Selling Shareholder, in the Offer. For further information, see "***The Offer***" beginning on page 71.
Offer Price	The final price at which Equity Shares will be Allotted to successful ASBA Bidders in terms of the Red Herring Prospectus which will be decided by our Company, in consultation with the BRLMs, on the Pricing Date, in accordance with the Book-Building Process and in terms of the Red Herring Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price, which will be decided by our Company, in consultation with the BRLMs, on the Pricing Date, in accordance with the

Term	Description
	Book-Building Process and in terms of the Red Herring Prospectus.
Offered Shares	Up to 142,194,700 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million being offered for sale by the Promoter Selling Shareholder in the Offer.
Price Band	The price band ranging from the Floor Price of ₹ [●] per Equity Share of face value of ₹ 10 each to the Cap Price of ₹ [●] per Equity Share of face value of ₹ 10 each, including any revisions thereto. The Price Band and minimum Bid Lot, as decided by our Company, in consultation with the BRLMs, will be advertised in all editions of [●] (a widely circulated English national daily newspaper) and all editions of [●] (a widely circulated Hindi national daily newspaper) and all editions of [●] (a widely circulated Tamil daily newspaper, Tamil being the regional language of Tamil Nadu, where our Registered Office is located), at least two Working Days prior to the Bid/Offer Opening Date with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.
Pricing Date	The date on which our Company, in consultation with the BRLMs, will finalise the Offer Price.
Prospectus	The prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, and the SEBI ICDR Regulations containing, inter alia, the Offer Price, the size of the Offer and certain other information, including any addenda or corrigenda thereto.
Public Offer Account(s)	The bank account(s) opened with the Public Offer Account Bank(s) under Section 40(3) of the Companies Act, to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date.
Public Offer Account Bank(s)	Bank(s) which is a clearing member and registered with SEBI as a banker to an issue, and with whom the Public Offer Account(s) will be opened.
QIB Portion	The portion of the Offer being not more than 50% of the Offer or 71,097,350 Equity Shares of face value of ₹ 10 each, available for allocation to QIBs (including Anchor Investors) on a proportionate basis (in which allocation to Anchor Investors shall be on a discretionary basis, as determined by our Company, in consultation with the BRLMs), subject to valid Bids being received at or above the Offer Price.
QIBs/Qualified Institutional Buyers	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Red Herring Prospectus/RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the Offer Price and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to Anchor Investors shall be made.
Refund Bank(s)	The Banker to the Offer with whom the Refund Account(s) will be opened, in this case being [●].
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012, and other applicable circulars issued by SEBI.
Registrar Agreement	The agreement dated June 14, 2024 entered into between our Company, the Promoter Selling Shareholder and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
Registrar to the Offer/Registrar	KFin Technologies Limited.
Retail Individual Investor(s)/RII(s)/Retail Individual Bidder(s)/RIB(s)	Individual Bidders, who have Bid for the Equity Shares for an amount which is not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their karta and Eligible NRI Bidders) and does not include NRIs (other than Eligible NRIs).
Retail Portion/Retail Category	The portion of the Offer being not less than 35% of the Offer consisting of 49,768,145 Equity Shares of face value of ₹ 10 each, available for allocation to Retail Individual Investors as per the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bids during the Bid/Offer Period and withdraw their

Term	Description
	Bids until the Bid/Offer Closing Date.
RTAs/Registrar and Share Transfer Agents	The registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations as per the list available on the websites of BSE and NSE, and the UPI Circulars.
Self Certified Syndicate Bank(s)/SCSB(s)	The banks registered with SEBI, offering services in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 or such other website as updated from time to time, and (ii) The banks registered with SEBI, enabled for UPI Mechanism, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time. Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is appearing in the "list of mobile applications for using UPI in Public Issues" displayed on SEBI website at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43. The said list shall be updated on SEBI website from time to time.
Share Escrow Agent	The share escrow agent to be appointed pursuant to the Share Escrow Agreement, namely, [●].
Share Escrow Agreement	The agreement to be entered into between our Company, the Promoter Selling Shareholder and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Promoter Selling Shareholder and credit of such Equity Shares to the demat account of the Allottees in accordance with the Basis of Allotment.
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time.
Sponsor Bank(s)	[●], being Banker(s) to the Offer, appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and/or payment instructions of UPI Bidders using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars.
Stock Exchanges	Together, BSE and NSE.
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the BRLMs and the Syndicate Members, to collect ASBA Forms and Revision Forms.
Syndicate Agreement	The agreement to be entered into between our Company, the Registrar to the Offer, the Promoter Selling Shareholder, the BRLMs and the Syndicate Members in relation to the procurement of Bids by the Syndicate.
Syndicate Member(s)	[●].
Syndicate/Members of the Syndicate	Together, the BRLMs and the Syndicate Members.
Underwriters	[●].
Underwriting Agreement	The agreement to be entered into between the Underwriters, our Company and the Promoter Selling Shareholder, on or after the Pricing Date but prior to filing of the Red Herring Prospectus or the Prospectus, with the RoC as the case may be.
UPI	Unified Payments Interface, which is an instant payment mechanism, developed by the NPCI.
UPI Bidders	Collectively, individual investors applying as Retail Individual Investors in the Retail Portion, individuals applying as Non-Institutional Investors with a Bid Amount of up to ₹ 500,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular

Term	Description
	number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 (to the extent these circulars are not rescinded by the SEBI RTA Master Circular), SEBI master circular with circular number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, SEBI RTA Master Circular (to the extent it pertains to UPI) and any subsequent circulars or notifications issued by SEBI in this regard, along with the circulars issued by the Stock Exchanges in this regard, including the circular issued by the NSE having reference number 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or Stock Exchanges in this regard.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI application, by way of a SMS directing the UPI Bidder to such UPI application) to the UPI Bidder initiated by the Sponsor Bank(s) to authorize blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that shall be used by a UPI Bidder to make an ASBA Bid in the Offer in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transaction.
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations.
Working Day(s)	All days on which commercial banks in Mumbai, Maharashtra, India are open for business; provided, however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, the expression "Working Day" shall mean all days on which commercial banks in Mumbai, Maharashtra, India are open for business, excluding all Saturdays, Sundays or public holidays; and (c) with reference to the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, the expression 'Working Day' shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, in terms of the circulars issued by SEBI.

Company Related Terms

Term	Description
Articles of Association/AoA/Articles	The articles of association of our Company, as amended from time to time.
Audit Committee	The audit committee of our Board, as described in "***Our Management – Corporate Governance – Committees of the Board***" on page 204.
Statutory Auditors	The current independent statutory auditors of our Company, namely, B S R & Co. LLP, Chartered Accountants.
Board/Board of Directors	The board of directors of our Company. For further details, please see "***Our Management – Board of Directors***" on page 196.
Chairman	Managing director of our Company, being Unsoo Kim. For further details, please see "***Our Management – Board of Directors***" on page 196.
Chennai Manufacturing Plant	Our manufacturing plant located in Irrungattukottai, Sriperumbudur in Chennai, Tamil Nadu. For further details, see "***Our Business - Manufacturing Plants***" on page 168.
Chief Financial Officer	Chief financial officer of our Company, being Wangdo Hur. For further details, please see "***Our Management – Key Managerial Personnel of our Company***" on page 212.
Chief Manufacturing Officer	The chief manufacturing officer of our Company, being Gopalakrishnan Chathapuram Sivaramakrishnan, who is also our Whole time Director. For further details, please see "***Our Management – Board of Directors***" on page 196.
Chief Operating Officer	The chief operating officer of our Company, being Tarun Garg, who is also our Whole time Director. For further details, please see "***Our Management – Board of Directors***" on page 196.
Committee(s)	Duly constituted committee(s) of our Board of Directors.
Company Secretary and Compliance Officer	Company secretary and compliance officer of our Company, being Divya Venkat. For further details, see "***Our Management – Key Managerial Personnel of our Company***" on page 212.
Corporate Office	The corporate office of our Company situated at Plot No. C-11 & C-11 A, City Centre, Urban Estate - 2, Sector 29, Gurugram – 122 001, Haryana, India.
Director(s)	Director(s) on our Board, as appointed from time to time. For further details, see "***Our***

Term	Description
	Management – Board of Directors" on page 196.
Equity Shares	Equity shares of our Company of face value of ₹ 10 each, unless otherwise stated.
Framework Agreement	The framework agreement dated June 13, 2024 between our Company and our Promoter and as disclosed in "***History and Certain Corporate Matters – Key terms of other subsisting material agreements***" on page 192.
Group Companies	The companies identified as 'group companies' in accordance with Regulation 2(1)(t) of the SEBI ICDR Regulations including the Materiality Policy, as disclosed in section "***Group Companies***" beginning on page 223.
HIIBPL	Hyundai India Insurance Broking Private Limited.
HMC	Hyundai Motor Company.
HMIF	Hyundai Motor India Foundation.
HMIEPL	Hyundai Motor India Engineering Private Limited.
Hyundai Mobis/ Mobis	Hyundai Mobis India Limited.
Hyundai Motor Group	Any company (individually or in the aggregate, as the context may require) that is (i) directly or indirectly owned or controlled by HMC, (ii) directly or indirectly owns or controls HMC or (iii) is under the same direct or indirect ownership or control of HMC. Ownership or control shall exist through the direct or indirect ownership of more than 20% of the shares of a company or through the direct or indirect right by any other means entitling to elect the majority of the directors of a company or persons performing similar functions or for which HMC is deemed to exercise a dominant influence upon the management of the relevant company.
Independent Director(s)	Non-executive independent director(s) of our Company. For further details of our Independent Directors, see "***Our Management –Board of Directors***" on page 196.
Key Managerial Personnel/KMP	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, and as disclosed in "***Our Management – Key Managerial Personnel of our Company***" on page 212.
Kia	Kia Corporation.
Managing Director	Managing director of our Company, being Unsoo Kim. For further details, please see "***Our Management – Board of Directors***" on page 196.
Materiality Policy	The policy adopted by our Board in its meeting held on June 12, 2024 for identification of companies, considered material by our Company, for the purposes of disclosure as group companies in this DRHP, material outstanding litigation and outstanding dues to material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations.
Memorandum of Association/MoA	Memorandum of association of our Company, as amended.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board, as described in "***Our Management – Corporate Governance – Committees of the Board***" on page 204.
Promoter	The promoter of our Company, being Hyundai Motor Company. For further details, see "***Our Promoter and Promoter Group – Our Promoter***" on page 218.
Promoter Group	The entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in "***Our Promoter and Promoter Group – Promoter Group***" on page 221.
Promoter Selling Shareholder/HMC	Hyundai Motor Company.
Registered Office	The registered office of our Company located at Plot No. H-1, SIPCOT Industrial Park Irrungattukottai, Sriperumbudur Taluk, Kancheepuram District - 602 105, Tamil Nadu, India.
Registrar of Companies/RoC	Registrar of Companies, Tamil Nadu at Chennai.
Restated Consolidated Financial Information	Restated consolidated financial information of our Company and our subsidiaries, comprising the restated consolidated statement of assets and liabilities as at December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated statement of cash flows for the nine months ended December 31, 2023 and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021, the summary statement of material accounting policies, and other explanatory notes, prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time. The Restated Consolidated Financial Statements of our Company and our subsidiaries have been prepared to comply in all material respects with the Indian Accounting Standards as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), presentation

Term	Description
	requirements of Division II of Schedule III to the Companies Act, as applicable, to the consolidated financial statements and other relevant provisions of the Companies Act.
Risk Management Committee	The risk management committee of our Board, as described in "***Our Management – Corporate Governance – Committees of the Board***" on page 204.
Royalty Agreement	The royalty agreement dated June 10, 2024 between our Company and our Promoter and as disclosed in "***History and Certain Corporate Matters – Key terms of other subsisting material agreements***" on page 192.
Senior Management	Senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations, and as disclosed in "***Our Management – Senior Management of our Company***" on page 212.
Shareholder(s)	The holders of Equity Shares of our Company, from time to time.
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board, as described in "***Our Management – Corporate Governance – Committees of the Board***" on page 204.
Subsidiary/ Subsidiaries	The subsidiaries of our Company namely Hyundai Motor India Engineering Private Limited and Hyundai India Insurance Broking Private Limited, as described in "***History and Certain Corporate Matters – Subsidiaries***" on page 193.
Talegaon Manufacturing Plant	Our manufacturing plant located in Talegaon, Pune, Maharashtra. For further details, see "***Our Business - Manufacturing Plants***" on page 168.
Whole–time Director(s)	The whole–time director(s) of our Company. For further details of our Whole-Time Directors, see "***Our Management – Board of Directors***" on page 196.

Industry Related Terms

Term	Description
ADAS	advanced driver assistance system
AMT	automated manual transmission
ASP	average selling price; ASP is calculated as total sales value divided by total number of vehicles sold in the year/ period indicated
AT	automatic transmission
auto OEM	automobile original equipment manufacturer
BEV	battery electric vehicle
BNCAP	Bharat New Car Assessment Program
BS	Bharat Stage
BS-IV	Bharat Stage-IV
BS-VI	Bharat Stage-VI
Capital Employed	Capital Employed is calculated as Total equity plus Total non-current liabilities
CBU	completely built up
CEPA	comprehensive economic partnership agreement
CEV	clean energy vehicle
CIF	cost, insurance and freight
CKD	completely- knocked down
CNG	compressed natural gas
Compact Hatchbacks	hatchbacks with a length of less than 3.9 metres
Compact Sedans	sedans with a length of less than 4 metres
Compact SUVs	SUVs with a length of less than 4 metres
CPI	consumer price index
CRDi	common rail direct injection
DCT	dual clutch transmission
E-SUV	electric sports utility vehicle
EBIT	earnings before interest and tax is calculated as profit for the period / year plus total Tax expense plus Finance costs
EBIT (Excluding Other Income)	earnings before interest and tax (excluding other income) is calculated as profit for the period / year plus total tax expense plus finance costs less other income
EBIT Margin (Excluding Other Income)	earnings before interest and tax margin (excluding other income) is calculated as EBIT (Excluding Other Income) as a percentage of revenue from operations
EBITDA (Excluding Other Income)	earnings before interest, tax, depreciation and amortisation (excluding other income) is calculated as Profit for the period / year plus Total tax expense plus Finance Costs plus Depreciation and amortisation expense less other income
EBITDA Margin (Excluding Other Income)	earnings before interest, tax, depreciation and amortisation margin (excluding other income) is calculated as EBITDA (Excluding Other Income) as a percentage of revenue from operations
EPS	earnings per share
ESC	electronic stability control

Term	Description
EV	electronic vehicle
FADA	federation of automobile dealers association
FAME	faster adoption and manufacturing of (hybrid &) electric vehicles in India
FCEV	fuel cell electric vehicles
FTA	free trade agreement
GDi	gasoline direct injection
GDMS	Global Dealer Management System
GDP	gross domestic product
GNCAP	Global New Car Assessment Programme
HEV	hybrid electric vehicle
ICE	internal combustion engine
ICOTY	Indian car of the year
IMF	international monetary fund
iVT	intelligent variable transmission
GDMS	global dealer management system
HEV	Hybrid electric vehicle
Large SUVs	SUVs with a length between 4.4 metres and 4.7 metres
LFP	lithium iron phosphate
Luxury Sedans	sedans with a length of more than 4.7 metres
Mass market	mass market refers to OEMs whose domestic sales, exports and production data is captured monthly and annually by SIAM
Mid-size SUVs	SUVs with a length between 4 metres and 4.4 metres
MoU	memorandum of understanding
MPV	multipurpose vehicle
MT	manual transmission
Net Asset Value Per Equity Share	Net Asset Value Per Equity Share is defined as total equity divided by number of equity used in calculating earnings per share
Net Worth	Net Worth is defined as total equity, which is equity share capital plus general reserve and retained earnings
NSO	national statistical office
OEM	original equipment manufacturer
OPEC	Organization of the Petroleum Exporting Countries
P/E	profit to earning
PAT	profit after tax
PFCE	private final consumption expenditure
PF	provident fund
PHEV	plug-in hybrid electric vehicle
Premium Hatchbacks	hatchbacks with a length of more than 3.9 metres
Premium Sedans	sedans with a length between 4 metres and 4.7 metres
Products	vehicles and parts manufactured by our Company
Profit For The Period/ Year Margin	Profit For The Period/Year Margin is defined as Profit for the period/year as a percentage of total income
PV	passenger vehicle
R&D	research and development
REESS	rechargeable electrical energy storage systems
Return On Capital Employed	Return On Capital Employed is calculated as EBIT as a percentage of Capital Employed
Return On Net Worth	Return On Net Worth is calculated as Profit for the period / year as a percentage of Net Worth
SIAM	society of Indian automobile manufacturers
SKD	semi- knocked down
SUV	sports utility vehicle
V2L	vehicle to load
YTD	year to date

SUMMARY OF THE OFFER DOCUMENT

*This section is a general summary of certain disclosures included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including in "**Risk Factors**", "**The Offer**", "**Capital Structure**", "**Objects of the Offer**", "**Industry Overview**", "**Our Business**", "**Our Promoter and Promoter Group**", "**Restated Consolidated Financial Information**", "**Outstanding Litigation and Material Developments**", "**Offer Procedure**" and "**Main Provisions of Articles of Association**" beginning on pages 28, 71, 86, 94, 113, 150, 218, 228, 329, 369 and 391, respectively.*

Summary of our primary business

We primarily manufacture and sell four-wheeler passenger vehicles and parts, such as transmissions and engines in India and outside India. Currently our vehicle portfolio includes 13 passenger vehicle models across sedans, hatchbacks, SUVs and battery EVs. Since 1998 and up to March 31, 2024, we have cumulatively sold nearly 12 million passenger vehicles in India and through exports. We are a part of the Hyundai Motor Group, the third largest auto OEM in the world based on passenger vehicle sales in CY2023, according to the CRISIL Report. We have been India's largest exporter of passenger vehicles from Fiscal 2005 to the first 11 months of Fiscal 2024, having exported the highest cumulative number of passenger vehicles for the same period, according to the CRISIL Report. See "***Our Business***" beginning on page 150.

Summary of industry in which we operate

The Indian PV industry witnessed growth reaching a high of 3.4 million vehicle sales in Fiscal 2019. This growth until Fiscal 2019 was led by continuous improvement in GDP, increase in disposable incomes and new model launches, stable cost of vehicle ownership, as well as rising traction for SUVs. Between Fiscals 2019 and 2024, India's domestic PV sales volume rose at 5% CAGR. This growth was despite the sales contraction (at 10% CAGR) witnessed during Fiscals 2019 to 2021. From the low base of Fiscal 2021, passenger vehicle sales bounced back and grew at a healthy pace to reach 3.9 million vehicles in Fiscal 2023. In Fiscal 2024, the industry is estimated to have grown by 8.4% to reach the historic high of 4.2 million units. See "***Industry Overview***" beginning on page 113.

Promoter

Our Promoter is Hyundai Motor Company.

For further details, see "***Our Promoter and Promoter Group – Our Promoter***" on page 218.

Offer size

The Offer comprises an Offer for Sale of up to 142,194,700 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million by the Promoter Selling Shareholder. For details, see "***Other Regulatory and Statutory Disclosures***" on page 340.

The Offer would constitute 17.50% of the post-Offer paid-up Equity Share capital of our Company. For further details, see "***The Offer***" beginning on page 71.

Objects of the Offer

The Promoter Selling Shareholder will be entitled to the entire proceeds of the Offer after deducting its portion of the Offer expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer. The objects of the Offer are to (i) carry out the Offer for Sale of up to 142,194,700 Equity Shares of face value of ₹ 10 each by the Promoter Selling Shareholder aggregating up to ₹ [●] million; and (ii) achieve the benefits of listing the Equity Shares on the Stock Exchanges. For further details, see "***Objects of the Offer***" beginning on page 94.

Aggregate pre-Offer Shareholding of our Promoter, members of our Promoter Group and Selling Shareholder

The aggregate pre-Offer shareholding of our Promoter, which is also the Selling Shareholder is set forth below:

S. No.	Name of Shareholder	No. of Equity Shares of face value of ₹ 10 each held	% of Equity Share capital
1.	Hyundai Motor Company	812,541,100#	100
Total		**812,541,100#**	**100**

 # Includes 100 Equity Shares of face value of ₹ 10 each, each held by Wangdo Hur, Kuen Han YI, Unsoo Kim, Jae Wan Ryu, Daeick Kim and Jong Hoon Lee on behalf of and as nominees of Hyundai Motor Company, our Promoter.

The members of our Promoter Group do not hold Equity Shares. For further details of the Offer, see "***Capital Structure***" beginning on page 86.

Summary of selected financial information derived from the Restated Consolidated Financial Information

The details of certain financial information as at and for the nine months ended December 31, 2023 and for the Financial Years ended March 31, 2023, March 31, 2022, and March 31, 2021, as derived from the Restated Consolidated Financial Information are set forth below:

(in ₹ million, except per share data)

Particulars	As at and for nine months ended December 31, 2023#	As at and for the Financial Year ended March 31, 2023	As at and for the Financial Year ended March 31, 2022	As at and for the Financial Year ended March 31, 2021
Equity share capital	8,125.41	8,125.41	8,125.41	8,125.41
Revenue from operations	521,579.11	603,075.80	473,784.32	409,722.51
Profit for the period/year	43,828.71	47,092.50	29,015.91	18,811.56
Restated earnings per equity share				
- Basic earnings per share (1)(2)	53.94	57.96	35.71	23.15
- Diluted earnings per share (1)(2)	53.94	57.96	35.71	23.15
Net Asset Value Per Equity Share(3)	243.41	246.82	207.45	188.44
Total borrowings(4)	7,844.78	11,586.00	11,400.33	13,417.52
Net Worth(5)	197,779.17	200,548.18	168,562.55	153,113.43

 # Not annualised

Notes:

(1) Basic and diluted earnings per equity share are computed in accordance with Ind AS 33 notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended). Basic EPS and Diluted EPS for the nine months ended December 31, 2023 is not annualized.

(2) The Board of Directors of the Company, at its meeting held on May 17, 2024 had approved the sub division of the existing paid up shares of the Company from 8,125,411 equity shares of ₹ 1,000 each into 812,541,100 equity shares of ₹ 10 each, which was approved by the shareholders in extra-ordinary general meeting held on May 17, 2024. The record date for the share split is May 17, 2024. In compliance with IND AS - 33, earnings per share, the disclosure of basic and diluted earnings per share for all the period / years presented has been arrived at after giving effect to the above sub-division.

(3) Net Asset Value Per Equity Share is defined as total equity divided by number of equity used in calculating earnings per share.

(4) Total borrowings includes current and non-current borrowings.

(5) Net Worth is defined as total equity, which is equity share capital plus general reserve and retained earnings.

For a reconciliation of non-GAAP measures, see "***Management's Discussion and Analysis of our Results of Operations – Non-GAAP Financial Measures***" on page 310. For further details, see "***Restated Consolidated Financial Information***" beginning on page 228.

Qualifications by the Statutory Auditors which have not been given effect to in the Restated Consolidated Financial Information

There are no qualifications of the Statutory Auditors in their examination report which have not been given effect to in the Restated Consolidated Financial Information.

Summary of outstanding litigation

A summary of outstanding litigation proceedings involving our Company, our Subsidiaries, Group Companies and Directors as disclosed in this Draft Red Herring Prospectus in accordance with the SEBI ICDR Regulations and as per the Materiality Policy in "***Outstanding Litigation and Material Developments***" is provided below:

Name	Criminal proceedings	Tax claims	Statutory or regulatory actions	Disciplinary actions by the SEBI or Stock Exchanges against the Promoter	Material pending civil litigation	Aggregate amount involved (in ₹ million) *#
Company						
By our Company	6	-	-	NA	-	1.60
Against our Company	5	128	2	NA	970^	54,697.99
Subsidiaries						
By our Subsidiaries	-	-	-	NA	-	-
Against our Subsidiaries	-	2	-	NA	-	10.05
Directors						
By our Directors	-	-	-	NA	-	-
Against our Directors	-	-	-	NA	-	-
Group Companies						
Outstanding litigation which may have a material impact on our Company			Nil			

**To the extent quantifiable.*
#Includes amounts paid by our Company to the relevant authorities in protest.
^ Given the nature of business of our Company, majority of the legal proceedings initiated against our Company are complaints filed under the Consumer Protection Act, 1982. As of the date of this Draft Red Herring Prospectus, there are 964 consumer proceedings involving our Company and the aggregate amount involved in such proceedings is ₹ 950.44 million.

Further, a summary of the outstanding litigation proceedings involving our Promoter as disclosed in this Draft Red Herring Prospectus in accordance with the SEBI ICDR Regulations and as per the Materiality Policy in "***Outstanding Litigation and Material Developments***," is provided below:

Name	Criminal proceedings	Tax claims	Statutory or regulatory actions	Disciplinary actions by the SEBI or Stock Exchanges against the Promoter	Material pending civil litigation	Aggregate amount involved (in KRW million)*
By our Promoter	2	9	-	NA	NA	69,443.75^
Against our Promoter	2	-	1	NA	NA	5.00^^

**To the extent quantifiable.*
^ Equivalent to ₹ 4,461.07 million using exchange rates as of December 31, 2023.
^^Equivalent to ₹ 0.33 million using exchange rates as of December 31, 2023.

For further details of the outstanding litigation proceedings, see "***Outstanding Litigation and Material Developments***" beginning on page 329.

Risk factors

Specific attention of the investors is invited to "***Risk Factors***" beginning on page 71. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer.

Summary of contingent liabilities

The details of our contingent liabilities as on December 31, 2023, as derived from the Restated Consolidated Financial Information are set forth below:

(in ₹ million)

Particulars	As at December 31, 2023
Claims against the group not acknowledged as debt(1)	31,742.24
Decided in favour of the group against which department has gone on appeal(2)	5,905.84
Guarantees(3)	-

(1) Group includes our Company and our subsidiaries, i.e., HMIEPL and HIIBPL.
(2) Involves amount under dispute in relation to certain direct tax, customs and competition cases initiated against us. While we have obtained favourable orders in these cases, the relevant departments have filed appeals against these decisions. Accordingly, these cases are pending

*at different stages of adjudication before various fora. For further details of the outstanding litigation proceedings, see "**Outstanding Litigation and Material Developments**" beginning on page 329.*
[(3)] We have executed a deed of corporate guarantee of ₹ 6,000.00 million in favour of SIPCOT for CST soft loan.

For further details, see "***Restated Consolidated Financial Information – Note 35.1 - Contingent liabilities***" on page 264.

Summary of related party transactions

The summary of related party transactions entered into by us in the nine months ended December 31, 2023 and Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021, as derived from the Restated Consolidated Financial Information are as set out in the table below:

(in ₹ million)

Nature of the transaction	Name of the related party	Nine months ended December 31, 2023	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022	Financial Year ended March 31, 2021
Sale of motor vehicles, parts and raw materials	Hyundai Motor De Mexico S DE RL DE CV	11,614.41	20,493.55	13,879.66	11,496.76
	Hyundai Thanh Cong Viet Nam Auto Manufacturing Corporation	0.00	0.00	0.00	27.93
	Hyundai Motor Company, South Korea	50.29	92.62	104.99	35.89
	Kia India Private Limited	23,578.62	20,228.75	18,593.35	13,128.59
	Mobis India Limited	1,676.11	2,072.89	1,614.26	1,179.68
	Hyundai Transys Lear Automotive India Private Limited	898.15	1,216.82	1,110.09	784.77
	Hyundai Assan Otomotiv Sanayi Ve Ticaret A.S.	3,139.33	4,180.07	2,854.34	2,413.87
	Hyundai Transys India Private Limited	0.11	0.61	0.00	0.00
Sale of services	Hyundai Motor Company, South Korea	2,069.07	2,295.37	1,896.92	1,691.47
	Kia Corporation	1,467.80	1,674.92	1,312.40	1,161.17
	Kia India Private Limited	83.06	94.06	95.98	70.48
Interest income	Hyundai Motor De Mexico S DE RL DE CV	374.33	447.16	160.44	146.39
	Hyundai Assan Otomotiv Sanayi Ve Ticaret A.S.	0.00	0.06	7.61	6.44
Transportation income	Hyundai Motor De Mexico S DE RL DE CV	981.23	1,629.11	1,025.50	825.16
	Hyundai Assan Otomotiv Sanayi Ve Ticaret A.S.	0.15	0.00	0.00	0.00
Rental income	Hyundai Capital India Private Limited	3.98	5.30	5.18	0.00
	Hyundai Autoever India Private Limited	17.16	16.63	0.00	0.00
Other income	Hyundai Motor Company, South Korea	14.94	7.73	3.35	2.49
	Kia India Private Limited	54.87	64.24	133.79	36.68
	Hyundai Engineering India Private Limited	0.00	0.00	3.78	0.00
Scrap sales	Hyundai Wia India Pvt Private Limited	1.86	3.08	3.77	0.50
	Hyundai Engineering India Private Limited	0.00	2,119.10	2,096.29	1,442.74
Purchase of raw materials, components and spare parts	Hyundai Motor Company, South Korea	36,981.50	42,368.33	33,354.79	30,499.13
	Hyundai Motor Group (China) Ltd.	3,276.64	925.35	3,443.85	2,185.31
	Hyundai KEFICO Corporation	859.84	884.37	825.73	788.19
	Hyundai Transys Lear Automotive India Private Limited	14,916.38	17,589.62	10,333.14	10,894.32

Nature of the transaction	Name of the related party	Nine months ended December 31, 2023	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022	Financial Year ended March 31, 2021
	Hyundai Transys India Private Limited	2,780.15	2,692.89	1,792.99	564.91
	Hyundai Wia India Private Limited	248.66	345.40	305.12	311.56
	Hyundai Wia Automotive Engine (shandong) Company	1,657.41	2,091.70	2,023.38	112.48
	Kia India Private Limited	14,847.33	14,905.44	13,206.04	14,149.91
	Mobis India Limited	66,443.43	79,334.02	63,154.03	56,114.90
	Mobis India Module Private Limited	0.72	0.00	0.03	0.39
	Kia Motors Slovakia s.r.o.	0.00	14.47	8.19	1.37
	PT Hyundai Motor Manufacturing Indonesia	7,209.01	440.35	0.00	0.00
Royalty	Hyundai Motor Company, South Korea	8,088.80	14,358.19	10,973.36	10,211.06
Technical assistance fee	Hyundai Motor Company, South Korea	648.57	48.71	77.35	201.38
Advertisement and sales promotion Expenses	Hyundai Capital India Private Limited	51.25	85.50	95.02	64.64
	Hyundai Autoever India Private Limited	240.19	207.19	98.68	15.87
	Hyundai Motor Brasil Montadora de Automoveis LTDA	84.13	185.83	205.91	0.00
	Primemover Mobility Technologies Private Limited	0.00	0.00	0.00	2.07
	PT. Hyundai Motor Manufacturing Indonesia	0.00	0.03	0.00	0.00
Warranty expenses	Hyundai Motor Deutschland GmbH	0.87	5.35	8.53	1.83
	Hyundai Motor Company Italy S.R.L	0.20	3.05	5.55	0.29
	Hyundai Motor Poland Sp. Z.o.o	0.04	0.01	0.03	0.31
	Hyundai Motor Czech s.r.o.	0.00	0.03	0.02	0.01
	Hyundai Motor UK Limited	0.70	1.84	2.64	3.38
	Hyundai Assan Otomotiv Sanayi Ve Ticaret A.S.	0.08	2.03	6.64	7.91
	Hyundai Motor France SAS	0.05	0.09	0.10	0.31
	Hyundai Motor Espana S.L.U	0.11	0.37	0.22	0.36
	Hyundai Motor Company Australia Pty Limited	0.04	12.62	0.32	25.38
	Hyundai Motor Netherlands B.V.	0.16	0.22	0.46	0.51
	Hyundai Motor De Mexico S DE RL DE CV	122.51	145.86	110.34	104.93
	Hyundai Thanh Cong Viet Nam Auto Manufacturing Corporation	0.00	0.00	0.09	2.83
	Hyundai Motor CIS LLC Russia	0.00	0.00	0.00	0.00
	Kia India Private Limited	0.00	0.00	1.91	0.00
	PT Hyundai Motors Indonesia	0.00	0.01	0.06	0.00
Testing expenses	Hyundai Transys India Private Limited	0.00	0.11	0.00	0.05
	Hyundai Transys Lear Automotive India Private Limited	0.21	1.45	0.00	0.00
	Haevichi Hotels & Resorts Co., Ltd	0.00	39.15	0.17	0.00
	Mobis India Limited	10.01	0.00	0.00	0.00
	Hyundai Wia India Pvt ltd.	0.26	0.62	0.22	0.00
Rent	Hyundai Autoever Corp	84.56	87.43	67.54	77.93
	Hyundai Autoever India Private Limited	169.43	180.73	136.07	194.86
	KIA India Private Limited	1.54	0.00	0.00	0.00

Nature of the transaction	Name of the related party	Nine months ended December 31, 2023	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022	Financial Year ended March 31, 2021
Maintenance charges	Hyundai Autoever India Private Limited	381.32	382.20	311.94	288.05
	Hyundai Engineering India Private Limited	304.88	405.19	516.08	400.79
	Mobis India Limited	1.91	2.66	1.80	1.54
Other expenses	Hyundai Motor Company, South Korea	53.27	72.77	68.25	74.34
	Hyundai Rotem Company	0.36	1.29	1.67	0.81
	Hyundai Engineering India Private Limited	165.89	137.09	5.05	26.92
	Mobis India Limited	108.69	267.76	178.41	66.26
	Hyundai Transys Lear Automotive India Private Limited	5.37	6.09	9.04	9.94
	Hyundai Autoever India Private Limited	1.26	125.22	61.83	45.91
	Haevichi Hotels & Resorts Co., Ltd	40.12	5.24	0.00	0.00
	Hyundai Autoever Corp	0.00	80.63	61.17	49.94
	PTY Hyundai Motors Indonesia	5.12	0.00	0.00	0.00
	Hyundai Motor France SAS	3.70	0.00	0.00	0.00
Salaries, bonus, perquisites and contribution to funds	Unsoo Kim	40.46	68.95	9.42	0.00
	Seonseob Kim	0.00	0.00	41.05	44.37
	Stephen Sudhakar John	0.00	0.00	0.00	3.53
	Choon Hang Park	0.00	24.72	32.35	26.43
	Dosik Kim	26.26	43.88	20.80	0.00
	Jong Hoon Lee	20.99	44.31	37.29	36.58
	Woong Sik Oh	0.00	0.00	11.05	33.50
	Young Min Jung	0.00	0.00	0.00	2.88
	Wangdo Hur	26.42	5.33	0.00	0.00
	Dae Han Choi	19.43	21.82	0.00	0.00
	S Ganesh Mani	0.00	10.88	24.33	11.48
	Tarun Garg	24.22	38.30	33.33	16.99
	Gopalakrishnan Chathapuram Sivaramakrishnan	14.16	12.00	0.00	0.00
	Yi Kuen Han	44.65	37.46	31.92	6.51
	Sanghyun Jang	9.39	2.61	0.00	0.00
	Jihong Baek	0.00	0.00	0.00	23.12
	Junghwan Lee	0.00	13.94	14.04	12.39
	Sameer Samdani	5.37	5.27	0.00	0.00
	Vidhya M V	3.12	5.76	4.89	4.29
Purchase of capital goods	Hyundai Motor Company, South Korea	589.21	4,980.76	1,022.17	1,816.81
	Hyundai Rotem Company	9.99	22.06	3.61	3.58
	Hyundai Transys Lear Automotive India Private Limited	663.40	193.34	550.94	600.30
	Hyundai Autoever Corp	148.42	22.81	45.36	141.48
	Mobis India Limited	1,483.77	319.34	100.40	1,062.83
	Hyundai Wia Corporation	351.85	6.64	264.75	48.02
	Hyundai Autoever India Private Limited	468.84	416.81	289.16	303.83
	HEC India LLP	2,100.05	1,619.46	1,751.45	2,333.45
	Hyundai Engineering & Construction Co., Limited	0.00	0.00	0.00	7.99
	Kia Corporation	0.00	0.00	0.00	1,196.38
	Kia India Private Limited	0.00	0.00	9.85	208.73
	Hyundai Transys India Private Limited	0.00	11.46	0.03	6.17
	Hyundai Engineering India Private Limited	270.67	603.92	149.83	191.37
	Hyundai Kefico Corporation	0.00	0.16	0.00	0.00

Nature of the transaction	Name of the related party	Nine months ended December 31, 2023	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022	Financial Year ended March 31, 2021
	Haevichi Hotels & Resorts Co., Ltd	0.34	0.00	0.00	0.00
Technical knowhow	Hyundai Motor Company, South Korea	549.56	893.71	0.00	1,315.35
Insurance reimbursement	Hyundai Motor De Mexico S DE RL DE CV	37.46	65.79	44.32	36.64
Other reimbursement	Hyundai Motor Company, South Korea	0.39	0.84	4.34	7.90
Warranty claim Recovered	Hyundai Motor Company, South Korea	14.78	137.73	174.35	24.55
	Hyundai Wia India Private Limited	0.00	0.00	0.00	0.01
	Mobis India Limited	55.53	78.93	84.48	76.60
	Kia India Private Limited	1.01	1.45	3.14	16.30
	Hyundai Transys Lear Automotive India Private Limited	0.84	1.03	0.83	1.03
	Pt Hyundai Motor Manufacturing Indonesia	0.97	0.00	0.00	0.00
	Hyundai Transys India Private Limited	0.14	0.52	0.00	0.00
Dealer reimbursement	Hyundai Autoever India Private Limited	1.87	1.18	3.91	5.77
Maintenance charges recovered	Hyundai Transys Lear Automotive India Private Limited	1.30	22.77	14.22	15.92
	Mobis India Limited	58.81	106.84	90.43	14.85
Discount received	Mobis India Limited	0.25	1.62	1.32	1.75
Dividend paid	Hyundai Motor Company, South Korea	46,534.23	14,934.51	13,593.81	0.00

See "***Restated Consolidated Financial Information – Note 37 – Related Party Disclosures***" on page 269.

Financing Arrangements

There have been no financing arrangements whereby our Promoter, members of our Promoter Group, directors of our Promoter, our Directors and their relatives (as defined under Companies Act) have financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing activity during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

Details of price at which specified securities were acquired by our Promoter (which is also the Selling Shareholder), members of the Promoter Group and Shareholders with the right to nominate Directors or any other special rights in the three years preceding the date of this Draft Red Herring Prospectus

Our Promoter, which is also the Selling Shareholder, and members of our Promoter Group have not acquired any specified securities of our Company in the three years immediately preceding the date of this Draft Red Herring Prospectus.

No shareholders have any special rights in our Company, including the right to nominate Directors on our Board.

Weighted average price at which Equity Shares were acquired by our Promoter (which is also the Promoter Selling Shareholder) in the one year preceding the date of this Draft Red Herring Prospectus

Our Promoter, which is also the Selling Shareholder, has not acquired any Equity Shares in the one year immediately preceding the date of this Draft Red Herring Prospectus.

Average cost of acquisition for our Promoter (which is also the Selling Shareholder)

The average cost of acquisition per equity share acquired by our Promoter, which is also the Selling Shareholder, as on the date of this Draft Red Herring Prospectus is as set forth below:

S. No.	Name of Promoter	Number of Equity Shares of face value of ₹10 each	Average cost of acquisition per Equity Share (in ₹)*
1.	Hyundai Motor Company	812,541,100#	10

* *As certified by Manian & Rao, Chartered Accountants, by way of their certificate dated June 14, 2024.*
# *Includes 100 Equity Shares of face value of ₹ 10 each, each held by Wangdo Hur, Kuen Han YI, Unsoo Kim, Jae Wan Ryu, Daeick Kim and Jong Hoon Lee on behalf of and as nominees of Hyundai Motor Company, our Promoter.*

For further details, see "***Capital Structure - History of build-up of Promoter shareholding in our Company***" on page 88.

Weighted average cost of acquisition of all shares transacted in the one year, 18 months and three years preceding the date of this Draft Red Herring Prospectus

The weighted average price for all equity shares acquired in one year, 18 months and three years preceding the date of the Draft Red Herring Prospectus is mentioned below.

Period	Weighted average cost of acquisition (in ₹)	Cap Price is 'X' times the weighted average cost of acquisition**	Range of acquisition price: lowest price - highest price (in ₹)
Last one year	Nil*	[●]	Nil*
Last 18 months	Nil*	[●]	Nil*
Last three years	Nil*	[●]	Nil*

* *Share transfers have taken place among the shareholders holding equity shares on behalf of and as nominees of our Promoter.*
***Will be populated in the Prospectus.*

Details of Pre-IPO Placement

Our Company is not contemplating a pre-IPO placement.

Issue of Equity Shares for consideration other than cash in the last one year

Our Company has not issued any equity shares for consideration other than cash in the one year preceding the date of this Draft Red Herring Prospectus.

Split/consolidation of Equity Shares in the last one year

Pursuant to resolutions passed by our Board and our Shareholders in their respective meetings held on May 17, 2024, the face value of the equity shares of our Company was sub-divided from ₹1,000 each to ₹10 each. Accordingly, the authorized equity share capital of our Company comprising 14,000,000 equity shares of ₹1,000 each were subdivided into 1,400,000,000 Equity Shares of face value of ₹10 each and the aggregate issued, subscribed and paid-up equity share capital of our Company comprising 8,125,411 equity shares of ₹1,000 each was sub-divided into 812,541,100 Equity Shares of face value of ₹10 each. See "***Capital Structure – Notes to Capital Structure – Equity share capital history of our Company***" on page 86.

Except for as mentioned above, our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company has not sought for any exemptions from complying with any provisions of securities laws including the SEBI ICDR Regulations, as on the date of this Draft Red Herring Prospectus.

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references in this Draft Red Herring Prospectus to "India" are to the Republic of India and its territories and possessions and all references herein to the "Government", "Indian Government", "GoI", "Central Government" or the 'State Government' are to the Government of India, central or state, as applicable. All references in this Draft Red Herring Prospectus to the "U.S.", "USA" or "United States" are to the United States of America. All references in this Draft Red Herring Prospectus to "Korea" are to the Republic of Korea.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time ("**IST**"). Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the corresponding page numbers of this Draft Red Herring Prospectus.

Currency and Units of Presentation

All references to "Rupee(s)", "Rs." or "₹" or "INR" are to Indian Rupees, the official currency of the Republic of India. All references to "US$" or "U.S. Dollars" or "USD" are to United States Dollars, the official currency of the United States of America. All references to "KRW" are to Korean Won, the official currency of the Republic of Korea.

Our Company has presented certain numerical information in this Draft Red Herring Prospectus in 'million' units or in whole numbers where the numbers have been too small to represent in such units. One million represents 1,000,000, one billion represents 1,000,000,000 and one trillion represents 1,000,000,000,000.

Figures sourced from third-party industry sources may be expressed in denominations other than millions or may be rounded off other than to two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Exchange Rates

This Draft Red Herring Prospectus contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

Unless otherwise stated, the exchange rates referred to for the purpose of conversion of foreign currency amounts into Rupee amounts, are as follows:

(in ₹)

Currency	Exchange rate as on*			
	December 31, 2023	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
USD(1)	83.12	82.22	75.81	73.50
KRW(2)	0.06	0.06	0.06	0.06

(1) Source: www.fbil.org.in
(2) Source: www.xe.com
** In the event that any of the aforementioned date is a public holiday, the previous calendar day not being a public holiday has been considered. The exchange rate is rounded off to two decimal places.*

Financial and Other Data

Our Company's Financial Year commences on April 1 and ends on March 31 of the next year. Accordingly, all references in this Draft Red Herring Prospectus to a particular Financial Year or FY or Fiscal, unless stated otherwise, are to the 12-month period ended on March 31 of that particular calendar year.

Unless stated otherwise or the context otherwise requires, the financial data and financial ratios in this Draft Red Herring Prospectus are derived from the Restated Consolidated Financial Information of our Company.

The Restated Consolidated Financial Information included in this Draft Red Herring Prospectus under "***Financial Information***" beginning on page 228 have been prepared basis the restated consolidated financial information of our Company and our subsidiaries, comprising the restated consolidated statement of assets and liabilities as at December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated statement of cash flows for the nine months ended December 31, 2023 and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021, the summary statement of material accounting policies, and other explanatory notes, prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time. The Restated Consolidated Financial Information has been prepared to comply in all material respects with the Indian Accounting Standards ("**Ind AS**") as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), presentation requirements of Division II of Schedule III to the Companies Act, as applicable to the consolidated financial statements and other relevant provisions of the Companies Act. For further information, see "***Restated Consolidated Financial Information***" beginning on page 228.

Further, the financial information for the nine months ended December 31, 2023 may not be indicative of the financial results for the full year and are not comparable with financial information for the Financial Years ended March 31, 2023, March 31, 2022, and March 31, 2021.

There are significant differences between Ind AS, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. Further, HMC, our Promoter, prepares its financial statements in accordance with Korean International Financial Reporting Standards ("**K-IFRS**") and such statements include our financial statements prepared in accordance with Ind AS for the limited purpose of inclusion in our Promoter's consolidated financial statements. Since Ind AS differs from K-IFRS, our Ind AS financial statements prepared for the limited purpose of inclusion in our Promoter's consolidated financial statements are not comparable to our Restated Consolidated Financial Information. For details in connection with risks involving differences between Ind AS, U.S. GAAP and IFRS see "***Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors' assessments of our financial condition***" on page 63.

Prospective investors should consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar, and the impact on our financial data. The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

All figures, including financial information, in decimals (including percentages) have been rounded off to two decimals. However, where any figures may have been sourced from third-party industry sources, such figures may be rounded-off to such number of decimal points as provided in such respective sources. In this Draft Red Herring Prospectus, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

Unless the context otherwise requires, any percentage, amounts, as set in "***Summary of the Offer Document***", "***Risk Factors***", "***Basis for Offer Price***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Conditions and Results of Operations***" on pages 14, 28, 97, 150 and 293, respectively and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of our Restated Consolidated Financial Information unless otherwise stated.

Non-Generally Accepted Accounting Principles Financial Measures

Certain measures included in this Draft Red Herring Prospectus, for instance EBIT, EBIT (Excluding Other Income), EBITDA (Excluding Other Income), EBIT Margin (Excluding Other Income), EBITDA Margin (Excluding Other Income), Profit For The Period/ Year Margin, Net Worth, Return On Net Worth, Capital

Employed, Return On Capital Employed and Net Asset Value Per Equity Share (the **"Non-GAAP Measures"**), presented in this Draft Red Herring Prospectus are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with Ind AS, IFRS or U.S. GAAP. These Non-GAAP Measures and other statistical and other information relating to operations and financial performance should not be considered in isolation or construed as an alternative to cash flows, profit for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or U.S. GAAP. In addition, these Non-GAAP Measures and other statistical and other information relating to operations and financial performance, are not standardised terms and may not be computed on the basis of any standard methodology that is applicable across the industry and therefore, may not be comparable to financial measures of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies. Further, they may have limited utility as a comparative measure. For further details, see "***Management's Discussion and Analysis of Financial Position and Results of Operations – Non-GAAP Financial Measures***" and "***Risk Factors – We track certain operational metrics and non-GAAP measures for our operations. Certain of our operational metrics are subject to inherent challenges in measurement and any real or perceived inaccuracies in such metrics may adversely affect our business and reputation.***" on pages 310 and 60.

Industry and Market Data

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable. Accordingly, no investment decision should be made solely on the basis of such information. The extent to which industry and market data set forth in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in "***Risk Factors – We have used information from the CRISIL Report which has been commissioned and paid for by our Company for industry related data in this Draft Red Herring Prospectus and any reliance on such information is subject to inherent risks.***" on page 57.

Only to the extent explicitly indicated, industry and market data used in this Draft Red Herring Prospectus is derived from the report titled, "*Industry Report on the Passenger Vehicle Industry in India*" dated June 2024 ("**CRISIL Report**") commissioned by and paid for by our Company, pursuant to an engagement letter dated April 10, 2024. The CRISIL Report has been prepared and issued by CRISIL for the purpose of understanding the industry exclusively in connection with the Offer. Further, CRISIL, vide their consent letter dated June 14, 2024 ("**Letter**") has accorded their no objection and consent to use the CRISIL Report. CRISIL, vide their Letter has also confirmed that they are an independent agency, and confirmed that it is not related to our Company, our Directors, our Promoter, our Key Managerial Personnel, our Senior Management or the BRLMs. The CRISIL Report is available on the website of our Company at https://www.hyundai.com/in/en/investor-relations/investor-information/material-documents.

CRISIL has required us to include the following disclaimer in connection with the CRISIL Report:

"*CRISIL Market Intelligence & Analytics ("**CRISIL MI&A**"), a division of CRISIL Limited (**CRISIL**") has taken due care and caution in preparing this report ("**CRISIL Report**") based on the information obtained by CRISIL from sources which it considers reliable ("**Data**"). Forecasts, estimates and other forward-looking statements contained in this CRISIL Report are inherently uncertain and could fluctuate due to changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements. This CRISIL Report is not a recommendation to invest/disinvest in any entity covered in the CRISIL Report and no part of this CRISIL Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. Without limiting the generality of the foregoing, nothing in the CRISIL Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. The Company will be responsible for ensuring compliance and consequences of non-compliance for the use of the CRISIL Report or part thereof outside India. CRISIL MI&A operates independently of and does not* *have access to information obtained by CRISIL Ratings Limited, which may, in its regular operations, obtain information of a confidential nature. The views expressed in this CRISIL Report are those of CRISIL MI&A and not of CRISIL Ratings Limited. No part of this CRISIL Report may be published/reproduced/extracted in any form without CRISIL MI&A's prior written approval.*"

In accordance with the SEBI ICDR Regulations, the section "***Basis for Offer Price***" beginning on page 97 includes information relating to our peer group companies, which has been derived from publicly available sources, and accordingly, no investment decision should be made solely on the basis of such information.

Notice to Prospective Investors in the United States

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Draft Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved. The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States, and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only (a) to persons in the United States that are "qualified institutional buyers" (as defined in Rule 144A) and referred to in this Draft Red Herring Prospectus as "U.S. QIBs" and, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs") in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and in reliance on Rule 144A, and (b) outside the United States in "offshore transactions" (as defined in Regulation S) in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales occur. For further details, see "***Other Regulatory and Statutory Disclosures – Eligibility and Transfer Restrictions***" on page 344.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "***aim***", "***believe***", "***expect***", "***intend***", "***plan***", "***project***", "***will***", "***seek to***", "***strive to***", "***continue***", **"*achieve*"**, or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. All statements in this Draft Red Herring Prospectus that are not statements of historical fact are 'forward-looking statements'.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. This could be due to risks or uncertainties associated with expectations relating to, and including, regulatory changes pertaining to the industry in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, growth and expansion plans, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, changes in the incidence of any natural calamities and/or violence, regulations and taxes and changes in competition in the industry in which we operate. Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- increase in the prices of parts and materials required for our operations;
- dependence on a limited number of suppliers for parts and materials, and any interruption in the availability of parts and materials;
- dependence on HMC and impact of any adverse change in our relationship with HMC and the companies in the Hyundai Motor Group;
- involvement of our Company, one of our Subsidiaries and our Promoter in outstanding legal proceedings;
- existing and future related party transactions with HMC and companies within the Hyundai Motor Group that may involve conflicts of interest;
- two of our Group Companies, are in a similar line of business as us which may involve conflict of interests;
- currently manufacture passenger vehicles and parts only at the Chennai Manufacturing Plant and impact of disruptions or stoppages at our manufacturing plants;
- any actual or perceived defects in our passenger vehicles and parts or the sales and after-sale services provided through dealers or third parties which adversely impact our brand, reputation, and ability to sell our vehicles;
- unavailability, reduction or elimination of government incentives; and
- success dependent on our and HMC's ability to identify market trends and meet evolving customer demands, while maintaining or improving profitability.

For a further discussion of factors that could cause our actual results to differ, see "***Risk Factors***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on pages 28, 150 and 293, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

There can be no assurance to Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Bidders are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Forward-looking statements reflect current views as on the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Promoter Selling Shareholder, the BRLMs nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with requirements of SEBI and as prescribed under applicable law, our Company will ensure that investors in India are informed of material developments pertaining to our Company and the Equity Shares forming part of the Offer from the date of this Draft Red Herring Prospectus until the date of Allotment. In accordance with the requirements of SEBI and as prescribed under the applicable law, our Promoter Selling Shareholder, in respect of statements made by them in this Draft Red Herring Prospectus, shall ensure (through our Company and the BRLMs) that the investors are informed of material developments in relation to statements specifically confirmed or undertaken by them in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus until the date of Allotment, with respect to their Offered Shares pursuant to the Offer.

SECTION II: RISK FACTORS

An investment in our Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below before making an investment in our Equity Shares.

*We have described the risks and uncertainties that we believe are material, but these risks and uncertainties may not be the only risks relevant to us, our Equity Shares, or the industry in which we currently operate or propose to operate. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks mentioned in this section. If any or a combination of the following risks actually occur, or if any of the risks that are currently not known or deemed to be not relevant or material now actually occur or become material in the future, our business, cash flows, prospects, financial condition and results of operations could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment. For more details on our business and operations, see "**Our Business**", "**Industry Overview**", "**Key Regulations and Policies**", "**Restated Consolidated Financial Information**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 150, 113, 178, 228 and 293, respectively, as well as other financial information included elsewhere in this Draft Red Herring Prospectus. In making an investment decision, you must rely on your own examination of our Company and the terms of the Offer, including the merits and risks involved, and you should consult your tax, financial and legal advisors about the consequences of investing in the Offer. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in certain respects from that of other countries.*

*This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including but not limited to the considerations described below and elsewhere in this Draft Red Herring Prospectus. For details, see "**Forward-Looking Statements**" on page 26.*

*Only to the extent explicitly indicated, industry and market data used in this section has been derived from the report titled 'Industry Report on the Passenger Vehicle Industry in India' dated June 2024, prepared and issued by CRISIL (the "**CRISIL Report**"), commissioned by and paid for by our Company. The CRISIL Report has been prepared and issued by CRISIL for the purpose of understanding the industry exclusively in connection with the Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular fiscal or calendar year, refers to such information for the relevant fiscal or calendar year.*

*All references to "Hyundai Motor Group" refer to any company (individually or in the aggregate, as the context may require) that is (i) directly or indirectly owned or controlled by Hyundai Motor Company ("**HMC**" or the "**Promoter**"), (ii) directly or indirectly owns or controls HMC, or (iii) is under the same direct or indirect ownership or control of HMC.*

INTERNAL RISKS

1. Increases in the prices of parts and materials required for our operations could adversely affect our business and results of operations.

We source parts such as trims, engines and transmissions, and materials such as steel for our manufacturing operations from a combination of domestic and foreign suppliers. Our suppliers in turn depend on third parties for materials such as steel, aluminium, plastic, rubber, and for the parts they manufacture for us. The table below shows the cost of materials consumed as a percentage of our total income and the percentage of parts and materials sourced from India and outside India for the periods indicated:

Particulars	Nine months ended December 31,	Fiscal		
	2023	2023	2022	2021
Total cost of materials consumed (₹ *millions*)	385,110.54	445,086.35	352,308.08	304,696.79
Total cost of materials consumed as a % of total income	72.26%	72.45%	73.45%	73.59%
Purchase of parts and materials sourced from India as % of total purchase of parts and materials	76.93%	80.11%	82.45%	80.41%

Particulars	Nine months ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Purchase of parts and materials sourced from outside India as % of total purchase of parts and materials	23.07%	19.89%	17.55%	19.59%

Our ability to manufacture passenger vehicles depends on the continued availability of parts and materials including precious metals such as palladium, platinum, rhodium required for our manufacturing operations and for our suppliers' part's manufacturing process. Our operations and our suppliers' ability to provide parts and materials to us at competitive prices is affected by global commodity prices, inflation and our ability to negotiate with our suppliers effectively. For example, pricing and availability of commodities like steel and aluminium can be volatile due to numerous factors beyond our control, including general domestic and international economic conditions, geopolitical tensions, extreme weather changes, import duties and tariffs and foreign currency exchange rates, according to the CRISIL Report. Other factors such as tariffs and economic or political conditions of the countries where we procure supplies from may also result in increases in costs of parts and materials, which could increase our production and delivery costs and reduce our margins. For example, we benefit from a concessional rate on customs duties for imports under the Comprehensive Economic Partnership Agreements between the governments of Korea and India, and the India-ASEAN Free Trade Agreements between the governments of Vietnam and India. The concessional rates or duties for imports from Korea and Vietnam range from 0% to 15% depending on the classification of the imported goods and the amount of goods sourced from these countries. The terms of such agreements between India, Korea and Vietnam are subject to periodic review and negotiations among the governments of these respective countries. Any withdrawal or reduction in the trade concessions availed under such arrangements between India and other nations, or our inability to be eligible for such benefits could adversely affect us in terms of the applicable customs duties, which could significantly increase our costs for sourcing parts and materials. As another example, because of the conflicts between Russia and Ukraine and the Red Sea crisis, our costs to transport parts and materials to our manufacturing plant in Fiscals 2022 and 2023 increased due to an increase in fuel rates, insufficient container availability and increased container turnaround time. While this did not have a material impact on our operations, continued fluctuations in the cost of commodities, supply interruptions or shortages could cause our suppliers to increase their costs, which in turn may have an adverse impact on our ability to manufacture our passenger vehicles on time and in line with our targeted costs.

2. We depend on a limited number of suppliers for parts and materials. Any interruption in the availability of parts and materials could adversely impact our operations.

We depend on a limited number of suppliers for the procurement of parts and materials required for our manufacturing operations. The table below highlights the percentage of supplies sourced from our top-five suppliers, top-10 suppliers, related parties and suppliers in India and Korea for the periods indicated:

Particulars	Nine months ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
	(in ₹ millions unless otherwise indicated)			
Total costs to purchase of parts and materials	413,324.58	485,827.32	383,794.53	328,227.96
Top-five suppliers as a % of total costs to purchase of parts and materials (1)	43.91%	44.01%	41.05%	45.51%
Top-10 suppliers as a % of total costs to purchase of parts and materials(2)	58.38%	58.81%	55.05%	60.68%
% of parts and materials sourced from related parties	38.50%	33.98%	34.60%	37.17%
% of parts and materials sourced from India	76.93%	80.11%	82.45%	80.41%
% of parts and materials sourced from South Korea	17.43%	16.81%	14.06%	17.45%

(1) Three of our top-five suppliers during nine months period ended December 31, 2023, in Fiscals 2023 and 2021; and two of our top-five suppliers during Fiscal 2022 were from related parties.

(2) Five of our top-10 suppliers during nine months period ended December 31, 2023 and four of our top-10 suppliers during Fiscals 2023, 2022 and 2021 were from related parties.

We source majority of parts and materials from suppliers based in India. In Fiscal 2023 and in the nine months ended December 31, 2023, we sourced approximately 90% of our supplies in India from the four districts adjoining our manufacturing plant located in Irrungattukottai, Sriperumbudur in Chennai, Tamil Nadu ("**Chennai**

Manufacturing Plant")[1]. Although there may be many suppliers that provide certain parts and materials that we need for our operations, as part of our localisation strategy and in order to maintain consistency in quality and quantity of supplies, we strategically onboard single source suppliers that are located close to the Chennai Manufacturing Plant or those that provide parts and materials exclusively to us. In situations where parts and materials are not available in India, we import from global suppliers, including from HMC in Korea and other companies from within the Hyundai Motor Group. Any failure by our suppliers to provide parts and materials to us on time or at all, or as per our specifications and quality standards for reasons such as capacity limitations, breakdowns, mould or machine failures, industrial relations and safety issues, could have an adverse impact on our ability to meet our manufacturing and delivery schedules, which may have an adverse impact on our operations, reputation, ability to appropriately price our passenger vehicles and margins. Further, our contracts with our third-party suppliers typically have a term of one year to 10 years which may be renewed on mutually agreed terms. Our failure to renew our arrangements with our third-party suppliers could have a material adverse impact on our operations. Our supply arrangement with HMC is for perpetuity. Further, if we are unable to retain our key suppliers on commercially favourable terms, we may have to seek alternative suppliers as replacements which may result in increased costs, impact quality and cause delays in our manufacturing and sale schedules, which in turn could adversely affect our business, results of operations and reputation.

We source certain key supplies such as engine components, engine and transmission assembly, moulds and dies primarily from HMC or other companies from within the Hyundai Motor Group. Amongst other parts and materials, we procure semiconductor chips from HMC, which sources these chips for the entire Hyundai Motor Group from a limited number of suppliers outside India. The inability of HMC or other companies from within the Hyundai Motor Group to provide parts and materials to us in a timely manner could adversely impact our operations. According to the CRISIL Report, Fiscal 2022 began with a much severe second wave of COVID-19. State-imposed lockdowns, economic uncertainty, and a global shortage of semiconductor supply caused extended waiting periods that impacted sales, especially in the first half of the year. As a result of this shortage, we experienced disruptions and delays in the production of certain passenger vehicle models. We had to source these chips from alternate suppliers on a short-term basis by paying a higher price to secure capacity and priority allocation of resources. While there was no material financial impact of these alternate arrangements on us, there is no assurance that we will be able to effectively manage similar shortages of semiconductors or other parts and materials in a timely manner or at all. This in turn could have a material impact on our operations.

The operations of our suppliers could be affected by external factors such as adverse weather conditions, labour strikes, facility or machine malfunctions and shortages of materials, among others, which could have material adverse affect on supplies to us and our production timelines. In addition, we provide detailed specifications for our parts to our suppliers, which may include drawings, documents, and samples. While we have not had material instances of breaches from our suppliers, we are subject to risks that our suppliers may disclose our proprietary information to third parties without our consent, which may cause our competitors to gain access to our processes and technologies, leading to a material adverse impact on our sales and results of operations. See also ***"– We may be unable to adequately protect our intellectual property rights and may be subject to intellectual property infringement claims, either of which may substantially harm its business*** " on page 54. In addition, the majority of our supplies are sourced from within India and imported from Korea and other countries. We therefore depend on the economic and political conditions of these countries. Negative incidents involving these regions may materially impede our supply chain and operations.

3. We depend on HMC, our Promoter, for our operations. Any adverse change in our relationship with HMC and the companies in the Hyundai Motor Group could have an adverse impact on our business, reputation, financial condition, and results of operations.

As of the date of this Draft Red Herring Prospectus, HMC, our Promoter (along with its six nominees) owns 100% of the Equity Share capital of our Company. We have entered into various arrangements with HMC for (i) the purchase of parts and materials from HMC for our manufacturing operations, (ii) secondment of employees and executives through a global exchange programme; (iii) technical training of our personnel; (iv) R&D and technological support for R&D, manufacturing and our operations; (v) provision of resources relating to matters including but not limited to the administrative, marketing and other matters as many be required for the conduct of business operations of both, HMC and our Company; and (vi) recording the principal terms of providing and availing services to/ from our Company, our Promoter and the companies within the Hyundai Motor Group, i.e., Framework Agreement, among others. We have also entered into the Royalty Agreement with HMC for certain technical information with respect to the manufacturing and assembly of passenger vehicles or parts (as licensed)

[1] Chennai, Kancheepuram, Tiruvallur, Chengalpattu districts in the state of Tamil Nadu.

pursuant to which our Company has a non-exclusive, non-transferable right and license to manufacture and sell passenger vehicles and / or parts as specified in the Royalty Agreement in India and to use HMC's trademarks in connection with such manufacturing and selling activities for which we are required to pay an amount to HMC equal to 3.5% of our sales revenue (*which is to be determined as set forth the Royalty Agreement*), arising from sale of passenger vehicles or parts. Pursuant to the Royalty Agreement, we require HMC's prior written consent to engage in export sales, directly or indirectly. Further, the Royalty Agreement may be terminated upon the occurrence of certain events, such as deterioration of quality of products or our inability to make the royalty payments to HMC. Any such termination could prevent us from being able to manufacture and sell passenger vehicles under this arrangement, which in turn will adversely impact our business and operations. We do not currently have an arrangement with HMC to cover the use of the 'Hyundai' trademark, name, logo for our corporate purposes. If any material adverse change occurs in HMC's business or if HMC ceases to provide its inputs for our business operations, our business and results of operations may be adversely affected. Our arrangements with HMC in relation to the matters covered the Framework Agreement can be terminated by either party by giving 30 days prior written notice. Under the Framework Agreement, HMC has the right to terminate the agreement in the event any of the approvals required to conduct the activities agreed upon pursuant to the Framework Agreement are cancelled, expired or otherwise no longer valid. We cannot assure you that such approvals will be renewed in time or that such approvals may not be otherwise rendered invalid. Consequently, HMC may terminate the arrangements entered into with our Company under the Framework Agreement. Such termination will in turn adversely impact our manufacturing, supply and other operations enabled by the Framework Agreement

One of our Group Companies, Mobis India Limited ("**Mobis**") is the exclusive supplier of parts and accessories for the after sales services of our passenger vehicles. Any termination of such arrangement with Mobis or failure, delay or shortfall by Mobis to fulfil these supply requirements could cause disruptions in the after-sale services provided to customers, and in turn adversely impact our reputation and operations. We also depend on HMC for majority of our exports business, and we aim to become an export hub for HMC for exports to emerging markets. See also "***– Our global operations involve challenges and risks that could increase our costs, adversely affect our results of operations and require increased time and attention from our management***". For further details on our arrangements with HMC, see "***Our Promoter and Promoter Group - Interests of our Promoter***" on page 219, and see "***History and Certain Corporate Matters – Key terms of other subsisting material agreements***" on page 192.

4. Our Company, one of our Subsidiaries and our Promoter are involved in outstanding legal proceedings and any adverse outcome in any of these proceedings may adversely impact our business, reputation, financial condition and results of operations.

In the ordinary course of business, our Company, one of our Subsidiaries and our Promoter are involved in certain legal proceedings pending at different levels of adjudication before various courts and tribunals. A summary of outstanding litigation proceedings involving our Company, one of our Subsidiaries and our Promoter, is disclosed in "***Outstanding Litigation and Material Developments***" on page 329 in terms of the SEBI ICDR Regulations is provided below:

Name	Criminal proceedings	Tax claims	Statutory or regulatory actions	Disciplinary actions by the SEBI or Stock Exchanges against the Promoter	Material pending civil litigation	Aggregate amount involved (in ₹ million) *#
Company						
By our Company	6	-	-	NA	-	1.60
Against our Company	5	128	2	NA	970^	54,697.99
Subsidiaries						
By our Subsidiaries	-	-	-	NA	-	-
Against our Subsidiaries	-	2	-	NA	-	10.05
Directors						
By our Directors	-	-	-	NA	-	-
Against our Directors	-	-	-	NA	-	-
Group Companies						

Name	Criminal proceedings	Tax claims	Statutory or regulatory actions	Disciplinary actions by the SEBI or Stock Exchanges against the Promoter	Material pending civil litigation	Aggregate amount involved (in ₹ million) *#
Outstanding litigation which may have a material impact on our Company			Nil			

*To the extent quantifiable.

#Includes amounts paid by our Company to the relevant authorities in protest.

^ *Given the nature of business of our Company, majority of the legal proceedings initiated against our Company are complaints filed under the Consumer Protection Act, 1982. As of the date of this Draft Red Herring Prospectus, there are 964 consumer proceedings involving our Company and the aggregate amount involved in such proceedings is ₹950.44 million.*

Further, a summary of the outstanding litigation proceedings involving our Promoter as disclosed in this Draft Red Herring Prospectus in accordance with the SEBI ICDR Regulations and as per the Materiality Policy in "***Outstanding Litigation and Material Developments***," is provided below:

Name	Criminal proceedings	Tax claims	Statutory or regulatory actions	Disciplinary actions by the SEBI or Stock Exchanges against the Promoter	Material pending civil litigation	Aggregate amount involved (in KRW million) *
By our Promoter	2	9	-	NA	NA	69,443.75^
Against our Promoter	2	-	1	NA	NA	5.00^^

*To the extent quantifiable.

^ *Equivalent to ₹ 4,461.07 million using exchange rates as of December 31, 2023.*

^^*Equivalent to ₹ 0.33 million using exchange rates as of December 31, 2023.*

Involvement in such proceedings could divert our management's time and attention and consume financial resources. Furthermore, unfavourable orders could have an adverse impact on our business, results of operations and financial condition. We cannot assure you that these legal proceedings will be decided in our favour and that no further liability will arise out of these proceedings or would not have a material adverse effect on the business, operations and financial condition of our Company. Even if we are successful in defending such cases, we may be subject to legal and other costs incurred pursuant to defending such litigation, and such costs may be substantial and not recoverable. Our Company is in the process of litigating these matters and based on the assessment in accordance with applicable accounting standards, our Company has presently not made provisions of the specific pending legal proceedings. While our Company has made provision for disputed matters in general, in the event of any adverse rulings in these proceedings or consequent levy of penalties including for amounts beyond the provisions currently made by us, we may need to make payments or make further provisions for future payments, which may increase expenses and current or contingent liabilities. For details of our contingent liabilities, see "***Summary of the Offer Document – Summary of contingent liabilities***" on page 16, and "– ***We have certain contingent liabilities, which if materialise, may adversely affect our financial condition.***" on page 50. Furthermore, there may be certain outstanding matters, as on date or in the future, for which the aforementioned parties may not have been served with summons or relevant case documents, which may result in adverse findings against us. An adverse outcome in any of these proceedings, either individually or in aggregate, may affect our reputation, business operations, cash flows, financial condition, results of operations and prospects.

5. We have entered into and may continue to enter into related party transactions with HMC and companies within the Hyundai Motor Group that may involve conflicts of interest, which could adversely impact our business.

We enter into transactions with our related parties including, among others, for purchases of goods and services; purchase of parts, materials, spare parts and capital goods; sale of parts such as engines and transmissions that we manufacture; sale of services; and royalty and technical assistance. The following table provides a brief overview of our related party transactions for the periods indicated. For further details, see "***Summary of the Offer Document - Summary of related party transactions***" and "***Restated Consolidated Financial Information – Note 37 - Related Party Disclosures***" on pages 17 and 269, respectively.

	Nine months ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
	(in ₹ millions unless otherwise indicated)			
Total income	**532,980.88**	**614,366.42**	**479,660.48**	**414,046.50**
Total income from related parties	46,025.47	56,642.07	44,901.71	34,451.02
Income from related parties as a % of total income	8.64%	9.22%	9.36%	8.32%
Total expenses	**473,178.29**	**550,910.67**	**441,938.42**	**388,644.02**
Expenses incurred in transactions with related parties	160,031.15	178,779.74	141,714.21	127,724.95
Expenses incurred in transactions with related parties as a % of total expenses	33.82%	32.45%	32.07%	32.86%

While our related party transactions, as set forth in the Restated Consolidated Financial Information, have been conducted on an arm's length basis, we cannot assure you that we could not have achieved more favourable terms had such transactions not been entered into with related parties. It is likely that we may enter into related party transactions in the future. We have entered into the Framework Agreement with HMC which sets forth a framework for the activities including services and supply of parts that we, our Promoter or other companies within the Hyundai Motor Group provide and avail from each other. For further details on the Framework Agreement, see "***History and Certain Corporate Matters - Key terms of other subsisting material agreements"*** on page 192. Further, all related party transactions that we may enter post-listing will be subject to the approval of our Audit Committee, Board or Shareholder, as necessary under the Companies Act, 2013 and the SEBI Listing Regulations and there can be no assurance that such approvals will be issued to us in a timely manner, or at all. Any existing or future transactions with our related parties could potentially involve conflicts of interest which may be detrimental to our Company, and we cannot assure you that such conflicts of interest will be resolved in our favour. Furthermore, we cannot assure you that our existing agreements and any such future transactions, will be in the interest of our Company and minority shareholders or will perform as expected. For example, a portion of land located within the premises of the Chennai Manufacturing Plant has been leased by us to Mobis for assembling battery systems for EVs to be supplied to our Company and Kia India Private Limited. There can be no assurance that we will be prioritised by Mobis for supply of goods and that we will be able to address any conflicts of interest, that may arise in the future, in our favour.

6. Two of our Group Companies, Kia Corporation and Kia India Private Limited, are in a similar line of business as us which may involve conflict of interests, which could adversely impact our business.

While exercising their rights as our shareholder, HMC may consider the interest of all their subsidiaries and affiliates, which may not align with our interests. This in turn could give rise to various conflicts of interest between us and HMC and its affiliates, which could impact our operations. Further, HMC including certain companies in the Hyundai Motor Group are engaged in businesses which may be similar to ours. For example, as of March 31, 2024, HMC holds 34.16% stake in Kia Corporation ("**Kia**"), which operates in the automobile industry in India through its subsidiary, Kia India Private Limited. HMC's chairman is also the chairman of Kia. We also supply engines to Kia for their vehicles. Given the potential product overlaps between our offerings and those of Kia in India, there is no assurance that conflicts of interest will not arise between the two businesses which could negatively impact our business and prospects. For details of risks related to related party transactions, see " ***- We have entered into and may continue to enter into related party transactions with HMC and companies within the Hyundai Motor Group that may involve conflicts of interest, which could adversely impact our business*** " on page 32 below. For further details of the arrangement with Mobis, see "***Group Companies - Related business transactions within our Group Companies and significance on the financial performance of our Company***" on page 225.

7. We currently manufacture our passenger vehicles and parts only at the Chennai Manufacturing Plant. Any disruptions or stoppages at our manufacturing plants, including at the Talegaon Manufacturing Plant once it is operational, could adversely impact our operations, financial condition and results of operations.

We currently manufacture all our passenger vehicles and parts including engines and transmissions only at the Chennai Manufacturing Plant. While we have acquired a manufacturing plant located in Talegaon, Pune, Maharashtra ("**Talegaon Manufacturing Plant**"), it is under redevelopment and is expected to commence commercial operations partly in the second half of Fiscal 2026. Our manufacturing plants are and may continue to be subject to operating risks, including but not limited to:

- forced or voluntary closure, including as a result of regulatory inspections or natural or man-made disasters at our facilities or our suppliers' facilities;
- manufacturing shutdowns or equipment breakdown or failure and industrial accidents;
- labour disputes, strikes or lock-outs;
- local community, political or other opposition;
- shortage of personnel;
- interruptions in supply of water and electricity or other resources;
- changes in applicable laws and regulations impacting our operations;
- failure or bottlenecks in production processes, especially due to inadequate supply of utilities such as power and water or plant outages, wastage, yield losses; and
- other malicious acts, technical issues, terrorism, catastrophic events.

We have had instances where we have suspended our manufacturing operations. For example, we suspended our operations at the Chennai Manufacturing Plant for safety reasons during the COVID-19 related lockdown, in Fiscals 2021 and 2022, and as a result, we were not manufacturing any passenger vehicles and parts during that period. This caused our production capacity at the Chennai Manufacturing Plant to be underutilised in Fiscals 2021 and 2022. As another example, in December 2023, we suspended operations at our Chennai Manufacturing Plant for two days due to *Cyclone Michaung.* We have also faced instances of strikes by our employees resulting in partial suspension of operations for a day in September 2023. As another example, in 2021, the Chennai Manufacturing Plant was shut for a few days due to a strike by employees of another automobile manufacturer because COVID-19 related social distancing norms were not being adhered to by such manufacturer. Additionally, we regularly conduct planned shutdowns of our plants for repairs and maintenance works. While these stoppages did not have a material impact on our operations, any prolonged disruptions at our manufacturing plants could result in a lower capacity utilisation, which in turn could have an adverse impact on our operations, our ability to meet our production schedules, our reputation, and our results of operations. For risks related to strikes, see "***– We may be subject to unionisation, work stoppages or increased labour costs, which could adversely affect our business and results of operations***" on page 58. For risks related to machinery and equipment used at our manufacturing plants, see "***– We use heavy machinery at our manufacturing plants which could cause bodily harm and accidents, which in turn could adversely impact our operations***" on page 46. For risks related to underutilisation of our production capacity, see "***– If we overestimate or underestimate the demand for our products, the capacity utilisation of our manufacturing plants may be over-utilised or under-utilised, respectively, which could adversely affect our manufacturing schedules and related costs.***" on page 38.

8. Any actual or perceived defects in our passenger vehicles and parts or the sales and after-sale services provided through dealers or third parties may adversely impact our brand, reputation, and ability to sell our vehicles, which could have an adverse impact on our operations.

Our passenger vehicles and parts may have defects that may require us to remedy these defects through recalls, replacements, repairs or repurchases. In addition, we could be subject to civil or criminal penalties or may incur costs for recall, replacement, repairs or repurchases. Concerns about the quality and safety of our passenger vehicles and parts, whether raised internally or by regulators or consumer advocates, could result in production delays, recalls, lost sales, governmental investigations, regulatory action, claims, lawsuits and settlements and reputational damage. This in turn could result in substantial damage to brand and consumer trust in our passenger vehicles and parts.

We have had instances in the past where we voluntarily recalled certain batches of our passenger vehicles to replace parts or correct defects. For example, in June 2024, we issued a recall for 1,744 units of IONIQ 5 due to potential issues in integrated charging control unit causing batteries to discharge. In February 2024, we issued a recall for 7,698 units of Creta and Verna passenger vehicle models due to an issue with the electronic oil pump controllers which was affecting the performance of electronic oil pumps. In August 2021, we issued a recall for 4,914 units of Tucson passenger vehicle models due to possible malfunction of the hydraulic and electronic control units in the passenger vehicles. In March 2021, we issued a recall for 530 units of Kona EV due to certain electrical deficiencies leading to the possibilities of electrical short circuit. In December 2020, we issued a recall for 456 units of Kona EV as part of a global recall due to possible brake performance issues and certain electrical deficiencies. While these product recalls did not have a material impact on our operations, if such recalls continue or we are unable to address a defect in a timely manner, customers' confidence in us and in our passenger vehicles and parts could be negatively impacted. This in turn may subject us to negative publicity and could adversely impact our results of operations, financial condition and cash flows.

Further, any perceived or actual defect in our passenger vehicles, parts or after-sale services provided by our dealers or third parties could also result in customer claims for damages. In defending such a claim, we could incur substantial costs and be subject to negative publicity. For example, we are subject to lawsuits initiated by our customers alleging manufacturing defects in our passenger vehicles including in the air conditioners, windows and seat belts and defects resulting in wobbling in our passenger vehicles, among others. Additionally, we are subject to various ongoing proceedings under the Motor Vehicles Act, 1988 with respect to compensation claims from customers or their relatives for injury or death in accidents. We are also subject to claims under the Motor Vehicles Act, 1988 initiated by some of our former employees or their relatives for injury or death in accidents occurred while availing our transportation facilities. Management resources could be diverted from our business towards defending such claims. As a result, our business, results of operations and financial condition could suffer. For further details, please see "***Outstanding Litigation and Material Developments – Material civil litigation against our Company***" on page 332. Further, our insurance does not cover product liability costs and losses related to the recall of passenger vehicles for design defects or replacement of parts. While the majority of our contracts with suppliers include indemnification provisions for liabilities arising from product defects, such recourses are subject to limitations set for the contracts, and there is no assurance that we will be able to claim losses from suppliers due to product liability claims or recalls resulting for defective supplies.

9. The unavailability, reduction or elimination of government incentives could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

We benefit from several incentives offered by the Government of India and state governments in India. For example, under the four memoranda of understanding entered into with the Government of Tamil Nadu in relation to the Chennai Manufacturing Plant, we benefit from incentives including but not limited to (i) electricity tax exemptions; (ii) investment promotion subsidies in the form of state GST reimbursements, fiscal incentives such as a central sales tax ("**CST**") soft loan at a concessional rate of interest; (iii) clean energy vehicle ("**CEV**") subsidy; and (iv) interest free deferred sales tax. Further, pursuant to an arrangement with the Government of Tamil Nadu in January 2024 for the development of EV manufacturing infrastructure in the state of Tamil Nadu, we may receive incentives and subsidies from the Government of Tamil Nadu subject to us making a minimum investment in fixed assets within a specific period. Similarly, for the Talegaon Manufacturing Plant, we received offer letters from the Government of Maharashtra under which we are required to make a minimum investment in fixed assets within a specific period for availing certain incentives including but not limited to electricity duty exemption, industrial promotion subsidy and stamp duty exemption. We also benefit from customs duty drawback, incentives under Merchandise Exports from India Scheme ("**MEIS**") and Remission of Duties and Taxes on Exported Products ("**RoDTEP**"). Further, we also benefit from a concessional rate on customs duties for imports under the CEPAs between Korea and India, and the India-ASEAN Trade in Goods Agreement between Vietnam and India. For more details, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Environmental and fiscal regulations – Fiscal regulation***" on page 300. The following table provides income earned from our incentives for the periods indicated:

Particulars	**Nine months ended December 31, 2023**	**Fiscal 2023**	**Fiscal 2022**	**Fiscal 2021**
	(*₹ millions*)			
Sale of scrap	2,052.08	2,848.69	2,188.61	1,498.76
Duty drawback	3,847.83	4,347.31	3,474.36	2,364.84
Remissions of Duties and Taxes on Exported Products (RoDTEP) / Merchandise Exports from India Scheme income	1,306.02	1,163.50	970.69	331.13
Other incentives from government	1,656.29	3,688.42	2,542.06	1,885.24
Other operating revenues	**8,862.22**	**12,047.92**	**9,175.72**	**6,079.97**

Any delay in receiving incentives from government bodies, or a reduction in, elimination of or unfavourable application of government incentives because of policy changes, may adversely affect our financial condition and results of operations. For instance, we are subject to certain tax proceedings initiated by the Income Tax Department in India in connection with the disallowance of certain of the incentives availed by us, from the taxable income of our Company in the respective financial year. For further details of such proceedings, please see "***Outstanding Litigation and Material Developments – Tax matters involving our Company, Subsidiaries and***

Directors" on page 335. There may be opportunities for us to apply for other incentives from the Indian government and foreign governments in the future. Our ability to obtain subsidies or incentives from governments is subject to the availability of funds and total funds allocated under applicable government programmes and the approval of our bids and applications to participate in such programmes which are highly competitive. For example, for EVs, we may benefit from the production linked incentive ("**PLI**") scheme for the automobile and automobile component industry in India aimed at promoting the sale and use of advanced automotive technology products ("**Automobile PLI Scheme**"). If such incentives are not rolled out or if we do not benefit from such subsidies, we cannot assure you that consumers will continue to purchase EVs and in such an event, our EV expansion strategy may be rendered unviable.

10. Our success depends on our and HMC's ability to identify market trends and meet evolving customer demands, while maintaining or improving our profitability. If we are unable to do so, our sales volumes, business and results of operations would be adversely affected.

Our success depends on our and HMC's ability to identify market trends and develop, introduce, manufacture and upgrade passenger vehicles in line with customer demands, at a certain scale and profitably. Our ability to innovate and provide high-quality passenger vehicles and parts is also affected by our ability to, among others, identify customer needs in India and in our export markets; have access to the latest technology; secure necessary parts and materials on time; maintain effective and efficient quality and safety controls; and design and manufacture passenger vehicles without defects that require us to undertake repairs or recalls. Our failure to do so could adversely affect our brand, reputation and results of operations will be negatively impacted. For example, in line with the market shift towards premiumisation in India, we have strengthened our SUV leadership by offering eight SUV models including one EV model, across compact, mid-size and large SUV sub-segments. However, there is no assurance that these efforts will yield commercially viable results, or that we will be able to alter our passenger vehicle mix in time or at all if there are any changes in market trends or customer demands. Further, our success also depends on our ability to consistently release new features and model upgrades in line with customer expectations and market demands. For example, within a span of 15 months from January 2023 to March 2024, we launched an aggregate of eight upgrades and model changes. However, our failure or delay to release such changes, and on a consistent basis could make us less competitive in the market and adversely impact our sales volumes and market share.

Our ability to innovate and manufacture high-quality passenger vehicles and parts is also affected by our ability to (i) negotiate with our suppliers, including HMC; (ii) manage a large work force in different divisions and geographies and implement and enhance administrative infrastructure, safety, systems and processes; (iii) secure the necessary parts, services or licenses on acceptable terms and in a timely manner; (iv) maintain effective and efficient quality and safety controls; (v) design and manufacture passenger vehicles without defects that require us to undertake repairs or take field actions, such as issuing product recalls or changing passenger vehicle designs; and (vi) obtain the required regulatory approvals and certifications, among others. If we are unable to manage or prevent the above risks, our brand, reputation, and results of operations will be negatively impacted. Further, our failure to accurately estimate the supply and demand for our passenger vehicles and parts may lead to a shortage or excess in inventory, which in turn could prevent us from effectively managing our manufacturing requirements, causing production delays. Low demand for our passenger vehicles and parts and low-capacity utilisation of our manufacturing facilities may limit our ability to leverage economies of scale. See also "- ***If we overestimate or underestimate the demand for our products, the capacity utilisation of our manufacturing plants may be over-utilized or under-utilised, respectively, which could adversely affect our manufacturing schedules and related costs***" on page 38.

11. Our global operations involve challenges and risks that could increase our costs, adversely affect our results of operations and require increased time and attention from our management.

We sell our passenger vehicles and parts in India and export them to various regions outside India, including countries in Latin America, Africa and the Middle East. We also export parts to Europe. The following table provides a geographic breakdown of our revenue from operations for the periods indicated:

	Nine months ended December 31,		**Fiscal**					
	2023		**2023**		**2022**		**2021**	
	Amount (₹ millions)	***% of revenue from***	***Amount (₹ millions)***	***% of revenue from***	***Amount (₹ millions)***	***% of revenue from***	***Amount (₹ millions)***	***% of revenue from***

		operations		*operations*		*operations*		*operations*
India	398,150.49	76.34	461,866.65	76.59	373,320.21	78.80	332,748.27	81.21
Africa [(1)]	18,675.74	3.58	37,336.33	6.19	29,736.27	6.28	21,001.48	5.13
Latin America [(2)]	37,310.40	7.15	55,675.22	9.23	36,886.42	7.79	23,973.33	5.85
Middle East and Europe [(3)]	62,532.82	11.99	38,716.34	6.42	26,740.16	5.64	28,249.67	6.89
Others [(4)]	4,909.66	0.94	9,481.26	1.57	7,101.25	1.50	3,749.76	0.92
Revenue from operations	**521,579.11**	**100.00**	**603,075.80**	**100.00**	**473,784.32**	**100.00**	**409,722.51**	**100.00**

(1) Includes countries in African continent and Madagascar, Mauritius, Seychelles
(2) Includes countries in Central and South American Continent and the Caribbeans
(3) Includes countries in Middle East Asia region such as Saudi Arabia, UAE, Bahrain, Qatar and Turkey being part of Europe.
(4) Includes countries as part of South Asia and Southeast Asia along with Fiji, New Caledonia, among others.

Our global operations subject us to risks inherent in doing business in such geographies. Some of these risks include, (i) the unexpected deterioration of the relationship between India and countries to which we export our passenger vehicles to or from which we source parts and materials, including the imposition of trade and economic sanctions and the revocation of free trade agreements; (ii) the failure to comply with a variety of international, national and local legal and regulatory requirements, including consumer protection, data protection, labour, intellectual property, tax and trade law, as well as tariffs, export quotas, customs duties or other trade restrictions; (iii) the potential for unexpected changes in legal, political, regulatory, social and economic conditions or policies in the countries in which our passenger vehicles are sold and in countries from which we source supplies from third-party suppliers; (iv) exposure to liabilities under various anti-corruption and anti-money laundering laws; (v) the need to adjust our business approach effectively to target customers in the various countries in which we operate, and adapt our product offering and our logistics, payment, fulfilment and customer care practices to take account of local preferences, customs and practices; and (vi) increasing rates of inflation and foreign exchange fluctuations, which would affect our profitability. The occurrence of any of the risks described above could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

We depend on HMC for our exports business. HMC enters into dealership agreements with international distributors pursuant to which these distributors agree to purchase passenger vehicles and parts from us (as an affiliate of HMC) for sale directly to retail customers or to their authorised dealers in the assigned territory. The supply price of passenger vehicles and parts is determined separately for each purchase order as agreed with us, HMC and the distributor. Pursuant to the Royalty Agreement, we require HMC's prior written consent to engage in export sales, directly or indirectly. We cannot assure you that we will be able to obtain such approval from HMC on a timely basis, or at all. Any failure or delay by HMC or us in accessing the export markets at the optimal time could have a material adverse effect on our results of operations and prospects. See "***- We depend on HMC, our Promoter, for our operations. Any adverse change in our relationship with HMC and the companies in the Hyundai Motor Group could have an adverse impact on our business, reputation, financial condition, and results of operations.***" on page 30.

12. We may not be able to compete successfully in the highly competitive and fast evolving automotive market which could have an adverse impact on our operations.

In India, we face competition from domestic and multinational automobile manufacturers. According to the CRISIL report, India's domestic passenger vehicle industry is an oligopolistic market with few players dominating the entire industry - where Maruti Suzuki leads the passenger vehicle industry in terms of domestic sales volumes, followed by us, Tata Motors and Mahindra & Mahindra. These four players together contribute approximately 80% of the market, according to the CRISIL report. However, in the last five years, the competition in the Indian domestic passenger vehicle market has intensified amidst competitively priced feature-rich passenger vehicle launches by all players as well as recent entrants, according to the CRISIL Report. In addition, some of our competitors in exports passenger vehicle market include Maruti Suzuki India, Kia Motors, Volkswagen, Nissan Motor, and Honda Cars India, based on the CRISIL Report.

According to the CRISIL Report, the automotive industry today faces the challenge of adapting newer technologies by either upgrading the older technologies or introducing new ones, thereby posing a risk in terms of capability development, investments, skill development, technology development and product development, which also applies to us. Our existing and future competitors may have significantly greater financial resources that can be devoted to design, development, manufacturing, marketing, sales, and support of their passenger vehicles. They may also have technical and manufacturing capabilities and/or marketing, distribution and service network and brand recognition that is comparable to, or more developed than, our own. If passenger vehicles of our competitors surpass ours in terms of quality or performance or are offered at more competitive prices, our market share, profitability and results of operations may be materially and adversely affected. In addition, if our competitors consolidate or enter into other strategic partnerships or joint ventures, they may be able to achieve greater economies of scale. Further, any failure by us to develop new or enhanced technologies or processes, or to react to changes in existing technologies, could materially delay our development of new and enhanced passenger vehicle models, which could result in the loss of competitiveness of our passenger vehicle models, decreased revenue and a loss of market share to competitors. Additionally, an increase in competition could lower passenger vehicle unit sales which may result in further downward pricing pressure and adversely affect our financial condition and results of operations. Since our business focuses on the passenger vehicle market, a rise in the popularity of alternative transportation modes like public transit if supported by Government policies and two wheelers in India or our export markets may lead to a decline in our passenger vehicle demand, which may have a material adverse effect on our business and results of operations.

13. If we overestimate or underestimate the demand for our products, the capacity utilisation of our manufacturing plants may be over-utilised or under-utilised, respectively, which could adversely affect our manufacturing schedules and related costs.

The following table sets forth our aggregate installed capacity and capacity utilisation across our Chennai Manufacturing Plant for the periods indicated.

	Nine months ended December 31,		**Fiscal**					
	2023		**2023**		**2022**		**2021**	
	Installed capacity	***Capacity utilisation (%)***	***Installed capacity***	***Capacity utilisation (%)***	***Installed capacity***	***Capacity utilisation (%)***	***Installed capacity***	***Capacity utilisation (%)***
Chennai Plant #1	293,000	102.97	354,000	98.97	342,000	84.59	336,000	74.94
Chennai Plant #2	310,000	91.94	416,000	90.61	416,000	76.15	416,000	75.94
Total installed capacity	**603,000**	97.30	**770,000**	94.45	**758,000**	79.96	**752,000**	75.50

Source: Independent Chartered Engineer; (1) calculations assume 293 working days at 21.92 working hours per day for Fiscals 2021, 2022 and 2023, and calculations assume 219 working days at 21.92 working hours per day for the nine months ended December 31, 2023; (2) production volume divided by installed capacity; (3) the annual installed capacity as of March 31, 2024 is 824,000 units.

If we overestimate the demand for any passenger vehicle model and parts due to changes in market trends and customer demands, we may have an excess unutilised inventory and may incur costs of manufacturing additional passenger vehicles, capital cost, costs of storage and supplies. Any reduction in our capacity utilisation could limit our ability to leverage our economies of scale, thereby adversely affecting our margins and results of operations. Further, if we underestimate demand for our products, we may fail to order sufficient quantities of parts and materials in a timely manner and the manufacturing schedule and delivery of passenger vehicles to our customers could be delayed, which could adversely impact our business, reputation, prospects, financial condition, results of operations and cash flows. Further, while we are expanding our manufacturing capacity by redeveloping the Talegaon Manufacturing Plant, and we have measures in place to address additional demand such us holiday production and increasing shifts, we may not be able to meet additional demand in a timely manner, which may lead to market share loss and adverse impact on our business, reputation, prospects, financial condition, results of operations and cash flows.

14. The redevelopment of the Talegaon Manufacturing Plant or other plants we may expand or acquire in the future may be subject to delays, disruptions and cost overruns, or may not produce the expected benefits, which could adversely affect our production capacity, financial condition, and results of operation.

We recently acquired the Talegaon Manufacturing Plant from General Motors India on December 28, 2023, which is under redevelopment and is expected to be operational in phases – with the first phase to be operational by the second half of Fiscal 2026. In doing so, we could experience delays or other difficulties, such as supply delays, sub optimal construction quality, among others, and may be required to expend significant resources, including financial resources. We may also face interruptions in the supply of electricity and water required for our construction efforts and operations. Further, there might be price fluctuations and the currently estimated project cost may increase on account of factors beyond our control, including increase in cost of machinery and associated transportation or other charges or taxes. Failure to complete the redevelopment on time and within budget could adversely affect our financial condition and results of operations.

Under Indian laws, manufacturing plants such as ours are subject to government approvals and permits, including but not limited to, registration and licenses under the Factories Act, environment protection approvals, pollution discharge permits, drainage licenses, work safety approvals, labour related approvals, fire protection approvals, among others. See "***Government and Other Approvals***" on page 338. There is no assurance that we will be able to comply with the requirements of such government supervision or procure the approvals in a timely manner or at all. As a result, we may be subject to administrative uncertainty, fines, or the delays of use of such projects. Any of the foregoing could materially and adversely affect our business operations. See also "***– We require certain approvals and licences in the ordinary course of business, and the failure to obtain or retain them in a timely manner may adversely affect our operations***" on page 41.

15. We depend on our dealership and distributorship network for the sale of our passenger vehicles and the provision of services, including after-sale services. Any disruption in this network could adversely affect our business and results of operations.

In India, we sell most of our passenger vehicles and provide after-sale services through sales and service outlets that are operated by our dealers. The following table sets forth the count of our sales outlets and service outlets in India for the periods indicated:

Particulars	**As of December 31,**	**As of March 31,**		
	2023	**2023**	**2022**	**2021**
	Units			
Sales outlets	1,366	1,336	1,282	1,167
Service outlets	1,550	1,498	1,422	1,307

Note: some sales outsets also offer after-sale services and the numbers above may accordingly overlap.

For exports, we depend on the demand received by HMC or its regional headquarters from distributors in the countries we export to. We rely on HMC for our marketing and sales in the export markets and may not be able to control decisions taken to select our Company or the passenger vehicle for export. If we or HMC are unable to maintain the network of distributors, it could impact our ability to maintain or grow our export market share and expand into new geographies, which in turn could have an adverse impact on our operations, financial condition, and results of operations.

If we are unable to provide adequate passenger vehicles to meet our dealers and distributors' demand due to insufficient manufacturing capacity, miscommunications, inaccurate demand forecast or otherwise, or if Mobis is unable to provide parts to dealers and distributors for after-sale services, our sales and after-sale services could be negatively affected. While our dealers and distributors are required to stock adequate quantity and variety of our passenger vehicles based on projected purchase orders for the upcoming months and parts under the dealership agreements or distributorship agreements, there can be no assurance that they will do so consistently. Since dealers and distributors have direct contact with the retail customers before they purchase our passenger vehicles and during the after-sale services, their conduct has a significant impact on the customers' perception of our passenger vehicles and our brand. Therefore, if our dealers or distributors fail to adhere to the quality standards that we or HMC set for them it may negatively affect market perception of our passenger vehicles. Further, if our relationship with a dealer or distributor is terminated or if a dealer or distributor reduces purchases of our passenger vehicles or parts, we or HMC may not be able to replace such relationship with a new dealer or distributor in a timely manner or at all. In addition, any such new relationship may take time to develop and may not be as favourable to us as the relationship it is replacing.

Some of our dealers and distributors may prefer providing dealership services to our competitors. In addition, issues affecting dealers and distributors such as bankruptcy, non-compliance of legal requirements, failure of their information systems or any security breach or any labour unrest and slowdowns, and the adverse effects of the seasonality of sales, could lead to fluctuations in our revenue and could also negatively affect our revenue and our reputation in the industry and amongst customers. We may also be subject to claims by our dealers or distributors and therefore could incur substantial costs defending such claims. Certain of our former dealers have filed claims for compensation against us for wrongful termination of the dealership agreement entered into with such dealers by our Company. For more details of the cases filed by our former dealers against our Company, please see "***Outstanding Litigation and Material Developments – Litigation involving our Company – Material civil litigation against our Company***" on page 332. Management resources could be diverted from our business towards defending such claims. As a result, our business, results of operations and financial condition could suffer.

16. We or HMC may not succeed in continuing to establish, maintain and strengthen the "Hyundai" brand and the "Hyundai" brand could be harmed by complaints and negative publicity, in India and globally, which could have an adverse impact on our reputation, business, results of operations and financial condition.

We depend on HMC for the use of the "Hyundai" brand, and we share the brand name with other companies within the Hyundai Motor Group. The success of our business depends on our and HMC's ability to develop, maintain and strengthen the "Hyundai" brand. To promote the "Hyundai" brand further, we may be required to evolve our marketing practices, which could result in an increase in our costs. If we or HMC fail to preserve the value of the "Hyundai" brand, maintain our reputation, or attract consumers to our brand through, for example, quality after-sale services to our customers, our business could be adversely impacted.

Furthermore, our and HMC's reputation and the "Hyundai" brand is vulnerable to threats that can be difficult to predict or control, and costly or unfeasible to remediate. Since "Hyundai" is a consumer facing brand, any negative publicity about us, HMC or the "Hyundai" brand, whether as a result of our own or our third-party service providers' actual or alleged conduct, complaints or negative reviews by customers, alleged misconduct, unethical business practices, safety breaches or other improper activities, or rumours relating to our or HMC's business, directors, officers, employees or shareholders, could harm our reputation, business, and results of operations. These allegations, even if not proved, may lead to inquiries, investigations, or other legal actions against us which could cause us to incur significant costs to defend ourselves. We have faced instances of negative publicity in the past. For example, in CY2022 we were a target of a boycott campaign triggered by the social media posts by HMC's distributors in Pakistan regarding Kashmir. We issued a clarificatory statement disclaiming our Company's association with the dealer. In another instance, a third-party battery manufacturer fraudulently represented itself as a "Hyundai" associated company in a government PLI scheme and was granted the mandate. We subsequently filed a trademark infringement case before the Delhi High Court and obtained favourable order which resulted in a rebidding process under the PLI scheme. In these instances, while we were able to manage these situations, such instances could create a negative perception of our brand and impact our reputation and operations. Any negative publicity regarding our or HMC's suppliers or other business partners that we closely cooperate with, or any regulatory inquiries or investigations and lawsuits initiated against them, may also have an impact on the "Hyundai" brand and our or HMC's reputation, or subject us to regulatory inquiries or investigations or lawsuits. Our brand image may also be affected negatively if customers believe we are no longer able to innovate and/or offer high-quality passenger vehicles and parts and related services that meet evolving customer demands which, in turn, would affect our sales volumes, business and results of operations. For more details, see "***– Our success depends on our and HMC's ability to identify market trends and meet evolving customer demands, while maintaining or improving our profitability. If we are unable to do so, our sales volumes, business and results of operations would be adversely affected***" on page 36.

17. We substantially depend on the sales of our SUV models in India. Any decrease in the demand for or disruption in the manufacture of SUVs, or any other passenger vehicle models we rely on in the future, could adversely impact our operations.

A substantial portion of our sales volumes is derived from the sales of SUVs in India, as indicated in the table below. The below table sets forth the domestic sales volumes of SUVs and the percentage of our total domestic sales volumes for the periods indicated:

	Nine months ended December 31,	**Fiscal**		
	2023	**2023**	**2022**	**2021**
Domestic Sales Volume of SUVs (*units*)	283,643	301,681	250,430	214,167
% of Total Domestic Sales Volume (%)	62.42%	53.16%	52.01%	45.42%

In line with our premiumisation strategy, we expect the SUVs to continue to form a substantial portion of our passenger vehicle portfolio and sales. Consequently, our future success will, to a large extent, depend on continued demand for and market acceptance of our SUVs, and our ability to enhance, develop and manufacture SUVs that meet the evolving needs of our customers. The SUV segment in India is expected to grow at a CAGR of 7.0% to 9.0% from Fiscals 2024 to 2029, according to the CRISIL Report. However, a change in government regulations, including those related to taxation, consumer preferences, technological change or other factors that could reduce demand for SUVs or any disruption in the manufacture of SUVs, could lead to a material adverse effect on our business and results of operations. In addition, if we become substantially dependent on any other passenger vehicle models in the future, we will remain vulnerable to risks of manufacturing disruptions, as well as the evolving preferences of our customers, technological advancements as well as changing law and regulations, including tax laws. Even if we seek to diversify our passenger vehicle portfolio or pivot to other passenger vehicle segments in response to market trends, there is no guarantee that such efforts will be successful. See "***– Our success depends on our and HMC's ability to identify market trends and meet evolving customer demands, while maintaining or improving our profitability. If we are unable to do so, our sales volumes, business and results of operations would be adversely affected***" on page 36.

18. We require certain approvals and licences in the ordinary course of business, and the failure to obtain or retain them in a timely manner may adversely affect our operations.

Our operations are subject to extensive government regulations, and we are required to obtain and maintain several statutory and regulatory permits, approvals, registrations and licenses under central, state and local government rules in India. While we have obtained a number of approvals required for our operations, certain approvals that we have submitted applications for are currently pending. There is no assurance that we will receive these approvals on time or at all. In addition, to operate our manufacturing plants, we require land use and environmental permits and other operating permits from central, state, and local government entities. While we currently have the necessary approvals to carry out and perform our current plans and operations at our manufacturing plants, our approvals may expire in the ordinary course, and we may be required to make applications for such renewals. If we fail to obtain or retain any of these approvals or licences, or renewals thereof, in a timely manner, it may disrupt our operations, result in the imposition of penalties and may adversely affect our operations, business and financial condition. See "***Government and Other Approvals*** – ***Pending Material Approvals***" on page 339.

Some of our approvals are valid for a limited duration or are subject to certain conditions. We cannot assure you that these approvals would not be suspended or revoked in the event of, an alleged, non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. If there is any failure by us to comply with the applicable regulations, or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations. See also "***– Changing regulations in India could lead to new compliance requirements that are uncertain***" on page 62. In the future we will be required to apply for fresh approvals and permits for any new manufacturing plants, including the Talegaon Manufacturing Plant. For more details, please see "***– The redevelopment of the Talegaon Manufacturing Plant or other plants we may expand or acquire in the future may be subject to delays, disruptions and cost overruns, or may not produce the expected benefits, which could adversely affect our production capacity, financial condition, and results of operation***" on page 38.

19. The technology platform and software deployed in our passenger vehicles is critical for our success. Our failure to maintain, upgrade or adapt these platforms and software could adversely impact our operations.

We deploy technology in our passenger vehicles to enhance customer experience. For example, our passenger vehicles are embedded with software, such as Bluelink™, Hyundai SmartSense, Home to Car and Vehicle-to-Load, among others. For more details on these technologies, see "***Our Business – Key Vehicle Features***" on page 167. The marketability of our passenger vehicles may be adversely impacted if we are unable to maintain and improve the responsiveness, functionality and features of such software and programmes. Any disruption or failure of such technology or software could impair our relationships with our customers, suppliers, dealers or distributors, affect our production scheduling, and adversely impact our business operations and outcomes. We may have to recall some of our passenger vehicles to fix issues that arise in relation to software deployed in our passenger vehicles. For example, we recalled Kona EVs in CY2020 and CY2021 and Tucson in CY2021 due to a technology system failure. For more details, see "***– Any actual or perceived defects in our passenger vehicles and parts or the sales and after-sale services provided through dealers or third parties may adversely impact our brand, reputation, and ability to sell our vehicles, which could have an adverse impact on our operations***" on page 34. We also use third-party licensed software in our technology offerings. Any disruption in these third-party services, either due to license withdrawal, termination of relationship or cessation of services or a decline in quality or reliability, our business, financial condition, cash flows, results of operations and prospects could be materially and adversely affected. Further, we depend on HMC to provide us technology for our manufacturing operations and product innovations. Any failure by HMC to provide these technologies to us on time could adversely impact our operations and may require us to delay production. This in turn could have an adverse impact on the marketability of our products, financial condition and results of operations.

Some of the software we deploy in our passenger vehicles are based on open-source software. As a result, we could be subject to suits by parties claiming ownership of what we believe to be open-source software or claiming non-compliance with open-source licensing terms. Some open-source software licenses may require users who distribute proprietary software containing or linked to open-source software to publicly disclose all or part of the source code to such proprietary software and/or make available any derivative works of the open-source code under the same open-source license, which could include proprietary source code. In such cases, the open-source software license may also restrict us from charging fees to licensees for their use of our software. While we monitor the use of open-source software and try to ensure that open-source software is not used in a manner that would subject our proprietary source code to these requirements and restrictions, such use could inadvertently occur, in part because open-source license terms are often ambiguous and have generally not been interpreted by Indian or foreign courts. Additionally, we may also be subject to legal action on account of unauthorised use of intellectual property rights owned by third parties. For instance, a suit for damages and injunction has been initiated against us in December 2018 by a label manufacturer, alleging that the use of certain laser beam technology by us for engraving/ marking our automotive parts infringe upon such entity's registered patent. This matter is currently pending. We cannot assure you that we will not be subject to such legal actions in the future or that such matters will be resolved in our favour. Further, the technologies that we use may be vulnerable to damage or interruption from power loss, telecommunications failures, errors, glitches, bugs, vulnerabilities, or design defects, among others, which could result in service interruptions or system failures. See also "***– Any actual or perceived cybersecurity or privacy breach could interrupt our operations, harm our brand and adversely affect our reputation, brand, business, financial condition and results of operations***" on page 56.

20. Our long-term competitiveness depends on the evolution of the EV market and the adoption of alternative fuels in India. Our failure to recognise these market trends and meet customer demands for EVs, could adversely impact our operations.

We are a new entrant in the EV market in India. According to the CRISIL Report, the competition within the EV space has been intensifying, illustrated by the fluctuating market shares and positions of automobile companies in India that offer EVs in the passenger vehicle space. Our EV strategy is focused on increasing EV market share by introducing cost-effective models supported by localisation and promoting EV adopting through EV infrastructure development. We seek to calibrate our EV strategy and plan our EV timelines in line with market demands in India, by launching the right EV at the right price point. Depending on future EV demand, we may also consider the development of a charging network across India similar to those in other countries with a more developed EV charging infrastructure. Our failure to identify such trends and introduce EVs cost-effectively could have a material adverse effect on our operations. Further, we may face delays in the expansion of EV charging infrastructure or fail to find prime locations to situate our EV charger stations. In addition, given our limited experience in providing charging solutions, there could be unanticipated challenges, which may hinder our ability to provide our charging solutions or make the provision of our charging solutions costlier than anticipated. To the extent we are unable to meet customer expectations or experience difficulties in selling our EVs, our reputation and business, prospects, financial condition, results of operations and cash flows may be materially and adversely affected.

Further, the Government of India introduced a comprehensive action plan for establishing a Green Hydrogen ecosystem in India, the National Green Hydrogen Mission, which offers incentives for manufacturing of electrolysers and production of green hydrogen, according to the CRISIL Report. While we have been undertaking R&D to develop a cost-effective green hydrogen energy ecosystem in India in collaboration with the nodal agency for investment promotion of the Government of Tamil Nadu and Indian Institute of Technology Madras, there is no assurance that we will develop or implement these technologies on time or before our competitors. We may face competition from other battery alternatives such as lithium iron phosphate and nickel manganese cobalt oxide cathode and batteries alternatives that are not dependent on a charging infrastructure, being developed by other manufacturers and used globally, which may emerge as customers' preferred alternative to our cell technology.

21. Our business depends substantially on the continued efforts of our management including members of our Senior Management and other qualified personnel, and our operations may be disrupted if we lose their services.

Our success depends substantially on the continued efforts of our management including members of our Senior Management and other qualified personnel with expertise in various areas. Our Managing Director as well as certain members of our Senior Management are employed at our Company, typically for a period of four years, pursuant to the policy on Human Resources Regulation for Overseas Expatriates at HMC, our Promoter. For details of our Managing Director and Senior Management, see "***Our Management – Board of Directors***" and

"***Our Management – Our Key Managerial Personnel***" on pages 196 and 212, respectively. If one or more of our members of the Senior Management or Managing Director or other qualified personnel are unable or unwilling to continue their services with us or our Promoter discontinues to provide us such experienced personnel, we might not be able to replace them easily, in a timely manner, or at all, or have access to the experienced personnel including from HMC. This in turn could have a material adverse impact on our business, results of operations, financial position and cash flows.

Our industry is characterised by high demand and intense competition for talent, and therefore we cannot assure you that we will be able to attract or retain engineers, qualified staff, or other highly skilled employees. As we build our brand and become more well-known across our existing markets and target markets, the risk that our competitors or other companies may poach our talent increases. The table below provides our employee attrition rates for the periods indicated:

Particulars	**Nine months ended December 31, 2023**	**Fiscal 2023**	**Fiscal 2022**	**Fiscal 2021**
			(%)	
Employee - Voluntary Attrition Rate [(1)]	3.17	4.85	2.77	1.48
Key Managerial Personnel and Senior Managerial Personnel - Voluntary Attrition Rate [(2)]	0.00	8.51	4.26	0.00

(1) Employees resigned voluntarily during the period/ fiscal divided by the average number of employees during the period/ fiscal. The average number of employees is computed as average of number of employees at the beginning and end of the period/ year.

(2) Key Managerial Personnel and Senior Managerial Personnel resigned voluntarily during the period/ fiscal divided by the average number of Key Managerial Personnel and Senior Managerial Personnel during the period/ fiscal. The average number of Key Managerial Personnel and Senior Managerial Personnel is computed as average of number of Key Managerial Personnel and Senior Managerial Personnel at the beginning and end of the period/ year.

For example, our employee attrition rate increased in Fiscal 2023 primarily due to the market recovery post-COVID-19 when employees preferred to move back to their native places following the COVID-19 pandemic. If our Managing Director or any of the members of our Senior Management or other qualified personnel terminates their services with us due to disability or any other reason, or if their reputation is adversely impacted by personal actions or omissions or other events within or outside their control, our business may be disrupted, our financial condition and results of operations may be materially and adversely affected and we may incur additional expenses to recruit, train, and retain qualified personnel. If any of our Senior Management other qualified personnel joins a competitor or forms a competing company, we may lose customers, know-how and key professionals and staff members. If we are unable to effectively manage our hiring needs or successfully integrate and retain new hires, our efficiency, ability to meet forecasts and productivity levels could suffer, which could adversely affect our business, financial condition, cash flows and results of operations.

22. We source some of the equipment, spare parts and software for our Chennai Manufacturing Plant from third parties. Any failure to source equipment, spare parts and software on time or at terms reasonable to us could have a material adverse impact on our operations.

In addition to the parts and materials sourced for our passenger vehicles, we source some of the equipment such as robots, machining centre and assembly shop filling machines, spare parts such as pneumatic, hydraulic and belts, and software for our operations from third parties. While we may be able to make a claim against the applicable warranty to cover all or a portion of the expenses or losses associated with defective equipment, spare parts or software, such claims may not be sufficient to cover all our expenses and losses as they are often subject to caps and our ability to recover is necessarily limited by the suppliers' ability to pay. As we expand our operations, we cannot assure you that we will be able to obtain equipment, spare parts and software on commercially acceptable terms, or at all. Any failure to obtain equipment, spare parts and software or continued downtime of our equipment, spare parts and software, could impact our ability to meet our production requirements which could have a material adverse effect on our business, prospects, financial condition and results of operation.

23. A form filing relating to an allotment of our equity shares in the past, is not traceable. We cannot assure you that any action will not be initiated against us in the future or that we will not be subject to any penalty imposed by the competent authority in this regard.

The Form 2 required to be filed with the RoC in connection with the allotment of equity shares to our Promoter on December 27, 1996 is not traceable. We have conducted an extensive search of our records with the RoC, both physically and on the MCA portal, and in this regard have obtained a certificate dated June 3, 2024 from BP & Associates, independent practicing company secretaries. However, we have not been able to retrieve the form filing, and accordingly, have relied on documents such as the board resolution passed by our Company in connection with the allotment. Further, we have also intimated the RoC with respect to the untraceable Form 2 by way of our letter dated June 7, 2024. Although no actions have been initiated or pending against us in relation to such untraceable record, as on the date of this Draft Red Herring Prospectus, if we are subject to any such liability, it may have an adverse effect on our reputation, and results of operations. Further, there can be no assurance that there will be no non-compliances in the future and our Company will not be subject to adverse actions by the authorities.

24. We and our Promoter are potentially subject to anti-corruption, anti-bribery, anti-money laundering, financial and economic sanctions and similar laws, and non-compliance with such laws can subject us to administrative, civil and criminal fines and penalties, all of which could adversely affect our business, prospects, financial condition, results of operations, and cash flows.

Our Promoter and us are potentially subject to anti-corruption, anti-bribery, anti-money laundering, and similar laws and regulations in various jurisdictions in which we conduct or in the future may conduct activities, including the Prevention of Money Laundering Act, 2002, Prevention of Corruption Act, 1988, U.S. Foreign Corrupt Practices Act ("**FCPA**"), and other appliable anti-corruption laws and regulations. Such laws prohibit us and our officers, directors, employees and business partners acting on our behalf, including agents, from corruptly offering, promising, authorising or providing anything of value to a "foreign official" for the purposes of influencing official decisions or obtaining or retaining business or otherwise obtaining favourable treatment. Such laws also require companies to make and keep books, records and accounts that accurately reflect transactions and dispositions of assets and to maintain a system of adequate internal accounting controls. A violation of these laws or regulations could lead to administrative, civil and criminal fines and penalties, collateral consequences or remedial measures which may adversely affect our business, results of operations, financial condition and reputation. Our policies and procedures designed to ensure compliance with these regulations may not be sufficient and our directors, officers, employees, representatives, consultants, agents and business partners could engage in improper conduct for which we may be held responsible.

Further, our Promoter and us are also subject to laws related to economic and financial sanctions. For example, the U.S. government, including the U.S. Department of the Treasury's Office of Foreign Assets Control ("**OFAC**") and the U.S. Department of State, administers and enforces certain laws and regulations ("**U.S. primary sanctions**") that impose restrictions upon activities or transactions within U.S. jurisdiction with certain countries or territories, governments, or persons, including entities and individuals, that are the target of U.S. primary sanctions ("**U.S. Sanctions Targets**"). Non-U.S. persons generally are not automatically bound by U.S. primary sanctions, but to the extent they engage in transactions involving a U.S. jurisdictional nexus such as involving U.S. persons or goods or services obtained from the United States (such as, for example, a U.S. dollar payment that clears through a correspondent account in the United States), they are required to comply with OFAC sanctions. Violations of U.S. primary sanctions can result in substantial civil or criminal penalties. In addition to primary sanctions, the United States also maintains "secondary sanctions", which expose non-U.S. parties to a range of U.S. sanctions for engaging in specified activities with certain U.S. sanctions targets, including, for instance, as related to Iran, North Korea, and Russia. U.S. secondary sanctions are maintained under a wide and growing range of statutes and executive orders. For example, non-U.S. persons can be sanctioned for engaging in significant transactions with certain persons designated on OFAC's Specially Designated Nationals and Blocked Persons List (the "**OFAC SDN List**"). Secondary sanctions apply to the conduct of non-U.S. parties, even if those non-U.S. parties engage in such conduct without U.S. person support or participation, and even if those non-U.S. parties have no connections to or operations in the United States. Non-U.S. parties that engage in sanctionable activities are potentially subject to a number of secondary sanctions, including, among other things, designation on the OFAC SDN List, which would prohibit U.S. persons from dealing in all property in which the sanctioned party has an interest, including a prohibition on transactions or dealings within U.S. jurisdiction involving securities of the sanctioned company. The EU also enforces certain laws and regulations that impose restrictions upon nationals and entities of, and business conducted in, EU member states with respect to certain activities or transactions with certain countries and governments, and also with respect to wider ranges of activities involving so-called "designated" entities and individuals (such designated persons being "**EU Sanctions Targets**" and, together with U.S. Sanctions Targets, "**Sanctions Targets**"). Other supra-national and governmental entities also administer and enforce similar sanctions, including United Nations Security Council resolutions and independent sanctions regimes as implemented and administered by countries such as the United Kingdom, Canada and Australia. Violations of these or EU sanctions may also involve civil and criminal penalties.

Our Promoter engages in limited business activities in Sanctions Targets including Cuba, Iran and Syria, which are subject to comprehensive U.S. sanctions. The Promoter does not believe that such activities involve any U.S. or EU jurisdictional nexus, such as U.S.-origin goods or services. For each of CY2021, CY2022 and CY2023, the Promoter's vehicle sales (including sales of CKDs and automotive vehicle parts) relating to Sanctions Targets in aggregate for each year accounted for less than 1% of its total sales, respectively. Both the Promoter and we have implemented policies and procedures designed to ensure compliance with sanctions laws, and both the Promoter and we do not believe that the Promoter or we have engaged or are currently engaged in any transactions with Sanctions Targets that violate or have any material likelihood of being sanctionable under applicable U.S. or EU sanctions. However, given the broad discretion sanctions authorities have in interpreting and enforcing sanctions, there can be no assurances that they will not bring enforcement actions against the Promoter or impose secondary sanctions on the Promoter for its ongoing activities. Any such actions could have a material impact on the Promoter and the Company's business and harm its reputation. It is also possible that the U.S. or EU, or other jurisdictions, could impose broader sanctions in the future and that such sanctions could have a material impact on the Promoter's or our business activities.

25. Our business is subject to costs, risks and uncertainties, including those associated with laws and regulations in domestic and foreign jurisdictions in which we operate. Breach of applicable laws and regulations could adversely affect our business, operations and reputation.

The markets we serve are subject to substantial government regulations, which often differ by state, region and country. We can be impacted by expected and unexpected changes in the legal and regulatory environments in India and the countries where we export our vehicles and parts. Our business, operations and manufacturing processes are subject to various domestic, regional, and foreign laws and regulations governing, among other things, corporate actions, environmental issues (including global climate change and greenhouse gas emissions), fuel economy standards, seat belts, air bags, health and safety of employees and import and export. We have incurred, and will continue to incur, substantial ongoing capital and operating expenditures to ensure compliance with current and future regulatory framework. Violations of such laws and regulations could result in the imposition of significant fines and penalties, the suspension, revocation or non-renewal of our permits, production delays or limitations, imposition of terms of imprisonment or the closure of our plants.

From time to the time, the Government of India and certain state governments introduce various news laws and regulations (some of which could be applied retrospectively) that impact the costs of our vehicles, our sales, profit margins and results of operations. For instance: the Bharat Stage Emission Standards – VI, effective since April 2020, among other things, mandates a reduction in allowable pollutant emission rates for ICE vehicles and set a limit on the particle number emission; the Bharat New Car Assessment Programme, an Indian adaptation of the Global New Car Assessment Program, is a safety rating system for passenger cars; and the Corporate Average Fuel Consumption ("**CAFC**") standards, applicable to manufacturers of passenger vehicles and importers of passenger vehicles for sale in India, regulate the corporate average fuel consumption, i.e., the average of the standards fuel consumption of all vehicles sold by the manufacturers in a fiscal year. Any regulatory changes in CAFC norms might have an impact on the demand of passenger vehicles that may lead to an impact on our sales of passenger vehicles. For details regarding laws applicable to our Company, please see "***Key Regulations and Policies***" on page 178.

We are also subject to anti-dumping regulations. In Fiscal 2015, we paid anti-dumping duty under protest, on account of a provisional order passed by the authorities imposing provisional anti-dumping duty on our Company, payable for a period of six months from April 11, 2014, on import of cast and aluminium alloy wheels exported from China, Korea and Thailand. Thereafter, the Ministry of Finance issued notifications subjecting all automobile manufacturers, including our Company, to anti-dumping duty for a period of five years commencing from the date of the provisional order (*i.e.*, April 11, 2014) which was subsequently extended. While we have paid the anti-dumping duty in protest and filed a petition challenging the validity of the provisional order, there is no assurance that the matter will be resolved in our favour. Further, while we have currently stopped importing such goods, we may import these goods from such countries in the future and there is no assurance that we will not subject to such anti-dumping duty payments in the future. For further details on the anti-dumping matter, please see "***Financial Information*", "*Management's Discussion and Analysis of Financial Condition and Results of***

Operations – Contingent Liabilities" and "***Outstanding Litigation and Material Developments – Tax claims involving our Company, Subsidiaries, and Directors***" on pages 228, 293 and 335, respectively.

Further, the Ministry of Road Transport and Highways recently amended the Automotive Industry Standards (AIS) 156 and AIS 038 (Revision 2) norms in relation to electric powertrain in vehicles, and introduced a stringent testing and certification standard, to ensure better safety following reports of several fire related incidents involving EVs, in the summer of 2023. The amended AIS156 norms requires certification of certain EVs. Additionally, central, state and local laws may result in additional barriers to EV adoption, including additional costs. For example, many states have enacted laws imposing additional registration fees for certain hybrid vehicles and EVs to support transportation infrastructure, such as highway repairs and improvements, which have traditionally been funded through federal and state gasoline taxes. Any of the foregoing could materially and adversely affect the growth of the alternative fuel automobile markets and our business, prospects, financial condition, results of operations and cash flows.

If we are unable to comply with any applicable laws, our business, results of operations and financial condition could be adversely affected. Further, changes in domestic and foreign laws, regulations and policies, as well as changes in policies relating to foreign trade and investment, may affect our ability to operate and the manner in which we manage our business in the countries in which we operate.

26. We depend on contractors and sub-contractors for the timely and successful completion of construction works, and their failure to complete the project on time or at all may adversely affect our business and profitability.

We engage contractors to perform some of our construction works, such as constructing the Talegaon Manufacturing Plant. Any delays by our contractors to complete the construction of a project could result in our inability to meet project timelines. Our contractors may not be able to replace sub-contractors without any disruptions or adverse consequences to our operations and in certain situations, may be compelled to engage certain sub-contractors over multiple projects to derive cost efficiencies. There can be no assurance that the sub-contractors will continue to perform their obligations to the same standards as those required by us or that our contractors will be able to enter into new or continue our existing arrangements with sub-contractors on acceptable terms, which could have an adverse effect on our manufacturing costs and schedules, which may impact our business and profitability. Further, our sub-contractors may fail to comply with applicable laws including labour laws, regulations and governance requirements. In such an event, we may be held accountable for the consequences of such non-compliance which may result in fines, penalties or other regulatory actions, leading to disruption of operations and impact on financial performance.

27. We use heavy machinery at our manufacturing plants which could cause bodily harm and accidents, which in turn could adversely impact our operations.

The use of heavy equipment and machinery, which are an integral part of our production process, carries risks such as industrial accidents, bodily harm, fires, explosions, environmental hazards (such as the accidental release of pollutants or hazardous substances) and other unanticipated incidents, each of which may result in disruptions to our business, damage our manufacturing plants, cause environmental pollution or result in injury and death. For example, in CY2021, one of our employees while conducting maintenance work of a machinery at the Chennai Manufacturing Plant suffered injuries which lead to his death. A claim for compensation was filed by the relatives of the deceased employee before the Joint Commissioner of Labour, Chennai alleging that the management of the Chennai Manufacturing Plant directed the employee not to wear the necessary safety gear while performing this task which resulted in his death. Pursuant to the order passed by the Joint Labour Commissioner, Chennai and in compliance with the Employee Compensation Act, we settled the compensation with the legal heirs of the deceased employee. Although we were able to settle the dispute, there is no assurance that such instances will not occur again or we will be able to settle the disputes on time or at all, which will negatively affect our reputation and results of operations.

28. We may be affected by competition law in India and any adverse application or interpretation of competition law in India could adversely affect our business and activities.

The Competition Act, 2002, as amended ("**Competition Act**"), regulates and was enacted for the purpose of preventing practices that have or are likely to have an appreciable adverse effect on competition ("**AAEC**") in the relevant market in India and mandates the Competition Commission of India (the "**CCI**") to address such practices. The Competition Act prohibits any anti-competition agreement or arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an AAEC in India. Any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, or shares the market, source of production or provision of services in any manner by way of allocation of geographical area, type of goods or services or consumers in the relevant market or in any other similar way or directly or indirectly results in bid-rigging or collusive bidding is presumed to have AAEC.

The Competition Act also prohibits abuse of a dominant position by any enterprise. The combination regulation (merger control) provisions under the Competition Act require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the CCI. Any breach of the provisions of Competition Act, may result in substantial monetary penalties. The Competition Act aims to, among other things, prohibit all agreements and transactions, which may have an AAEC in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an AAEC in India. We are currently a party to two outstanding proceedings under the Competition Act wherein certain anti-competitive practices have been alleged against us in relation to (a) restrictive arrangements entered into by our Company and other automobile manufacturers with the suppliers of spare parts of the vehicles produced by our Company for exclusive supply to its authorised dealers, allegedly resulting in excessive pricing of such spare parts in the market; and (b) exclusive supply agreements and arrangements for after-sales services and spare parts with its dealers which are allegedly in contravention of the Competition Act. For further details of such proceedings, please see "***Outstanding Litigation and Material Developments – Litigation involving our Company – Actions by statutory and regulatory authorities involving our Company***" on page 331. The applicability of the Competition Act or any future law or amendments to the regulations involving competition, to any merger, amalgamation or acquisition proposed by us, or any enforcement proceedings initiated by the CCI in future, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI may affect our business, financial condition and results of operations.

29. Our warranty reserves may be insufficient to cover future warranty claims, which could adversely affect our financial condition and results of operations.

We offer warranties to customers when they purchase the passenger vehicles, such as new passenger vehicle warranty, replacement party warranty, emission warranty, powertrain extended warranty and passenger vehicle extended warranty options. Our warranty programmes are intended to cover all parts and labour costs to repair defects in material and workmanship. For more details on our warranties, see "***Our Business – Warranty***" on page 172. The following table shows the warranty provision created for the period/year for the periods indicated:

Warranty provision created for the period / year	**Nine months ended December 31, 2023**	**Fiscal 2023**	**2022**	**2021**
	(₹ millions unless otherwise stated)			
Provisions for warranty (net)	1,819.78	2,144.58	1,917.63	1,989.07
Number of warranty claims	7,80,519	7,18,766	5,56,196	3,87,655
Aggregate amount claimed/paid by our Company resulting from the warranty claims	2,411.12	2,666.48	2,661.17	2,115.17
Aggregate amount claimed/paid by our Company resulting from the warranty claims as a percentage of provision of warranty (%)	132.50	124.34	138.77	106.34

We are subject to warranty claims under warranty agreements. Although we have provision for warranties, we may receive warranty claims that are more than our provisions and incur significant expenses. In addition, if there is an increase in our sales volumes in line with our business strategy, we could experience an increase in the number of warranty claims and be required to increase our warranty provisions. These factors in turn could affect our financial condition, results of operations and prospects.

30. The locations of our dealers and distributors' showrooms are critical to our success and any failure by our dealers to strategically open showrooms could adversely impact our operations and sales volumes.

The locations of our dealers and distributors' showrooms are also critical to our success. We cannot assure you that the current locations of the showrooms of our dealers and distributors will continue to be attractive as demographic patterns change, and the leases and relevant licenses can be renewed or extended on terms less favourable to our dealers or distributors. If our dealers or distributors are not able to maintain or open showrooms in new locations for our customers, it could have a material impact on our ability to sell our passenger vehicles.

31. Our Promoter may be involved in ventures which are engaged in the same line of activity or business as that of our Company and this may result in conflicts of interest with us. Our Directors, Key Managerial Personnel and Senior Management may have interests in our Company in addition to their remuneration and reimbursement of expenses.

Our Promoter may be involved in other ventures which are engaged in the same line of activity or business as that of our Company and may be interested to the extent of any transaction entered into by our Company with any other company, firm or entity in which they are interested, including as a director, promoter or partner. We cannot assure you that our Promoter will not provide competing services or otherwise compete in business lines in which we are already present or will enter into in the future. This may give rise to conflicts of interest, which may adversely affect our business, financial condition and results of operations. For further details see, "- ***We depend on HMC, our Promoter, for our operations. Any adverse change in our relationship with HMC and the companies in the Hyundai Motor Group could have an adverse impact on our business, reputation, financial condition, and results of operations.***" on page 30. Further, our Managing Director, Unsoo Kim, on account of the position held by him in our Company, also serves as the head of the India, Middle-East & Africa Strategic Region of HMC, our Promoter, and to the extent of this role, reports directly to our Promoter. The involvement in such role by our Managing Director may divert his time and attention and this may adversely affect our business.

Certain of our Directors, Key Managerial Personnel and Senior Management may be regarded as having an interest in our Company other than the reimbursement of expenses incurred and normal remuneration or benefits. For further details, see "***Our Management - Interest of Directors***" and "***Our Management – Interest of Key Managerial Personnel and Senior Management***" on page 202 and 215. Further, while none of our Directors, Key Managerial Personnel or Senior Management hold any Equity Shares as on date, except for our Managing Director and four members of our Senior Management (namely Wangdo Hur, Daeick Kim, Jong Hoon Lee and Jae Wan Ryu who hold 100 Equity Shares each as nominees of our Promoter), they may hold such Equity Shares through public trade or any dividends, bonuses or other distributions on such Equity Shares in the future. Our Promoter is also interested to the extent of Equity Shares held by it and the transactions entered into by our Promoter and the companies within the Hyundai Motor Group with our Company. For further details see, "- ***We have entered into and may continue to enter into related party transactions with HMC and the companies within the Hyundai Motor Group that may involve conflicts of interest which could adversely impact our business.***" on page 32. We cannot assure you that our Promoter, Directors, our Key Managerial Personnel and Senior Management will exercise their rights as shareholders to the benefit and best interest of our Company under all circumstances. For further details, see "***Capital Structure***" and **"*Our Promoter and Promoter Group – Interests of our Promoter***" on pages 86 and 219 respectively.

32. Disruptions of transportation network and transportation infrastructure or deficiencies in service provided by our logistic service providers may have an adverse effect on our business and results of operations.

We depend on the transportation and logistics networks, and the connectivity and conditions of the road, rail, sea and general transportation infrastructure in India and outside in India. Delays in supply and transportation of passenger vehicles to dealers, distributors or customers due to inadequacies of the transportation infrastructure in India, disruptions in railway, road or sea transportation networks due to weather related events, labour strikes, wars or otherwise, could impact our operations. The ongoing conflict in the Red Sea caused by delays in our exports to certain regions, such as to North Africa for a few days, and as a result we had to follow alternate shipping routes and advanced production schedules to meet our delivery timelines. Distributors may have to receive deliveries in alternative ports which are congested and more distant, increasing the risk of late delivery and complicating supply and inventory planning for both us and our distributors. While these instances did not have a significant impact on our operations, there is no assurance that such delays will not occur in the future. Further, our transit insurance does not cover delays in parts and materials supply, or transportation of passenger vehicles and any claims brought against us by dealers or distributors or customers, which could require us to expend significant resources to defend such claims, which would have a material impact on our financial condition.

While the Government of India has announced and implemented several initiatives such as National Infrastructure Pipeline, Gati Shakti Scheme and National Logistics Policy to improve the transportation infrastructure in the country, as per the CRISIL Report, improvement in such infrastructure will involve major capital expenditure and policy and administrative focus. We cannot assure you that the road, rail and general transportation infrastructure will improve to a level or be maintained at such level that would result in improvement in our business or that the planned improvements to such infrastructure will be completed in a timely manner, or at all. In addition, according to the CRISIL Report, increasing traffic congestion on roads especially in urban centres owing to rapid urbanisation could result in customers deferring personal vehicle purchases. Any disruption of or failure of the transportation network in and outside India, could have an adverse impact on demand for our vehicles and parts, our supplies and production schedule as well as delivery of passenger vehicles and parts to our dealers, distributors, and customers, and in turn have an adverse impact on our operations. We also rely on third parties for transportation services for both domestic sales and exports. Any failure by these service providers to transport our passenger vehicles to dealers or distributors on time and in marketable condition or any service deficiency caused by these service providers could have a material impact on our operations.

33. There have been certain instances of delays in payment of statutory dues by our Company in the past. Any delay in payment of statutory dues by our Company in future, may result in the imposition of penalties and in turn may have an adverse effect on our Company's business, financial condition, results of operation and cash flows.

Our Company is required to pay certain statutory dues including provident fund contributions and employee state insurance contributions under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees' State Insurance Act, 1948, respectively, and professional taxes. The table below sets forth the details of the statutory dues paid by our Company in relation to its employees for the periods indicated below:

	Nine months ended December 31,	Fiscal		
Nature of Payment	**2023**	**2023**	**2022**	**2021**
		(₹ *millions*)		
Employee state insurance	0.12	0.43	21.81	18.29
Gratuity	154.60	195.93	155.20	139.97
Provident fund	868.83	1,110.74	884.91	810.34
Superannuation	191.11	231.71	201.02	166.78
Professional tax	12.97	15.71	17.57	15.52
Tax deducted at source on salary	1,294.29	2,007.10	1,476.84	1,273.00

Number of employees of our Company:

	Nine months ended December 31,	Fiscal		
	2023	**2023**	**2022**	**2021**
Total employees	5,475	5,327	5,307	5,322

Further, the table below sets out details of the delays in statutory dues payable by our Company in relation to its employees:

Particulars	**Employee provident fund**	**Employee state insurance**
Authority	**The Employees' Provident Funds and Miscellaneous Provisions Act, 1952**	**The Employees' State Insurance Act, 1948**
Number of employees	5,323	2,141
Amount of delay (₹)	**74,515,340**	**1,213,482**
Due for the month of	May 2021	July 2020
Due date	June 15, 2021	August 15, 2020
Actual date of payment	June 16, 2021	August 18, 2020
Number of days of delay	**1**	**3**

In July of Fiscal 2021 there was a delay in payment of the employee state insurance contribution on account of the Covid-19 pandemic and in May of Fiscal 2022 there was a delay in the remittance towards the employee provident fund (PF) on account of a server issue on the PF portal, and although we were not required to pay any penalty for such delays, we cannot assure you that there will be no such delays in the future or that we will not be subject to action by the authorities.

34. *Our business is seasonal in nature and a decrease in our sales during some quarters could have an adverse impact on our financial performance.*

The sales volumes and prices of our passenger vehicles are influenced by the cyclicality and seasonality of demand for passenger vehicles in the countries in which we operate. Typically demand for passenger vehicles peaks between January and March, is lean from April to July, and picks up again in the festival season from September onwards, with a decline in December due to year-end. The demand for our exported passenger vehicles also depends on the cyclicality and seasonality of passenger vehicle demand in each country. We also expect our period-to-period results of operations to vary based on our operating costs, which we anticipate will increase significantly in future periods as we, among other things, design, develop, and manufacture newer models of our passenger vehicles, expand and further equip our manufacturing plant to manufacture such passenger vehicles, open new manufacturing plants, increase our sales and marketing activities, and increase our general and administrative functions to support our growing operations. Any increases in our operating costs may also lead to a commensurate increase in the price of our passenger vehicles which may lead to a resultant decrease in demand for our passenger vehicles. As a result of these factors, we believe that period-to-period comparisons of our results of operations are not necessarily meaningful and that these comparisons cannot be relied upon as indicators of future performance. Moreover, our results of operations may not meet the expectations of equity research analysts or investors. If this occurs, the trading price of our shares could fall substantially either suddenly or over time.

35. *Changes in tax laws may materially and adversely affect our business, prospects, financial condition, results of operations and cash flows.*

New income, sales, use or other tax laws, statutes, rules, regulation or ordinances could be enacted at any time, or interpreted, changed, modified or applied adversely to us, any of which could adversely affect our business operations and financial performance. The Government of India announced the union budget for Fiscal 2024 and the finance bill in the Lok Sabha on February 1, 2023. The bill received assent from the President of India on March 30, 2023, and was enacted as the Finance Act, 2023.

In particular, with the objective to address climate issues, the Government of India proposes to reduce the goods and services tax ("**GST**") on hybrid passenger vehicles to 5% and 12% on flex engines, while the GST on diesel and petrol vehicles is proposed to remain at 28%. At present, GST on passenger vehicles in India is applicable across multiple slab rates of 5%, 12%, 18% and 28%. The most relevant GST rate on cars is 28% that applies to motor vehicles, including those for personal as well as commercial use. However, GST is not the only tax applicable to motor vehicle sales, as a compensation cess of up to 25% could be levied on cars in addition to the 28% GST that is applicable. In the event such amendment become effective, it could have an adverse impact on the sales volumes of our diesel and petrol vehicles which could affect our margins, business, and results of operations. Further, to attract major global players, the Government of India approved the Scheme to Promote Manufacturing of Electric Passenger Cars in India ("**SPMEPCI**") on March 15, 2024. In accordance with SPMEPCI, a lower customs duty or import duty of 15% would be applicable for a total period of five years (from the date of issuance of approval letter by Ministry of Heavy Industries) subject to setting up of manufacturing facility(ies) in India within a period of three years involving a minimum investment of ₹41,500 million. This may impact our sales due to increase in competition which could affect our margins, business and results of operations. Further, in the interim union budget for the Fiscal 2025, the Government of India announced that it will expand and strengthen the EV ecosystem by supporting manufacturing and charging infrastructure. The Government of India also highlighted that greater adoption of e-buses for public transport networks will be encouraged through a payment security mechanism.

In light of this, we are currently unable to predict whether such changes will occur and, if so, the ultimate impact on our business. To the extent that such changes have a negative impact on us, our suppliers or our customers, including as a result of related uncertainty, these changes may materially and adversely affect our business, prospects, financial condition, results of operations and cash flows.

36. *We have certain contingent liabilities, which if materialise, may adversely affect our financial condition.*

We have disclosed certain contingent liabilities in our Restated Consolidated Financial Information. The following table sets forth details of our contingent liabilities, capital commitments and guarantees as of December 31, 2023 and March 31, 2023, 2022, 2021:

	Particulars	As of December 31, 2023	As of March 31, 2023	2022	2021
			(₹ millions)		
(a)	Claims against the us not acknowledged as debt				
	(i) Customs duty	6,374.39	6,374.39	6,656.70	6,061.07
	(ii) Anti-dumping duty	154.74	154.74	154.74	154.74
	(iii) Excise duty and service tax	7,607.56	7,607.85	7,613.48	344.97
	(iv) Maharashtra Value Added Tax	-	0.85	0.21	0.21
	(v) Tamil Nadu VAT	6.88	287.09	280.21	613.34
	(vi) Goods and Service Tax	8,710.78	903.08	27.01	-
	(vii) Income tax	4,617.21	4,938.43	5,269.33	6,733.82
	(viii) Penalty levied by Competition Commission of India	4,202.61	4,202.61	4,202.61	4,202.61
	(ix) Others	68.07	68.07	2,308.53	789.28
(b)	Decided in favour of our Company against which department has gone on appeal				
	(i) Income Tax	5,035.84	5,035.84	4,070.40	305.67
	(ii) Competition Commission of India	870.00	870.00	870.00	870.00
(c)	Guarantees	6,000.00	6,000.00	6,000.00	6,000.00

There can be no assurance that we will not have similar or increased levels of contingent liabilities in the current Fiscal. Our future contingent liabilities may crystallise and become actual liabilities. If any of our future contingent liabilities become actual liabilities, our business, financial condition, cash flows and results of operations may be adversely affected. For details regarding our contingent liabilities, see Note 35.1 to the Restated Consolidated Financial Information. See *"**Restated Consolidated Financial Information – Note 35.1 – Contingent liabilities**"* on page 264, and "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Contingent Liabilities***" on page 315.

37. We require significant capital to support our growth strategies. Any failure to raise additional financing could have an adverse effect on our business, results of operations, financial condition and cash flows.

We require a substantial amount of capital to build and maintain our manufacturing plants, purchase equipment and develop and implement new technologies for our manufacturing plants. For example, we have entered into four memoranda of understanding with the Government of Tamil Nadu for our Chennai Manufacturing Plant and offer letters with the Government of Maharashtra for our Talegaon Manufacturing Plant, all of which involved investment commitments. The table below sets forth our payment for acquisition of property, plant and equipment and intangible assets for the periods indicated:

	Nine months ended December 31, 2023	Fiscal 2023	2022	2021
Revenue from operations *(₹ millions)*	521,579.11	603,075.80	473,784.32	409,722.51
Depreciation and amortisation expenses *(₹ millions)*	16,500.89	21,898.66	21,695.86	19,731.65
Depreciation and amortisation expenses as a percentage of revenue from operations *(%)*	3.16	3.63	4.58	4.82
Payment for acquisition of property plant and equipment and intangible assets *(₹ millions)*	27,354.42	22,609.82	12,649.79	25,828.88
Payment for acquisition of property plant and equipment and intangible assets as a percentage of revenue from operations (%)	5.24	3.75	2.67	6.30

For more details of our contractual obligation, please see "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Contractual Obligations***" on page 314. The actual amount and timing of our future capital requirements may differ from estimates as a result of, among other factors, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, economic conditions, engineering design changes, weather related delays, technological changes, additional market developments and new opportunities in the automotive industry. If our internally generated capital resources and available credit facilities are insufficient to finance our capital expenditure and growth plans, we may, in the future, need to seek additional financing from third parties, including banks and financial institutions. Our ability to arrange financing and the costs of capital of such financing depend on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. We may be subject to certain restrictive covenants in respect of our debt financing Any issuance of equity, on the other hand, would result in a dilution of the shareholding of existing shareholders. If we are unable to obtain such financing in a timely manner, at a reasonable cost and on acceptable terms, we may be forced to delay our expansion plans, downsize or abandon such plans, which may materially and adversely affect our business, financial condition and results of operations, as well as our future prospects.

38. We may not realise the anticipated benefits of existing or future strategic alliances, joint ventures, acquisitions, divestitures, or business strategies.

We may in the future enter into strategic alliances, including joint ventures or minority equity investments, with various third parties to further our business purpose from time to time. For example, we acquired the Talegaon Manufacturing Plant in December 2023. These investments could subject us to a number of risks, including risks associated with sharing proprietary information with and non-performance by third parties, and increases in expenses in establishing new strategic alliances, any of which may materially and adversely affect our business. We may have limited ability to monitor or control the actions of these third parties and, to the extent any of these third parties suffers negative publicity or harm to their reputation from events relating to their businesses, we may also suffer negative publicity or harm to our reputation by virtue of our association with any such third party.

In addition, if appropriate opportunities arise, we may acquire additional assets, products, technologies, or businesses that are complementary to our existing business. For future acquisitions, we may have to obtain approvals and licenses from relevant government authorities for the acquisitions and comply with any applicable Indian laws and regulations, which could result in increasing delay and costs, and may derail our business strategy if we fail to do so. Moreover, the costs of identifying and consummating acquisitions may be significant. Furthermore, past and future acquisitions and the subsequent integration of new assets and businesses into our own require significant attention from our management and could result in a diversion of resources from our existing business, which in turn could have an adverse effect on our operations. Acquired assets, including our newly-acquired Talegaon Manufacturing Plant, or acquired businesses, may not generate the financial results we expect. Acquisitions could result in the use of substantial amounts of cash, potentially dilutive issuances of equity securities, the occurrence of significant goodwill impairment charges, amortisation expenses for other intangible assets, and exposure to potential unknown defects of the acquired assets or liabilities of the acquired business. Any acquired business may be involved in legal proceedings originating from historical periods prior to the acquisition, and we may not be fully indemnified, or at all, for any damage to us resulting from such legal proceedings, which could materially and adversely affect our financial condition and results of operations.

39. Foreign exchange rate fluctuations can adversely affect our financial results due to sales and expenses in different currencies and the value of our Equity Shares.

Our Restated Consolidated Financial Information are reported in the Indian Rupee. Accordingly, our consolidated financial results and assets and liabilities may be materially affected by changes in the exchange rates of foreign currencies, which have fluctuated significantly in recent years. A proportion of our consolidated financial results, assets and liabilities are accounted for in currencies other than the Indian Rupee before being converted into and reported in the Indian Rupees. In addition, the policies of the Reserve Bank of India ("**RBI**") may change from time to time, which may limit our ability to effectively hedge our foreign currency exposures and may have an adverse effect on our business, financial condition, cash flows and results of operations. To the extent that we incur costs in one currency and make sales in another, our profit margins may be affected by changes in the exchange rates between the two currencies. Since the currency in which sales are recorded may not be the same as the currency in which expenses are incurred, foreign exchange rate fluctuations may materially affect our results of operations. Our exposure to foreign exchange rate fluctuation risks mainly derived from import of parts and materials, royalty payments and export of passenger vehicles. The following table provides a breakdown of our revenue from operations in India and exports for the periods indicated:

Nine months ended December 31,	Fiscal		
2023	2023	2022	2021

	Nine months ended December 31,		Fiscal					
		% of revenue from operations		*% of revenue from operations*		*% of revenue from operations*		*% of revenue from operations*
	(*₹ millions except percentages*)							
India	398,150.49	76.34	461,866.65	76.59	373,320.21	78.80	332,748.27	81.21
Exports	123,428.62	23.66	141,209.15	23.41	100,464.11	21.20	76,974.24	18.79
Revenue from operations	**521,579.11**	**100.00**	**603,075.80**	**100.00**	**473,784.32**	**100.00**	**409,722.51**	**100.00**

The following table provides a breakdown of materials and stock-in-trade sourced from domestic suppliers and through imports for the periods indicated:

Particulars	Nine months ended December 31, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount (₹ millions)	% of purchases of parts and materials	*Amount (₹ millions)*	% of purchases of parts and materials	*Amount (₹ millions)*	% of purchases of parts and materials	*Amount (₹ millions)*	% of purchases of parts and materials
Parts and materials sourced from domestic suppliers	317,959.49	76.93%	389,179.10	80.11%	316,445.59	82.45%	263,919.96	80.41%
Parts and materials sourced through imports	95,365.09	23.07%	96,648.22	19.89%	67,348.94	17.55%	64,308.00	19.59%
Total	**413,324.58**	**100.00%**	**485,827.32**	**100.00%**	**383,794.53**	**100.00%**	**328,227.96**	**100.00%**

We benefit from a natural hedge against foreign currency risk by virtue of our export sales offsetting our imports to an extent. We also enter into derivative transactions such as forward contracts and discounting of export bills to hedge our foreign currency exposure. Although the impact of exchange rate fluctuations has in the past been partially mitigated by such strategies, our results of operations have historically been affected by exchange rate fluctuations and there can be no assurance that such strategies will be effective in reducing or eliminating the adverse impact of such fluctuations in the future. Exchange rate fluctuations can also affect the Indian Rupee value of our monetary assets and liabilities denominated in foreign currencies irrespective of operating results, which could have an adverse impact on the value of our Equity Shares. See "***Management's Discussion and Analysis of our Results of Operations***" on page 292 for more details.

40. We are exposed to risks in connection with the provision of services.

We provide various service offerings to our customers and dealers, including after-sale services, warranty, insurance policy purchasing and claim assistance service, financing, transportation service and certified pre-owned programme. In certain instances, we depend on our dealership network to provide after-sale services to customers. If we fail to provide high quality services in a consistent manner, our relationship with customers and dealers, reputation, financial condition and results of operations could be adversely affected. In addition, our subsidiary, Hyundai Motor India Engineering Private Limited, provides consulting services related to engineering support to other companies within the Hyundai Motor Group. Our financial condition and results of operations could be adversely impacted if any of these companies reduce or cease purchasing such engineering services from our subsidiary.

41. Our business depends on adequate and uninterrupted availability of electrical power and water, and any failure to do so may have an adverse impact on our operations.

Adequate and uninterrupted supply of electrical power and water is critical to our operations. There may be disruptions in power supply due to natural calamities or scarcity of fuel supply at our manufacturing plants from time to time. Prolonged disruptions in the availability of power and fuel could require us to suspend our operations. We may also be affected by an increase in power and fuel costs that we may not be able to adequately pass on to our customers. For instance, our Company, along with the natural gas supplier for our Chennai Manufacturing Plant, is currently involved in an ongoing litigation with another natural gas supply entity in connection with the supply of natural gas by our supplier to the Chennai Manufacturing Plant, allegedly in contravention of a license granted to other natural gas supply entity for supply of natural gas on an exclusive basis in the area. In case of any unfavourable decision in the matter, we may be required to enter into an arrangement with another entity for supply of natural gas to the Chennai Manufacturing Plant, which may not be on terms favourable to our Company and could increase costs. Any significant increase in the cost of electricity and fuel could adversely affect our profitability and operating margins. Operations at our plants also depend on a steady supply of water. If there is an insufficient supply of water for our operations, we may need to limit or delay or suspend our operations, which could adversely affect our business, financial condition and results of operations.

42. We depend on building relationships with insurance companies for our insurance brokering business, and any failure to do so could adversely impact our insurance brokering business.

Through our Subsidiary, Hyundai India Insurance and Broking Private Limited, incorporated in Fiscal 2022, we facilitate customers to avail third-party passenger vehicle insurance products through our website, the "myHyundai" app and our dealers. The success of our insurance brokering business depends on our ability to develop strategic business relationships with insurance companies. Our subsidiary, Hyundai India Insurance and Broking Private Limited, collects brokerage fees from insurance companies when customers purchase passenger vehicle insurance products through our dealers. Any failure to maintain these relationships and facilitate the availability of these insurance products to our customers, could adversely impact our insurance brokering business.

43. If passenger vehicle owners customise our passenger vehicles with aftermarket products or use counterfeit parts, the passenger vehicles may not operate properly, affecting their performance, which could result in complaints and negative publicity, which may harm our brand and business.

Customers may seek to alter our passenger vehicles with aftermarket parts to modify their performance, or use counterfeit parts, intentionally or accidentally, for repair and maintenance, which could compromise safety and security systems. We do not test, nor do we endorse or provide warranties for, such changes or products. Such unauthorised modifications could reduce the performance, safety and security of our passenger vehicles, which could result in adverse publicity or lawsuits against us. For example, we are subject to certain lawsuits initiated by our customers alleging manufacturing defects in our passenger vehicles arising out of parts which have not been replaced with genuine parts as required under the warranty policy of our Company. For further details of the proceedings initiated by consumers which are pending against us, please see "***Outstanding Litigation and Material Developments – Litigation involving our Company – Material civil litigation against our Company***" on page 335.

44. We are subject to risk associated with the availability of automobile financing. Our dealers' inability to source adequate finances to maintain their inventories of our passenger vehicles could adversely impact our operations.

We facilitate the access to financing arrangements for our dealers by working with banking institutions to provide cash credit to dealers identified by us to support their purchase of our passenger vehicles. In the event, such dealer defaults in repayment to the banking institution, we may stop supplying our vehicles to such dealer until the overdue amount is paid to the banking institution. Any reduction in the supply of available automobile financing for purchase of new passenger vehicles could create additional pressures to decrease prices and increase marketing incentives to maintain demand for our passenger vehicles. Over time, and particularly in the event of any credit rating downgrade, market volatility, market disruption, regulatory changes or otherwise, automobile financing providers may reduce the amount of financing they provide to our customers, which could severely reduce the sale of our passenger vehicles.

45. We may be unable to adequately protect our intellectual property rights and may be subject to intellectual property infringement claims, either of which may substantially harm its business.

We regard our trademarks, patents and other similar intellectual property rights as critical to our success and have obtained or applied for trademarks and patents for various passenger vehicles, parts and technologies. We have invested significant resources to develop our own intellectual property. See "***Our Business – Intellectual Property***" on page 174. We have also granted an exclusive right to Mobis, one of our Group Companies, to use our trademarks, logos and/ or designs, without payment of any license fee, in connection with its after sales services business (which was transferred by our Company to Mobis in Fiscal 2008). For details of the arrangement with Mobis, see "***Group Companies – Related business transactions within our Group Companies and significance on the financial performance of our Company***" on page 225. While we seek to protect our intellectual property rights, policing unauthorised use of intellectual property rights is difficult and sometimes practically infeasible, there is no assurance that the steps we have currently taken will prevent misappropriation or infringement of our intellectual property rights. For example, a third-party battery manufacturer fraudulently represented itself as a "Hyundai" associated company in a government PLI scheme and was granted the mandate. We subsequently filed a trademark infringement case before the Delhi High Court and obtained a favourable order which resulted in a rebidding process under the PLI scheme. While we were able to take legal action against such manufacturer and avail damages, such instances could create negative perception of our brand and impact our reputation and operations. Any misappropriation or infringement could materially and adversely affect our results of operations and financial condition.

As of the March 31, 2024, we had 77 registered trademarks under the Trade Marks Act, 1999 and two registered patents under the Patents Act, 1970 in India that are ultimately owned by HMC, our Promoter while applications in relation to five trademarks and one patent are pending in India. We cannot assure you that all our pending patent applications will result in issued patents. There can be no assurance that we will be able to renew the registration in a timely manner or at all. As a result, we may not be able to prevent infringement of our trademarks and a passing off action may not provide sufficient protection until such time that this registration is granted. We may also be harmed by the actions of or negative press relating to entities which have similar names to us. Any unauthorised or inappropriate use of our brand, trademarks and other related intellectual property rights by others in their corporate names, product brands or otherwise could harm our brand image, competitive advantages and business, and dilute or harm our reputation and brand recognition.

Despite our efforts to protect our proprietary rights, third parties may attempt to copy or otherwise obtain and use our intellectual property or seek court declarations that they do not infringe upon our intellectual property rights. Monitoring unauthorised use of our intellectual property is difficult and costly, and we cannot assure you that the steps we have taken or will take will prevent misappropriation of our intellectual property. From time to time, we may have to resort to litigation to enforce our intellectual property rights, which could result in substantial costs and diversion of our resources.

46. We have experienced negative cash flows in the past.

We have reported negative cash flows in the past. The table below provides our cash flows for the periods indicated:

	For the nine months ended December 31,	**Fiscal**		
	2023	**2023**	**2022**	**2021**
		(₹ millions)		
Net cash generated from operating activities	45,576.72	65,642.56	51,384.09	54,225.23
Net cash used in investing activities	(138,024.10)	(14,116.24)	(9,052.93)	(21,968.06)
Net cash flows (used in) / generated from financing activities	(51,019.69)	(15,792.34)	(16,620.39)	1,434.47
Cash and cash equivalents at the end of the period / year	33,978.31	177,411.47	141,388.42	115,676.31

Any significant cash outflows in the short term from investing and financing activities, could have an adverse impact on our cash flow requirements, business operations and growth plans. As a result, our cash flows, business, future financial performance and results of operations could be adversely affected. For further details, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources – Cash Flows***" on page 312.

47. We rely primarily on third-party policies to insure our operations-related risks. If our insurance coverage is inadequate, it may have an adverse effect on our business, financial condition, and results of operations.

We maintain insurance which we believe is typical in our industry in India and in amounts which we believe to be commercially appropriate for a variety of risks, including insurance policies related to protection from fire, earthquake, burglary and special perils, group medical and accident insurance, commercial crime insurance, public liability insurance, commercial package insurance and marine cargo insurance. The table below sets forth our insurance cover as a percentage of total assets for the periods indicated:

(in ₹ million, unless specified otherwise)

	As of December 31, 2023	As of March 31, 2023	As of March 31, 2022	March 31, 2021
Tangible assets comprising of property, plant and equipment (excluding freehold land, test vehicles, other vehicles & leasehold improvements), Capital Work in Progress and inventories	102,667.18	98,797.30	90,145.35	94,837.46
Amount of insurance coverage	160,500.45	150,875.67	117,788.34	104,938.32
Insurance coverage as a percentage to Tangible assets comprising of property, plant and equipment (excluding freehold land, test vehicles, other vehicles & leasehold improvements), Capital Work in Progress and inventories	156.33%	152.71%	130.66%	110.65%

However, such insurance may not be adequate to cover all losses or liabilities that may arise from our operations, particularly when the loss suffered is not easily quantifiable. For example, our insurance does not cover product liability costs and losses related to the recall of passenger vehicles for design defects or replacement of parts. While the majority of our contracts with suppliers include indemnification provisions for liabilities arising from product defects, such recourses are subject to limitations set for the contracts, and there is no assurance that we will be able to claim losses from suppliers due to product liability claims or recalls resulting for defective supplies. Our insurance policies also contain exclusions and limitations on coverage, and, accordingly, we may not be able to assert claims for the full amount of any liability or losses. Additionally, there may be various other risks and losses for which we are not insured because such risks are either uninsurable or not insurable on commercially acceptable terms.

Even if our insurance coverage is adequate to cover our direct losses, we may not be able to take remedial actions or other appropriate measures in a timely manner or at all. Furthermore, our claim records may affect the premiums which insurance companies may charge us in the future. Furthermore, there can be no assurance that in the future we will be able to maintain insurance of the types or at levels which we deem necessary or adequate or at premiums which we deem to be commercially acceptable. If we are unable to pass the effects of increased insurance costs on to our customers, the costs of higher insurance premiums could have a material adverse effect on our costs and profitability. Additionally, some of our insurance claims may be rejected by the insurance companies in the future and there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part, or on time. The occurrence of an event for which we are not insured, where the loss is more than the insured limits or where we are unable to successfully assert insurance claims from losses, it could result in uninsured liabilities. Any uninsured losses or liabilities could result in an adverse effect on our business operations, financial conditions and results of operations.

48. Any actual or perceived cybersecurity or privacy breach could interrupt our operations, harm our brand and adversely affect our reputation, brand, business, financial condition and results of operations.

Our digital platforms and those of our dealers or suppliers as well as the network that we are connected to may be vulnerable to cyberattacks and security breaches including, social engineering, denial of service, credential stuffing, ransomware and other malware, employee error and malfeasance and other sources of disruption, and third parties may be able to access data. Employee error, malfeasance, or other errors in the storage, use or transmission of any of these types of data could result in an actual or perceived privacy or security breach or other security incident. While we have implemented security measures intended to prevent unauthorised access to our information technology networks and have instituted policies, system controls and checks restricting the access to the data we store, there is a risk that these procedures may not be effective in all cases. For example, we experienced two customer data leak incidents in December 2022 and February 2023 where data of our customers was posted on the dark web. For the leak in CY2022, we performed penetration testing and successfully removed the data of our customers from the dark web. In response to the second leak in CY2023, we identified and disabled the vulnerable application programming interfaces exploited by the hackers to access customer data. Although we took steps to address these vulnerabilities, there is no assurance that such measures will prevent all incidents in the future. Hackers may attempt to gain unauthorised access to, modify, alter, and use our networks, passenger vehicles, and systems to gain control of, or to change, our passenger vehicles' functionality, customer interface, and performance characteristics, carry out computer denial of service attacks, or gain access to data stored in or generated by the cars. Vulnerabilities could be identified in the future and our remediation efforts may not be successful. Any unauthorised access to or control of our cars or their systems or any loss of data could result in legal claims or proceedings against us.

Further, we and our suppliers also face risks relating to compliance with applicable laws, rules and regulations relating to the collection, storage, use, sharing, disclosure, protection and security of personal information, as well as requests from regulatory and government authorities relating to such data. Many laws and regulations relating to privacy and the collection, storage, sharing, use, disclosure, and protection of certain types of data are subject to varying degrees of enforcement and new and changing interpretations by courts or regulators. For instance, we are required to comply with the Information Technology Act, 2000 ("**IT Act**") and the rules notified thereunder. The Parliament passed the Digital Personal Data Protection Act, 2023 ("**DPDP Act**") on August 9, 2023. The DPDP Act, once notified, will replace the existing data protection provision, as contained in Section 43A of the IT Act. The DPDP Act provides for the processing of digital personal data in a manner that recognises both the rights of individuals to protect their personal data and the need to process personal data for lawful purposes and matters incidental thereto. As the relevant rules are yet to be notified, the impact on the DPDP Act on our business and operations remains uncertain.

In addition, we are required to comply with laws or regulations relating to privacy, data protection, and information security, particularly any new or modified laws or regulations. For example, to the extent we process personal data of EU residents, we are required to comply with the General Data Protection Regulation ("**GDPR**") adopted by the European Union ("**EU**"). Any changes to the interpretation or enforcement of such laws or regulations that require enhanced protection of certain types of data or new obligations with regard to data retention, transfer, or disclosure could require us to modify our existing systems or invest in new technologies to ensure compliance with such applicable laws, which may lead to additional expenses.

In addition, we may incur significant financial and operational costs to investigate, remediate and implement additional tools, devices and systems designed to prevent actual or perceived privacy breaches and other privacy incidents, as well as costs to comply with any notification obligations resulting from any such incidents. Any actual, alleged or perceived failure to prevent a security breach or to comply with our privacy policies or privacy-related legal obligations, failure in our systems or networks, or any other actual, alleged or perceived data security incident we or our suppliers suffer, could result in heavy penalty, damage to our reputation, negative publicity, loss of customers and sales, loss of competitive advantages over our competitors, increased costs to remedy any problems and provide any required notifications, including to regulators and/or individuals, and otherwise respond to any incident, regulatory investigations and enforcement actions, costly litigation such as civil claims including representative actions and other class action type litigation, and other liabilities. For more details related to the privacy and data protection laws applicable to us, see "***Key Regulations and Polices***" on page 178.

49. We may be negatively impacted by any early obsolescence of our manufacturing equipment and the spare parts or software used in such equipment.

We depreciate the cost of our manufacturing equipment and the spare parts or software used in such equipment over their expected useful lives. However, product cycles or manufacturing technology may change periodically, and we may decide to update our passenger vehicles, parts or manufacturing processes more quickly than expected. Moreover, improvements in engineering and manufacturing expertise and efficiency may result in our ability to manufacture our passenger vehicles or parts using less of our currently installed equipment and the spare parts or software used in such equipment. Alternatively, as we ramp and mature the production of our passenger vehicles and parts to higher levels, we may discontinue the use of already installed equipment and the spare parts or software used in such equipment in favour of different or additional equipment, spare part or software. The useful life of any equipment, spare parts or software that would be retired early as a result would be shortened, causing the depreciation on such equipment, spare parts or software to be accelerated, and our results of operations may be harmed.

50. We have used information from the CRISIL Report which has been commissioned and paid for by our Company for industry related data in this Draft Red Herring Prospectus and any reliance on such information is subject to inherent risks.

For industry related data in this Draft Red Herring Prospectus, we have used the information from the CRISIL Report, which we commissioned and paid for by our Company, pursuant to an engagement letter dated April 10, 2024. The CRISIL Report has been prepared and issued by CRISIL for the purpose of understanding the industry, exclusively for the purpose of this Offer. The information is subject to various limitations, highlights certain industry and market data relating to us and our competitors which may not be based on any standard methodology and is based upon certain assumptions that are subjective in nature. Neither our Company, nor the BRLMs are related to CRISIL. Accordingly, investors should read the industry related disclosures in this Draft Red Herring Prospectus in this context. The CRISIL Report may use certain methodologies for market sizing and forecasting and may include numbers relating to our Company that differ from those we record internally. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Red Herring Prospectus. Accordingly, investors should not place undue reliance on, or base their investment decision solely on this information. For further details, see "***Certain Conventions, Presentation of Financial, Industry and Market Data – Industry and Market Data***" on page 24.

51. Internal or external fraud or misconduct by our employees could adversely affect our reputation and our results of operations.

We may be subject to instances of fraud, misappropriation, unauthorised acts and misconduct by our representatives and employees which may go unnoticed for certain periods of time before corrective action is taken. Fraudulent and unauthorised conduct by our employees could also bind us to transactions that exceed the scope of authorisation and present significant risks to us. As a result, we may be subject to regulatory sanctions, brand and reputational damage or financial harm. It is not always possible to deter fraud or misconduct by employees and the precautions we take and the systems we have put in place to prevent and deter such activities may not be effective in all cases. Further, we employ third parties for certain operations and accordingly, we are exposed to the risk of theft and embezzlement. In addition, we may be subject to regulatory or other proceedings in connection with such acts by our employees, which could adversely affect our goodwill. For instance, the employment of two of our former workmen was terminated by us for theft, and therefore, in addition to forfeiting the statutory gratuity payable to such workmen, we have also initiated legal proceedings against them. For details of such matters, see "***Outstanding Litigation and Material Developments***" on page 329. Such instances could also adversely affect our reputation, brand, business, results of operations and financial condition. Even when we identify such instances and pursue legal recourse or file claims with our insurance carriers, we cannot assure you that we will recover any amounts lost through such instances of fraud, misappropriation, unauthorised acts and misconduct by our representatives and employees.

52. We may be subject to unionisation, work stoppages or increased labour costs, which could adversely affect our business and results of operations.

The success of our operations depends on availability of labour and our ability to maintain a good relationship with our workforce. Our success also depends on our ability to attract, hire, train and retain skilled workers who are experienced in passenger vehicle manufacturing operations. Certain of our employees are unionised into two labour unions. For details, see "***Our Business – Employees***" on page 175. There can be no assurance that we will not experience any disruption in the future as a result of disputes or disagreements with our work force, which may adversely affect our ability to continue our business operations. For example, in September 2023, one of the labour unions initiated a strike demanding additional compensation for a deceased employee. The strike led to a production loss of 157 passenger vehicles. While at the time we had obtained favourable order from the Madras High Court ordering the police to take necessary action against the relevant employees in the event of any further illegal strikes until our Company reaches a conciliation settlement with the union in relation to the deceased employee, there is no assurance that such strikes and related work stoppages will not occur in the future.

We have filed a criminal complaint against one of the labour unions, of which some of our employees are members of, alleging offence of giving false evidence in contravention of the provisions of the IPC. Additionally, we are subject to various ongoing proceedings under the Industrial Disputes Act, 1947 initiated by certain of our former employees due to alleged wrongful termination of employment and cannot assure you that such proceedings will be resolved in our favour. For further details of such matters, please see "***Outstanding Litigation and Material Developments***" on page 329. We are also subject to a number of stringent labour laws that protect the interests of workers, including the Industrial Disputes Act, 1947 that imposes financial obligations on employers upon retrenchment. Any labour unrest including labour disputes, strikes, lockouts or industrial accidents experienced by us or delays in resolving such labour unrest, could directly or indirectly prevent or hinder our normal operating activities. Any such prolonged disruptions to our business could materially and adversely affect our results of operations and financial condition. Furthermore, historically, wage costs in the Indian automotive components industry have been significantly lower than wage costs in developed countries for comparable skilled technical personnel. However, in the long term, wage increases in India may make us less competitive unless we are able to increase our efficiency and productivity proportionately and we can pass on such costs in the prices that we charge our customers. Any significant increase in our wage costs could have a material adverse effect on our business, results of operations and financial condition.

53. Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.

Our ability to pay dividends in the future will depend on a number of factors including our earnings, financial condition, cash flow, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including, among others, our future earnings, financial condition, cash requirements, business prospects and our financing arrangements. We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. Further, while we have paid dividends in the past, including a special dividend of ₹13,270 per Equity Share, amounting to an aggregate of ₹107,824.20 million in March 2024, we cannot assure you that we will be able to pay similar dividends or any dividends in the future. Accordingly, realisation of a gain on our Shareholders' investments may depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value. Further, our Subsidiaries are separate and distinct legal entities, having no obligation to pay dividends and may be restricted from doing so by law or contract, including applicable laws, charter provisions and the terms of their financing arrangements. We cannot assure you that our Subsidiaries will generate sufficient profits and cash flows, or otherwise be able to pay dividends to us in the future. Failure to pay dividends in the future may lead to a negative perception of our business among investors, which may have a material adverse effect on our business, results of operations, financial condition and the price of the Equity Shares. Please see "***Dividend Policy***" on page 227.

54. We may be unable to renew our existing leases or secure new leases for our existing offices.

Some of our regional offices and workshops in India are located on leased properties. Certain of the lease deeds for the properties in which our offices and workshops are located may not be adequately stamped or registered. While we renew these lease agreements and deeds periodically in the ordinary course of business, in the event that these existing leases are terminated or they are not renewed on commercially acceptable terms, we may suffer a disruption in our operations. If alternative premises are not available at the same or similar costs, sizes or locations, our business, financial condition, cash flows and results of operations may be adversely affected. For example, the leased premises for our Talegaon Manufacturing Plant is located within an industrial development corporation premises and one of our regional training centres and workshop adjacent to our Chennai Manufacturing Plant is located within premises of State Industries Promotion Corporation of Tamil Nadu. If we are unable to comply with the conditions of the lease arrangements, we may not be able to maintain use of such premises or renew our lease in the industrial development corporation premises and have to relocate our operations which may not be cost-effective. In addition, any regulatory non-compliance by the landlords or adverse development relating to the landlords' title or ownership rights to such properties, including as a result of any non-compliance by the landlords, may entail significant disruptions to our operations and expose us to reputational risks, especially if we are forced to vacate leased spaces following any such developments. If our sales do not increase in line with our rent and costs, including setup and interior design costs, our profitability, cash flows and results of operations could be adversely affected.

55. If we are unable to comply with repayment and other covenants in our financing agreements, our business, financial condition, cash flows and credit rating could be adversely affected.

We have entered into short-term credit and long-term loan agreements with certain banks and a government institution. The table below sets forth our total borrowings for the period indicated:

Particulars	As of December 31, 2023	As of March 31, 2021	2022	2023
	(₹ millions)			
Total borrowings	7,844.78	11,586.00	11,400.33	13,417.52

Certain of our borrowings contain restrictive covenants, including, but not limited to, requirements that we obtain consent from and/or provide notice to the lenders prior to undertaking certain matters including altering our capital structure, changing our shareholding, any further issuances of shares, effecting any scheme of amalgamation or reconstruction, changing the management, dilution of promoters shareholding, declare dividends, changing our constitutional documents and change in management and control. Further, in terms of security under the central sales tax ("**CST**") soft loan from SIPCOT, we are required to create a hypothecation of our movable properties by an exclusive charge on the plant, machinery and equipment installed at the Chennai Manufacturing Plant. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain consents necessary to take the actions that we believe are required to operate and grow our business. Any fluctuations in the interest rates may directly impact the interest costs of such loans Further, we have availed certain unsecured loans which are repayable on demand. Any demand from the lenders for repayment of such unsecured loans, in the future, may affect our cash flow and financial condition. Our ability to make payments on and refinance our indebtedness will depend on our continued ability to generate cash from our future operations. We may not be able to generate enough cash flow from operations or obtain enough capital to service our debt in the future.

Any failure to comply with the conditions and covenants in our financing agreements that is not waived by our lenders or otherwise cured could lead to a termination of our credit facilities, foreclosure on our assets, acceleration of all amounts due under such facilities or trigger cross-default or cross-acceleration provisions under certain of our other financing agreements, any of which could adversely affect our liquidity, financial condition and our ability to conduct and implement our business plans. Any default can negatively impact our credit rating, leading to difficulties in securing future loans at favourable interest rates. For more details of our indebtedness, please see "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources – Indebtedness***" on page 314.

56. We track certain operational metrics and non-GAAP measures for our operations. Certain of our operational metrics are subject to inherent challenges in measurement and any real or perceived inaccuracies in such metrics may adversely affect our business and reputation.

Certain of our operational metrics are prepared with internal systems and tools that are not independently verified by any third party and which may differ from estimates or similar metrics published by third parties due to differences in sources, methodologies or the assumptions on which we rely. Such operational metrics include sales volumes, order fulfilment numbers and after-sale service volumes. Our internal systems and tools have a number of limitations and our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics, including the metrics we publicly disclose. If the internal systems and tools we use to track these metrics under count or over count performance or contain algorithmic or other technical errors, the data we report may not be accurate. While these numbers are based on what we believe to be reasonable estimates of our metrics for the applicable period of measurement, there are inherent challenges in measuring how our platform is used across large populations. Limitations or errors with respect to how we measure data or with respect to the data that we measure may affect our understanding of certain details of our business, which could affect our long-term strategies. If our operating metrics are not accurate representations of our business, if investors do not perceive our operating metrics to be accurate, or if we discover material inaccuracies with respect to these figures, we expect that our business, reputation, financial condition and results of operations would be adversely affected.

Further, these and other non-GAAP metrics presented in this Draft Red Herring Prospectus, such as Profit For The Period / Year Margin, EBIT, EBIT (Excluding Other Income), EBITDA (Excluding Other Income), EBIT Margin (Excluding Other Income), EBITDA Margin (Excluding Other Income), Net Worth, Return On Net Worth, Capital Employed, Return On Capital Employed and Net Asset Value Per Equity Share are supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Indian accounting standard ("**Ind AS**"), Indian GAAP, international financial reporting standards ("**IFRS**") or United States generally accepted accounting principles ("**U.S. GAAP**"). Further, these metrics are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or U.S. GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/(loss) for the period/year or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or U.S. GAAP. Although these non-GAAP metrics are not a measure of performance calculated in accordance with applicable accounting standards, our management believes that they are useful to an investor in evaluating us, as these metrics are widely used measured to evaluate an entity's operating performance. In addition, these are not standardised terms, hence a direct comparison of these measures between companies may not be possible. Other companies may calculate these measures differently from us, limiting its usefulness as a comparative measure.

57. Our Statutory Auditors' report for March 31, 2023, includes an observation with respect to proper maintenance of accounts by one of our Subsidiaries.

Our Statutory Auditors have observed in the audited financial statements for March 31, 2023, that the back-up of the books of account and other relevant books and papers with respect to one of our Subsidiaries, Hyundai Motor India Engineering Private Limited, in electronic mode, has not been kept on servers physically located in India daily. There can be no assurance that the audit reports for any future fiscal periods will not contain such observations. Investors should consider these observations of our Statutory Auditors in evaluating our financial condition, results of operations and cash flows.

58. Increased scrutiny and changing expectations from stakeholders with respect to the Company's ESG practices may result in additional costs or risks.

Companies across many industries are facing increasing scrutiny related to their environmental, social and governance (ESG) practices. There is an increased focused on ESG practices and in recent years. If our ESG practices do not meet investor or other industry stakeholder expectations, which continue to evolve, we may incur additional costs and our brand, ability to attract and retain qualified employees and business may be harmed.

59. If we are classified as a passive foreign investment company for U.S. federal income tax purposes, U.S. investors in our shares may be subject to adverse U.S. federal income tax consequences.

A non-U.S. corporation will be classified as a passive foreign investment company (a "**PFIC**") for any taxable year if either: (a) at least 75% of its gross income for such year is "passive income" for purposes of the PFIC rules or (b) at least 50% of the value of its assets (determined on the basis of a quarterly average) during such year is attributable to assets that produce or are held for the production of passive income. For this purpose, passive income includes interest, dividends, and other investment income, with certain exceptions. The PFIC rules also contain a look-through rule whereby we will be treated as owning our proportionate share of the assets and earning our proportionate share of the income of any other corporation in which we own, directly or indirectly, 25% or more (by value) of the stock. Based on the current and anticipated composition of our income, assets (including their expected value) and operations, we do not expect to be treated as a PFIC for the current taxable year or in the near future. However, our PFIC status depends, in part, on the expected value of our goodwill, which could fluctuate significantly. Whether we are treated as a PFIC is a factual determination that is made on an annual basis after the close of each taxable year. This determination will depend on, among other things, the ownership and the composition of our income and assets, as well as the value of our assets (which may fluctuate with our market capitalisation), from time to time. Moreover, the application of the PFIC rules is unclear in certain respects. The Internal Revenue Service or a court may disagree with our determinations, including the manner in which we determine the value of our assets and the percentage of our assets that are passive assets under the PFIC rules. Therefore, there can be no assurance that our Company will not be classified as a PFIC for the current taxable year or for any future taxable year. If we are treated as a PFIC for any taxable year during which a U.S. investor held our shares, such U.S. investor could be subject to adverse U.S. federal income tax consequences.

60. The requirements of being a listed company may strain our resources which may have a material adverse impact on our operations.

The requirements of being a listed company may strain our resources. As a listed company, we will incur significant legal, accounting, corporate governance, and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies. Furthermore, as a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition. If we fail to effectively implement sufficient disclosure controls and procedures and internal control procedures over financial reporting, we may be unable to successfully manage or accurately detect and report our future financial risks. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely.

EXTERNAL RISKS

61. Natural disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.

Natural disasters such as droughts, epidemics, pandemics such as H7N9, H5N1, H1N1 strains of influenza in birds and actual or threatened war, terrorist activities, political unrest, civil strife, and other geopolitical uncertainty as well as other *force majeure* events may impede our production and delivery efforts and adversely affect our sales results, which could materially and adversely affect our business, financial condition and results of operations.

For example, the conflict between Russia and Ukraine, the Israel-Gaza conflict or the ongoing tensions in the Red Sea, which are beyond our control, may lead to economic instability, including in India, Korea or globally, and may adversely affect our business, financial condition, cash flows and results of operations. The short and long-term implications of the conflict between Russia and Ukraine and the Israel-Hamas conflict are difficult to predict at this time. The Red Sea crisis has caused delays in our exports to certain regions. For more details, please see "***– Internal Risks – Disruptions of transportation network and transportation infrastructure or deficiencies in service provided by our logistic service providers may have an adverse effect on our business and results of operations***" on page 48. We continue to monitor any adverse impact that the conflict between Russia and Ukraine, the subsequent institution of sanctions against Russia by the United States and several European and Asian countries, and the Israel-Hamas conflict may have on the global economy in general, on the businesses and operations of us, our lenders and other third parties with which we conduct business. To the extent any geopolitical tension may adversely affect our business, it may also have the effect of heightening many of the other risks described herein. Such risks include, but are not limited to, adverse effects on macroeconomic conditions, including inflation; disruptions to our global technology infrastructure, including through cyberattack, ransom attack, or cyber-intrusion; adverse changes in international trade policies and relations; disruptions in global supply chains; significant volatility in commodity prices and supply of energy resources; political and social instability; changes in consumer or purchaser preferences and constraints; volatility, or disruption in the capital markets, any of which could negatively affect our business and financial condition. In the recent past, we have been witnessing increased geopolitical tensions globally. Any potential aftermaths of such tensions such as cross-border restrictions, sanctions, trade barriers, imposition of tariffs could adversely affect our supply chains and as a result our production schedules. While we have alternative supply sources, should the conflicts lead to global shortages of commodities that are related to our business, such as energy, we may face challenges in sourcing parts and materials, including experiencing significant procurement cost increases.

Further, our operations may be adversely affected by fires and/or severe weather in India, which can result in damage to our property and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Such incidents could create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business. We cannot assure you that any backup systems will be adequate to protect us from the effects of such unexpected events. Any of the foregoing events may give rise to damage to our property, delays in production, breakdowns, system failures, technology platform failures or internet failures or other interruptions to our business operations, which could cause the loss or corruption of data or malfunctions of software or hardware as well as adversely affect our business, financial condition, and results of operations.

62. Changing regulations in India could lead to new compliance requirements that are uncertain.

The regulatory and policy environment in which we operate is evolving and is subject to change. The Government of India may implement new laws or other regulations and policies that could affect our passenger vehicles or the automotive industry in general, which could lead to new and onerous compliance requirements, including requiring us to obtain approvals and licenses from the government and other regulatory bodies. For instance, the Bharat Stage Emission Standards – VI, effective since April 2020, among other things, mandates a reduction in allowable pollutant emission rates for vehicles equipped with ICE and sets a limit on the particulate matter emission. Further, the Energy Conservation (Amendment) Act, 2022 mandates vehicle manufacturers in violation of fuel consumption norms, in addition to the payment of penalty of ₹1 million, to pay a penalty of ₹25,000 per vehicle for non-compliance of norms up to 0.2 litres per 100 km and ₹50,000 per vehicle for non-compliance of norms above 0.2 litres per 100 km. Inability to comply with the applicable provisions of the statute may result in penalties which may have a material adverse effect on our results of operations.

New compliance requirements could increase our costs or otherwise adversely affect our business, financial condition, cash flows and results of operations. Furthermore, the way new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations. Any changes to such laws, including the instances mentioned below, may adversely affect our business, financial condition, results of operations, cash flows and prospects.

Additionally, the Government of India has introduced (a) the Code on Wages, 2019 ("**Wages Code**"); (b) the Code on Social Security, 2020 ("**Social Security Code**"); (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 (collectively, the "**Labour Codes**") which consolidate, subsume and replace numerous existing central labour legislations. Different provisions of the Labour Codes may have varying effective dates. While the rules for implementation under these codes have not been notified in its entirety, as an immediate consequence, the coming into force of these codes could increase the financial burden on our Company, which may adversely impact our profitability. For example, the Social Security Code aims to provide uniformity in providing social security benefits to the employees which was earlier segregated under different acts and had different applicability and coverage. Furthermore, the Wages Code limits the amounts that may be excluded from being accounted toward employment benefits (such as gratuity and maternity benefits) to a maximum of 50% of the wages payable to employees. The implementation of such laws has the ability to increase our labour costs, thereby adversely impacting our results of operations, cash flows, business and financial performance. We are yet to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future. For further details, please see "***Key Regulations and Policies***" on page 178.

Unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. Compliance with evolving regulations may lead to increased costs and demand significant management time and resources, and any failure to comply may adversely affect our business, results of operations, financial condition, cash flows and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of limited or no precedent may be time consuming and costly for us to resolve, and may impact the viability of our current business or restrict our ability to grow in the future.

Additionally, if we are affected, directly or indirectly, by the application or interpretation of any provision of such laws and regulations or any related proceedings or are required to bear any costs in order to comply with such provisions or to defend such proceedings, our business and financial performance may be adversely affected.

63. Significant differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP), which may be material to investors' assessments of our financial condition.

For the purposes of disclosure in this Draft Red Herring Prospectus, the SEBI ICDR Regulations requires us to prepare and present our Restated Consolidated Financial Information which are prepared and presented in conformity with Ind AS. This Restated Consolidated Financial Information has been derived from our audited consolidated financial statements for Fiscals 2021, 2022 and 2023 and the nine months period ended December 31, 2023. Ind AS differs from accounting principles with which prospective investors may be familiar, such as Indian GAAP, IFRS and U.S. GAAP as well as the Korean International Financial Reporting Standards ("**K-IFRS**") adopted by the Hyundai Motor Group. We have not attempted to quantify the impact of K-IFRS, U.S. GAAP or IFRS on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our Restated Consolidated Financial Information to those of K-IFRS, U.S. GAAP or IFRS or any other principles or to base it on any other standards. K-IFRS, U.S. GAAP and IFRS, and accounting principles and auditing standards with which prospective investors may be familiar in other countries, differ in significant respects from Ind AS and Indian GAAP. Accordingly, the degree to which the Ind AS financial statements, which are restated as per the Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on Reports in Company's Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, included in this Draft Red Herring Prospectus, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should be limited accordingly. In addition, differences in financial information reported by HMI and HMC due to varying accounting standards might influence investors' perceptions of us.

We have historically provided and intend to continue to provide our Promoter with and make publicly available select financial statements that have been prepared and presented in conformity with K-IFRS (the "**K-IFRS Financials**"). Our Company has been sharing the aforesaid select financial information for ease of comparison with other global companies in the same industry and for reference purposes only. The K-IFRS Financials were not included in the Draft Red Herring Prospectus, in compliance with applicable laws. Investors may not be able rely on the K-IFRS Financials or any other related information for the purposes of investment in the Offer or for future investments in the Equity Shares of our Company.

64. Challenging economic conditions in India or globally could materially and adversely affect our business, financial condition, results of operations, and prospects.

We sell passenger vehicles and parts in India and outside India. Our business therefore depends on general macroeconomic and demographic factors in India and outside India which are beyond our control. In particular, our revenue and profitability are strongly correlated to user discretionary spending, which is influenced by general economic conditions, unemployment levels, the availability of discretionary income and consumer confidence. A worsening economy, increased unemployment, increased energy prices, rising interest rates or other industry-wide cost pressures could also affect consumer behaviour and spending and lead to a decline in our sales and earnings. The drastic increase in fuel price may negatively impact the demand for our passenger vehicles. In addition, any tightening of the credit markets and credit conditions in India may decrease the availability of automotive loans and adversely impact our vehicle sales and margins. In particular, if banks and non-bank financial companies apply higher credit standards in respect of loans provided by them generally or vehicle loans, or if there is a decline in the overall availability of credit in the lending market, the ability of consumers to purchase vehicles could be adversely impacted, which could have a material adverse effect on our business and results of operations.

As we are incorporated in India and derive a substantial portion of our revenue from operations in India and all of our assets are located in India, we are particularly vulnerable to factors that may adversely affect the Indian economy. These factors may include: the macroeconomic climate, including any increase in Indian interest rates or inflation; exchange rate fluctuations; scarcity of credit or other financing in India; prevailing income conditions among Indian consumers and Indian companies; epidemic, pandemic or any other public health incidents in India or in countries in the region or globally; volatility in, and actual or perceived trends in trading activity on India's principal stock exchanges; changes in India's tax, trade, fiscal or monetary policies; political instability, terrorism or military conflict in India or in countries in the region or globally; occurrence of natural or man-made disasters; other significant regulatory or economic developments in or affecting India or its consumption sector; international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws; protectionist and other adverse public policies, including local content requirements, import/export tariffs, increased regulations or capital investment requirements; logistical and communications challenges; downgrading of India's sovereign debt rating by rating agencies; changes in political environment on account of upcoming elections; difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms or on a timely basis; and being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty in enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so. Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations, cash flows and financial condition and the price of the Equity Shares.

65. Any downgrading of India's sovereign debt rating by a domestic or an international rating agency could adversely affect our business.

India's sovereign debt rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our Company's control. Our borrowing costs and our access to the debt capital markets also depend on the sovereign credit ratings of India. Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely affect our ratings, the terms on which we are able to raise additional finances or refinance any existing indebtedness. This could have an adverse effect on our business growth and financial performance, ability to obtain financing and the price of the Equity Shares.

66. Non-resident investors are subject to investment restrictions under Indian laws which limit our ability to attract foreign investors, which may adversely impact the market price of our Equity Shares.

Under foreign exchange regulations currently in force in India, the transfer of shares between non-residents and residents are freely permitted (subject to compliance with sectoral norms and certain other restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI and other applicable laws. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior approval of the relevant regulatory authority will be required.

Further, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries and/or departments are responsible for granting approval for foreign investment. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. Furthermore, this conversion is subject to the shares having been held on a repatriation basis and, either the security having been sold in compliance with the pricing guidelines or, the relevant regulatory approval having been obtained for the sale of shares and corresponding remittance of the sale proceeds. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained with or without any particular terms or conditions.

In addition, pursuant to the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, investments where the beneficial owner of the equity shares is situated in or is a citizen of a country which shares a land border with India, can only be made through the government approval route. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction and/or purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the Foreign Exchange Management Act, 1999 Non-debt Instruments Rules. We cannot assure investors that any required approval from the RBI or any other government agency can be obtained on any particular terms or conditions or at all. For further information, see "***Restrictions on Foreign Ownership of Indian Securities***" on page 389. Our ability to raise foreign capital through foreign direct investment is therefore constrained by Indian law, which may adversely affect our business, financial condition, results of operations and cash flows.

67. Investors may have difficulty enforcing foreign judgments against us or our management.

Our Company is a limited liability company incorporated under the laws of India. Most of our Company's assets are located in India. As a result, you may be unable to:

- effect service of process in jurisdictions outside of India, including in the U.S., upon us and other related persons or entities;
- enforce in the Indian courts, judgments obtained in courts of jurisdictions outside of India against us and other related persons or entities, including judgments predicated upon the civil liability provisions of securities laws of jurisdictions outside India; and
- enforce judgements obtained in U.S. courts against us and other related persons or entities, including judgments predicated upon the civil liability provisions of the federal securities laws of the U.S.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908 ("**CPC**"). While India is not a party to the Convention on the Recognition and Enforcement of Foreign Judgments in Civil and Criminal matters, India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, such as the United Kingdom, the United Arab Emirates, Singapore, and Hong Kong. To be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements established in the CPC. The CPC only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India, including the U.S., cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be directly enforceable in India.

The party in whose favour a final foreign judgment in a non-reciprocating territory is rendered may bring a fresh suit in a competent court in India based on the final judgment within three years of obtaining such final judgment. However, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damage as excessive or inconsistent with the public policy in India. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered, and we cannot assure that such approval will be forthcoming within a reasonable period, or at all, or that conditions of such approval would be acceptable. Such amount may also be subject to income tax in accordance with applicable law.

68. Financial instability in other countries may cause increased volatility in Indian financial markets.

Most of our current operations and market is in India. The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly the emerging Asian market countries. Although, economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. Currencies of a few Asian countries have in the past suffered depreciation against the U.S. Dollar owing to various factors. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur and could harm our business, future financial performance and the prices of our Equity Shares. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy.

The global credit and equity markets have from time to time, experienced substantial dislocations, liquidity disruptions and market corrections. In response to such developments, legislators and financial regulators in the U.S. and other jurisdictions, including India, may implement a number of policy measures designed to add stability to the financial markets. However, the overall impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilising effects. In the event that the current difficult conditions in the global credit markets continue or if there is any significant financial disruption, such conditions could have an adverse effect on our business, future financial performance and the trading price of our Equity Shares.

69. If inflation rises in India, increased costs may result in a decline in profits.

Inflation rates could be volatile, and we may continue to face high inflation in the future, similar to what India had witnessed in the past. Increasing inflation in India can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, salaries, and other expenses relevant to our business, which may adversely affect our business and financial condition. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our operating expenses, which we may not be able to pass on to customers, whether entirely or in part, and the same may adversely affect our business and financial condition. Further, high inflation leading to higher interest rates may also lead to a slowdown in the economy and adversely impact credit growth. If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows. While the Government of India has previously initiated economic measures to combat high inflation rates, it is unclear whether these measures will remain in effect, and there can be no assurance that Indian inflation levels will not rise in the future. Any increase in inflation will have an impact on our costs and financial condition.

70. Pursuant to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures like Additional Surveillance Measure ("ASM") and Graded Surveillance Measure ("GSM") by the Stock Exchanges to enhance market integrity and safeguard the interest of investors.

SEBI and the Stock Exchanges have introduced various pre-emptive surveillance measures to enhance market integrity and safeguard the interests of investors, including ASM and GSM. ASM and GSM are imposed on securities of companies based on various objective criteria such as significant variations in price and volume, concentration of certain client accounts as a percentage of combined trading volume and average delivery, and on securities which witness abnormal price rise not commensurate with the company's financial health and fundamentals such as earnings, book value, fixed assets, net worth, price/earnings multiple, market capitalisation. These measures are in place to enhance the integrity of the market and safeguard the interest of investors. Upon listing, the trading of our Equity Shares would be subject to differing market conditions as well as other factors which may result in high volatility in price, low trading volumes or a large concentration of client accounts as a percentage of combined trading volume of our Equity Shares. The occurrence of any of the abovementioned events or other circumstances may trigger any of the parameters prescribed by SEBI and the Stock Exchanges for placing our securities under the GSM and/or ASM framework or any other surveillance measures, which could result in significant restrictions on trading of our Equity Shares being imposed by SEBI and the Stock Exchanges. These restrictions may include higher margin requirements, requirement of settlement on a trade for trade basis without netting off, limiting trading frequency, reduction of applicable price band, requirement of settlement on gross basis or freezing of price on upper side of trading, as well as mentioning of our Equity Shares on the surveillance dashboards of the Stock Exchanges. The imposition of these restrictions and curbs on trading may have an adverse effect on market price, trading and liquidity of our Equity Shares and on the reputation and conditions of our Company.

RISKS RELATING TO THE OFFER

71. The Offer Price of our Equity Shares and our price-to-earnings ratio may not be indicative of the trading price of our Equity Shares upon listing on the Stock Exchanges subsequent to the Offer and, as a result, you may lose a significant part or all of your investment.

Our market capitalisation to revenue from operations for the Fiscal 2023 is [●] times at the upper end of the Price Band and [●] times at the lower end of the Price Band, and our price to earnings ratio multiple for Fiscal 2023 is [●] times at the upper end of the Price Band and [●] times at the lower end of the Price Band. The table below provides the details of our price to earnings ratio and market capitalisation to revenue from our operations at the Offer Price:

Particulars	Price to earnings ratio*	Market capitalisation to revenue from our operations*
Fiscal 2023	[●]	[●]

**Considering the Offer Price*

Our Offer Price, our price to earnings ratio and the other ratios disclosed in the section "***Basis for Offer Price***" beginning on page 97 may not be comparable to the market price and market capitalisation post listing and would depend on the various factors included in the section mentioned herein. Any valuation exercise undertaken for the purposes of the Offer by our Company in consultation with the BRLMs would not be based on a benchmark with our industry peers as well. The relevant financial parameters on the basis of which Price Band will be determined, shall be disclosed in the price band advertisement. For details of comparison with listed peers, see "***Basis for Offer Price***" on page 97. Prior to this Offer, there has been no public trading market for our Equity Shares. It is possible that, after this Offer, an active trading market will not develop or continue. Listing and quotation do not guarantee that a market for our Equity Shares will develop, or if developed, the liquidity of such market for our Equity Shares. If an active trading market does not develop, you may have difficulty selling any of our Equity Shares that you buy.

72. HMC, our Promoter will be able to exercise substantial control over our Company and may have interests that are different from those of our other Shareholders.

As on the date of this Draft Red Herring Prospectus, HMC, our Promoter (including through its nominees) holds 100% of our issued, subscribed and paid-up Equity Share capital. Upon completion of this Offer, our Promoter, HMC, will approximately hold 82.50% of our post-Offer issued, subscribed and paid-up Equity Shares capital. As a result, our Promoter will be able to exercise a significant level of control over all matters requiring shareholder approval, including the election of directors, amendment of our constitutional documents and approval of significant corporate transactions and any other approvals which require a majority vote of shareholders eligible to vote. This control could have the effect of delaying or preventing a change of control of our Company or changes in management and will make the approval of certain transactions difficult or impossible without the support of such controlling shareholder. The interests of our Promoter could conflict with our interests or the interests of our other Shareholders. In particular, our Promoter is involved in a number of ventures that are in the same line of business as our Company, see "***– Internal Risks – Our Promoter may be involved in ventures which are engaged in the same line of activity or business as that of our Company and this may result in conflicts of interest with us. Our Directors, Key Managerial Personnel and Senior Management may have interests in our Company in addition to their remuneration and reimbursement of expenses***" on page 47 above. In addition, we depend on HMC for our operations and our business could be adversely affected if HMC prioritises other interests over ours. See "***– Internal Risks – We depend on HMC, our Promoter, for our operations. Any disruption in our relationship with HMC and the companies in the Hyundai Motor Group could have a material adverse impact on our business, reputation, financial condition, and results of operations.***" on page 30. While the actions carried out by our Company post-listing will be subject to Board and Shareholder approval, as required under the Companies Act, 2013, and the SEBI Listing Regulations, any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

73. Our Company will not receive any proceeds from the Offer. Our Promotor, HMC, will receive the proceeds from the Offer.

The Offer consists of only an Offer for Sale of 142,194,700 Equity Shares of face value of ₹10 each by HMC. Our Promoter, HMC, shall be entitled to the entire proceeds from the Offer (net of its portion of the Offer-related expenses) and we will not receive any proceeds from the Offer. None of our Directors or Key Managerial Personnel and Senior Management will receive, in whole or in part, any proceeds from the Offer For details, see "***The Offer***", "***Capital Structure***" and "***Objects of the Offer***" on pages 71, 86 and 94, respectively.

74. Our Equity Shares have never been publicly traded and after this Offer, our Equity Shares may experience price and volume fluctuations and an active trading market for our Equity Shares may not develop. Further, this Offer Price may not be indicative of the market price of our Equity Shares after this Offer.

Prior to this Offer, there has been no public market for our Equity Shares. We cannot assure you that an active trading market for our Equity Shares will develop or be sustained after this Offer. The Offer Price of our Equity Shares is proposed to be determined by our Company, in consultation with the BRLMs, through a book-building process and may not be indicative of the market price of our Equity Shares at the time of commencement of trading of our Equity Shares or at any time thereafter. These will be based on numerous factors, including factors as described under "***Basis for Offer Price***" on page 97. and may not be indicative of the market price for our Equity Shares after the Offer. The market price of our Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India and volatility in the stock exchanges and securities markets elsewhere in the world. These broad market fluctuations and industry factors may materially reduce the market price of our Equity Shares, regardless of our Company's performance. In addition, following the expiry of the six-month locked-in period on certain portions of the pre-Offer Equity Share capital, the pre-Offer Shareholder, i.e., our Promoter, may sell its shareholding in our Company, depending on market conditions and their investment horizon. Any perception by investors that such sales might occur could additionally affect the trading price of our Equity Shares. Consequently, the price of our Equity Shares may be volatile, and you may be unable to sell your Equity Shares at or above the Offer Price, or at all. There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share price could fluctuate significantly because of market volatility. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

75. Investors may be subject to Indian taxes arising out of income arising on the sale of and dividend on our Equity Shares.

Capital gains arising from the sale of our Equity Shares are generally taxable in India. Further, securities transaction tax ("**STT**") shall be levied on and collected by an Indian stock exchange on which our Equity Shares are sold. Any gain realised on the sale of equity shares on a stock exchange held for more than 12 months is subject to long term capital gains tax in India. As per the existing provisions under Income Tax Act, such long-term capital gains exceeding ₹100,000 arising from the sale of listed equity shares on a stock exchange are subject to tax at the rate of 10% (without indexation and exchange variation benefit), provided that STT has been paid at the time of acquisition and transfer of shares. Similarly, any gain realised on the sale of listed equity shares held for a period of 12 months or less and on which STT has been paid on transfer will be subject to short-term capital gains tax at a rate of 15%.

If the shares are not sold in recognised stock exchange or on which STT has not been paid as mentioned above, long term capital gain will be charged at 20% (with indexation) and short-term capital gain will be taxed at applicable slab rates. Non-residents are provided with the option of discharging tax on long term capital gain at 10% (without indexation and exchange variation benefit). The Non-Resident can also opt for the rate of tax as proposed in the double taxation avoidance agreement for the above transactions, if it is beneficial, after providing the necessary documents as prescribed under the statute.

As a result, subject to any relief available under an applicable tax treaty or any benefit available to non-residents in their taxing jurisdictions where their income including income earned in relation to sale of Equity Shares is assessed to tax, residents of other countries may be liable for tax in India as well as other jurisdictions on gains arising from sale of our Equity Shares. Under the Finance Act, 2020, any dividends paid by an Indian company will be subject to tax in the hands of the shareholders at applicable rates. Such taxes will be withheld by the Indian company paying dividends. Further, the Finance Act, 2021, which followed, abolished the requirement for Dividend Distribution Tax ("**DDT**") to be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident. Accordingly, any dividend distributed by a domestic company is subject to tax in the hands of the investor at the applicable rates. Our Company may grant the benefit of tax treaty to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividend subject to the satisfactory fulfilment of necessary conditions imposed by Income Tax Act. The Finance Act, 2019 introduced new provisions under the Indian Stamp Act, 1899, which provides that in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount.

76. Qualified institutional buyers ("QIBs") and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid and Retail Individual Investors are not permitted to withdraw their Bids after Bid/Offer Closing Date.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date. While our Company is required to complete all necessary formalities for listing and commencement of trading of our Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed, including Allotment pursuant to the Offer, within three Working Days from the Bid/Offer Closing Date or such other timeline as may be prescribed under applicable law, events affecting the Bidders' decision to invest in our Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of our Equity Shares even if such events occur, and such events may limit the Bidders' ability to sell our Equity Shares Allotted pursuant to the Offer or cause the trading price of our Equity Shares to decline on listing.

77. We cannot assure that prospective investors will be able to sell immediately on a Stock Exchange any of our Equity Shares they purchase in the Offer.

In accordance with Indian law and practice, final approval for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until our Equity Shares have been issued and allotted. Such approval will require the submission of all other relevant documents authorising the issuance of our Equity Shares. In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the Stock Exchanges within a prescribed time. Accordingly, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all and there could be a failure or delay in listing our Equity Shares on the Stock Exchanges, which would adversely affect your ability to sell our Equity Shares.

78. Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.

Under the Companies Act, 2013, a company having share capital and incorporated in India must offer holders of its Equity Shares pre-emptive rights to subscribe and pay for a proportionate number of Equity Shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of our Equity Shares who have voted on such resolution. However, if the laws of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, you may suffer future dilution of your ownership position and your proportional interests in us would be reduced. In addition, you may suffer continued risk of dilution if shareholders pass special resolutions for preferential issues or take any other similar actions.

79. Any future issuance of Equity Shares or securities linked to Equity Shares may dilute your shareholding, and sale of our Equity Shares by our Promoter may also adversely affect the trading price of our Equity Shares.

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering, may dilute investors' shareholdings in us. There can be no assurance that we will not issue further Equity Shares or that the Shareholders will not dispose of our Equity Shares. Any future issuances could also dilute the value of your investment in our Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. Any sales (or pledge or encumbrance) of substantial amounts of our Equity Shares in the public market after the completion of the Offer by our Promoter (subject to compliance with the lock-in provisions under the SEBI ICDR Regulations) or the perception that such sales could occur, could adversely affect the market price of our Equity Shares and materially impair our future ability to raise capital through offerings of our Equity Shares.

80. Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face more challenges in asserting their rights as shareholders in an Indian company than as shareholders of an entity in another jurisdiction.

81. A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of our Company. Under the takeover regulations in India, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the Indian takeover regulations.

SECTION III: INTRODUCTION

THE OFFER

The following table summarizes details of the Offer:

Offer [(1)(2)]	
The Offer comprises:	
Offer for Sale [(2)]	Up to 142,194,700 Equity Shares of face value ₹ 10 each, aggregating up to ₹ [●] million
of which	
A) Qualified Institutional Buyers ("QIBs") Portion [(3) (4) (6)]	Not more than 71,097,350 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million
of which:	
i. Anchor Investor Portion	Up to 42,658,410 Equity Shares of face value of ₹ 10 each
ii. Net QIB Portion available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	Up to 28,438,940 Equity Shares of face value of ₹ 10 each
of which:	
a. Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Up to 1,421,947 Equity Shares of face value of ₹ 10 each
b. Balance of QIB Portion for all QIBs including Mutual Funds	Up to 27,016,993 Equity Shares of face value of ₹ 10 each
B) Non-Institutional Portion[(4) (5) (6)]	Not less than 21,329,205 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million
of which:	
One-third of the Non-Institutional Portion available for allocation to Bidders with an application size more than ₹ 200,000 and up to ₹ 1,000,000	7,109,735 Equity Shares of face value of ₹ 10 each
Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 1,000,000	14,219,470 Equity Shares of face value of ₹ 10 each
C) Retail Portion [(4) (6)]	Not less than 49,768,145 Equity Shares of face value of ₹ 10 each aggregating up to ₹[●] million
Pre-Offer and Post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as at the date of this Draft Red Herring Prospectus)	812,541,100 Equity Shares of face value of ₹ 10 each
Equity Shares outstanding after the Offer	812,541,100 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million
Use of proceeds of the Offer	Our Company will not receive any portion of the proceeds from the Offer. For further information, see "***Objects of the Offer***" beginning on page 94

1. *The Offer has been authorized by a resolution of our Board passed at their meeting dated May 17, 2024.*
2. *The Promoter Selling Shareholder has confirmed and authorized its participation in the Offer for Sale in relation to the Offered Shares. The Promoter Selling Shareholder confirms that its portion of the Offered Shares have been held by it for a period of at least one year prior to the filing of this Draft Red Herring Prospectus with SEBI in accordance with Regulation 8 of the SEBI ICDR Regulations or are otherwise eligible for being offered for sale in the Offer in accordance with the provisions of the SEBI ICDR Regulations. The Promoter Selling Shareholder, through its letter dated June 14, 2024, has authorised the sale of up to 142,194,700 Equity Shares of face value of ₹ 10 each.*
3. *Our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for allocation to domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which Equity Shares are allocated to Anchor Investors in the Offer. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see "**Offer Procedure**" and "**Offer Structure**" beginning on pages 369 and 365.*

4. *Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories, as applicable, at the discretion of our Company, in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable law. Undersubscription, if any, in the QIB Portion (excluding the Anchor Investor Portion) will not be allowed to be met with spill-over from other categories or a combination of categories.*

5. *Allocation to Bidders in all categories, except Anchor Investor Category, Non-Institutional Category and Retail Category, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders of which one-third of the Non-Institutional Category will be available for allocation to Bidders with an application size of more than ₹ 200,000 and up to ₹ 1,000,000 and two-thirds of the Non-Institutional Category will be available for allocation to Bidders with an application size of more than ₹ 1,000,000 and under-subscription in either of these two sub-categories of Non-Institutional Category may be allocated to Bidders in the other sub-category of Non-Institutional Category. The allocation to each Non-Institutional Bidder shall not be less than the minimum application size, subject to availability of Equity Shares in the Non-Institutional Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.*

Allocation to Bidders in all categories shall be made in accordance with SEBI ICDR Regulations. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. The allocation to each Non-Institutional Bidder shall not be less than the minimum Non-Institutional application size, subject to availability of Equity Shares in the Non-Institutional Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII to the SEBI ICDR Regulations. For further information, see "***Terms of the Offer***", "***Offer Structure***" and "***Offer Procedure***" beginning on pages 358, 365 and 369, respectively.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our Restated Consolidated Financial Information. The summary financial information presented below should be read in conjunction with "***Restated Consolidated Financial Information***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on pages 228 and 293, respectively.

(*The remainder of this page is intentionally left blank)*

GENERAL INFORMATION

Registered Office

The address of our Registered Office is as follows:

Hyundai Motor India Limited
Plot No. H-1, SIPCOT Industrial Park
Irrungattukottai, Sriperumbudur Taluk
Kancheepuram District 602 105
Tamil Nadu, India
Tel.: +91 44 4710 0000
E-mail: complianceofficer@hmil.net
Website: www.hyundai.com/in/en

Corporate Office

The address of our Corporate Office is as follows:

Hyundai Motor India Limited
Plot No. C-11 & C-11 A, City Centre,
Urban Estate - 2, Sector 29,
Gurugram 122 001
Haryana, India

For further details, including in relation to changes in the name and the registered office of our Company, see "***History and Certain Corporate Matters***" beginning on page 188.

Corporate identity number and registration number

Corporate Identity Number: U29309TN1996PLC035377
Registration Number: 035377

Address of the RoC

Our Company is registered with the RoC which is situated at the following address:

Registrar of Companies
Block No. 6, B Wing, 2nd Floor
Shastri Bhawan, 26, Haddows Road
Chennai 600 034
Tamil Nadu, India

Board of Directors

Our Board comprises the following Directors, as on the date of filing of this Draft Red Herring Prospectus:

Name	Designation	DIN	Address
Unsoo Kim	Managing Director and Chairperson	09470874	Hyundai Motor India Limited, 42/73 Chamiers Road, Nandhanam, Chennai 600 035, Tamil Nadu, India
Tarun Garg	Whole-time Director and Chief Operating Officer	00045669	C-152, Second Floor, Safdarjung Development Area, Delhi – 110 016, Delhi, India
Gopalakrishnan Chathapuram Sivaramakrishnan	Whole-time Director and Chief Manufacturing Officer	09679256	S-24, Block F- Jains Avantika Appartment, 55 Manapakkam Main Road, Mannapakkam, Kancheepuram 600 125, Tamil Nadu, India
Shalini Puchalapalli	Independent Director	07820672	Flat 102, Tower – 4, Pebble Bay, Dollars Colony, Bengaluru – 560 094, Karnataka, India
Ajay Tyagi	Independent Director	00187429	X – 24, First Floor, Hauz Khas, South Delhi 110 016, Delhi, India

Name	Designation	DIN	Address
Sree Kirat Patel	Independent Director	03554790	A-81, 8th Floor, Grand Paradi Apartments, August Kranti Marg, Kemps Corner, Mumbai – 400 026, Maharashtra, India

For brief profiles and further details in relation to our Board of Directors, see "***Our Management***" beginning on page 196.

Company Secretary and Compliance Officer

Divya Venkat is the Company Secretary and Compliance Officer of our Company. Her contact details are as follows:

Divya Venkat
Plot No. H-1, SIPCOT Industrial Park
Irrungattukottai, Sriperumbudur Taluk
Kancheepuram District - 602 105
Tamil Nadu, India
Tel: +91 44 6710 5135
E-mail: complianceofficer@hmil.net

Investor grievances

Bidders can contact our Company Secretary and Compliance Officer, the BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer-related queries and for redressal of complaints, investors may also write to the BRLMs.

All Offer related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, UPI ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary(ies) where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than the UPI Bidders) in which the amount equivalent to the Bid Amount was blocked or the UPI ID, in case of UPI Bidders.

Further, the Bidder shall also enclose the Acknowledgment Slip or provide the application number received from the Designated Intermediary in addition to the document or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All Offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or first Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLMs where the Anchor Investor Application Form was submitted by the Anchor Investor.

Book Running Lead Managers

Kotak Mahindra Capital Company Limited 27BKC, 1st Floor, Plot No. C – 27 "G" Block Bandra Kurla Complex Bandra (East) Mumbai 400 051 Maharashtra, India **Tel:** +91 22 4336 0000 **E-mail:** hmil.ipo@kotak.com **Investor grievance e-mail:** kmccredressal@kotak.com **Website:** https://investmentbank.kotak.com **Contact person:** Ganesh Rane **SEBI registration no.:** INM000008704	**Citigroup Global Markets India Private Limited** 1202, 12th Floor First International Financial Center G – Block Bandra Kurla Complex, Bandra (East) Mumbai 400 098 Maharashtra, India **Tel:** +91 22 6175 9999 **E-mail:** hyundaimotorindiaipo@citi.com **Investor grievance e-mail:** investors.cgmib@citi.com **Website:** www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm

	Contact person: Vaibhav Gupta **SEBI registration no.:** INM000010718
HSBC Securities and Capital Markets (India) Private Limited 52/60, Mahatma Gandhi Road, Fort Mumbai – 400 001 Maharashtra, India **Tel:** +91 22 6864 1289 **E-mail:** hmilipo@hsbc.co.in **Investor grievance e-mail:** investorgrievance@hsbc.co.in **Website:** https://www.business.hsbc.co.in/en-gb/regulations/hsbc-securities-and-capital-market **Contact person:** Rachit Rajgaria/ Sumant Sharma **SEBI registration no:** INM000010353	**J.P. Morgan India Private Limited** J.P. Morgan Tower, Off CST Road, Kalina Santacruz East, Mumbai 400 098 Maharashtra, India **Tel**: +91 22 6157 3000 **E-mail**: hmi_ipo@jpmorgan.com **Investor grievance e-mail**: investorsmb.jpmipl@jpmorgan.com **Website**: www.jpmipl.com **Contact Person**: Saarthak Soni/ Vidit Jain **SEBI registration no.**: INM000002970
Morgan Stanley India Company Private Limited 18F, Tower 2, One World Centre Plot 841, Senapati Bapat Marg Mumbai 400 013 Maharashtra, India **Tel:** +91 22 6118 1000 **E-mail:** hmil_ipo@morganstanley.com **Website:** www.morganstanley.com **Investor grievance e-mail:** investors_india@morganstanley.com **Contact person:** Honi Joshi/ Keyur Thakar **SEBI registration no.:** INM00001123	

Statement of inter-se allocation of responsibilities of the Book Running Lead Managers

The responsibilities and co-ordination by the BRLMs for various activities in this Offer are as follows:

S. No.	Activity	Responsibility	Co-ordinator
1.	Capital structuring with the relative components and formalities such as type of instruments, size of issue, allocation between primary and secondary, etc.	BRLMs	Citi
2.	Due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, abridged prospectus and application form. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing.	BRLMs	Kotak
3.	Drafting and approval of all statutory advertisements.	BRLMs	Morgan Stanley
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report.	BRLMs	JPM
5.	Appointment of intermediaries – Registrar to the Offer, advertising agency, including coordination of all agreements to be entered into with such intermediaries.	BRLMs	Citi
6.	Appointment of intermediaries - Banker(s) to the Offer, Sponsor Bank and other intermediaries, including coordination of all agreements to be entered into with such intermediaries.	BRLMs	HSBC
7.	Preparation of road show marketing presentation and frequently asked questions	BRLMs	JPM
8.	International institutional marketing of the Offer, which will cover, *inter alia*: • Marketing strategy; • Finalizing the list and division of investors for one-to-one meetings; and • Finalizing road show and investor meeting schedule.	BRLMs	Citi
9.	Domestic institutional marketing of the Offer, which will cover, *inter alia*: • Marketing strategy;	BRLMs	JPM

S. No.	Activity	Responsibility	Co-ordinator
	• Finalizing the list and division of investors for one-to-one meetings; and • Finalizing road show and investor meeting schedule.		
10.	Retail and Non-institutional marketing of the Offer, which will cover, *inter alia*, • Finalising media, marketing and public relations strategy including list of frequently asked questions at road shows; • Finalising centres for holding conferences for brokers, etc.; • Follow-up on distribution of publicity and Offer material including application form, the Prospectus and deciding on the quantum of the Offer material; and • Finalising collection centres.	BRLMs	Kotak
11.	Coordination with Stock Exchanges for book building software, bidding terminals, mock trading,	BRLMs	HSBC
12.	Anchor coordination, anchor CAN and intimation of anchor allocation.	BRLMs	HSBC
13.	Managing the book and finalization of pricing in consultation with the Company and Selling Shareholder.	BRLMs	Citi
14.	Post bidding activities including management of escrow accounts, coordinate non- institutional allocation, coordination with Registrar, SCSBs, Sponsor Banks and other Bankers to the Offer, intimation of allocation and dispatch of refund to Bidders, etc. Other post-Offer activities, which shall involve essential follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising Company about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds, payment of STT on behalf of the Selling Shareholders and coordination with various agencies connected with the post-Offer activity such as Registrar to the Offer, Bankers to the Offer, Sponsor Bank, SCSBs including responsibility for underwriting arrangements, as applicable. Coordinating with Stock Exchanges and SEBI for submission of all post-Offer reports including the final post-Offer report to SEBI.	BRLMs	Kotak

Syndicate Members

[●]

Legal Counsel to our Company as to Indian law

Shardul Amarchand Mangaldas & Co
Amarchand Towers 216
Okhla Industrial Estate Phase III
New Delhi 110 020
India
Tel: +91 11 4159 0700

Legal Counsel to our Company as to International Law

Latham & Watkins LLP
9 Raffles Place
42-02 Republic Plaza
Singapore – 048 619
Tel.: +65 6536 1161

Statutory Auditors of our Company

B S R & Co. LLP, Chartered Accountants
KRM Towers, No.1
Harrington Road, Chetpet
Chennai – 600 031
Tamil Nadu, India
Email: sethuramans@bsraffiliates.com

Tel: +91 44 4608 3100
Firm registration number: 101248W/W-100022
Peer review number: 014196

Changes in the auditors

There has been no change in the Statutory Auditors of our Company in the last three years preceding the date of this Draft Red Herring Prospectus.

Registrar to the Offer

KFin Technologies Limited

Selenium Tower B, Plot No.31-32
Gachibowli, Financial District
Nanakramguda, Serilingampally
Hyderabad 500 032
Telangana, India
Tel: +91 40 6716 2222/ 1800 309 4001
Website: www.kfintech.com
E-mail: hmil.ipo@kfintech.com
Investor grievance e-mail: einward.ris@kfintech.com
Contact Person: M Murali Krishna
SEBI Registration No.: INR000000221

Bankers to the Offer

Escrow Collection Bank(s)

[●]

Public Offer Account Bank(s)

[●]

Refund Bank(s)

[●]

Sponsor Bank(s)

[●]

Banker(s) to our Company

Citibank N.A.
9th Floor, DLF Square Building
Jacaranda Marg, DLF Phase 2,
Gurugram 122 002
Haryana, India
Tel: +91 12449 64382
E-mail: avneet.singh.sachdeva@citi.com

DBS Bank India Limited
Ground Floor Nos. 11 & 12, Capitol Point
Baba Kharak Singh Marg
Connaught Place
New Delhi 110 001
Delhi India
Tel: +91 11 6653 8806
E-mail: garimakalra@dbs.com

HDFC Bank Limited
HDFC Bank House, Senapati Bapat Marg
Lower Parel West
Mumbai 400 013
Maharashtra, India
Tel: +91 99153 36165
E-mail: sandeep.bedi1@hdfcbank.com

Hong Kong and Shanghai Banking Corporation Limited, India
Institutional Plot No. 68
Ground Floor, Sector 44
Gurgaon 122 002
Haryana, India
Tel: +91 92059 07707
E-mail: vivek3gupta@hsbc.co.in

ICICI Bank Limited
ICICI Tower, NBCC Palace
Bhishma Pitamah Marg, Pragati Vihar
New Delhi 110 003
Delhi, India
Tel: +91 98105 66086
E-mail: mehru.bajaj@icicibank.com

Standard Chartered Bank
DLF Building No. 7A, 2/F, SC Tower
DLF Cyber City, DLF Phase 2
Sector 24, Gurugram 122 001
Haryana, India
Delhi, India
Tel: +91 124 48 76747
E-mail: hemant.jain@sc.com

Designated Intermediaries

Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time.

A list of the Designated SCSB Branches with which an ASBA Bidder (other than UPI Bidders), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other websites as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors and RIBs) submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time or any other website as may be prescribed by SEBI from time to time or such other website as may be prescribed by SEBI from time to time.

Self-Certified Syndicate Banks and mobile applications enabled for UPI Mechanism

In accordance with SEBI circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, and SEBI circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders may only apply through the SCSBs and mobile applications whose names appear on the website of the SEBI which may be updated from time to time. A list of SCSBs and mobile applications, using the UPI handles and which are live for applying in public issues using UPI mechanism is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43, respectively, as updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stock broker network of the Stock Exchanges, *i.e.*, through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA Forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the respective Stock Exchanges at www.bseindia.com and www.nseindia.com, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at https://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and https://www.nseindia.com/products-services/initial-public-offerings-asba-procedures respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as their name and contact details, is provided on the websites of the Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and https://www.nseindia.com/products-services/initial-public-offerings-asba-procedures respectively, as updated from time to time.

Experts to the Offer

Except as stated below, our Company has not obtained any expert opinions:

(i) Our Company has received written consent dated June 12, 2024 from B S R & Co. LLP, Chartered Accountants, to include their name as required under section 26(5) of the Companies Act read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act to the extent and in their capacity as independent statutory auditors, and in respect of (i) their examination report dated June 12, 2024 on our Restated Consolidated Financial Information; and (ii) their report dated June 12, 2024 on the statement of possible special tax benefits available to our Company and its Shareholders included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

(ii) Our Company has received written consent dated June 14, 2024 from Manian & Rao, Chartered Accountants, to include their name as required under section 26(5) of the Companies Act read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act to the extent and in their capacity as the independent chartered accountant, in respect of their certificates in connection with the Offer and details derived therefrom as included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

(iii) Our Company has received a written consent dated June 14, 2024 from M/s. RBSA Advisors LLP, to include their name as an "expert" as defined under section 2(38) and 26(5) of the Companies Act to the extent and in their capacity as the independent chartered engineer and in respect of the certificate issued by them and included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Monitoring Agency

As the Offer is an offer for sale of Equity Shares by the Promoter Selling Shareholder, our Company is not required to appoint a monitoring agency in relation to the Offer.

Credit Rating

As the Offer is an offer for sale of Equity Shares, credit rating is not required.

IPO Grading

As the Offer is an offer for sale of Equity Shares, no credit agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

Debenture Trustees

As the Offer is an offer for sale of Equity Shares, no debenture trustee has been appointed for the Offer.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Appraising Entity

As the Offer is an offer for sale of Equity Shares by the Promoter Selling Shareholder, our Company will not receive any proceeds from the Offer. Accordingly, no appraising entity has been appointed for the Offer.

Filing of this Draft Red Herring Prospectus

A copy of this Draft Red Herring Prospectus has been filed electronically with SEBI through the SEBI intermediary portal at https://siportal.sebi.gov.in, in accordance with the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, as specified in Regulation 25(8) of SEBI ICDR

Regulations and circular SEBI/HO/CFD/DIL1/CIR/P/2018/011) dated January 19, 2018 issued by SEBI. A copy of this Draft Red Herring Prospectus will also be filed with SEBI at:

Securities and Exchange Board of India
Corporation Finance Department
Division of Issues and Listing
SEBI Bhavan, Plot No. C4 A, 'G' Block
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051
Maharashtra, India

Filing of the Red Herring Prospectus and the Prospectus

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed, under Section 32 of the Companies Act, would be filed with the RoC at its office and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, would be filed with the RoC at its office and through the electronic portal at http://www.mca.gov.in/mcafoportal/loginvalidateuser.do. For details of the address of the RoC, see "***- Address of the RoC***" on page 77.

Book Building Process

The Book Building Process, in the context of the Offer, refers to the process of collection of Bids from Bidders on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and minimum Bid Lot will be decided by our Company in consultation with the Promoter Selling Shareholder and the Book Running Lead Managers, and will be advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and all editions of [●] (a widely circulated Tamil daily newspaper, Tamil being the regional language of Tamil Nadu, where our Registered Office is located), at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. Pursuant to the Book Building Process, the Offer Price shall be determined by our Company in consultation with the Promoter Selling Shareholder and the BRLMs after the Bid/Offer Closing Date. For further details, see "***Offer Procedure***" beginning on page 369.

All Bidders, other than Anchor Investors, shall only participate through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or in the case of UPI Bidders, by using the UPI Mechanism. Additionally, Retail Individual Bidders shall participate through the ASBA process only using the UPI Mechanism. Non-Institutional Bidders with an application size of up to ₹0.50 million shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Anchor Investors are not permitted to participate in the Offer through the ASBA process. In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw or lower the size of their Bid(s) (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bid(s) during the Bid/Offer Period and withdraw their Bid(s) until Bid/Offer Closing Date.

Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. One-third of the Non-Institutional Portion shall be reserved for Bidders with application size of more than ₹0.20 million and up to ₹1.00 million, two-thirds of the Non-Institutional Portion shall be reserved for Bidders with an application size of more than ₹1.00 million and the unsubscribed portion in either of such sub-categories may be allocated to Bidders in the other sub-category of Non-Institutional Bidders. The allocation of Equity Shares to each Non-Institutional Bidder shall not be less than the minimum application size (i.e., ₹0.20 million), subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to QIBs (other than Anchor Investors) will be on a proportionate basis to Retail Individual Investors can revise their Bid(s) during the Bid/Offer Period and withdraw their Bid(s) until Bid/Offer Closing Date, while allocation to Anchor Investors will be on a discretionary basis. For further details on the method and procedure for Bidding and the Book Building Process, see "***Terms of the Offer***", "***Offer Structure***" and "***Offer Procedure***" beginning on pages 358, 365 and 369, respectively.

The Book Building Process and the Bidding process are subject to change from time to time, and the Bidders are advised to make their own judgment about investment through the aforesaid processes prior to submitting a Bid in the Offer.

Bidders should note that the Offer is also subject to (i) filing of the Prospectus by our Company with the RoC; and (ii) our Company obtaining final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment.

Illustration of Book Building Process and Price Discovery Process

Each Bidder, by submitting a Bid in the Offer, will be deemed to have acknowledged the above restrictions and the terms of the Offer. For an illustration of the Book Building Process and the price discovery process, see "***Terms of the Offer***" and "***Offer Procedure***" beginning on pages 358 and 369, respectively.

Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company and the Promoter Selling Shareholder will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(This portion has been intentionally left blank and will be completed before filing of the Prospectus with the RoC.)

Name, address, telephone number and e-mail address of the Underwriters	Indicative number of Equity Shares to be Underwritten	Amount Underwritten (in ₹ million)
[●]	[●]	[●]

The abovementioned amounts are provided for indicative purposes only and would be finalized after the pricing and actual allocation and subject to the provisions of Regulation 40(3) of the SEBI ICDR Regulations.

In the opinion of our Board of Directors (based on representations made to our Company by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered as merchant bankers with SEBI or registered as brokers with the Stock Exchange(s). Our Board of Directors/IPO Committee, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company. Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. The extent of underwriting obligations and the Bids to be underwritten by each BRLM shall be as per the Underwriting Agreement.

The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed after determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus, with the RoC.

CAPITAL STRUCTURE

The share capital of our Company, as on the date of this Draft Red Herring Prospectus, is set forth below.

(in ₹, except share data)

S. No.	Particulars	Aggregate value at face value	Aggregate value at Offer Price*
A)	**AUTHORISED SHARE CAPITAL**(1)		
	1,400,000,000 Equity Shares of face value of ₹10 each	14,000,000,000	-
B)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	812,541,100 Equity Shares of face value of ₹ 10 each	8,125,411,000	-
C)	**PRESENT OFFER**(2)(3)		
	Offer for Sale of up to 142,194,700 Equity Shares of face value of ₹ 10 each	1,421,947,000	[●]
E)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER***		
	812,541,100 Equity Shares of face value of ₹ 10 each	8,125,411,000	-
F)	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer		Nil
	After the Offer		Nil

**To be updated upon finalisation of the Offer Price and subject to finalisation of Basis of Allotment.*

*(1) For details in relation to changes in the authorized share capital of our Company see "**History and Certain Corporate Matters – Amendments to the Memorandum of Association**" on page 189.*

*(2) The Offer has been authorized by our Board pursuant to its resolution dated May 17, 2024. Further, our IPO Committee has taken on record the approval for the Offer for Sale by the Promoter Selling Shareholder pursuant to its resolution dated June 14, 2024. For details of authorizations for the Offer for Sale, see "**The Offer**" on page 71.*

(3) The Promoter Selling Shareholder has confirmed that the Offered Shares are eligible for being offered for sale in the Offer in accordance with the SEBI ICDR Regulations.

Notes to Capital Structure

1. **Equity share capital history of our Company**

The following table sets forth the history of the equity share capital of our Company:

Date of allotment	Nature of allotment	Name(s) of allottee(s) and details of equity shares allotted per allottee	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
May 6, 1996	Initial subscription to the Memorandum of Association^	One equity share each was allotted to Hyundai Motor Company and nominees of Hyundai Motor Company, *i.e.*, M G Chung, B J Park, H W Baik, N M Kim, Y S Kim and B J Lee	7	1,000	1,000	Cash
December 27, 1996#	Further issue*	Hyundai Motor Company	77,678	1,000	1,000	Cash
September 16, 1997#	Further issue	Hyundai Motor Company	739,966	1,000	1,000	Cash
October 31, 1997#	Further issue	Hyundai Motor Company	2,159,430	1,000	1,000	Cash
December 10, 1997#	Further issue	Hyundai Motor Company	905,685	1,000	1,000	Cash
March 31, 1998#	Further issue	Hyundai Motor Company	774,605	1,000	1,000	Cash
July 21, 1998#	Further issue	Hyundai Motor Company	1,654,435	1,000	1,000	Cash

Date of allotment	Nature of allotment	Name(s) of allottee(s) and details of equity shares allotted per allottee	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
December 1, 1998#	Further issue	Hyundai Motor Company	636,883	1,000	1,000	Cash
February 16, 1999#	Further issue	Hyundai Motor Company	1,176,722	1,000	1,000	Cash
Pursuant to resolutions passed by our Board and our Shareholders in their respective meetings held on May 17, 2024, the authorised share capital of our Company was sub-divided from 14,000,000 equity shares of face value of ₹ 1,000 each into 1,400,000,000 Equity Shares of face value of ₹10 each. Accordingly, the issued, subscribed and paid-up equity share capital of our Company was sub-divided from 8,125,411 equity shares of face value of ₹ 1,000 per equity share to 812,541,100 Equity Shares of face value of ₹ 10 per Equity Share.						

^ *Our Company was incorporated on May 6, 1996. The date of subscription to the Memorandum of Association is April 26, 1996 and the allotment of equity shares pursuant to such subscription was taken on record by our Board on May 10, 1996.*

*Allotments have been made by our Company pursuant to the in-principle approval dated June 11, 1996, received from RBI under section 19(i)(d) of the Foreign Exchange Regulation Act, 1973 ("**RBI Approval**"). The RBI Approval was taken on record by our Board in its meeting held on July 18, 1996.*

* *Our Company has been unable to trace Form 2 for return of allotment for such allotment as the relevant information was not available in the records maintained by our Company. Our Company has conducted an extensive search of its records with the RoC, both physically and on the MCA portal, and in this regard has obtained a certificate dated June 3, 2024, from BP & Associates, practicing company secretaries. Accordingly, we have included these details based on share certificates and the resolution dated December 27, 1996, passed by the Board for this allotment. Further, we have also sent an intimation through our letter dated June 7, 2024, to the RoC informing them of the missing Form 2 with respect to this allotment. For further details, see "**Risk Factors – A form filing relating to an allotment of our equity shares in the past, is not traceable. We cannot assure you that any action will not be initiated against us in the future or that we will not be subject to any penalty imposed by the competent authority in this regard.**" on page 43.*

2. Our Company does not have any preference share capital as on the date of this Draft Red Herring Prospectus

3. **Equity shares issued out of revaluation reserves**

   Our Company has not issued any equity shares out of revaluation of reserves since incorporation.

4. **Equity shares issued for consideration other than cash or pursuant to Sections 230 to 234 of the Companies Act, 2013 or Sections 391 to 394 of the Companies Act, 1956**

   Our Company has not issued any equity shares for consideration other than cash nor has allotted any equity shares pursuant to any scheme approved under under Sections 391 to 394 of the Companies Act, 1956 or Sections 230 to 234 of the Companies Act since incorporation.

5. **Issue of equity shares at a price lower than the Offer Price in the last year**

   Our Company has not issued any equity shares during a period of one year preceding the date of this Draft Red Herring Prospectus.

6. **Issue of equity shares under employee stock option schemes**

   Our Company has not issued any equity shares pursuant to any employee stock option scheme since its incorporation. Our Company does not have any employee stock option scheme as on date of this Draft Red Herring Prospectus.

7. **Shareholding of our Promoter and members of our Promoter Group**

   As on the date of this Draft Red Herring Prospectus, none of the members of the Promoter Group (excluding our Promoter) hold any Equity Shares in our Company.

   Set forth below is the shareholding of our Promoter in our Company:

Name of the Shareholder	Pre-Offer		Post-Offer	
	Number of Equity Shares of face value of ₹ 10 each	Percentage of pre-Offer Equity Share capital (%)	Number of Equity Shares of face value of ₹ 10 each	Percentage of post-Offer Equity Share capital (%)[*]
Hyundai Motor Company	812,541,100[#]	100	[●]	[●]
Total	**812,541,100[#]**	**100**	**[●]**	**[●]**

[*]*Subject to finalisation of Basis of Allotment*

[#]*Includes 100 Equity Shares of face value of ₹ 10 each,each held by Wangdo Hur, Kuen Han YI, Unsoo Kim, Jae Wan Ryu, Daeick Kim and Jong Hoon Lee on behalf of and as nominees of Hyundai Motor Company, our Promoter.*

8. **History of build-up of Promoter shareholding in our Company**

As on the date of this Draft Red Herring Prospectus, our Promoter holds, in aggregate, 812,541,100 Equity Shares of face value of ₹ 10 each, including 100 Equity Shares of face value of ₹ 10 each, each held by Wangdo Hur, Kuen Han YI, Unsoo Kim, Jae Wan Ryu, Daeick Kim and Jong Hoon Lee on behalf of and as nominees of our Promoter, which constitutes 100% of the issued, subscribed and paid-up Equity Share capital of our Company. All the Equity Shares held by our Promoter are held in dematerialised form. As of the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoter are pledged or otherwise encumbered.

Set forth below is the build-up of our Promoter's shareholding in our Company since its incorporation:

Date of allotment/ transfer	Number of equity shares allotted/ transferred	Face value per equity share (₹)	Issue/ acquisition/ transfer price per equity share (₹)	Nature of consideration	Nature of transaction	% of the pre-Offer Equity Share capital[#]	% of the post-Offer Equity Share capital
May 6, 1996[&]	7	1,000	1,000	Cash	Initial subscription to the MoA	0.00	[●]
December 27, 1996	77,678[*]	1,000	1,000	Cash	Further issue	0.96	[●]
September 16, 1997	739,966	1,000	1,000	Cash	Further issue	9.11	[●]
October 31, 1997	2,159,430	1,000	1,000	Cash	Further issue	26.58	[●]
December 10, 1997	905,685	1,000	1,000	Cash	Further issue	11.15	[●]
March 31, 1998	774,605	1,000	1,000	Cash	Further issue	9.53	[●]
July 21, 1998	1,654,435	1,000	1,000	Cash	Further issue	20.36	[●]
December 1, 1998	636,883	1,000	1,000	Cash	Further issue	7.84	[●]
February 16, 1999	1,176,722	1,000	1,000	Cash	Further issue	14.48	[●]
Pursuant to resolutions passed by our Board and our Shareholders in their respective meetings held on May 17, 2024, the authorised share capital of our Company was sub-divided from 14,000,000 equity shares of face value of ₹ 1,000 each into 1,400,000,000 Equity Shares of face value of ₹10 each. Accordingly, the issued, subscribed and paid-up equity share capital of our Company was sub-divided from 8,125,411 equity shares of face value of ₹ 1,000 per equity share to 812,541,100 Equity Shares of face value of ₹ 10 per Equity Share.							
Total	**812,541,100[^]**					**100**	**[●]**

[&]*Our Company was incorporated on May 6, 1996. The date of subscription to the Memorandum of Association is April 26, 1996,and the allotment of equity shares pursuant to such subscription was taken on record by our Board on May 10, 1996.*

[#]*As adjusted for the sub-division of face value of equity shares of our Company from ₹1,000 each to ₹10 each.*

[^] *Includes 100 Equity Shares of face value of ₹ 10 each, each held by Wangdo Hur, Kuen Han YI, Unsoo Kim, Jae Wan Ryu, Daeick Kim and Jong Hoon Lee on behalf of and as nominees of Hyundai Motor Company, our Promoter.*

[*]*Our Company has been unable to trace Form 2 for return of allotment for such allotment as the relevant information was not available in the records maintained by our Company. Our Company has conducted an extensive search of its records with the RoC, both physically and on the MCA portal, and in this regard has obtained a certificate dated June 3, 2024, from BP & Associates, practicing company secretaries. Accordingly, we have included these details based on share certificates and the resolution dated December 27, 1996, passed by the Board for this allotment. Further, we have also sent an intimation through our letter dated June 7, 2024, to the RoC informing them of the missing Form 2 with respect to this allotment. For further details, see "**Risk Factors – A form filing relating to an allotment of our equity shares in the past, is not traceable. We cannot assure you that any action will not be initiated against us in the future or that we will not be subject to any penalty imposed by the competent authority in this regard.**" on page 43.*

9. **Details of minimum Promoter Contribution locked in for 18 months**

Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoter shall be considered as minimum promoter contribution and locked-in for a period of 18 months or any other period as may be prescribed under applicable law, from the date of Allotment ("**Promoter's Contribution**") and the Equity Shares held by our Promoter in excess of Promoter's Contribution and the Equity Shares held by them transferred pursuant the Offer, shall be locked in for a period of six months, from the date of Allotment or any other period as may be prescribed under applicable law.

Our Promoter has given its consent to include such number of Equity Shares held by them, in aggregate, as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as Promoter's Contribution. Our Promoter has agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner the Promoter's Contribution from the date of this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

As on the date of this Draft Red Herring Prospectus, our Promoter holds 812,541,100 Equity Shares of face value of ₹ 10 each, including 100 Equity Shares of face value of ₹ 10 each, each held by Wangdo Hur, Kuen Han YI, Unsoo Kim, Jae Wan Ryu, Daeick Kim and Jong Hoon Lee on behalf of and as nominees of our Promoter, constituting 100% of our Company's issued, subscribed and paid-up equity share capital, all of which are eligible for Promoter contribution.

The details of Equity Shares held by our Promoter, which will be locked-in for minimum Promoter's contribution for a period of 18 months, from the date of Allotment as Promoter Contribution are as provided below:

Name of our Promoter	Number of Equity Shares of face value ₹ 10 each held	Number of Equity Shares of face value ₹ 10 each locked-in*	Date of allotment/ transfer#	Face value per Equity Share (₹)	Allotment/ Acquisition price per Equity Share of face value ₹ 10 each (₹)	Nature of transaction	% of the pre-Offer paid-up capital (%)	% of the post-Offer paid-up capital (on a fully diluted basis) *
Hyundai Motor Company	812,541,100^	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total	**812,541,100^**	[●]	[●]	[●]	[●]	[●]	[●]	[●]

Note: To be updated at the Prospectus stage.
^ *Includes 100 Equity Shares of face value of ₹ 10 each, each held by Wangdo Hur, Kuen Han YI, Unsoo Kim, Jae Wan Ryu, Daeick Kim and Jong Hoon Lee on behalf of and as nominees of Hyundai Motor Company, our Promoter.*
# *Equity Shares of face value of ₹ 10 each were fully paid-up on the date of allotment/acquisition.*
* *Subject to finalisation of Basis of Allotment.*

The Equity Shares being locked-in are not and will not be ineligible for computation of Promoter Contribution under Regulation 15 of the SEBI ICDR Regulations. For details on the build-up of the equity share capital held by our Promoter, see "***- History of build-up of Promoter shareholding in our Company***" on page 88.

In this connection, we confirm the following:

(i) Equity Shares offered for Promoter's Contribution do not include Equity Shares acquired during the three years preceding the date of this Draft Red Herring Prospectus (a) for consideration other than cash and revaluation of assets or capitalisation of intangible assets, or (b) as a result of bonus shares issued by utilization of revaluation reserves or unrealised profits or from bonus issue against Equity Shares which are otherwise in-eligible for computation of Promoter's Contribution;

(ii) the Promoter's Contribution does not include any Equity Shares acquired during the one year preceding the date of this Draft Red Herring Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

(iii) our Company has not been formed by the conversion of one or more partnership firms or a limited liability partnership firm into a Company; and

(iv) the Equity Shares forming part of the Promoter's Contribution are not subject to any pledge or any other form of encumbrance.

10. **Details of share capital locked-in for six months**

In addition to Promoter's Contribution locked in for 18 months any Equity Shares held by our Promoter's in excess of Promoter's Contribution shall be locked in for a period of six months. Pursuant to Regulation 17 of the SEBI ICDR Regulations, the entire pre-Offer Equity Share capital of our Company will be locked in for a period of six months from the date of Allotment, except for Equity Shares Allotted pursuant to the Offer for Sale. As on the date of this Draft Red Herring Prospectus, our Company does not have Shareholders that are venture capital funds or alternative investment funds of category I or category II or a foreign venture capital investor.

As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

In terms of Regulation 21 of the SEBI ICDR Regulations, the Equity Shares held by our Promoter which are locked-in as per Regulation 16 of the SEBI ICDR Regulations, may be pledged only with scheduled commercial banks or public financial institutions or systemically important non-banking finance companies or deposit taking housing finance companies as collateral security for loans granted by such entity, provided that such pledge of the Equity Shares is one of the terms of the sanctioned loan. However, such lock-in will continue pursuant to any invocation of the pledge and the transferee of the Equity Shares pursuant to such invocation shall not be eligible to transfer the Equity Shares until the expiry of the lock-in period stipulated above.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoter which are locked-in pursuant to Regulation 16 of the SEBI ICDR Regulations, may be transferred amongst our Promoter or any member of the Promoter Group or to any new promoter, subject to continuation of lock-in in the hands of the transferees for the remaining period and compliance with provisions of the Takeover Regulations, as applicable and such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired. The Equity Shares held by persons other than our Promoter and locked-in for a period of six months from the date of Allotment in the Offer, may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of the transferee for the remaining period (and such transferees shall not be eligible to transfer until the expiry of the lock-in period) and compliance with the provisions of the Takeover Regulations.

11. **Lock-in of Equity Shares Allotted to Anchor Investors**

50% of the Equity Shares Allotted to Anchor Investors under the Anchor Investor Category shall be locked-in for a period 90 days from the date of Allotment and the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Category shall be locked-in for a period of 30 days from the date of Allotment.

12. Our Promoter, members of our Promoter Group, our Directors or their relatives have not sold or purchased any Equity Shares during the six months preceding the date of this Draft Red Herring Prospectus.

13. ***Our shareholding pattern***

The shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus is as set forth below:

Category (I)	**Category of shareholder (II)**	**Number of shareholders (III)**	**Number of fully paid up Equity Shares of face value of ₹10 each held (IV)**	**Number of partly paid-up Equity Shares held (V)**	**Number of shares underlying Depository Receipts (VI)**	**Total number of shares held (VII) =(IV)+(V)+ (VI)**	**Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)**	**Number of voting rights held in each class of securities (IX)**				**Number of Equity Shares underlying outstanding convertible securities (including Warrants) (X)**	**Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)**	**Number of locked in Equity Shares (XII)**		**Number of Equity Shares pledged or otherwise encumbered (XIII)**		**Number of Equity Shares held in dematerialized form (XIV)**
								Number of voting rights – Class e.g.: Equity Shares	**Class e.g.: Others**	**Total**	**Total as a % of (A+B + C)**			**Number (a)**	**As a % of total Shares held (b)**	**Number (a)**	**As a % of total Shares held (b)**	
(A)	Promoters and Promoter Group	7[*]	812,541,100	-	-	812,541,100	100	812,541,100	-	812,541,100	100	-	-	-	-	-	-	812,541,100
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**7[*]**	**812,541,100**	**-**	**-**	**812,541,100**	**100**	**812,541,100**	**-**	**812,541,100**	**100**	**-**	**-**	**-**	**-**	**-**	**-**	**812,541,100**

[*] *Our Company has seven shareholders, out of which six equity shareholders, i.e., Wangdo Hur, Kuen Han YI, Unsoo Kim, Jae Wan Ryu, Daeick Kim and Jong Hoon Lee, are holding 100 Equity Shares of face value of ₹ 10 each, as the registered holders on behalf of our Promoter and our Promoter is the beneficial owner of these Equity Shares of face value ₹ 10 each and in total holds 812,541,100 Equity Shares of face value of ₹ 10 each.*

14. As on the date of this Draft Red Herring Prospectus, our Company has seven Shareholders, which includes six nominee shareholders of the Promoter.

15. **Shareholding of our Directors, Key Managerial Personnel and members of Senior Management in our Company**

Except as stated below, none of our Directors or Key Managerial Personnel or Senior Management hold any Equity Shares as on the date of this Draft Red Herring Prospectus.

Name	Number of Equity Shares of face value of ₹ 10 each	Percentage of pre-Offer Equity Share capital
Unsoo Kim	100	Negligible
Wangdo Hur	100	Negligible
Daeick Kim	100	Negligible
Jong Hoon Lee	100	Negligible
Jae Wan Ryu	100	Negligible
Total	**500***	**Negligible**

**Held as the registered holders on behalf of our Promoter and our Promoter is the beneficial owner of these Equity Shares of face value ₹ 10 each.*

16. **Details of shareholding of the major shareholders of our Company**

(1) ***Details of shareholding of the major shareholders of our Company***

(a) Set forth below are details of shareholder holding 1% or more of the paid-up share capital of our Company as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of Shareholder	Number of Equity Shares of face value of ₹ 10 each	Percentage of pre-Offer Equity Share capital
1.	Hyundai Motor Company	812,541,100^	100

^ Includes 100 Equity Shares of face value of ₹ 10 each, each held by Wangdo Hur, Kuen Han YI, Unsoo Kim, Jae Wan Ryu, Daeick Kim and Jong Hoon Lee on behalf of and as nominees of Hyundai Motor Company, our Promoter.

(b) Set forth below are details of shareholder holding 1% or more of the paid-up share capital of our Company as of 10 days prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of Shareholder	Number of Equity Shares of face value of ₹ 10 each	Percentage of pre-Offer Equity Share capital
1.	Hyundai Motor Company	812,541,100^	100

^ Includes 100 Equity Shares of face value of ₹ 10 each, each held by Wangdo Hur, Kuen Han YI, Unsoo Kim, Jae Wan Ryu, Daeick Kim and Jong Hoon Lee on behalf of and as nominees of Hyundai Motor Company, our Promoter.

(c) Set forth below are details of shareholder holding 1% or more of the paid-up share capital of our Company as of one year prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of Shareholder	Number of equity shares	Percentage of pre-Offer Equity Share capital
1.	Hyundai Motor Company	8,125,411^	100

^Including one equity share of face value ₹ 1,000 each, each held by M K Chung, Kuen Han YI, Unsoo Kim, Dosik Kim, Daeick Kim and Jong Hoon Lee on behalf of and as nominees of Hyundai Motor Company, our Promoter.

(d) Set forth below are details of shareholder holding 1% or more of the paid-up share capital of our Company as of two years prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of Shareholder	Number of equity shares	Percentage of pre-Offer Equity Share capital
1.	Hyundai Motor Company	8,125,411^	100

^ Including one equity share of face value ₹ 1,000 each,each held by M K Chung, Kuen Han YI, Unsoo Kim, Dosik Kim, Daeick Kim and Jong Hoon Lee on behalf of and as nominees of Hyundai Motor Company, our Promoter.

17. **Employee stock option scheme**

Our Company does not have any employee stock option scheme as on the date of this Draft Red Herring Prospectus.

18. There have been no financing arrangements whereby our Promoter, members of the Promoter Group, directors of our Promoter, our Directors or any of their relatives have financed the purchase by any other person of securities of our Company (other than in the normal course of the business of the relevant financing entity) during the six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

19. Our Company, our Directors and the BRLMs have not entered into any buy-back arrangement for purchase of the Equity Shares being offered through the Offer.

20. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus. The Equity Shares to be transferred pursuant to the Offer shall be fully paid-up at the time of Allotment.

21. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into, or which would entitle any person to an option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

22. There will be no further issue of specified securities whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded, as the case may be.

23. There is no proposal or intention, negotiations or consideration by our Company to alter its capital structure by way of split or consolidation of the Equity Shares or issue of Equity Shares or convertible securities on a preferential basis or issue of bonus or rights or further public offer of such securities, within a period of six months from the Bid/Offer Opening Date.

24. None of the BRLMs and their respective associates (as defined under the SEBI Merchant Bankers Regulations) hold any Equity Shares as on the date of this Draft Red Herring Prospectus.

25. Our Company shall ensure that there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

26. The issuance of equity shares since incorporation until the date of this Draft Red Herring Prospectus, by our Company had been undertaken in accordance with the provisions of the Companies Act, as to the extent applicable.

27. All transactions in Equity Shares by our Promoter and members of our Promoter Group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Offer shall be reported to the Stock Exchanges within 24 hours of such transactions.

28. None of the Shareholders of our Company are directly or indirectly related to the BRLMs or their associates.

OBJECTS OF THE OFFER

The objects of the Offer are to (i) to carry out the Offer for Sale of up to 142,194,700 Equity Shares of face value of ₹ 10 each by the Promoter Selling Shareholder aggregating up to ₹ [●] million; and (ii) achieve the benefits of listing the Equity Shares on the Stock Exchanges. For further details of the Offer, see "***The Offer***" beginning on page 71.

Further, our Company expects that listing of the Equity Shares will enhance our visibility and brand image and provide liquidity and a public market for the Equity Shares in India.

Utilisation of the Offer Proceeds by the Promoter Selling Shareholder

Our Company will not receive any proceeds from the Offer (the "**Offer Proceeds**") and all the Offer Proceeds will be received by the Promoter Selling Shareholder after deduction of Offer related expenses and relevant taxes thereon, to be borne by the Promoter Selling Shareholder. For details of the Offered Shares, see "***Other Regulatory and Statutory Disclosures – Authority for the Offer***" beginning on page 340.

Offer-related Expenses

The Offer expenses are estimated to be approximately ₹ [●] million.

The expenses in relation to this Offer include, among others, listing fees, selling commission and brokerage, fees payable to the BRLMs, fees payable to legal counsel of the Company and Promoter Selling Shareholder, fees payable to the Registrar to the Offer, Escrow Collection Bank(s) and Sponsor Bank(s) to the Offer, processing fee to the SCSBs for processing application forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

Other than the listing fees which will be solely borne by our Company; all costs, charges, fees and expenses that are associated with and incurred in connection with the Offer including, *inter alia*, filing fees, book building fees and other charges, fees and expenses of the SEBI, the Stock Exchanges, the Registrar of Companies and any other Governmental Authority, advertising (except any advertisements constituting corporate communication not related to the Offer which shall be solely borne by our Company), printing, accommodation and travel expenses, fees and expenses of the legal counsel to our Company and Promoter Selling Shareholder, registrar fees and broker fees (including fees for procuring of applications), bank charges, fees and expenses of the BRLMs, syndicate members, Self-Certified Syndicate Banks, other Designated Intermediaries and any other consultant, advisor or third party in connection with the Offer shall be borne by our Company and/or the Promoter Selling Shareholder, subject to compliance with applicable law and as agreed among parties. All the expenses relating to the Offer shall be paid by our Company in the first instance. Upon commencement of listing and trading of the Equity Shares on the Stock Exchanges pursuant to the Offer, Promoter Selling Shareholder shall reimburse our Company for any expenses in relation to the Offer paid by our Company on behalf of the Promoter Selling Shareholder directly from the Public Offer Account except as may be prescribed by the SEBI or any other regulatory authority. In the event the Offer is withdrawn or unsuccessful or the listing and trading approvals from the Stock Exchanges are not received, subject to applicable laws, all costs and expenses (including all applicable taxes) with respect to the Offer shall be exclusively borne by our Company, unless specifically required otherwise by the relevant governmental authority and reimbursed by the Promoter Selling Shareholder. Our Company and the Promoter Selling Shareholder shall pay the fees and expenses of the BRLMs as agreed to among the parties.

The estimated Offer expenses are as follows:

(*₹ in million*)

Activity	Estimated expenses* (in ₹ million)	As a % of the total estimated Offer expenses	As a % of the total Offer size
Fees and commissions payable to the BRLMs (including any underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees payable to the Registrar to the Offer	[●]	[●]	[●]
Commission/processing fee for SCSBs, Sponsor Bank(s) and Bankers to the Offer. Brokerage and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs(1)	[●]	[●]	[●]
Printing and distribution of Offer stationery	[●]	[●]	[●]
Others	[●]	[●]	[●]

Activity		Estimated expenses* (in ₹ million)	As a % of the total estimated Offer expenses	As a % of the total Offer size
A.	Regulatory filing fees, book building software fees, listing fees etc			
B.	Fee payable to independent statutory auditor, namely B S R & Co. LLP., Chartered Accountants	[●]	[●]	[●]
C.	Fees payable to other intermediaries	[●]	[●]	[●]
D.	Fee payable to legal counsels	[●]	[●]	[●]
E.	Miscellaneous	[●]	[●]	[●]
Total estimated Offer expenses		[●]	[●]	[●]

* *Offer expenses include goods and services tax, where applicable. Amounts will be finalised and incorporated at the time of filing of the Prospectus.*

**Offer expenses are estimates and are subject to change.*

a. *Selling commission payable to the SCSBs on the portion for Retail Individual Bidders, Non-institutional Bidders which are directly procured and uploaded by the SCSBs, would be as follows:*

*Portion for Retail Individual Bidders**	*[●]% of the amount allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*[●]% of the amount allotted (plus applicable taxes)*

**Amount allotted is the product of the number of Equity Shares Allotted and the Offer Price.*
Selling commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the Bid book of BSE or NSE.

b. *No uploading/processing fees shall be payable by our Company and the Promoter Selling Shareholder to the SCSBs on the application directly procured by them.*

Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders (excluding UPI Bids) which are procured by the members of the Syndicate / sub-Syndicate / Registered Broker / RTAs / CDPs and submitted to SCSB for blocking, would be as follows:

Portion for Retail Individual Bidders and Non-Institutional Bidders	*₹[●] per valid application (plus applicable taxes)*

c. *Processing fees for applications made by UPI Bidders using the UPI Mechanism would be as follows:*

Members of the Syndicate /RTAs/ CDPs/ Registered Brokers	*₹ [●] per valid Bid cum Application Form (plus applicable taxes)*
Sponsor Bank	*₹ [●] per valid Bid cum Application Form (plus applicable taxes)* *The Sponsor Bank shall be responsible for making payments to third parties such as the remitter bank, the NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws.*

* *Based on valid Bid cum Application Forms.*

d. *Brokerage, selling commission and processing/uploading charges on the portion for UPI Bidders, Retail Individual Bidders and Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate members), RTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their sub-Syndicate members) would be as follows:*

*Portion for UPI Bidders**	*[●]% of the amount allotted (plus applicable taxes)*
*Portion for Retail Individual Bidders**	*[●]% of the amount allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*[●]% of the amount allotted (plus applicable taxes)*

**Amount allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

e. *The selling commission payable to the Syndicate / sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / sub-Syndicate Member.*

f. *Bidding Charges payable to members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking, would be as follows: ₹ [●] plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), RTAs and CDPs.*

The selling commission and bidding charges payable to Registered Brokers the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid book of BSE or NSE.

Bidding charges payable to the Registered Brokers, RTAs/CDPs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are directly procured by the Registered Broker or RTAs or CDPs and submitted to SCSB for processing, would be as follows:

*Portion for Retail Individual Bidders**	*₹[●] per valid application (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*₹[●] per valid application (plus applicable taxes)*

* *Based on valid Bid cum Application Forms*

g. *All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Bank Agreement.*

h. The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment shall be made in compliance with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

Monitoring Utilization of Funds

Since the Offer is an Offer for Sale and our Company will not receive any proceeds from the Offer, our Company is not required to appoint a monitoring agency for the Offer.

Other confirmations

The Offer proceeds will be received by the Promoter Selling Shareholder. None of our Directors, Key Managerial Personnel and Senior Management will receive any portion of the Offer Proceeds.

BASIS FOR OFFER PRICE

The Price Band and the Offer Price will be determined by our Company, in consultation with the Book Running Lead Managers, on the basis of assessment of market demand for the Equity Shares of face value of ₹ 10 each offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10 each and the Offer Price is [●] times the Floor Price and [●] times the Cap Price. Bidders should also see "***Risk Factors***", "***Our Business***", "***Restated Consolidated Financial Information***", and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 28, 150, 228 and 293, respectively, to have an informed view before making an investment decision.

Qualitative Factors

We believe that some of the qualitative factors and our strengths which form the basis for computing the Offer Price are:

- We have been the second largest auto OEM since Fiscal 2009 in the Indian passenger vehicles market in terms of domestic sales volumes, according to the CRISIL Report;
- We have diverse portfolio of passenger vehicles across powertrains and across major passenger vehicle segments Our current portfolio of passenger vehicles caters to a diverse customer base, such that we are able to offer "something for everyone". Currently, our portfolio includes 13 passenger vehicle models across all major passenger vehicle segments by body type;
- We identify emerging market trends in a timely manner and introduce innovative passenger vehicles and technologies to meet customer needs in India. We identify emerging market trends, latent customer needs and aspirations based on our and HMC's global network, in-depth market and product research;
- We have pan-India sales and distribution and after-sale services network offered by our dealers As of December 31, 2023, we had 1,366 sales outlets across 1,031 cities and towns in India and 1,550 service centres across India across 962 cities and towns in India, which has grown from 1,167 sales outlets across 873 cities and towns in India and 1,307 service centres across 814 cities and towns in India as of March 31, 2021;
- We have digitised our customers and dealers' interactions with each other and with us. Through the "myHyundai" app and our website, customers can interact with us at every stage of the passenger vehicle purchase journey and access after-sale services;
- We have flexible and automated manufacturing capabilities. The Chennai Manufacturing Plant was one of India's largest single location passenger vehicle manufacturing plants in terms of production capacity for CY2023, according to the CRISIL Report. Our passenger vehicles are based on five different platforms (four for ICE passenger vehicles and one for EVs); and
- We have an experienced management team with a track record of delivering profitable growth and superior returns.

For further details, see "***Our Business – Our Strengths***" on page 155.

Quantitative Factors

Some of the information presented below, relating to our Company, is derived from the Restated Consolidated Financial Information. For details, see "***Restated Consolidated Financial Information***" on page 228.

Pursuant to resolutions passed by our Board and our Shareholders in their respective meetings held on May 17, 2024, the authorised share capital of our Company was sub-divided from 14,000,000 equity shares of face value of ₹ 1,000 each into 1,400,000,000 Equity Shares of face value of ₹10 each. Accordingly, the issued, subscribed and paid-up equity share capital of our Company was sub-divided from 8,125,411 equity shares of face value of ₹ 1,000 per equity share to 812,541,100 Equity Shares of face value of ₹ 10 per Equity Share. Sub-division of shares has been retrospectively considered for the computation of EPS in accordance with Ind AS 33 for all Fiscals/ periods presented.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

A. Basic and diluted earnings per share ("EPS"):

Fiscal / Period ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Fiscal ended March 31, 2023	57.96	57.96	3
Fiscal ended March 31, 2022	35.71	35.71	2
Fiscal ended March 31, 2021	23.15	23.15	1
Weighted Average	**44.74**	**44.74**	-

Fiscal / Period ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Nine months ended December 31, 2023#	53.94	53.94	-

#Not annualised

Notes:

(1) Basic EPS is calculated by dividing the net profit for the period/year divided by the weighted average number of equity shares.

(2) Diluted EPS is calculated by dividing the net /profit for the period/year divided by the weighted average number of equity shares adjusted for effect of dilution.

(3) Weighted average means aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x weight) for each year/ total of weights.

(4) Pursuant to resolutions passed by our Board of Directors and the Shareholders in their respective meetings held on May 17, 2024, the face value of the Equity Shares of our Company was sub-divided from ₹1,000 each to ₹10 each, the disclosure of basic and diluted earnings per share for all the period/ years presented has been arrived at after giving effect to the sub-division

B. Price/Earning ("P/E") ratio in relation to Price Band of ₹ [●] to ₹[●] per Equity Share:

Particulars	P/E at the Floor Price (number of times)	P/E at the Cap Price (number of times)
Based on basic EPS for the Financial Year 2023	[●]#	[●]#
Based on diluted EPS for the Financial Year 2023		

#To be updated on finalisation of the Price Band.

C. Industry P/E ratio

Particulars	P/E Ratio
Highest	150.09
Lowest	30.32
Average	75.89

Notes:

(1) The industry high and low has been considered from the industry peer set provided later in this section. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section.

(2) The industry P/E ratio mentioned above is for the financial year ended March 31, 2023. P/E ratio has been computed based on the closing market price of equity shares on BSE Limited on June 12, 2024 divided by the Diluted EPS for the year ended March 31, 2023.

(3) All the financial information for listed industry peers mentioned above is sourced from the audited financial statements of the relevant companies for Fiscal 2023, as available on the websites of the Stock Exchanges.

D. Return on Net Worth

Fiscal / Period ended	Return On Net Worth (%)	Weight
2023	23.48%	3
2022	17.21%	2
2021	12.29%	1
Weighted Average (of the above three Financial Years)	**19.53%**	
Nine months ended December 31, 2023#	22.16%	

 # Not annualised

Notes:

(1) Return on Net Worth is calculated as Profit for the period / year as a percentage of Net Worth

(2) Net Worth is defined as total equity, which is equity share capital plus general reserve and retained earnings .

(3) Weighted average means aggregate of year-wise weighted Return On Net Worth divided by the aggregate of weights i.e. (Return On Net Worth x weight) for each year/total of weights.

For a reconciliation of non-GAAP measures, see "***Management's Discussion and Analysis of our Results of Operations – Non- GAAP Financial Measures***" on page 310.

E. Net Asset Value Per Equity Share

Net Asset Value Per Equity Share	Amount (in ₹)
As on March 31, 2023	246.82
As on December 31, 2023	243.41
After the Offer	
- At Floor Price	[●]
- At Cap Price	[●]
At Offer Price	[●]

Notes:

*For a reconciliation of non-GAAP measures, see "**Management's Discussion and Analysis of our Results of Operations - Non-GAAP Financial Measures**" on page 310.*

Net Asset Value Per Equity Share defined as total equity divided by number of equity used in calculating earnings per shares.

Pursuant to resolutions passed by our Board and our Shareholders in their respective meetings held on May 17, 2024, the authorised share capital of our Company was sub-divided from 14,000,000 equity shares of face value of ₹ 1,000 each into 1,400,000,000 Equity Shares of face value of ₹10 each. Accordingly, the issued, subscribed and paid-up equity share capital of our Company was sub-divided from 8,125,411 equity shares of face value of ₹ 1,000 per equity share to 812,541,100 Equity Shares of face value of ₹ 10 per Equity Share.

F. Comparison of accounting ratios with listed industry peers

The following peer group has been determined on the basis of companies listed on Indian stock exchanges, whose business profile is comparable to our businesses in terms of our size and our business model:

Name of the company	Face value (₹ per share)	Closing price as on June 12, 2024 (₹ per share)	Revenue from operations for Financial Year 2023 (in ₹ million)	Earnings per share for Financial Year 2023 (₹)(1)		Net Asset Value Per Equity Share as at March 31, 2023(2)	Price/ earnings ratio for the Financial Year 2023(3)	Return On Net Worth for the Financial Year 2023 (%)(4)	Market capitalisation (in ₹ billion) (5)
				Basic	Diluted				
Company	10	NA	603,075.80	57.96	57.96	246.82	NA#	23.48%	-
Listed peers									
Maruti Suzuki India Limited	5	12,850.30	1,175,713.00	271.82	271.82	2,045.53	47.28	13.29%	4,040.17
Tata Motors Limited(6)	2	946.05	3,459,669.70	6.30	6.30	118.34	150.09	5.33%	3,625.50
Mahindra & Mahindra Limited	5	2,787.85	1,212,685.50	92.41	91.96	506.60	30.32	18.24%	3,466.77

Source: All the financial information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from the annual reports / annual results as available of the respective company for the financial year ended March 31, 2023 submitted to stock exchanges.

#*To be included in respect of our Company in the Prospectus based on the Offer Price.*

Notes:

(1) *Basic/diluted earnings per share refers to the basic/diluted earnings per share sourced from the financial statements of the respective peer group companies for the financial year ended.*

(2) *Net Asset Value Per Equity Share defined as total equity divided by number of equity used in calculating earnings per shares.*

(3) *Price/earnings ratio for the peer group has been computed based on the closing market price of equity shares on BSE as on June 12, 2024, divided by the diluted earnings per share for financial year ended March 31, 2023.*

(4) *Return on Net Worth is calculated as Profit for the period / year as a percentage of Net Worth.*

(5) *Market capitalization is the product of the basic shares outstanding as on March 31, 2024 multiplied by the closing price as on June 12, 2024.*

(6) *Tata Motors Limited closing price based on weighted average of ordinary shares and 'A' ordinary shares as on March 31, 2024; earnings per share based on weighted average of ordinary shares and 'A' ordinary shares as on March 31, 2023.*

Key Performance Indicators

The table below sets forth the details of KPIs that our Company considers have a bearing for arriving at the basis for Offer Price. These KPIs have been historically used by us to understand and analyze our business performance, which in result, help us in analyzing our performance in comparison to our peers. All the KPIs disclosed below have been approved and confirmed by our Audit Committee pursuant to its resolution dated June 14, 2024 and have been certified by Manian & Rao, Chartered Accountants, pursuant to their certificate dated June 14, 2024. This certificate on KPIs shall form part of the material contracts for inspection and shall be accessible on the website of our Company at https://www.hyundai.com/in/en/investor-relations/investor-information/material-documents. For further details, see "***Material Contracts and Documents for Inspection***" beginning on page 421. Further, since we are wholly owned by Hyundai Motor Company, our Promoter, the Audit Committee has confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Draft Red Herring Prospectus.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once a year (or any lesser period as may be determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchanges, or for such other duration as required under the SEBI ICDR Regulations.

The Bidders can refer to the below-mentioned Key Performance Indicators, being a combination of financial and operational Key Performance Indicators, to make an assessment of our Company's performances and make an informed decision.

Details of our KPIs as of and for the nine months ended December 31, 2023 and Financial Years ended March 31, 2021, March 31, 2022, and March 31, 2023, is set out below:

Metric	Unit	As at and for the nine months ended	As at and for the Fiscal		
		December 31, 2023[#]	2023	2022	2021
Financial metrics					
Revenue from operations	*(in ₹ million)*	521,579.11	603,075.80	473,784.32	409,722.51
Domestic	*(in %)*	76.34	76.59	78.8	81.21
Exports	*(in %)*	23.66	23.41	21.2	18.79
Profit for the period / year	*(in ₹ million)*	43,828.71	47,092.50	29,015.91	18,811.56
Profit For The Period / Year Margin [(1)(2)]	*(in %)*	8.22	7.67	6.05	4.54
EBITDA (Excluding Other Income) [(1) (3)]	*(in ₹ million)*	66,107.74	75,487.80	54,860.89	42,456.61
EBITDA Margin (Excluding Other Income) [(1) (4)]	*(in %)*	12.67	12.52	11.58	10.36
EBIT (Excluding Other Income) [(1) (5)]	*(in ₹ million)*	49,606.85	53,589.14	33,165.03	22,724.96
EBIT Margin (Excluding Other Income) [(1) (6)]	*(in %)*	9.51	8.89	7.00	5.55
Net Worth [(1) (7)]	*(in ₹ million)*	197,779.17	200,548.18	168,562.55	153,113.43
Return On Capital Employed [(1) (8)]	*(in %)*	27.19	28.75	20.37	15.38
Operating metric					
Total sales volume	***In numbers***	**584,159**	**720,565**	**610,760**	**575,877**
Domestic	*In numbers*	454,404	567,546	481,500	471,535
Exports	*In numbers*	129,755	153,019	129,260	104,342
Sales outlets	***In numbers***	**1,366**	**1,336**	**1,282**	**1,167**
Service outlets	***In numbers***	**1,550**	**1,498**	**1,422**	**1,307**

[#] Not annualised

Notes:

*(1) For a reconciliation of non-GAAP measures, see "**Management's Discussion and Analysis of our Results of Operations – Non-GAAP Financial Measures**" on page 310.*
(2) Profit For The Period/Year Margin is defined as Profit for the period/year as a percentage of total income.
(3) EBITDA (Excluding Other Income) is calculated as Profit for the period / year plus Total tax expense plus Finance Costs plus Depreciation and amortisation expense less other income.
(4) EBITDA Margin (Excluding Other Income) is calculated as EBITDA (Excluding Other Income) as a percentage of Revenue from operations.
(5) EBIT (Excluding Other Income) is calculated as Profit for the period / year plus Total tax expense plus Finance costs less Other income.
(6) EBIT Margin (Excluding Other Income) is calculated as EBIT (Excluding Other Income) as a percentage of Revenue from operations.
(7) Net Worth is defined as total equity, which is equity share capital plus general reserve and retained earnings.
(8) Return On Capital Employed is calculated as EBIT as a percentage of Capital Employed, where EBIT is calculated as Profit for the period / year plus Total tax expense plus Finance costs and Capital Employed is calculated as Total equity plus Total non-current liabilities.

Brief explanations of the relevance of the KPIs for our business operations are set forth below:

Metric	Explanation
Financial metrics	
Revenue from operations	Revenue from operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Domestic	Mix of domestic and export sales volume helps us identify the demand trends of our vehicles and accordingly deploy our capital and production capabilities towards a domestic focused or export focused sales strategy.
Exports	
Profit for the period / year	We believe that tracking our profit/(loss) from continuing operations after tax for the period/year enables us to monitor the overall results of operations and financial performance of our Company.
Profit For The Period/Year Margin	
EBITDA (Excluding Other Income)	Tracking EBITDA (excluding Other income), EBIT (excluding Other income), EBIT helps us identify underlying trends in our business and facilitates evaluation of year-on-year operating performance of our operations.
EBITDA margin (Excluding Other Income)	
EBIT (Excluding Other Income)	

Metric	Explanation
EBIT margin (Excluding Other Income)	
Net Worth	We believe net worth enables us to establish the overall financial strength and position of our business as well as internal sources of capital available for deployment.
Return On Capital Employed	We believe return on capital employed enables us to track how efficiently our Company generates earnings from the capital employed in the business.
Operating metrics	
Total sales volume	We believe that total sales volume is an indicator of the overall effectiveness of our R&D, product planning, manufacturing and marketing capabilities, having a direct impact on our revenue from sales of vehicles as well as indirectly impacting our revenue from sale of parts.
Domestic	Mix of domestic and export sales volume helps us to identify the demand trends of our vehicles and accordingly deploy our capital and production capabilities towards a domestic focused or export focused sales strategy.
Exports	
Sales outlets	Sales outlets enable us to track the breadth and depth of our dealership network. This is an important metric as our dealers represent the primary interface between us and our customers.
Service outlets	Service outlets enable us to track the breadth and depth of our after-sales capabilities across the country. This is an important metric as seamless availability and quality of our after-sales services are key aspects for the continuous growth for the demand of our vehicles.

We have described and defined the KPIs, as applicable, in "***Definitions and Abbreviations***" on page 1. For details of our other operating metrics disclosed elsewhere in this Draft Red Herring Prospectus, see "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on pages 150 and 293, respectively.

G. Description on the historic use of the KPIs by our Company to analyze, track or monitor the operational and/or financial performance of our Company

In evaluating our business, we consider and use certain KPIs, as stated above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Information. We use these KPIs to evaluate our financial and operating performance. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing financial results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS.

Investors are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business. For further details please see "***Risk Factors - We track certain operational metrics and non-GAAP measures for our operations. Certain of our operational metrics are subject to inherent challenges in measurement and any real or perceived inaccuracies in such metrics may adversely affect our business and reputation.***" on page 60.

H. Comparison of KPIs based on additions or dispositions to our business

Except as disclosed in "***History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamations, any revaluation of assets, etc., in the last 10 years***" on page 191, our Company has not undertaken any acquisitions or dispositions of assets/ business during the nine months ended December 31, 2023 and Fiscals 2023, 2022 and 2021. No comparison of KPIs over time based on additions or dispositions to the business are required to be provided.

I. Comparison of its KPIs with Listed Industry Peers

The following table provides a comparison of the KPIs of our Company with our peer group. The peer group has been determined on the basis of companies listed on Indian stock exchanges or globally, whose business profile is comparable to our businesses in terms of our size and our business model:

Maruti Suzuki India Limited (Consolidated)

Metric	Unit	As at and for the nine months ended Dec 2023	As at and for the Fiscal 2023	2022	2021
Financial metrics (Consolidated)					
Revenue from operations	*(in ₹ million)*	1,033,870.00	1,175,713.00	883,298.00	703,720.00
Domestic[(1)]	*(in %)*	NA	87.40	85.86	93.12
Overseas[(2)]	*(in %)*	NA	12.60	14.14	6.88
Profit for the period / year	*(in ₹ million)*	95,359.00	82,110.00	38,795.00	43,891.00
Profit for the period / year Margin [(3)]	*(in %)*	9.22	6.98	4.39	6.24
EBITDA	*(in ₹ million)*	NA	NA	NA	NA
EBITDA margin	*(in %)*	NA	NA	NA	NA
EBIT	*(in ₹ million)*	NA	NA	NA	NA
EBIT margin	*(in %)*	NA	NA	NA	NA
Net Worth	*(in ₹ million)*	NA	617,913.00	553,335.00	525,006.00
Return on Capital employed	*(in %)*	NA	NA	NA	NA
Total sales volume[(4)]	*In numbers*	NA	1,966,164	1,652,653	1,457,861
Domestic[(4)]	*In numbers*	NA	1,706,831	1,414,277	1,361,722
Exports[(4)]	*In numbers*	NA	259,333	238,376	96,139
Sales outlets[(5)]	*In numbers*	NA	3,640	3,357	3,120
Service touchpoints[(5)]	*In numbers*	NA	4,564	4,254	4,044

Note: All the financial information mentioned above is on a consolidated basis. Information in relation to Fiscal 2023, 2022 and 2021 is sourced from the respective year's annual report as submitted to stock exchanges. Financial information in relation to nine months ended December 31, 2023 is sourced from the unaudited financial results for the quarter and nine months ended December 31, 2023 as submitted to stock exchanges.

NA = Not available in the data reported in the respective sources mentioned above.

(1) Revenue from operations (domestic) includes sales and services to customers located in India.

(2) Revenue from operations (overseas) includes sales and services rendered to customers located outside India.

(3) Profit for the period / year margin is calculated as profit for the period / year as a percentage of revenue from operations.

(4) Includes passenger vehicle and light commercial vehicle volumes.

(5) Includes passenger vehicle and light commercial vehicle outlets.

Tata Motors Limited (Consolidated)

Metric	Unit	As at and for the nine months ended Dec 2023	As at and for the Fiscal 2023	2022	2021
Financial metrics (Consolidated)					
Revenue from operations	*(in ₹ million)*	3,179,414.60	3,459,669.70	2,784,536.20	2,497,947.50
Domestic[(1)]	*(in %)*	NA	32.98	29.02	20.18
Overseas[(2)]	*(in %)*	NA	67.02	70.98	79.82
Profit for the period / year	*(in ₹ million)*	142,781.60	26,898.70	(113,087.60)	(133,951.00)
Profit for the period / year margin [(3)]	*(in %)*	4.49	0.78	(4.06)	(5.36)
EBITDA	*(in ₹ million)*	NA	NA	NA	NA
EBITDA margin	*(in %)*	14.10	10.70	9.60	12.20
EBIT	*(in ₹ million)*	NA	NA	NA	NA
EBIT margin	*(in %)*	7.90	3.60	0.70	2.60
Net Worth	*(in ₹ million)*	678,267.70	453,217.90	445,612.40	552,467.20
Return on Capital employed	*(in %)*	NA	NA	NA	NA
Total sales volume	*In numbers*	NA	1,335,819	1,086,734	902,648
Domestic	*In numbers*	NA	NA	NA	NA
Exports	*In numbers*	NA	NA	NA	NA
Sales outlets	*In numbers*	NA	NA	NA	NA
Service touchpoints	*In numbers*	NA	NA	NA	NA

Note: All the financial information mentioned above is on a consolidated basis. Information in relation to Fiscal 2023, 2022 and 2021 is sourced from the respective year's annual report as submitted to stock exchanges. Financial information in relation to nine months ended December 31, 2023 is sourced from the unaudited financial results for the quarter and nine months ended December 31, 2023 as submitted to stock exchanges.

NA = Not available in the data reported in the respective sources mentioned above.

(1) Domestic information includes sales and services to customers located in India.

(2) Overseas information includes sales and services rendered to customers located outside India.
(3) Profit for the period / year Margin is calculated as profit for the period / year percentage of revenue from operation.

Additionally, we have also considered information related to Tata Motors Limited's Passenger Vehicle Segment (passenger vehicle segment) as that is considered relevant for benchmarking with the Company.

Tata Motors Limited (Passenger vehicle segment)

Metric	Unit	As at and for the nine months ended Dec 2023	As at and for the Fiscal 2023	2022	2021
Financial metrics (Passenger vehicle segment)					
Revenue from operations[(1)]	*(in ₹ million)*	379,226.60	478,678.30	315,149.00	166,062.40
Domestic	*(in %)*	NA	NA	NA	NA
Overseas	*(in %)*	NA	NA	NA	NA
Profit for the period / year	*(in ₹ million)*	NA	NA	NA	NA
Profit for the period / year margin	*(in %)*	NA	NA	NA	NA
EBITDA	*(in ₹ million)*	NA	NA	NA	NA
EBITDA margin	*(in %)*	6.10	6.40	5.30	2.00
EBIT	*(in ₹ million)*	NA	NA	NA	NA
EBIT margin	*(in %)*	1.60	1.00	(2.00)	(9.50)
Total sales volume[(2)]	*In numbers*	138,600	540,965	372,157	222,638
Domestic[(2)]	*In numbers*	NA	538,518	370,354	222,074
Exports[(2)]	*In numbers*	NA	2,447	1,803	564
Sales outlets[(3)]	*In numbers*	NA	1,410	1,183	906
Service touchpoints[(3)]	*In numbers*	NA	855	705	604

Note: All the financial information mentioned above is for passenger vehicle segment only. Information in relation to Fiscal 2023, 2022 and 2021 is sourced from the respective year's annual report as submitted to stock exchanges. Financial information in relation to nine months ended December 31, 2023 is sourced from the unaudited financial results for the quarter and nine months ended December 31, 2023 as submitted to stock exchanges.
NA = Not available in the data reported in the respective sources mentioned above.
(1) Revenue from operations for passenger vehicle segment.
(2) Passenger vehicle segment (including EVs).
(3) Passenger vehicle segment (excluding EVs).

Mahindra & Mahindra Limited (Consolidated)

Metric	Unit	As at and for the nine months ended Dec 2023	As at and for the Fiscal 2023	2022	2021
Financial metrics (Consolidated)					
Revenue from operations[(1)]	*(in ₹ million)*	1,029,059.60	1,212,685.50	901,705.70	742,777.80
Domestic[(2)]	*(in %)*	NA	85.87	82.62	83.12
Overseas[(3)]	*(in %)*	NA	14.13	17.38	16.88
Profit for the period / year	*(in ₹ million)*	91,448.80	113,745.80	72,530.10	15,124.90
Profit for the period / year Margin[(4)]	*(in %)*	8.89	9.38	8.04	2.04
EBITDA	*(in ₹ million)*	NA	NA	NA	NA
EBITDA Margin	*(in %)*	NA	NA	NA	NA
EBIT	*(in ₹ million)*	NA	NA	NA	NA
EBIT Margin	*(in %)*	NA	NA	NA	NA
Net Worth	*(in ₹ million)*	635,895.20	NA	NA	NA
Return on Capital employed	*(in %)*	NA	NA	NA	NA
Total sales volume[(5)]	*In numbers*	609,659[(6)]	698,456	455,570	348,621
Domestic	*In numbers*	NA	666,349	423,143	330,271
Exports	*In numbers*	NA	32,107	32,427	18,350
Sales outlets	*In numbers*	NA	NA	NA	NA
Service touchpoints	*In numbers*	NA	NA	NA	NA

Note: All the financial information mentioned above is on a consolidated basis. Information in relation to Fiscal 2023, 2022 and 2021 is sourced from the respective year's annual report as submitted to stock exchanges. Financial information in relation to nine months ended December 31, 2023 is sourced from the unaudited financial results for the quarter and nine months ended December 31, 2023 as submitted to stock exchanges.
NA = Not available in the data reported in the respective sources mentioned above.
(1) Revenue from operations excludes income from investments related to subsidiaries, associates and JVs.
(2) Domestic includes sales to customers located in India and service income accrued in India.

(3) *Overseas includes sales and services rendered to customers located outside India.*
(4) *Profit for the period / year Margin is calculated as Profit for the period / year percentage of revenue from operations*
(5) *Includes passenger vehicle, commercial vehicle, three wheeler and automotive exports.*
(6) *Nine months ended December 31, 2023 includes sales by subsidiary company Mahindra Last Mile Mobility Limited which was demerged w.e.f. September 01, 2023.*

Additionally, we have also considered information related to Mahindra & Mahindra Limited's Standalone Financial Statements/ Results as that is considered relevant for benchmarking with the Company.

Mahindra & Mahindra Limited (Standalone)

Metric	Unit	As at and for the nine months ended Dec 2023	As at and for the Fiscal 2023	2022	2021
Financial metrics (Standalone)					
Revenue from operations	*(in ₹ million)*	736,544.50	849,602.60	574,459.70	446,298.70
Domestic[1]	*(in %)*	NA	94.06	93.29	95.25
Overseas[2]	*(in %)*	NA	5.94	6.71	4.75
Profit for the period / year	*(in ₹ million)*	86,795.90	65,486.40	49,352.20	9,841.60
Profit for the period / year Margin	*(in %)*	11.78	7.71	8.59	2.21
EBITDA	*(in ₹ million)*	115,350.00	104,420.00	70,420.00	69,770.00
EBITDA margin	*(in %)*	15.66	12.29	12.26	15.63
EBIT	*(in ₹ million)*	NA	NA	NA	NA
EBIT margin	*(in %)*	NA	NA	NA	NA
Net worth	*(in ₹ million)*	496,308.60	428,588.00	386,563.00	345,019.20
Return on capital employed [3]	*(in %)*	NA	18.13	14.67	6.73
Total Sales volume	*In numbers*	NA	NA	NA	NA
Domestic[4]	*In numbers*	NA	359,253	225,895	157,215
Exports	*In numbers*	NA	NA	NA	NA
Sales outlets	*In numbers*	NA	NA	NA	NA
Service touchpoints	*In numbers*	NA	NA	NA	NA

Note: All the financial information mentioned above is on a standalone basis. Information in relation to Fiscal 2023, 2022 and 2021 is sourced from the respective year's annual report as submitted to stock exchanges. Financial information in relation to nine months ended December 31, 2023 is sourced from the unaudited financial results for the quarter and nine months ended December 31, 2023 as submitted to stock exchanges.
NA = Not available in the data reported in the respective sources mentioned above.
(1) *Domestic includes sales to customers located in India and service income accrued in India.*
(2) *Overseas includes sales and services rendered to customers located outside India.*
(3) *Return on capital employed is calculated as profit before interest and tax as a percentage of capital employed, where capital employed is the average total equity and average total debt.*
(4) *Passenger vehicle sales volume only.*

J. Price per share of our Company (as adjusted for corporate actions, including split) based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under employee stock option schemes and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding ESOPs granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuances")

Our Company has not undertaken any Primary Issuances of its Equity Shares during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company in a single transaction or multiple transactions combined together over a span of rolling 30 days.

K. Price per share of our Company (as adjusted for corporate actions, including split) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) involving our Promoter, members of the Promoter Group , Promoter Selling Shareholder, or Shareholder(s) having the right to nominate Director(s) on our Board during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Secondary Transactions")

There have been no Secondary Transactions of the equity shares of our Company during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company in a single transaction or multiple transactions combined together over a span of rolling 30 days.

L. Since there were no primary or secondary transactions of equity shares of the Company during the 18 months to report (K) and (L), the information has been disclosed for price per share of the Company based on the last five primary or secondary transactions where Promoter, members of the Promoter Group, Promoter Selling Shareholder or shareholder(s) having the right to nominate directors on our Board, are a party to the transaction, not older than three years prior to the date of filing of this Draft Red Herring Prospectus irrespective of the size of the transaction, is as below:

There are no Primary Issuances or Secondary Transactions of equity share capital by our Company during the three years prior to the date of filing of this Draft Red Herring Prospectus.

M. Weighted average cost of acquisition, floor price and cap price

Based on the transaction described in (K), (L) and (M) above, the weighted average cost of acquisition, as compared with the Floor Price and Cap Price is set forth below:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor price (*i.e.*, ₹ [●])	Cap price(*i.e.*, ₹ [●])
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity/ convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	N.A.	N.A.	N.A.
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity/convertible securities), where Promoter, members of the Promoter Group, Promoter Selling Shareholder, or Shareholder(s) having the right to nominate Directors on our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than five per cent of the paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	N.A.	N.A.	N.A.
Note: Since there were no primary or secondary transactions of equity shares of our Company during the 18 months to report (a) and (b), the information has been disclosed for price per share of our Company based on the last five primary or secondary transactions where Promoter, members of the Promoter Group, Promoter Selling Shareholder or shareholder(s) having the right to nominate directors on our Board, are a party to the transaction, not older than three years prior to the date of filing of this Draft Red Herring Prospectus irrespective of the size of the transaction, is as below:			
Last 5 Primary Transactions	N.A.	N.A.	N.A.
Last 5 Secondary Transactions	Nil	N.A.	N.A.

N. Justification for Basis of Offer Price

1. **The following provides an explanation to the Offer Price/ Cap Price being [●] times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired or sold by our Promoter, the members of our Promoter Group by way of primary and secondary transactions in the last 18 months preceding the date of this Draft Red Herring Prospectus compared to our Company's KPIs and financial ratios for the Fiscals 2023, 2022 and 2021 and the nine months ended December 31, 2023**

[●]*

To be included on finalisation of Price Band

2. **The following provides an explanation to the Offer Price/ Cap Price being [●] times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired by our Promoter, the members of our Promoter Group by way of primary and secondary transactions in the last 18 months preceding the date of this Draft Red Herring Prospectus in view of external factors, if any, which may have influenced the pricing of the Offer**

   [●]*

   To be included on finalisation of Price Band

O. The Offer price is [●] times of the face value of the Equity Shares

The Offer Price of ₹ [●] has been determined by our Company, in consultation with the Book Running Lead Managers, on the basis of market demand from investors for Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with "***Risk Factors***", "***Our Business***", "***Restated Consolidated Financial Information***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on pages 28, 150, 228 and 293, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "***Risk Factors***" on page 28 and you may lose all or part of your investments.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

The Board of Directors
Hyundai Motor India Limited
Plot No. H-1, SIPCOT Industrial Park
Irrungattukottai, Sriperumpudur Taluk
Kancheepuram District - 602 105
Tamil Nadu, India

Date: 12 June 2024

Subject: Statement of possible special tax benefits ("the Statement") available to Hyundai Motor India Limited ("the Company") and its shareholders prepared in accordance with the requirement under Schedule VI – Part A - Clause (9) (L) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("the ICDR Regulations")

This report is issued in accordance with the Engagement Letter dated 03 April 2024 .

We hereby report that the enclosed Annexure II prepared by the Company, initialed by us for identification purpose, states the possible special tax benefits available to the Company and its shareholders, under direct and indirect taxes (together "**the Tax Laws**"), presently in force in India as on the signing date, which are defined in Annexure I. These possible special tax benefits are dependent on the Company and its shareholders, fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and its shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company and its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure II cover the possible special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company and its shareholders. Further, the preparation of the enclosed Annexure II and its contents is the responsibility of the Management of the Company. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares of the Company (the "**Proposed Offer**") particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on the Statement.

We conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)" (the "**Guidance Note**") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

We do not express any opinion or provide any assurance as to whether:

i. the Company and its shareholders will continue to obtain these possible special tax benefits in future; or

ii. the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with.

The contents of the enclosed Annexures are based on the information, explanation and representations obtained from the Company, and on the basis of our understanding of the business activities and operations of the Company.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of the Tax Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company and any other person in respect of this Statement, except as per applicable law.

We hereby give consent to include this Report in the Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus and in any other material used in connection with the Proposed Offer, and it is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

S Sethuraman

Partner

Place: Bengaluru

Membership No.: 203491

Date: 12 June 2024

UDIN: 24203491BKCQQA4010

ANNEXURE-I

LIST OF DIRECT AND INDIRECT TAX LAWS ('TAX LAWS')

Sr. No.	Details of tax laws
	Direct Tax Laws:
1.	Income-tax Act, 1961 ("the IT Act") and Income-tax Rules, 1962 ("Income Tax Rules")
	Indirect Tax Laws:
2.	Integrated Goods and Services Tax Act, 2017
3.	Central Goods and Services Tax Act, 2017
4.	State Goods and Services Tax Act, 2017
5.	Goods and Services Tax (Compensation to States) Act, 2017
6.	Customs Act, 1962 and Customs Tariff Act, 1975 read with respective rules, circulars and notifications made thereunder.
7.	Foreign Trade Policy 2015-2020 as extended until 31 March 2023, read with Handbook of Procedures
8.	Tamil Nadu Industry Policy 2021
9.	Maharashtra Industrial Policy 2019

LIST OF MATERIAL SUBSIDIARIES CONSIDERED AS PART OF THE STATEMENT:
The Company has two subsidiaries namely "Hyundai Motor India Engineering Private Limited" and "Hyundai India Insurance Broking Private Limited".

In accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, neither of the above subsidiaries qualify as "material subsidiaries".

Note: Material subsidiaries identified in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, includes a subsidiary whose income or net worth in the immediately preceding accounting year (i.e., 31 March 2023) exceeds 10% of the consolidated income or consolidated net worth respectively, of the holding company and its subsidiaries in the immediate preceding year.

ANNEXURE-II

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO HYUNDAI MOTOR INDIA LIMITED ("THE COMPANY") AND ITS SHAREHOLDERS UNDER THE APPLICABLE DIRECT AND INDIRECT TAXES ("TAX LAWS")

Outlined below are the possible special tax benefits available to the Company and its shareholders under the Tax Laws ("**Possible Special Tax Benefits**"). These Possible Special Tax Benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company and its shareholders to derive the Possible Special Tax Benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfil.

1. Special tax benefits available to the Company

i) Direct taxes:

a. Lower corporate tax rate under section 115BAA of the IT Act:

Section 115BAA has been inserted in the IT Act by the Taxation Laws (Amendment) Act, 2019 ("the Amendment Act, 2019") with effect from 1 April 2019 (FY 2019-2020). Section 115BAA of the IT Act grants an option to a domestic company to be governed by the section from a particular assessment year ('AY'). If a company opts for section 115BAA of the IT Act, it can pay corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and education cess of 4%). Section 115BAA of the IT Act further provides that domestic companies availing the option will not be required to pay Minimum Alternate Tax (MAT) on their 'book profits' under section 115JB of the IT Act.

However, such a company will no longer be eligible to avail specified exemptions / incentives under the IT Act and will also need to comply with the other conditions specified in section 115BAA of the IT Act. Also, if a company opts for section 115BAA of the IT Act, the tax credit (under section 115JAA of the IT Act), if any, which it is entitled to on account of MAT paid in earlier years, will no longer be available. Further, it shall not be allowed to claim set-off of any brought forward loss arising to it on account of additional depreciation and other specified incentives.

The Company has decided to opt for the lower corporate tax rate of 25.168% (prescribed under section 115BAA of the IT Act) with effect from AY 2020-2021.

b. Higher depreciation on moulds / electric vehicles/ other specified plant and machinery:

As per Appendix 1 of Rule 5 of income tax rules, the Company is eligible to claim higher depreciation on certain plant and machineries such as moulds used in manufacture of rubber and plastic good, electrical equipment, pollution control equipment, renewable energy saving devices, etc. Accordingly, the Company claims higher rate of depreciation 40%/30% on these assets as against the normal rate of 15% on plant and machineries.

c. Deduction under section 35(1)(i) and 35(1)(iv) of the IT Act

The Company is entitled to claim 100% of the revenue expenditure incurred on R&D under section 35(1)(i) of the IT Act and 100% of the capital expenditure (other than expenditure incurred for acquisition of land) incurred on R&D under section 35(1)(iv) of the IT Act in computing its income under the head "Profits and gains of business or profession" and subject to satisfaction of prescribed conditions.

(ii) Indirect Taxes:

a. Benefits under Comprehensive Economic Partnership Agreement (CEPA): A comprehensive economic partnership agreement (CEPA) is a free trade agreement between two countries, based on which the Company pays concessional duty on import of certain components used in the manufacture of final products.

b. Foreign Trade Policy 2023:

Remission of Duties and Taxes on Exported Products Scheme (RoDTEP): This scheme is notified with effect from 1 January 2021 with an object to neutralize the taxes and duties suffered on exported goods which are otherwise not remitted/ refunded in any manner. The benefit is given as percentage of free on board or as prescribed by the Department of Commerce. The remission of taxes is provided in the form of transferable duty credit electronic script and are subject to realization of sale proceeds within the period prescribed by Reserve Bank of India.

c. Customs Act, 1962:

Duty Drawback: Duty drawback is the Export benefit given to rebate the custom duties charged on imported materials which are used for manufacture of exported goods.

(iii) Other Incentives (Based on MOU with Government of Tamil Nadu and Maharashtra):

a. **Investment Promotion Subsidy**:
Chennai Plant: Based on the Memorandum of Understanding (MoU) with the Government of Tamil Nadu (GoTN), the Company is eligible for claiming benefit under Investment Promotion Subsidy scheme.

As per the scheme, the Company can claim benefit up to certain level of investment made during the investment period, as determined in MOU. The said incentive is claimed in the form of "Refund of Gross SGST paid to the Government" for a maximum period of 32 years ending in 2039-2040.

Talegaon Plant: As per the offer letter provided by Government of Maharashtra, the Company is eligible for Investment Promotion Subsidy equivalent to certain level of eligible investments made within a period of 7 years from 1 April 2023 (as reduced by any other benefit provided in the offer letter). The Company is eligible to claim this incentive in the form of "Refund of Gross SGST paid to the Government" with in a maximum period of 20 years.

b. **Central Sales Tax (CST) Soft Loan:** A soft loan was granted to the Company as against the CST paid to the Government. The loan carries nominal interest per annum and is repayable in instalments over a period of 5 years after 14 years.

c. **Value Added Tax / CST Deferral loan:** The Company has opted for sales tax deferral on sale of vehicles. The loan is an interest free loan and is repayable in equal quarterly instalments over a period of 5 years after the deferment period of 14 years.

d. **Clean Energy Vehicle Subsidy:** The Company is eligible for certain subsidy per annum as "Clean Energy Vehicle (CEV) Subsidy" for a period of 20 years commencing from the first year of production of clean energy vehicle (2019-2020). Clean energy shall include electric vehicle/ strong hybrid/ plug in hybrid/ fuel cell and other non-polluting technology-based vehicle. Receipt of the subsidy will be subject to fulfilment of producing the stipulated number of four-wheeler passenger cars powered by Clean Energy technology for each block of 5 years. In the event of failure to fulfil the obligation as above, the subsidy due shall be proportionately reduced and adjusted from the next year's payment.

e. **Capital Subsidy:** A capital subsidy of certain amount will be received per annum for 20 years from the year following the year of fulfilment of investment criteria and employment commitments. The Company has achieved the committed investment and employment during the financial year 2023-24. Failure to maintain the committed employment figures in any subsequent year will result in ineligibility for claiming capital subsidy in that particular year The ineligible capital subsidy of a particular year cannot be carried forward in the following year and would lapse.

f. **Electricity Tax Exemption:** The Company is offered with "Electricity Tax" exemption for the entire Chennai plant for a period of 30 years from 1 April 2019 for a period of 10 years. Further the Company is offered with "Electricity Tax" exemption from the date of commencement of commercial production or Eligible Certificate, for the Talegaon Plant, Pune.

g. **Partial Stamp Duty Exemption:** The Company is eligible for refund of partial Stamp Duty, paid on acquisition of new plant at Talegaon, Pune in accordance exemption with the Government Notification from Revenue and Forest Department.

2. Special tax benefits available to shareholders of the Company

There are no special tax benefits available to the current shareholders of the Company under the Tax Laws

Note:

1.The above is as per the current Tax Laws.

2. The above statement of Possible Special Tax Benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership, and disposal of equity shares of the Company.

3. This statement of Possible Special Tax Benefits does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company.

4. The possible special tax benefits are subject to conditions and eligibility criteria which need to be examined for tax implications.

5.In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement ("DTAA"), if any, between India and the country in which the non-resident has fiscal domicile.

6. The tax benefits discussed in this statement are not exhaustive and are only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax consequences of his/her investment in the shares of the Company.

7. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

for **Hyundai Motor India Limited**

Authorized signatory
Tarun Garg
Whole-time Director
DIN: 000045669

Place: Gurugram
Date: 12 June 2024

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*Only to the extent explicitly indicated, industry and market data used in this section has been derived from the report titled 'Industry Report on the Passenger Vehicle Industry in India' dated June 2024, prepared and issued by CRISIL (the 'CRISIL Report'), commissioned by and paid for by our Company. The CRISIL Report has been prepared and issued by CRISIL for the purpose of understanding the industry exclusively in connection with the Offer. Further, CRISIL, vide their consent letter dated June 14, 2024 ("**Letter**") has accorded their no objection and consent to use the CRISIL Report. CRISIL, vide their Letter dated June 14, 2024 has also confirmed that they are an independent agency, and confirmed that it is not related to our Company, our Directors, our Promoter, our Key Managerial Personnel, our Senior Management or the BRLMs. The CRISIL Report is available on the website of our Company at https://www.hyundai.com/in/en/investor-relations/investor-information/material-documents. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular fiscal or calendar year, refers to such information for the relevant fiscal or calendar year. For further details, see "**Risk Factors – Internal Risks – We have used information from the CRISIL Report which has been commissioned and paid for by our Company for industry related data in this Draft Red Herring Prospectus and any reliance on such information is subject to inherent risks"** on page 57.*

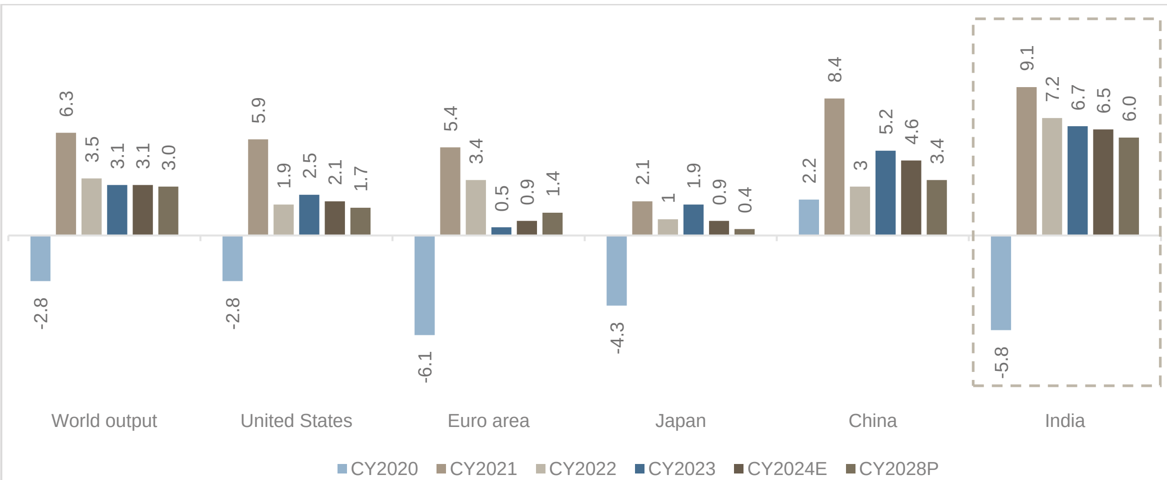
Macroeconomic Overview of Global and Indian economy

Overview of the Global Economy

Review and Outlook of Global GDP

The global economy continues to recover from the challenges heaped by the COVID-19 pandemic, Russia's invasion of Ukraine, Red Sea Crisis and considerable tightening of global monetary conditions to address elevated inflation. However, a return to pre-pandemic growth trajectory seems increasingly challenging, particularly in the case of emerging and developing economies due to the convergence of several forces that are holding back a steady recovery. Some of these are long-term fallouts of the pandemic, the war in Ukraine, and increasing geoeconomic fragmentation. Other cyclical factors include elevated central bank policy rate to control inflation in several large emerging market and developed economies, a withdrawal of fiscal support amid high debt levels, and extreme weather events. However, India witnessed strong growth momentum despite these geopolitical tensions and uncertainties in the global economic environment. Major push to the economic growth has been fuelled by investments and key sectors such as information technology, services, agriculture, and manufacturing.

Gross Domestic Product ("GDP") growth of key economies (%)



Note: On Calendar Year (CY) basis
** Euro area comprises 19 member countries of the EU*
Source: International Monetary Fund (IMF; World Economic Outlook – January 2024 update), CRISIL MI&A

Outlook on India's GDP

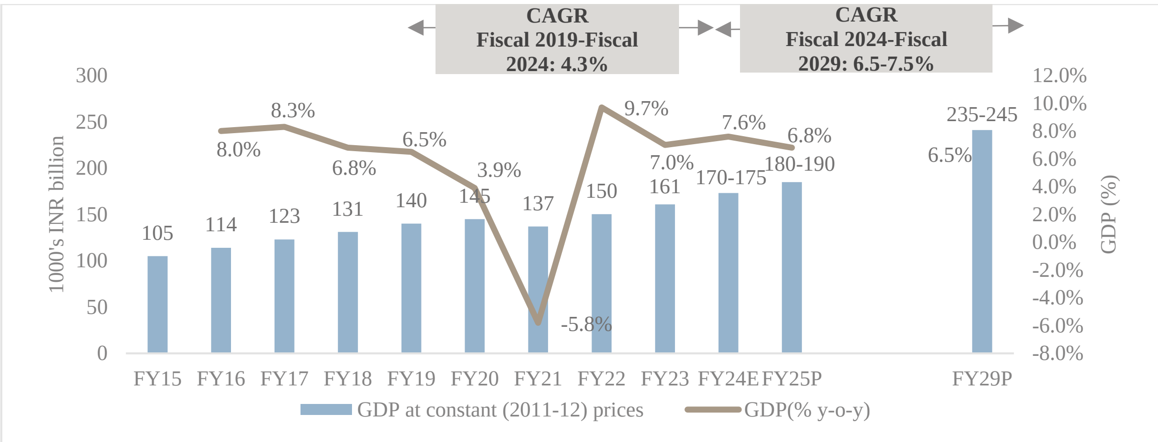
After a strong GDP growth in the past three fiscals, GDP growth is expected to moderate to 6.8% in Fiscal 2025. The transmission of past rate hikes by the RBI to the broader lending rates continues. Rising borrowing costs and regulatory measures to clamp down risky lending could moderate domestic demand next fiscal. On the other hand, another spell of normal monsoon and easing inflation can revive rural demand.

The lowering of fiscal deficit will mean curtailed fiscal impulse to growth, but good quality of spending would provide some support to the investment cycle and rural incomes. CRISIL MI&A also expects a normalisation of the net indirect tax impact on GDP witnessed in the current fiscal. Uneven economic growth in key trade partners such as the United States and the European Union, and an escalation of the ongoing Red Sea tensions can act as drag on exports.

India to remain a growth outperformer globally

Despite slowdown in the near term, India's growth is expected to outperform over the medium run. CRISIL MI&A expects GDP growth to average 7.0% between Fiscals 2025 and 2029, compared with 3.2% globally as estimated by the IMF. India's economic outlook remains positive, supported by structural reforms aimed at positioning it as one of the fastest-growing major economies. According to Finance Ministry, India is expected to become the 3rd largest economy in the world with a GDP of US$ 5 trillion by Fiscal 2028.

India's GDP growth trend and outlook



Note: E - estimated and P - projected
Source: National Statistical Office (NSO), IMF, CRISIL MI&A estimates

Drivers for India's economic growth:

- Capital will continue to be the biggest contributor to growth. As the government pursues fiscal consolidation, its role in boosting overall capex will partly diminish compared with the past few years. Nevertheless, it is expected that private sector will gradually play a larger role than in the recent past.
- The government's future capital expenditures are expected to be supported by factors such as tax buoyancy, simplified tax structures with lower rates, tariff structure reassessment, and tax filing digitisation.
- Medium-term growth is anticipated to be bolstered by increased capital spending on infrastructure and asset development projects, leading to enhanced growth multipliers.
- Strong domestic demand is expected to drive India's growth over peers in the medium term.
- Investment prospects are optimistic, given the government's capex push, progress of Production Linked Incentive ("PLI") scheme, healthier corporate balance sheets, and a well-capitalised banking sector with low non-performing assets.
- India is also likely to benefit from diversification of the supply chain from incoming foreign direct investment ("FDI") flows, as global supply chains get reconfigured with focus shifting from efficiency towards resilience and friend shoring.
- Rising employment rates and a notable increase in private consumption, buoyed by growing consumer confidence, are poised to drive GDP growth in the upcoming months.

Risks to Growth

Weak monsoon

Rainfall over the country during monsoon season (June-September) 2023 was 94% of its long period average ("**LPA**"). Deficient rainfall has a significant impact on the rural demand.

Inflation pressure

Retail inflation data released in February 2024 showed core Consumer Price Index ("**CPI**") inflation eased to a 3-month low of 5.1% in January from 5.7% in December. Headline CPI stayed put at 5.1% in February as the food gauge surged higher.

External drag on growth

Global growth is likely to slow down this year because of higher interest rates. Central banks in key advanced economies have maintained policy interest rates in their latest meetings. This, coupled with the improving inflation outlook, will allow the RBI to initiate rate cuts in Fiscal 2025. Geopolitical tensions like conflict of Gaza and Israel, continued attacks in the Red Sea will continue to disrupt global trade.

Impact of higher interest rates

The transmission of past rate hikes by the Monetary Policy Committee is still playing out amid tight liquidity conditions, which suggests a further rise in market lending rates in the near term. This will moderate domestic demand. The RBI's move to increase risk weights on the consumer credit exposure of banks and non-banking financial companies ("NBFCs") is also expected to mildly affect overall credit growth next fiscal.

Global Passenger Vehicle (Car) Sales

According to International Organization of Motor Vehicle Manufacturers, in calendar year (CY) 2023 global passenger vehicle sales rebounded significantly and grew by 11.3% after remaining stable in 2022 as supply chain challenges eased. The passenger vehicle volumes reached 65.3 million in 2023, from 64.8 million in 2019 surpassing the pre-covid volumes. During the same period, the industry grew at a CAGR of 0.2%. The Indian PV market is one of the fastest growing in the world (CAGR 2021-2023), growing at 15.4% vs. 6.8% for Global passenger vehicle market.

Global PV sales in CY2023 was dominated by Toyota Group (Toyota Motor Corporation) at 11.1 million, followed by Volkswagen Group with 9.2 million units and Hyundai Motor Group (Hyundai + Kia) with 7.3 million units. These three OEMs were the top three PV makers in the world. Renault-Nissan-Mitsubishi and Stellantis secured the fourth and fifth spot with 6.4 million units each.

Factors with a Direct Bearing on Automotive Industry Demand in India

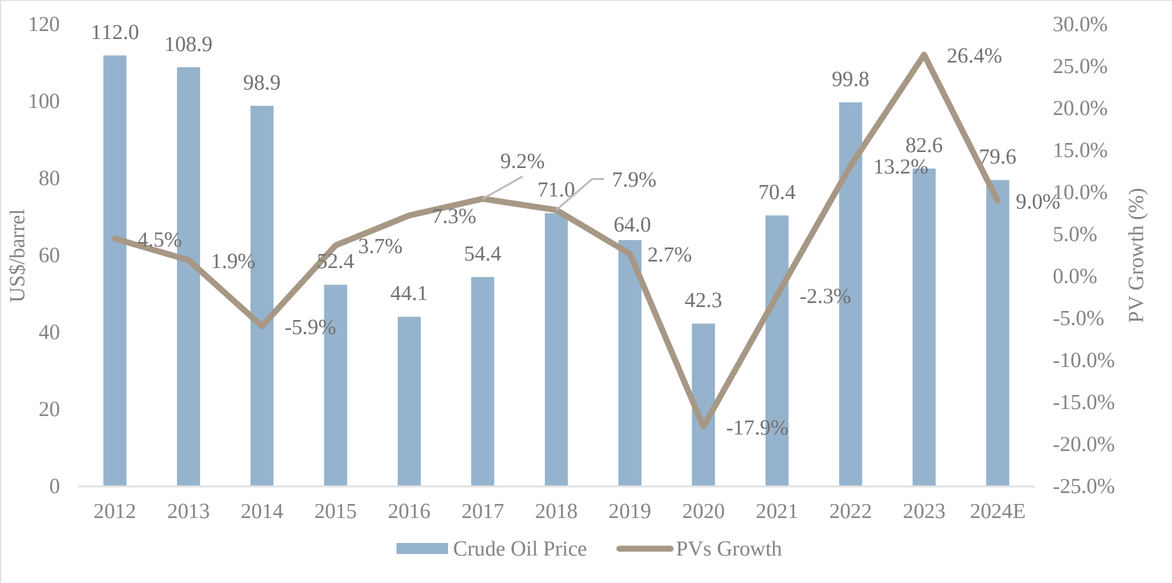
Fluctuations in crude oil prices and INR USD exchange rates directly affect the auto demand by raising fuel costs and import costs. Monsoon has a direct impact on agriculture related factors like crop yields and food prices, which in turn impact auto demand by shaping consumer spending behaviours and economic stability. Similarly, auto finance rates are pivotal in determining affordability. Moreover, Private Final Consumption Expenditure and per capita income serve as a vital factor in consumer purchasing power, directly influencing affordability and automotive demand.

Crude oil price trend

Crude oil prices have generally risen since end of 2021. They became even higher with the Russia-Ukraine conflict, which led to the prices averaging US$100 per barrel (bbl) in 2022. The prices averaged US$106 per barrel in the first half of 2022 owing to the Russia-Ukraine conflict, which resulted in a significant shift in the overall crude oil supply chain. However, increasing recessionary fears stemming from inflation coupled with interest rate hikes globally have cast a significant shadow over consumption and economic growth, pushing prices downward to US$94 per barrel, a decline of 11% in the second half of 2022.

In 2023, with the de-escalation of the crisis and balancing of global crude oil trade, the crude oil price was US$82.6 /barrel in the year. With the volatile global crude oil prices, CRISIL MI&A expects prices to remain range bound around US$75-80 per barrel in 2024. However, any decision by the OPEC to cut production, as well as a further decision on the ban of Russian crude, are key factors to be monitored.

Crude oil price and Passenger Vehicle Growth trend



Note: E: Estimated, Price data is for CY: Calendar Year, PV Growth is basis sales volumes quoted by SIAM, for Financial Year and for Fiscal 2024 the growth rate is based on actual numbers.
Source: Industry, CRISIL MI&A Research

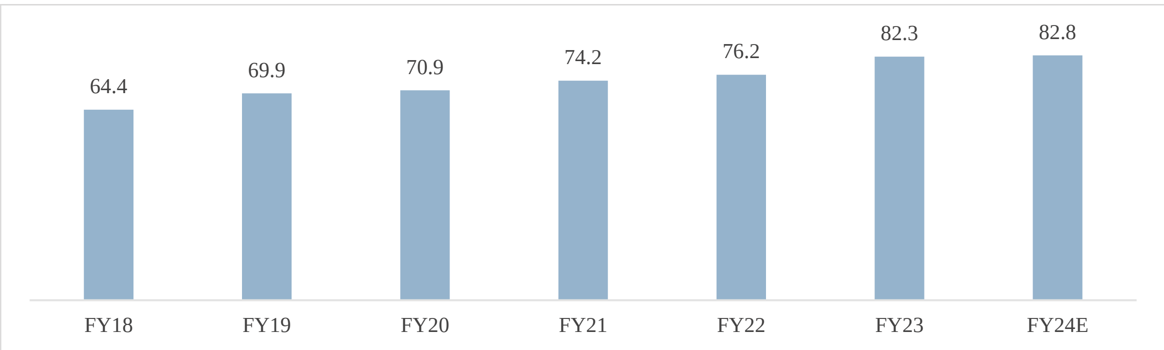
Rising crude oil prices typically lead to higher fuel costs. Impacting consumer preferences towards more fuel-effective vehicles. Increased production cost for automakers and potential shift in consumer spending due to inflation and economic conditions further influence automotive demand.

INR USD exchange rate for next one year

CRISIL MI&A expects the rupee to average to 83.5 against the dollar by March 2025 compared with approximately 83 in Fiscal 2024. While a narrower current account deficit is expected to support the local currency, volatile external financing conditions could exert some pressure.

The INR/USD exchange rate impacts auto demand by affecting import costs. A weaker INR raises input costs and fuel prices, which reduces domestic demand while enhancing export competitiveness. While increase in fuel prices directly impacts the consumer demand, rise in input costs may not always have a direct impact, as OEMs do not always pass these costs to the consumers. Any price increase that is passed on by the OEMs, directly affects the consumer's purchasing decision.

INR USD exchange rate



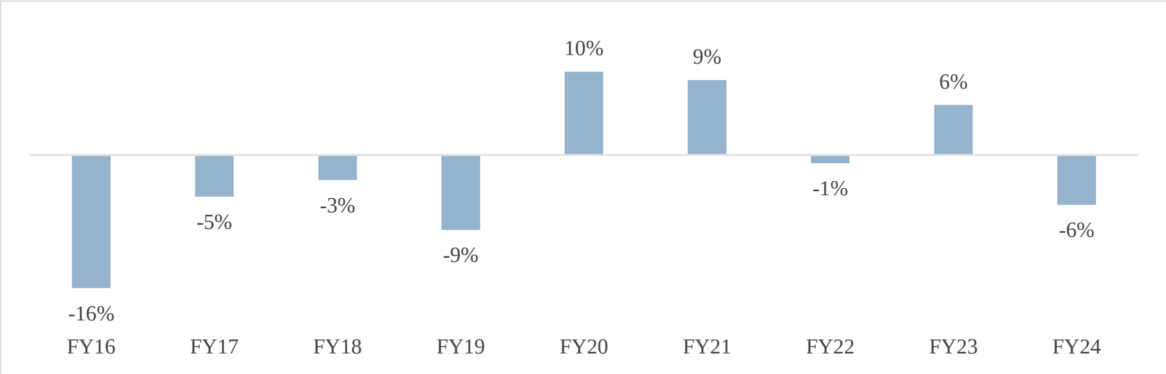
Source: RBI, CRISIL MI&A

Agricultural Variables

With 86% of land holdings, small and marginal farmers dominate the Indian agricultural landscape. These farmers rely on monsoon for irrigation; hence, its timely arrival and adequacy are needed for a good crop. Any negative impact on crop supply due to low rainfall has a cascading effect on the Indian economy, as it leads to higher food prices and subsequently lower discretionary spending. As per the India Meteorological Department ("**IMD**"), monsoon deviation was 6% in Fiscal 2023.

Monsoon has been favourable over the past few years with deviation in the acceptable range. Fiscal 2024 witnessed an uneven spread of rainfall during the initial months. Rabi output was favourable last fiscal, supporting farmer income during the early months of Fiscal 2024. In the current fiscal, kharif sowing was initially delayed owing to delay in monsoon. However, sowing has picked up in recent months. Moreover, higher minimum support price this fiscal and good price in the mandis have maintained on-ground positivity.

Rainfall Deviation Trend

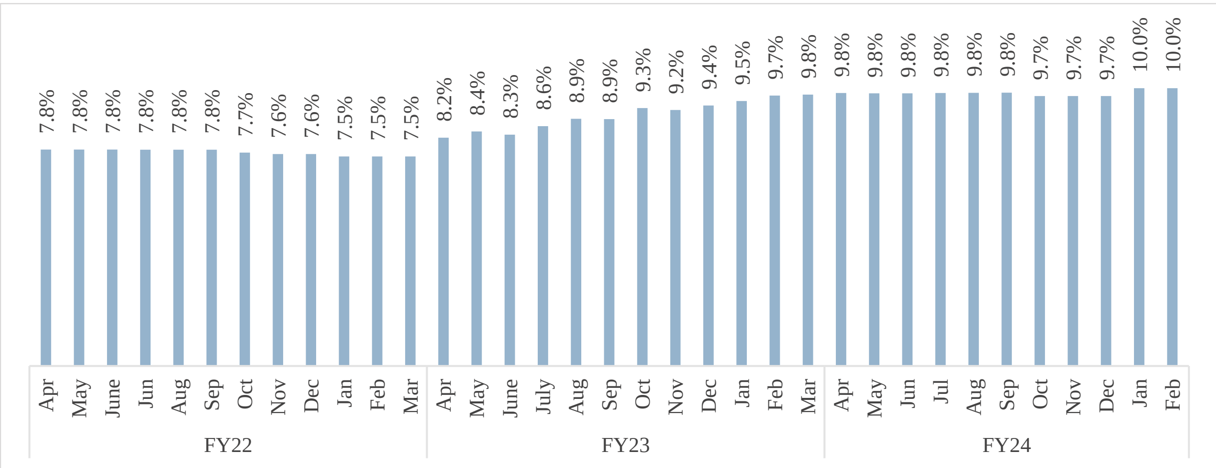


Source: IMD, CRISIL MI&A
*Note: When the rainfall averaged over the country is within ±10% from its long period average ("**LPA**") or 90% to 110% of LPA, the rainfall is said to be "normal". The LPA for the June to September period is 868.6mm.*

Auto finance rates

The sharp rise in repo rates has increased the financing rates across auto segments. The PV segment is currently witnessing interest rates of nearly 10%. Interest rates have reached the pre-pandemic levels and are expected to remain firm in the short term. Demand for cars- durable goods most often purchased on credit and higher interest rates makes auto loans more expensive impacting purchasing decisions of customers.

Average auto finance rates offered by banks



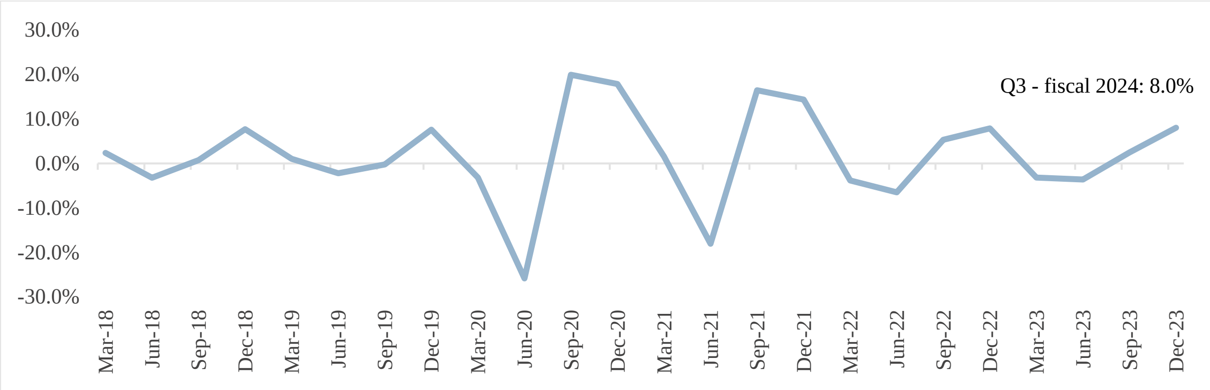
Source: Industry, CRISIL MI&A

Private final consumption expenditure

Private final consumption expenditure ("**PFCE**") rose marginally to 3.5% year-on-year in third quarter of Fiscal 2024 compared with 2.4% the previous quarter but remains sluggish. Rural demand indicators were a mixed bag, with demand for work under National Rural Employment Guarantee Act slowing this quarter, and growth in two-wheeler sales surging. However, growth in consumer non-durables production slowed considerably in the third quarter. Urban demand seemed to have sustained some momentum in the third quarter, with a pick-up in the growth of passenger vehicle sales and consumer durables production, as well as continued double-digit growth in retail credit (18.1% versus 18.3% in the previous quarter). The latter indicates that the impact of past rate hikes and regulations on unsecured lending are still pending.

PFCE reflects the overall consumption patterns and spending capacity of households within an economy. When PFCE increases it often translates to increased demand for various goods and services.

PFCE Quarterly Trend for India



Note: Mar refers Q4, June refers to Q1, Sep refers for Q2, Dec refers to Q3
Source: Industry, CRISIL MI&A

Per Capita Income and Car Penetration

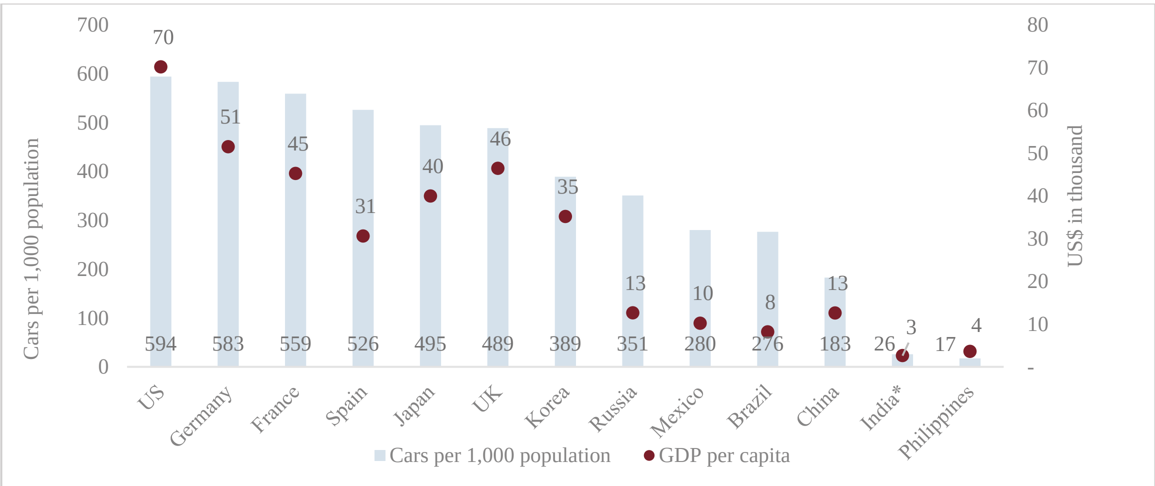
Per capita income (per capita NNI) is estimated to grow by 6.8% in Fiscal 2024, compared with 5.7% in Fiscal 2023. In Fiscal 2021, per capita income declined 8.9% owing to GDP contraction amid the pandemic's impact. Per capita income rose by 7.6% in Fiscal 2022 on the lower base of Fiscal 2021.

According to the International Monetary Fund's estimates, India's per capita income (at current prices) is expected to grow at 8.8% CAGR over 2023 to 2028.

As per CRISIL MI&A, Indian economy is expected to surpass US$5 trillion mark over the next seven fiscals (2025- 2031) and inching closer to US$7 trillion. A projected average GDP growth of 6.7% in this period will make India the third-largest economy in the world and lift per capita income to the upper middle-income category. By Fiscal 2031, India's per capita income will rise to approximately US$4,500, thereby making it an upper middle-income nation.

At the macroeconomic level, the rise in per capita income implies that as incomes increase, the proportion of expenditure allocated to discretionary items such as consumer durables and automobiles will also increase. This will lead to an enhancement in consumption patterns, characterised by a growing demand for discretionary goods.

Country-wise car penetration, CY 2021



Note: Data for CY 2021, India Data for Fiscal 2024.
Source: International Road Federation- World Road Statistics 2023, CRISIL MI&A

According to CRISIL MI&A, India had 26 cars per 1,000 people as of Fiscal 2024. Although the penetration grew from 22 cars per 1000 people in Fiscals 2019 to 2026 cars as of Fiscal 2024, it is significantly lower than the developed nations and even emerging nations like Brazil, Russia, and Mexico. This provides significant headroom for growth, especially given the expected increase in disposable incomes, faster economic growth, younger population, and increased focus from international OEMs.

Policies Impacting the Indian Automobile Industry

Government policies impacting the automobile industry, including those related to infrastructure and supply chain, self-reliant manufacturing, foreign direct investment, and tax related policies have an impact on vehicle manufacturing and supply. The Government of India has announced and implemented several initiatives such as National Infrastructure Pipeline, Gati Shakti Scheme and National Logistics Policy to improve the transportation infrastructure in the country.

Improving infrastructure for increasing efficiencies in logistics

The government's capex push has been focused largely on transport-related sectors, such as roads, railways, and urban infrastructure. This is being complemented with policies geared towards improving and integrating different segments of the logistics ecosystem. All these are expected to reduce bottlenecks and improve competitiveness of domestic production and trade via reduced logistics costs and improved connectivity.

Make in India

The 'Make in India' initiative was launched in September 2014 to give a push to manufacturing in India and encourage FDI in manufacturing and services. The objective of the initiative was to increase the share of manufacturing in GDP to 25% by 2020 by boosting investment, fostering innovation, and intellectual property. The other objective was building best-in-class infrastructure for manufacturing across sectors, including, but not limited to automobile, auto components, aviation, biotechnology, chemicals, construction, defence manufacturing, electrical machinery, electronic systems, food processing, mining, oil and gas, pharmaceuticals, renewable energy, thermal power, hospitality, and wellness.

However, the share of manufacturing in GDP has not attained the intended levels of 25%. Hence, additional policies were announced, and targets rolled forward initially to 2022 and then to 2025. Domestically, multiple steps were taken to make sectors more attractive and ease investment processes. Some of the major steps taken included announcement of the NIP and reduction in corporate tax; various sectors such as defence manufacturing, railways, space, and single brand retail have been opened for FDI. Measures to boost domestic manufacturing were also taken through Public Procurement Orders, Phased Manufacturing Programme ("**PMP**") and Production Linked Incentive ("**PLI**") schemes, etc. Many states also launched their own initiatives on similar lines to boost manufacturing in their respective states.

PLI scheme to provide boost to industrial investments in the short-to-medium term

The PLI scheme's primary objective is to make manufacturing in India globally competitive by removing sectoral obstacles, creating economies of scale and ensuring efficiency. It is designed to create a complete component ecosystem in India and make the country an integral part of the global supply chain. Furthermore, the government hopes to reduce India's dependence on raw material imported from China. The scheme is expected to boost economic growth over the medium term and create more employment opportunities, as many of the sectors covered under the scheme are labour-intensive. It will be implemented over Fiscals 2022 to 2029.

Safety norms

Bharat New Car Assessment Program ("**BNCAP**") was launched by Ministry of Road Transport and Highways on August 22, 2023 with an aim to enhance the road safety of passenger cars by increasing the vehicle safety standards of these vehicles. BNCAP would promote a healthy competition between home grown OEMs and international OEMs to manufacture safer cars along with pushing the safety and quality of the vehicles in India. BNCAP rating system is a voluntary assessment program and came into effect on October 1, 2023.

BNCAP crash testing follows similar methodology followed in the Global New Car Assessment Programme ("**GNCAP**"). The testing method aims to offer star ratings to cars based on their performance in crash testing. The BNCAP regime has formulated a new standard, AIS 197 and will offer star ratings on a scale of five, for both adult occupant protection as well as child occupant protection offered by a car in a crash test assessment. Apart from these, there are safety assist technologies like Electronic Stability Control ("**ESC**"), seat belt reminder, pedestrian protection and pole side impact that are considered as qualifier for each rating.

GST structure for the automobile industry

Goods and Services Tax ("**GST**") was introduced in 2017 as a single uniform taxation system, where all the taxes are subsumed into one. In the past, consumers had to pay two taxes – excise and VAT at rates ranging from 26.5% to 44%. However, with the introduction of GST, vehicles except electric vehicles ("**EVs**") and hydrogen fuel cell vehicles are levied at a base rate of 28% and an additional cess at 1-22% range based on factors like dimensions, engine size and ground clearance. Importers/dealers are now able to claim the GST paid on goods imported/sold whereas previously, they were ineligible to claim the excise duty and VAT paid.

Excise paid on stock transfer would be covered by IGST under the GST law. Advance received for supply of goods is also taxed under GST. GST helps the manufacturers in procuring auto parts at a cheaper cost due to an improved supply chain mechanism under GST. GST on cars and bikes is kept under the 28% bracket and a list of cesses to be levied on different kinds of automobiles has also been declared by the Indian government which is ranging from 1 to 22%.

Import duty on passenger vehicles

Import duty also known as import tax, import tariff or customs duty is an indirect tax levied by Indian authorities on goods purchased from a foreign country. Through import taxes, the price of imported goods increases and demand decreases. This propels domestic market growth, demand for indigenous products and protects Indian OEMs from foreign competitors.

Customs duty on automobiles based on fuel type

Criteria	Engine capacity	Fuel type	Import duty in %
Used car import	Any	Any	125
Cars CBUs whose CIF value is more than US$40,000	>3000 cc	Petrol	100
	>2500 cc	Diesel	
Cars CBUs whose CIF value is less than US$40,000	<3000 cc	Petrol	70
	<2500 cc	Diesel	
ICE vehicle SKD - CKD containing engine or gearbox or transmission mechanism in pre-assembled form but not mounted on a chassis or a body assembly	Any	Any	35
ICE vehicle CKD - CKD containing engine, gearbox, and transmission mechanism not in a pre-assembled condition	Any	Any	15
Electric Vehicles SKD - Pre-assembled battery pack, motor, motor controller, charger, power control unit, energy monitor contractor, brake system, electric compressor not mounted on chassis	NA	Electric	30%
Electric Vehicle CKD - Disassembled battery pack, motor, motor controller, charger, power control unit, energy monitor contractor, brake system, electric compressor not mounted on chassis	NA	Electric	15%

Note: CIF: Cost, Insurance and Freight, CBU: Completely Built Up, SKD: Semi Knocked Down, CKD: Completely Knocked Down
Source: SIAM, CRISIL MI&A

The government recently launched a scheme to promote electric passenger cars in India under which import duty concession is offered for OEMs who set up domestic manufacturing facility in India with a minimum investment of US$500 million. Under this scheme, the imported vehicles would attract a reduced customs duty of 15% with maximum CIF (Cost, Insurance & Freight) value of US$35,000.

Corporate Average Fuel Efficiency/Economy norms ("CAFE")

CAFE, or Corporate Average Fuel Economy norms aim to reduce fuel consumption by vehicles (or improve fuel efficiency) by lowering carbon dioxide ("**CO2**") emissions, hence reducing reliance on oil, and regulating pollution. Implemented in India on April 1, 2017, CAFE norms apply to petrol, diesel, LPG and CNG fuelled vehicles. In phase 1 (2017-2022), CAFE norms required average corporate CO2 emissions to be less than 130 g/km by Fiscal 2022 and below 113 g/km thereafter (CAFE II), i.e., vehicles needed to be 10% more fuel-efficient by Fiscal 2022. CAFE II norms came into effect on April 1, 2023. This is expected to incentivise the shift towards greener technologies such as hybrids and electric vehicles ("**EVs**"). The Energy Conservation Bill requires carmakers to pay INR 25,000 per unit if their fleet's CO2 emissions exceed the intended CAFE score of 0-4.7 g/km, and INR 50,000 per unit if they exceed by more than 4.7g/km.

Government boost for Compressed Natural Gas (CNG)

As of Fiscal 2023, a total of 21.9 thousand km length of gas pipeline was operational under multiple commissioned City Gas Distribution ("**CGD**") projects, and a total of 33.1 thousand km stretch was under construction. In Fiscal 2023, an additional 1,232 new stations were added, taking the total number of CNG stations to 5,665. Between Fiscals 2019 and 2023, the number of CNG stations grew at a CAGR of 34.5%.

National Green Hydrogen Mission

The National Green Hydrogen Mission is a comprehensive action plan for establishing a Green Hydrogen ecosystem in India. The policy is aimed at making India a leading producer and supplier of Green Hydrogen in the world thereby creating export opportunities for Green Hydrogen and its derivatives. The policy, which promotes hydrogen as a clean energy source, was approved by the government of India with an outlay of INR 197 billion in January 2023. Of this INR 174.9 billion is allotted for the Strategic Interventions for Green Hydrogen Transition (SIGHT) programme, INR 14.7 billion for pilot projects, INR 4.0 billion for R&D, and INR 3.9 billion towards other Mission components. Under the SIGHT program, the government would offer incentives for manufacturing of electrolysers and production of green hydrogen. By 2030, the government wants to increase its annual hydrogen production capacity to five million metric tonnes. Reducing India's dependence on fossil fuels imports, lowering greenhouse gas emissions, transitioning the economy to low carbon intensity and making the country assume technology and market leadership in this new industry is the aim of the National Hydrogen Mission. The government plans to achieve this by setting up green hydrogen plants and encouraging research and development in the sector. The government has also pledged INR 350 billion in the energy transition to attain the goal of net zero carbon emissions by 2070.

BS-IV to BS-VI transition

BS emission standards are issued by the government to regulate the output of air pollutants from motor vehicles. In January 2016, the government decided to skip BS-V and instead implement BS-VI norms directly from BS-IV. It fixed the deadline of April 1, 2020, for the introduction of BS-VI emission norms.

Prices of BS-VI-compliant PVs increased 2-4% as devices and systems were added to reduce emission levels. The price hike was higher for diesel vehicles as these require additional exhaust parts.

In November 2022, the European Commission presented a draft proposal on Euro 7 Emission Norm to the European Parliament. According to the same, Euro 7 pollution standards for new cars and vans will be implemented from July 2025 and for buses and lorries from 2027. India follows the matured European market for framing and implementation of policies and adapts it to suit Indian conditions. Provided Euro 7 comes into force from 2025, India is highly likely to propose BS-VII regulation by end of this decade.

Review of the Indian Passenger Vehicle Industry

Review of the Indian Domestic PV Industry (Fiscal 2019 to Fiscal 2024 till Feb 2024)

Between Fiscals 2019 and 2024, India’s domestic PV sales volume rose at 5% CAGR. This growth was despite the sales contraction (at 10% CAGR) witnessed during Fiscals 2019 to 2021. From the low base of Fiscal 2021, PV sales bounced back and grew at a healthy pace to reach a historic high of 3.9 million vehicles in Fiscal 2023.

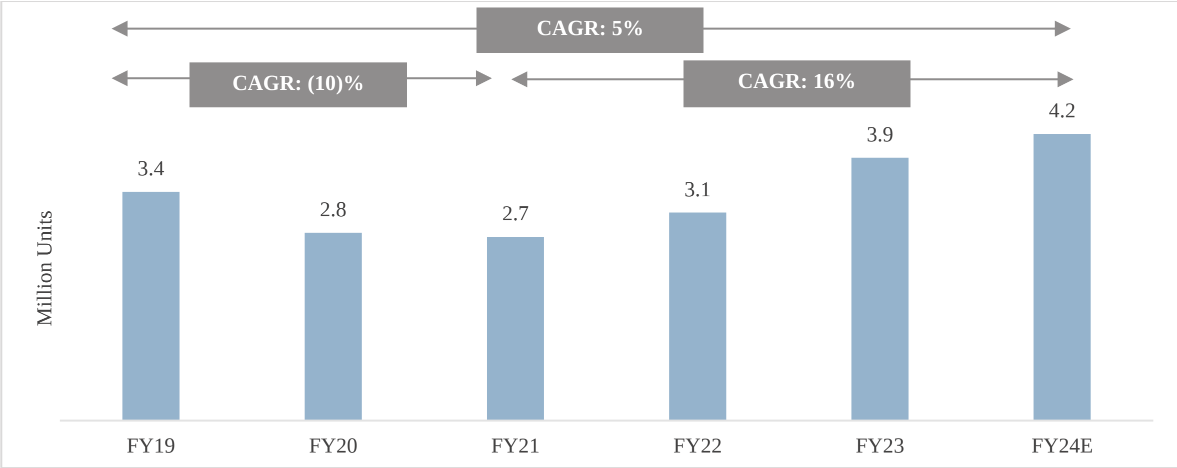
In Fiscal 2020, contraction of the economy put pressure on vehicle sales. Moreover, the Non-Banking Financial Company (NBFC) liquidity crisis and halting of BS-IV vehicle production amid mandatory implementation of BS-VI norms from Fiscal 2021 exerted added pressure during the year. The industry also lost nearly half a month’s sales at fiscal year-end owing to outbreak of the COVID-19 pandemic and subsequent nationwide lockdown.

In Fiscal 2021, domestic sales volume continued to be impacted by the first wave of the pandemic. A nation-wide lockdown, reduced mobility, and supply chain constraints leading to production cuts weighed on annual sales. Despite some improvement in sales with the reopening of the economy and increased demand for personal mobility during the second half of the year, sales contracted approximately 2.2% year-on-year owing to the additional price hikes due to implementation of the BS-VI norms.

Fiscal 2022 began with a much severe second wave of COVID-19. State-imposed lockdowns, economic uncertainty, and a global shortage of semiconductor supply caused extended waiting periods that impacted sales, especially in the first half of the year. There was some improvement in the economic scenario with the reopening of markets in the second half of the fiscal. Pent-up vehicle demand, further increased need for personal mobility and improved supply scenario provided thrust to PV sales during the second half. After a two-year consecutive drop, PV sales rose 13% from a very low base of Fiscal 2021.

In Fiscal 2023, the PV industry grew at a rate of 27% y-o-y, which was more than double the rate of 13% y-o-y witnessed during Fiscal 2022, owing to the healthy pent-up demand created by two years of slump in sales volume. The orderbooks of auto OEMs were further supported by several new launches in the growing SUV category, which saw higher traction, along with multiple facelifts of existing models and easing supply of semiconductors. In fact, overall wholesale volume reached a historic high of 3.9 million units in the fiscal.

Review of the domestic PV sales volumes

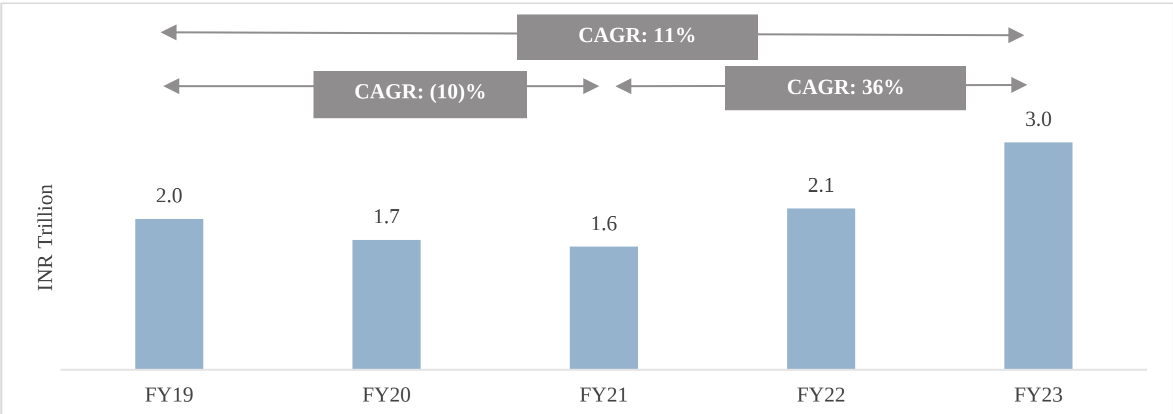


Note:
1. *Figures in bracket to be read as negative (Eg. (10) to be read as minus 10)*
2. *Passenger vehicles ("**PVs**") are four wheeled motor vehicles used for carriage of passengers comprising not more than eight seats in addition to the driver's seat. PVs include hatchbacks, sedans, SUV, MPV and vans under it.*

Source: SIAM, CRISIL MI&A

During Fiscal 2024, growth momentum of the industry continued, albeit at a slower pace, backed by the continued traction for the SUV segment, intermittent launches and improvement in disposable income. Off the high base of Fiscal 2023, the industry is estimated to have grown by 8.4% in Fiscal 2024 to reach the historic high of 4.2 million units.

Review of the PV industry by value



Note: Industry value calculated based on the reported vehicle sales revenue by OEMs and the total sales (domestic + exports) volumes of the industry reported by SIAM. Fiscal 2024 financials are not available.
Source: SIAM, Annual Reports, MCA financials, CRISIL MI&A

The PV industry value witnessed a healthy growth from Fiscal 2019 to 2023 period, growing at 11% CAGR. The average vehicle factory prices (ex-factory prices) rose at 8% CAGR during Fiscals 2019 to 2023 period led by rising share of premium vehicles. Additionally, price hikes undertaken by OEMs for compliance with emission norms and due to increase in raw material costs provided an added push to average prices.

Total sales (domestic + exports) volumes of the industry, on the other hand, grew at a subdued pace of 3% CAGR during the period. In fact, total vehicle sales (domestic + exports) dropped at 12.0% CAGR till Fiscal 2021 dragging the industry value down in Fiscal 2021.

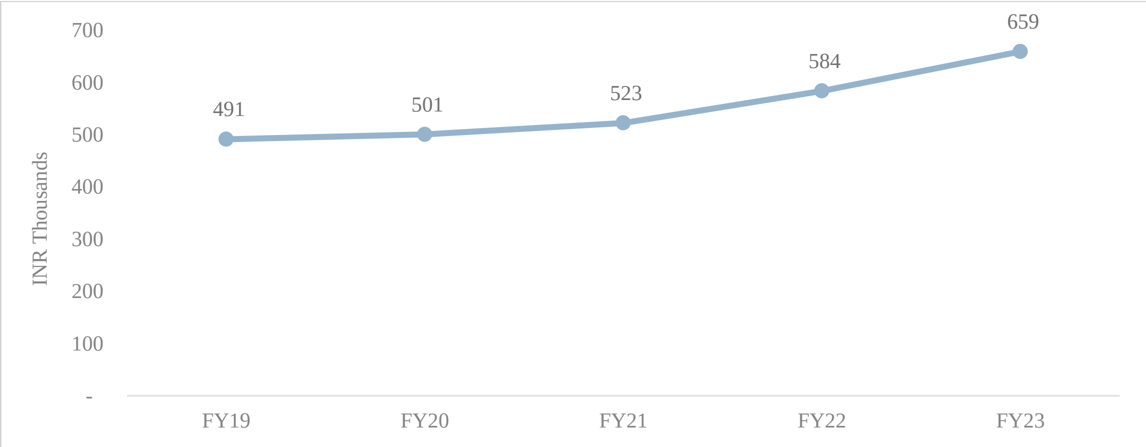
From this low base, total sales (domestic + exports) grew at 21% CAGR till Fiscal 2023 thrusting the industry revenues forward. A sharp rise at a CAGR of 12%+ in average prices amidst premiumisation trend lent further support to industry size by value during Fiscals 2021 to 2023 period. Overall, the industry value grew at 36% CAGR from Fiscals 2021 to 2023 to reach INR 3 trillion levels.

Premiumisation trend

The average selling price ("**ASP**") between Fiscals 2019 and 2023 increased at a CAGR of 7-8% because of premiumisation trend as well as sharp rise in vehicle prices. Modern consumers in India are preferring mid-end or top end version of the vehicles moving away from the traditional fuel-efficient budget friendly small cars towards higher priced feature loaded larger cars which offer much more space, taller ride height, seamless connectivity, and improved performance.

Further, there has been a major shift in customer preference with the launch of compact and mid-size SUVs. This was majorly driven by shift in consumer sentiments towards newly launched feature rich vehicles in the SUV segment. Increase in spending from the upper middle class after pandemic led to more purchases of SUVs supported by higher number of models launches in the SUV category (which have higher profit margins) and increase in affordability with launch of compact SUVs led to cannibalisation of hatchbacks and compact sedans.

Trend in Average Vehicle Price (ASP)



Note: Based on OEM factory cost
Source: CRISIL MI&A

The rise in penetration of digital technologies and safety features in the vehicles also aid this ASP growth. There is a growing adoption of cars equipped with sunroof, digital infotainment systems and smart phone connectivity solutions. Modern car buyers who are aware of the safety standards are preferring cars equipped with necessary features like airbags, disc brakes and so on. These systems coupled with inclusion of modern LED lights, camera and radar systems are increasing the overall cost of a vehicle. For example, Hyundai Motor India introduced sunroof in their i10 and i20 hatchbacks back in 2008-09. From then till now, most of the models offered from the company provides sunroof as an option and the company has played a crucial role in popularising modern features in India.

Over and above these features, industry has also started offering connectivity as an add on feature in their latest offerings especially in the top variants. These connectivity features enable seamless interaction between the user and the vehicle through their application. Few of the features include remote start stop, remote HVAC (Heating Ventilation and Air Conditioning) control, real time location services etc. Such features are available in vehicles like MG Hector, Hyundai Venue, Creta, Tata Harrier/Safari, Mahindra XUV700, Maruti Grand Vitara to name a few.

Moreover, apart from the standard safety features, many of the OEMs are also offering advanced driver assistance and safety features through ADAS (Advanced Driver Assistance System) technology. The basic ADAS features include blind spot detection, emergency braking, cruise control, lane departure warning etc. These additional features are currently being offered in premium vehicles like Honda City, Kia Seltos, MG Hector, Hyundai Creta, Mahindra XUV700 and Tata Safari. Currently most OEMs in the mass market offer level 2 (L2) ADAS capability through their in house ADAS technology like Hyundai SmartSense and Honda SENSING.

All these additional features have also aided the premiumisation within the passenger vehicle industry.

Segmental Shifts Amidst Premiumisation

The passenger vehicle industry can be broadly classified basis body types into hatchbacks, sedans, sports utility vehicles (SUVs), multipurpose vehicles (MPVs) and vans. Traditionally, Indian passenger vehicle buyers have been cost conscious, with mileage and initial vehicle buying cost being the two main pillars of decision-making. Thereby, the hatchbacks segment had been leading PV sales over the years primarily because of the lower ticket size and lower running costs, making them affordable to the average Indian customer.

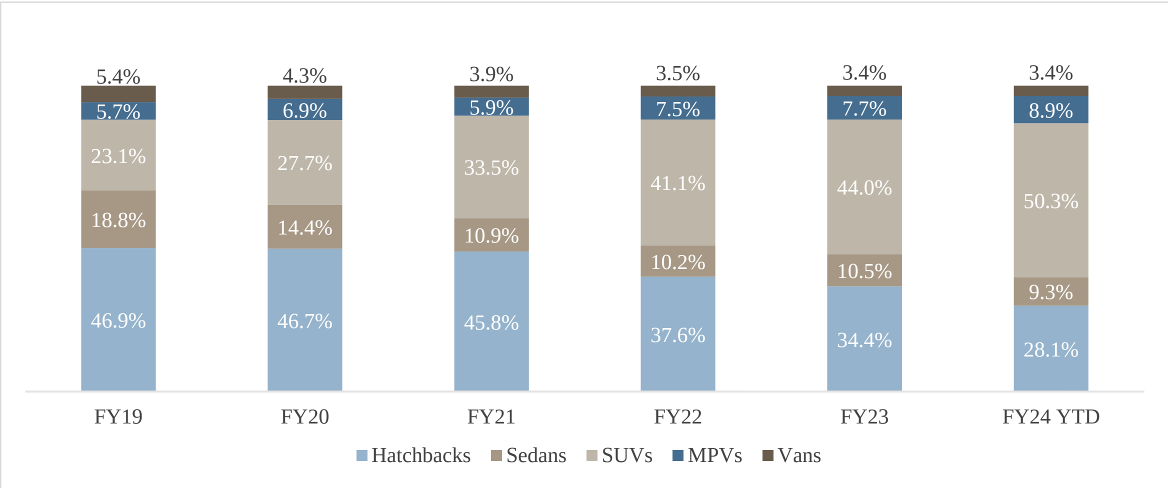
However, with a growing share of younger buyers in India, there is an increasing awareness and preference towards parameters other than price such as exterior and interior design, driving experience, safety, advanced features and aesthetics, resulting in inter-segmental shift towards SUVs as well as intra-segmental shifts towards the mid- to top-end variants. OEMs like Tata Motors & Hyundai Motor India have addressed this change by showcasing enhanced vehicle safety in their recent launches. Several OEMs have also gradually introduced advanced features and trickled them down from their top variants to the mid variants. Furthermore, rising disposable incomes has also given an impetus to growth in the SUV segment.

Customer buying behaviour is also changing, wherein they are increasingly prioritising vehicle experience and technology over cost and are willing to pay a premium and are also ready to accept longer waiting time for the desired vehicle. More and more customers are now opting to buy mid to top level variants driving the intra-segmental shifts. This shift towards feature loaded vehicles is also driving the premiumisation trend.

The share of small cars (hatchbacks) reduced from 46.9% in Fiscal 2019 to 34.4% in Fiscal 2023. During the same period, share of SUVs increased from 23.1% in Fiscal 2019 to 44.0% in Fiscal 2023.

Typically, hatchbacks are priced (ex-showroom) between INR 4 lakhs to 10 lakhs, sedans between INR 10 lakhs to 25 lakhs while SUVs are normally priced within INR 6 lakhs to 45 lakhs range and MPVs are between INR 10 lakhs to 30 lakhs. Within SUVs, compact SUVs are in INR 6 lakhs to 15 lakhs range, Mid-size SUVs are priced between INR 10 lakhs to 25 lakhs, Large SUVs are typically priced between INR 15 lakhs and 45 lakhs.

Segment-wise trends in the overall PV sales volumes in India



Note: YTD: Apr 2023- Feb 2024 period; Volumes for Tata Motors are not reported for the months of Jan 2024 and Feb 2024 in SIAM data, hence not included here. Figures above bars are the total sales volumes for the respective year.
Source: SIAM, CRISIL MI&A

Rise of SUVs

The SUV segment, which traditionally appealed to customers valuing larger seating capacity and its ability to drive on rough terrain, has increasingly gained customer preference over the years. The compact SUV segment, especially, provided the much-desired SUV body styling at competitive rates bringing SUV segment within the reach of the common consumers.

Recognising the changing consumer preferences, OEMs also launched higher number of vehicles in the SUV segment compared to other segments providing a further fillip to the SUV share expansion. In the last 5 years, 30+ SUVs were launched by the OEMs versus 4 hatchbacks and 3 sedans.

Thus, the changing customer preference coupled with new vehicle launches provided the real thrust to the growth of the SUV segment. Prominent launches from players like Hyundai Motor India, Tata Motors, Mahindra & Mahindra, Maruti Suzuki aided the growth of this segment. Moreover, entry of global players like Kia and MG, with their SUV portfolios lent further support to the segment's growth.

All of this has led to the share of SUVs in overall domestic PV sales to more than double from 23% in Fiscal 2019 to 50% in Fiscal 2024 (April to February). During the last 5 years, while industry witnessed a growth at 5% CAGR, the SUV segment grew at more than 4 times growth rate of 23% CAGR.

Within the SUV segment, compact SUVs (length <4m) grew in line (at 23% CAGR) with the overall SUV segment keeping its share steady within the SUV segment.

Launch of Ford EcoSport provided a real thrust to the compact SUV subsegment in India around Fiscal 2014. Over the years, introduction of vehicles like Maruti Suzuki Brezza (Fiscal 2016) and Tata Nexon (Fiscal 2018) aided the growth of entire SUV segment as well as helped compact SUVs gain sizeable share within the SUV segment, reaching 58% by Fiscal 2019 from 48% in Fiscal 2014. Moreover, launch of Hyundai Venue (Fiscal 2020), Kia Sonet (Fiscal 2021), Tata Punch (Fiscal 2022), Maruti Suzuki Fronx (Fiscal 2024) over and above the launch of facelifts of other popular models backed the healthy growth of the compact SUV subsegment.

Introduction of Hyundai Creta in Fiscal 2016, has propelled the mid-size SUVs (length 4 - 4.4 m) segment. The mid-size SUV segment (24% CAGR) outpaced the entire SUV segment and has grown its share within the mid-size SUV segment in the last 5 years. Continued traction for the high selling models like Hyundai Creta & Kia Seltos as well as successful recent additions including Maruti Suzuki Grand Vitara, Toyota Urban cruiser Hyryder, and Honda Elevate provided the thrust to the growth of mid-size SUVs. The intermittent upgrades of the vehicles provided an added fillip to the sub segment's growth.

Slowdown in hatchbacks

The hatchbacks segment, which was once the leading segment, has seen a loss in market share in recent years owing to lack of new model launches, frequent hikes in vehicle prices, increase in operating costs amid fuel price hikes, and an unfavourable macroeconomic environment that impacted the price sensitive entry-level customer base.

Lower demand for sedans

Shift towards the SUV segment, drop in demand from ride hailing commercial base and limited launches have restricted the sales of sedans during Fiscal 2019 to Fiscal 2024 period and their contribution to overall PV sales dropped from 19% in Fiscal 2019 to 9% by Fiscal 2024 (Apr-Feb).

Segmental growth within the industry in the last 5 years

Segment	Fiscal 2019 Contribution	Fiscal 2024 YTD Contribution	Fiscal 2019-Fiscal 2024* CAGR
Hatchbacks	**46.9%**	**28.1%**	**(6) %**
Compact Hatchbacks	*75.2%*	*66.9%*	(8) %
Premium Hatchbacks	*24.8%*	*33.1%*	0%
Sedans	**18.8%**	**9.3%**	**(9) %**
SUVs	**23.1%**	**50.3%**	**23%**
Compact SUVs	*57.7%*	*56.9%*	23%
Mid-Size SUVs	*23.7%*	*25.7%*	24%
Large SUVs	*18.6%*	*17.4%*	21%
MPVs	**5.7%**	**8.9%**	**14%**
Vans	**5.4%**	**3.4%**	**(5) %**
Total	**100.0%**	**100.0%**	**5%**

*Note: *: based on Fiscal 2024 estimates; YTD: Apr 2023 – Feb 2024 period*
Source: SIAM, CRISIL MI&A

Seasonality of sales in the domestic PV industry

For the domestic passenger vehicle industry, the year end and festive (Dushhera/ Diwali) quarter is normally the best quarter from retail perspective. Retails are typically highest during the festive period of Dusshera and Diwali. Industry also offers additional discounts during the festive period and also sometimes align new vehicle launches around the same. Hence a substantial amount of inventory built up is done by the industry starting from 1 to 2 months before the festive period (generally August to October), therefore pushing the second quarter sales (July – September).

After the festive period, industry witnesses some dip in sales. Restricting dispatches for the year end is a major reason for the sales dip during the post festive month of December. OEMs usually offer higher discounts on the year end vehicles to encourage purchase and liquidate previous year dealer stocks in the months of December and January (next calendar year).

Vehicle dispatches are also higher during the fourth quarter of each fiscal (January -March), after the year change. The fiscal year end month of March also sees higher offtake to comply with the annual targets. Post the higher offtake, the beginning of the new fiscal (April-June) sees relatively lower dispatches after the increased inventory built up done during the previous financial year end coupled with lower retails during the rainy season.

Competitive Landscape

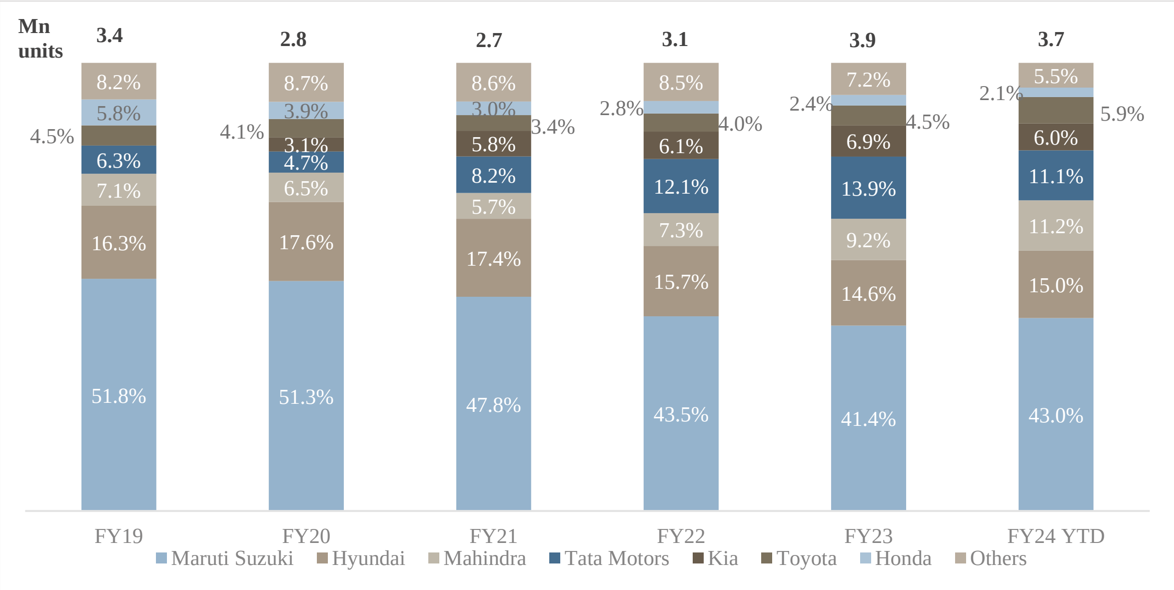
Domestic PV industry is an oligopolistic market with few players dominating the entire industry. Maruti Suzuki leads the PV industry in terms of domestic sales volumes. Hyundai Motor India is the second largest contributor to the domestic sales, followed by Tata Motors and Mahindra & Mahindra. These 4 players together contribute approximately 80% of the market.

However, in the last 5 years, the competition has intensified amidst competitively priced feature-rich vehicle launches by all players as well as recent entrants such as Kia and MG grabbing sizeable shares.

Share of Maruti Suzuki contracted from a high base of 52% in Fiscal 2019 to 41.4% in Fiscal 2023 due to the shift in customer preference from hatchbacks towards SUVs and Maruti Suzuki's focus on the cars segment. However, success of their recent launches like Grand Vitara, Fronx, Invicto and continued traction for Ertiga and Brezza helped Maruti Suzuki regain some lost ground during Fiscal 2024 YTD, bringing their market share up to 43%.

Hyundai Motor India is the second largest contributor to Indian domestic PV sales since Fiscal 2009 and has maintained its position in the market since then. This is due to continued traction for popular SUV models like Creta and Venue coupled with new vehicle launches and launch of upgrades of its popular models. Introduction of Venue, Aura & Kona helped company expand its presence in the market during Fiscal 2020. In the following 4 years, Hyundai Motor India maintained 15-18% share within the domestic market amidst continued demand for its popular models aided by frequent upgrades of its popular models like i10, i20, Creta, Verna, and Venue.

PV domestic market share across OEMs



Note: Data is for Apr 2023- Feb 2024 period; Volumes for Tata Motors are not reported for the months of Jan 2024 and Feb 2024 in SIAM data, hence not included here. Others include MG, Renault/Nissan, Skoda, PCA etc. Figures above bars are the sales volumes.
Source: SIAM- Society of Indian Automobile Manufacturers, CRISIL MI&A

Tata Motors gained ground in the last 5 years riding on the success of its SUV models of Nexon & Punch. The increase in traction for EVs (where Tata Motors dominates) has also provided an additional support to Tata Motors sales. In turn, Tata Motors' share of total market expanded from 6% to 11%, during Fiscal 2019 to 2024YTD period.

The portfolio expansion in the form of XUV300, XUV700, Scorpio N has aided Mahindra & Mahindra's share in recent years. In the last 5 years, Mahindra & Mahindra expanded its share from 7% in Fiscal 2019 to 11% by 2024 YTD.

Recent entrant Kia tasted early success in the Indian market in the form of Seltos and Sonet which helped the company grab a 6% share of the market by Fiscal 2024 YTD.

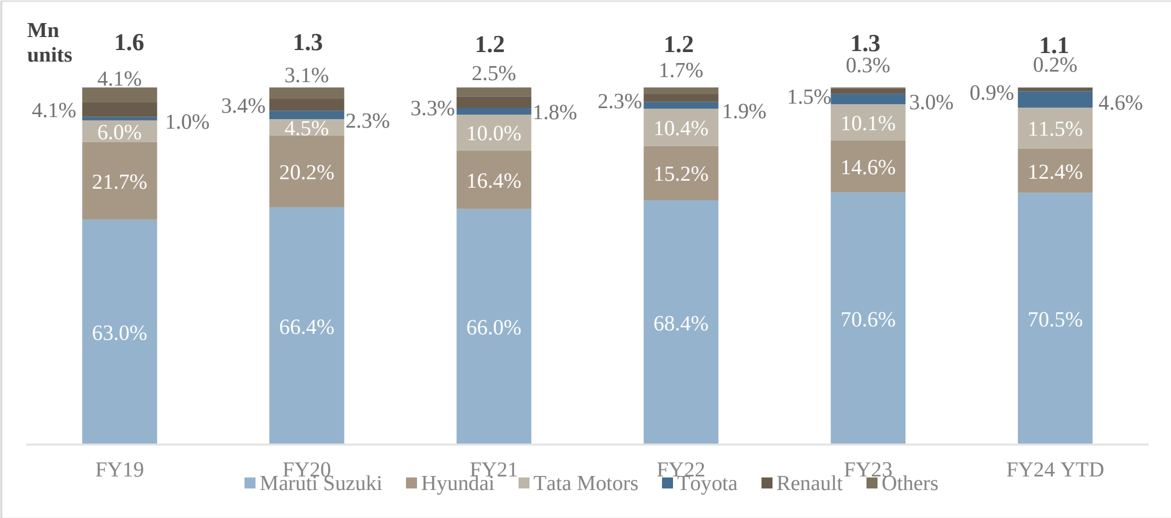
Toyota has maintained its 4-6% market share with continued demand for its flagship Innova. While Glanza, Urban Cruiser and Hyryder provided added support to Toyota's sales.

Honda has been facing intense competition in the domestic market and its share has contracted from 6% in Fiscal 2019 to 2% in Fiscal 2024 YTD.

Competitive Landscape in the Hatchbacks segment

Hatchbacks segment is dominated by Maruti Suzuki followed by Hyundai Motor India at second place. Maruti Suzuki leads both the compact hatchbacks as well as the premium hatchbacks subsegments. In the last 5 years, Maruti Suzuki has consolidated its position further, with increased presence in the compact hatchbacks subsegment. Some of the highest selling models of Swift & WagonR backed Maruti Suzuki's numero uno position. Despite some slowdown in sales of Alto, the addition of Spresso helped Maruti Suzuki maintain its lead in the compact hatchbacks subsegment.

OEM wise market share in Hatchbacks segment



Note: YTD: Apr 2023 – Feb 2024, Figures above bars are the sales volumes.
Source: SIAM, CRISIL MI&A

On the other hand, Maruti Suzuki lost some ground in the premium hatchbacks subsegment to Tata Motors & Toyota. While Baleno continues to lead the premium hatchbacks subsegment, introduction of Tata Altroz & Toyota Glanza contracted its share.

Hyundai Motor India has lost some share in the hatchbacks segment in the last 5 years. Discontinuation of its compact hatchbacks Santro and Eon impacted the company's share within the hatchbacks segment. However, continued traction for popular models Grand i10 NIOS and i20 restricted the company's drop in share. Intensified competition with entry of new models Tata Altroz and Toyota Glanza in the premium hatchbacks segment exerted pressure on its share in the premium hatchbacks subsegment in the last 5 years.

Over the years, the premium hatchbacks segment witnessed considerable consolidation post discontinuation of models like the Volkswagen Polo, Ford Figo and Honda Jazz. However, early launches in the premium hatchback segment like Hyundai i20 (2008) and Maruti Suzuki Baleno (2015) helped to continue the momentum in the segment. Recent entrants Tata Motors & Toyota also gained sizeable ground through their models like the Tata Altroz and Toyota Glanza.

Competitive Landscape in the Sedans Segment

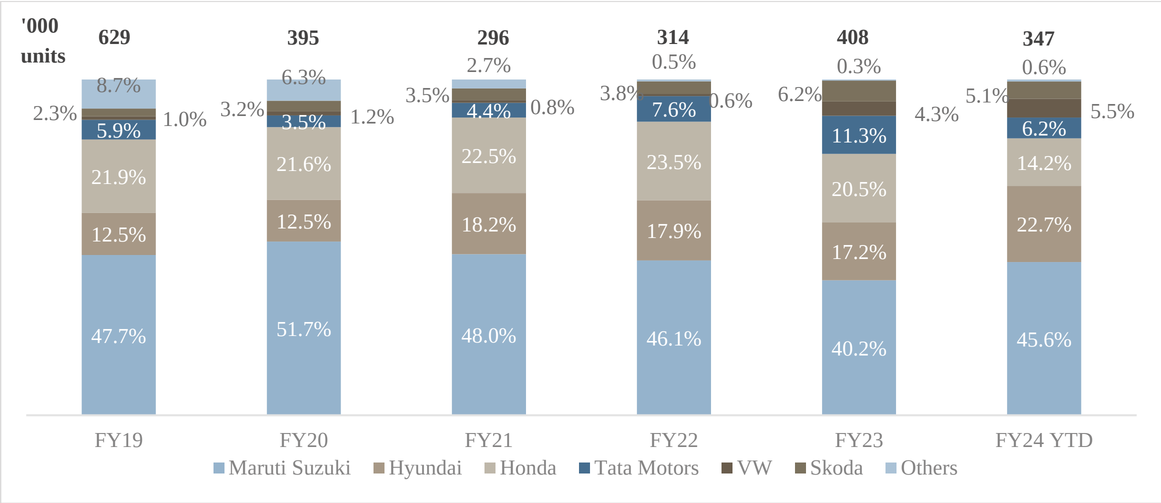
Maruti Suzuki leads the sedans segment with its model Dzire leading the segment with a 40% share (in Fiscal 2024). Restricted mobility during the pandemic contracted the demand of Dzire during the pandemic, exerting pressure on its share during Fiscal 2021 and Fiscal 2022. The launch of Virtus and Slavia as well as sharp rise in Hyundai Aura sales put further pressure on Maruti Suzuki's share during Fiscal 2023.

Hyundai Motor India extended its presence in the sedans segment especially in Fiscal 2024 led by the launch of its Verna facelift coupled with continued demand for its compact sedan model Aura. In fact, in Fiscal 2024, despite discontinuation of Xcent, Hyundai Motor India emerged as the second largest contributor to the sedans segment. Hyundai Verna was the top selling model in the premium sedans market in Fiscal 2024 till February.

Honda has been facing intense competition in the sedans segment for its flagship model City, from the recently launched Volkswagen Virtus & Skoda Slavia as well as the Hyundai Verna facelift. Due to this its share contracted from 22% in Fiscal 2019 to 14% in Fiscal 2024.

In the compact sedans segment, Maruti Suzuki leads with a market share of approximately 58.5%, from the Dzire model. Following Maruti Suzuki, Hyundai Motor India holds a share of around 19.8%, attributed to Aura model. In the premium sedans segment, Hyundai Motor India dominates with a 31.2% market share, driven by sale of its only model Verna. Following them, Volkswagen holds a 21.2% market share primarily from sales of the Virtus model. Within the luxury sedans market, Toyota commands a sizable 94.2% share through its Camry Model sales, while Skoda captures a 5.8% market share with its Superb Model.

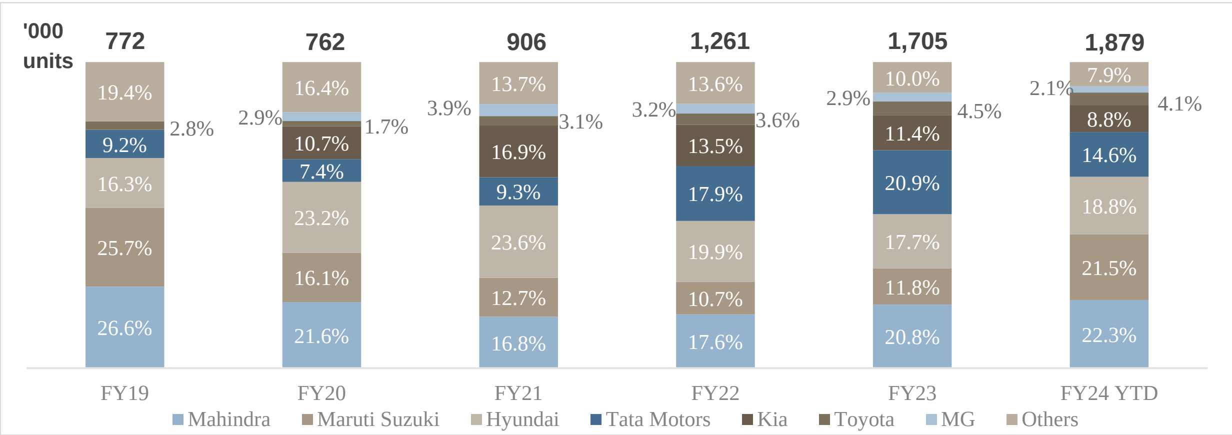
OEM wise market share in Sedans segment



Note: YTD: Apr 2023 – Feb 2024, Figures above bars are the sales volumes.
Source: SIAM, CRISIL MI&A

Competitive Landscape in the SUV Segment

OEM wise market share in SUV segment

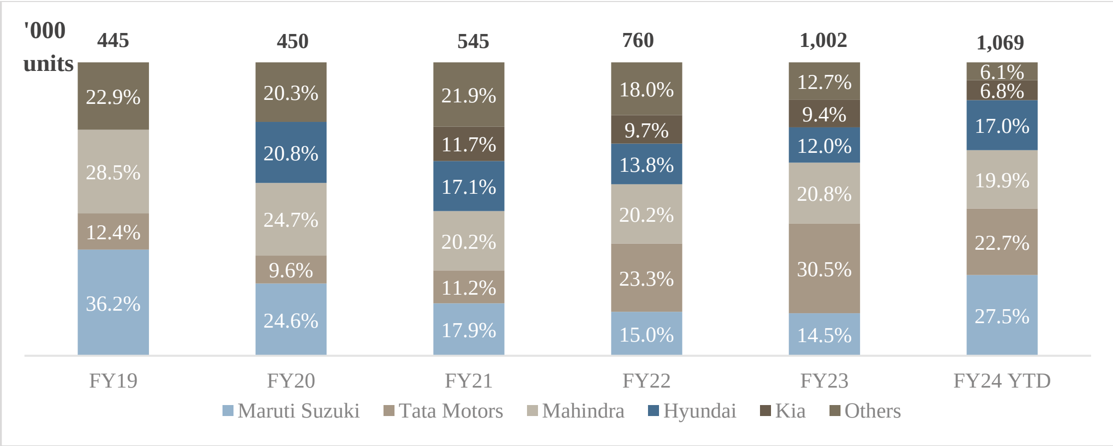


Note: YTD: Apr 2023 – Feb 2024, Figures above bars are the sales volumes.
Source: SIAM, CRISIL MI&A

Compared to other segments, the SUV segment is much more fragmented with no clear leader and very close competition between the OEMs. Moreover, amidst the sharp rise in demand for SUVs, competition has further intensified in this segment with increased focus from all the OEMs as well as entry of new players into this segment.

In the last 5 years, dominant players like Mahindra & Mahindra and Maruti Suzuki have lost some share from their elevated base, while Hyundai Motor India and Tata Motors have expanded their presence. New entrants Kia & MG entered India in Fiscal 2020 and successfully grabbed a sizeable share in the next 4 years. Both the new entrants primarily focused on the fastest growing SUV segment. Entry of these global players aided the growth of overall SUV segment as well.

OEM wise market share in Compact SUV segment



Note: YTD: Apr 2023 – Feb 2024, Figures above bars are the sales volumes.
Source: SIAM, CRISIL MI&A

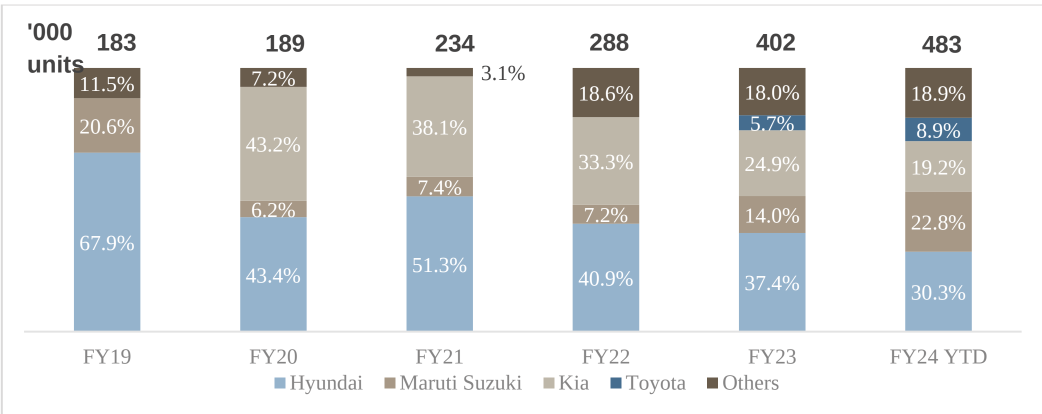
The largest subsegment within SUVs, compact SUV, has witnessed very intense competition in the last 5 years with a sizeable number of launches and upgrades from all major players. New launches have a notable impact on the sales of this segment with customers preferring the latest feature-rich competitively priced models. Thus, the launch of new models has a sizeable impact on the competitive landscape of this subsegment.

Until Fiscal 2019, the compact SUV subsegment was relatively consolidated with only a few players offering compact SUVs. With its new entrant Brezza, Maruti Suzuki dominated the subsegment in Fiscal 2019, followed by Mahindra & Mahindra due to continued traction for its popular Bolero model. Hyundai Motor India entered the compact SUV subsegment with Venue in Fiscal 2020 and grabbed a sizeable 21% share within a year. Kia introduced Sonet in Fiscal 2021 and contributed 12% to the subsegment during the year. Similarly, launch of Punch helped Tata Motors garner an additional 12% share in Fiscal 2022. Additionally, increased traction for its model Nexon with the introduction of EV powertrain aided Tata Motors growth in Fiscal 2022. Continued demand for these models helped Tata Motors expand its presence within the compact SUV space during Fiscal 2023.

Bolero, Thar and XUV300 supported Mahindra & Mahindra's 20-22% share within the compact SUV subsegment in the last 4 years.

The launch of Hyundai Motor India's Exter and Maruti Suzuki's Fronx and Jimny helped these two OEMs recover some lost ground during Fiscal 2024.

OEM wise market share in Mid-size SUV segment



Note: YTD: Apr 2023 – Feb 2024, Figures above bars are the sales volumes.
Source: SIAM, CRISIL MI&A

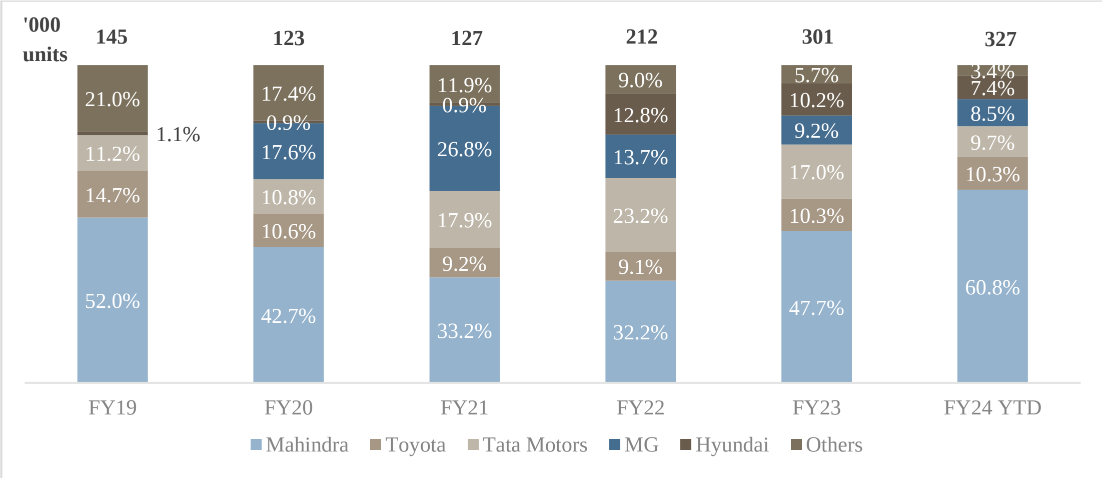
Hyundai Motor India dominates the mid-size SUV sub segment. With its flagship model Creta, Hyundai Motor India commanded a leading 68% share of the subsegment during Fiscal 2019. Intermittent upgrades to Creta helped Hyundai Motor India maintain a notable share in the next 4 years as well and had a market share of 30% in Fiscal 2024 YTD. However, it faced stiff competition from new entrants in the subsegment restricting its share. Although, the share contracted over the years, with expansion in the overall segment sales, Hyundai Motor India's sales have also grown over the years.

Entry of Kia in the Indian market with Seltos helped it garner a sizeable 43% share during Fiscal 2020. On the other hand, Urban Cruiser Hyryder and Rumion backed Toyota's expansion in the mid-size SUV subsegment in the last 2 years. The launch of Grand Vitara helped Maruti Suzuki expand its share during Fiscal 2024.

In the last 2 years, the launch of models like the Honda Elevate, Skoda Kushaq, Volkswagen Taigun, Mahindra XUV400, Citroen C3 Aircross has intensified the competition further within the subsegment.

Many OEMs like Honda, Citroen, VW, Toyota entered this subsegment in the last 2 years while few OEMs like **Renault and Nissan discontinued their offerings as well.**

OEM wise market share in Large SUV sub-segment



Note: YTD: Apr 2023 – Feb 2024, Figures above bars are the sales volumes.
Source: SIAM, CRISIL MI&A

Mahindra & Mahindra leads the large SUV subsegment with Scorpio and XUV product line. The company faced production constraints during Fiscal 2021 and 2022 restricting its contribution in those years. Additionally, recent launches from MG (Hector) and Hyundai Motor India (Alcazar) exerted added pressure on Mahindra & Mahindra's market share during those years. However, the launch of XUV700 and Scorpio N helped the company regain its lost share and expand its presence further in the last 2 years. Improvement in its production levels after the pandemic hiatus provided the much-needed thrust for Mahindra & Mahindra.

MG's entry into the large SUV segment with the Hector helped it obtain 18% of the subsegment's share in Fiscal 2022. Hyundai Motor India introduced Alcazar in Fiscal 2022 and expanded its presence in the large SUV segment significantly during the year.

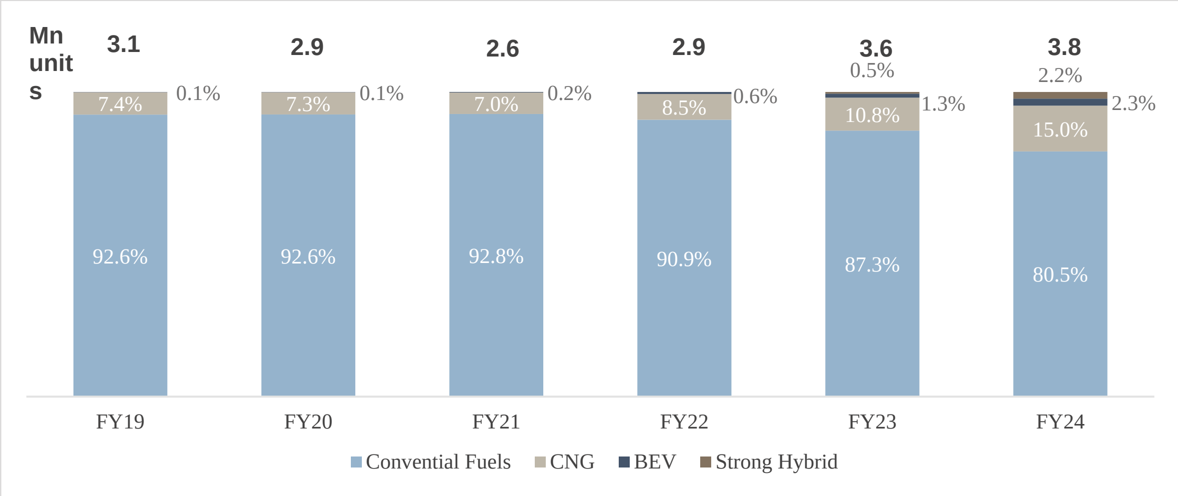
Changing Powertrain Mix in the Indian Passenger Vehicles Industry

Conventional fuel powertrains (Petrol and Diesel) have dominated the Indian passenger vehicle industry for decades. Petrol vehicles were the preferred choice primarily due to low acquisition cost as compared to diesel vehicles. This was despite diesel being cheaper than petrol, however, during Fiscal 2012 to Fiscal 2014 period, there was an increasing preference for diesel vehicles due to rising petrol prices and further increase in the price gap with diesel. This was also supported by the fact that diesel vehicles gave better mileage, and there was only a slight difference in acquisition cost for a diesel vehicle.

However, considering the higher air pollution and environmental harm caused by diesel vehicles, the Supreme Court ordered a ban on diesel vehicles in the NCR region in order to reduce air pollution and improve the air quality. Moreover, higher price rise in diesel vehicles for the emission norms (BS-IV & BS-VI) implementation shifted consumer preference towards the petrol vehicles after Fiscal 2015. Subsequently, the share of diesel PV retails in the industry dropped from 48% in Fiscal 2015 to 37% in Fiscal 2019.

Moreover, the shift in OEM focus from diesel to petrol including discontinuation of diesel models by few OEMs like Maruti Suzuki with the onset of stricter BS-VI norms, exacerbated the situation for diesel vehicles. In Fiscal 2024, the share of diesel powertrain in the industry retail slid to only 18%. On the other hand, the share of petrol variants expanded from 56% in Fiscal 2019 to 63% by Fiscal 2024.

Powertrain mix trend of PV industry retails



Note: Strong hybrid: Vehicles having a combustion engine as well as an electric motor. The vehicle can be powered by the engine, by the battery, or by both simultaneously. Battery of the vehicle is charged by the combustion engine and not by an external power source. Telangana & Lakshadweep retail data is not available on VAHAN.
Source: VAHAN, CRISIL MI&A

Maruti Suzuki which contributed approximately 35% of diesel retail sales during Fiscal 2019, discontinued its diesel portfolio entirely during the BS-VI transition. Other players like Hyundai Motor India, Tata Motors and Mahindra & Mahindra developed BS-VI complaint diesel engines as well and continued to offer diesel powertrain.

Outlook on the Domestic Passenger Vehicle Industry

Going ahead, CRISIL MI&A expects the macroeconomic scenario to lend support to the industry growth with GDP projected to grow at a healthy pace between Fiscal 2024 to Fiscal 2029. India's GDP growth is expected to outperform other major geographies in the next 5 years with an expected growth rate of 6-8%. India's inflation levels are also expected to remain subdued in the 3-5% range, which is within the RBI's target band. CRISIL MI&A has assumed 3 years of normal monsoons within the 5-year outlook period and has considered positive momentum in rural demand. Fuel prices are also expected to remain near steady in the next 5 years. These favourable macro-economic factors are expected to aid the consumer disposable income levels.

Besides the macro-economic factors, continued support from government in terms of policies as well as continued expenditure and investments are expected to provide an added support. The favourable demographics is an added advantage for India which is also expected to help propel the passenger vehicle industry forward.

Additionally, OEMs are expected to continue with launches of feature rich competitively priced vehicles aiding the overall demand growth.

The changing consumer dynamics including younger consumer base, premiumisation, electrification, shorter replacement cycles (4-5 years currently versus 7-8 years a decade ago) will provide further impetus to the demand. Additionally, the government's push for scrapping of old vehicles is expected to help in shortening replacement cycles and hence aid demand.

Over and above these demand drivers, the capacity expansion by players like Maruti Suzuki, Hyundai Motor India, Tata Motors is expected to support the growing vehicle demand. Moreover, the expansion in the supporting infrastructure like EV charging stations and CNG pumps will also aid choices for customers across powertrains.

CRISIL MI&A expects the industry to clock 4.5-6.5% CAGR between Fiscal 2024 to Fiscal 2029 period to reach 5.2-5.7 million domestic vehicle sales.

CRISIL MI&A has considered 3 different GDP growth scenarios for the next 5 years. At a 6% CAGR GDP growth scenario, the PV industry is projected to reach approximately 5.2 million units by Fiscal 2029 growing at 4.5% CAGR in the next 5 years. Assuming a 7% CAGR GDP growth, 5.5% CAGR growth can be achieved for the PV industry. If India achieves 8% CAGR GDP growth in the next 5 years, the domestic passenger vehicle industry will clock approximately 6.5% CAGR growth and reach approximately 5.7 million vehicle levels by Fiscal 2029 according to CRISIL MI&A estimates.

Domestic PV Industry outlook (volumes)

Source: SIAM, CRISIL MI&A

Segmental Outlook

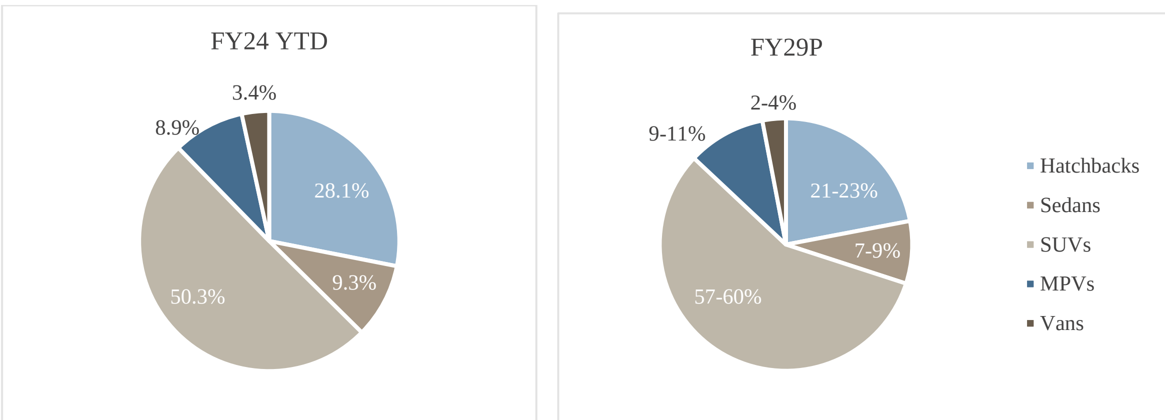
Growth in the domestic industry is expected to be led by the SUV and MPV segments while the hatchbacks, sedans and vans segments are expected to clock muted growth going ahead.

Segmental growth outlook

Segment	Fiscal 2019-Fiscal 2024 CAGR	Fiscal 2024-Fiscal 2029P CAGR
Hatchbacks	**(6) %**	**0.0 - 2.0%**
Compact Hatchbacks	(8) %	(1.0) -0.5%
Premium Hatchbacks	0%	1.5 - 4.0%
Sedans	**(9) %**	**0.5 - 2.0%**
SUVs	**23%**	**7.0 – 9.0%**
Compact SUVs	23%	6.8 - 8.8%
Mid-Size SUVs	24%	7.8 – 10.0%
Large SUVs	21%	7.2 – 9.2%
MPVs	**14%**	**6.4 - 9.4%**
Vans	**(5) %**	**1.1- 2.0%**
Total	**5%**	**4.5 – 6.5%**

Source: SIAM, CRISIL MI&A

Industry segmental split outlook



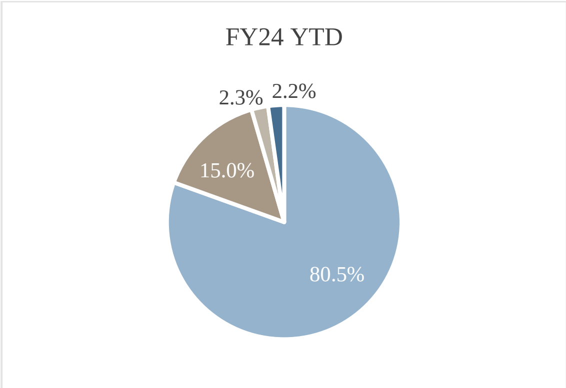
Source: SIAM, CRISIL MI&A

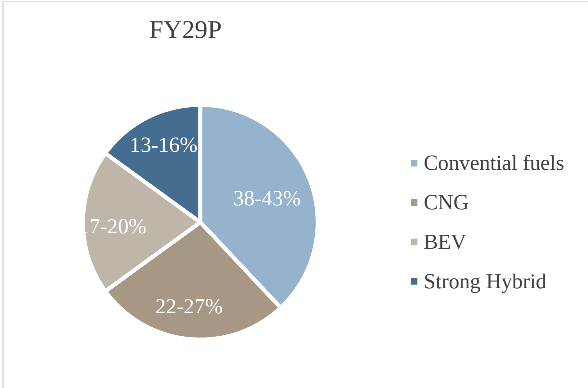
Outlook on the Powertrain mix of the industry

Indian domestic passenger vehicle industry, which was completely dominated by the conventional fuels, has witnessed fast acceptance of alternate fuels especially in the last 2 or 3 years. In fact, the share of CNG powertrain doubled to 15% while EV (2.3% share) and the latest addition, strong hybrids (2.2% share) expanded their presence in the vehicle retails.

Going forward, CRISIL MI&A expects the share of alternate fuel vehicles to witness a multi-fold growth while the conventional fuel vehicle's share will slide.

Powertrain wise Outlook of the industry





Note: Strong hybrid: Vehicles having a combustion engine as well as an electric motor. The vehicle can be powered by the engine, by the battery, or by both simultaneously. Battery of the vehicle is charged by the combustion engine and not by an external power source. Telangana & Lakshadweep retail data is not available on VAHAN.
Source: VAHAN, CRISIL MI&A

By Fiscal 2029, CRISIL MI&A projects the share of CNG variants to rise to 22-27% from the 15% share clocked in Fiscal 2024. Healthy growth in CNG station infrastructure will primarily thrust the growth of CNG vehicle share. Amidst the government's push coupled with the support of City Gas Distribution ("**CGD**") players, completion of commitments under the CGD rounds is expected to pick up pace. Thus, CNG station infrastructure is projected to rise at a healthy pace till 2030.

Electrification is another trend witnessed in the Indian domestic passenger vehicle market in the last 2 or 3 years. Plethora of vehicle launches, expanding charging infrastructure and continued government support will aid further growth of electrification in India going ahead. CRISIL MI&A expects the EV penetration to reach 17-20% (approximately 1 million units) by Fiscal 2029 from the 2.3% penetration (approximately 90 thousand units) seen in Fiscal 2024.

However, for EVs, range anxiety, limited charging infrastructure, import dependency on certain components, higher import duties and underdeveloped local supply chain are few bottlenecks.

The recent entry of strong hybrid vehicles such as Maruti Suzuki Grand Vitara, Maruti Suzuki Invicto, Toyota HyRyder, Toyota Hycross and Honda City have witnessed fast acceptance due improved mileage, environmental benefits coupled with absence of EV concerns like range anxiety, limited charging infrastructure, etc. In the last 2 years, strong hybrid powertrains have grabbed approximately 2% share of the annual retails of the PV industry.

In the long-term horizon, CRISIL MI&A projects higher traction for strong hybrids, further buoyed by attractive hybrid offerings, OEM focus, infrastructure availability and government support. By Fiscal 2029, strong hybrids are projected to contribute about 13-16% to the industry retails.

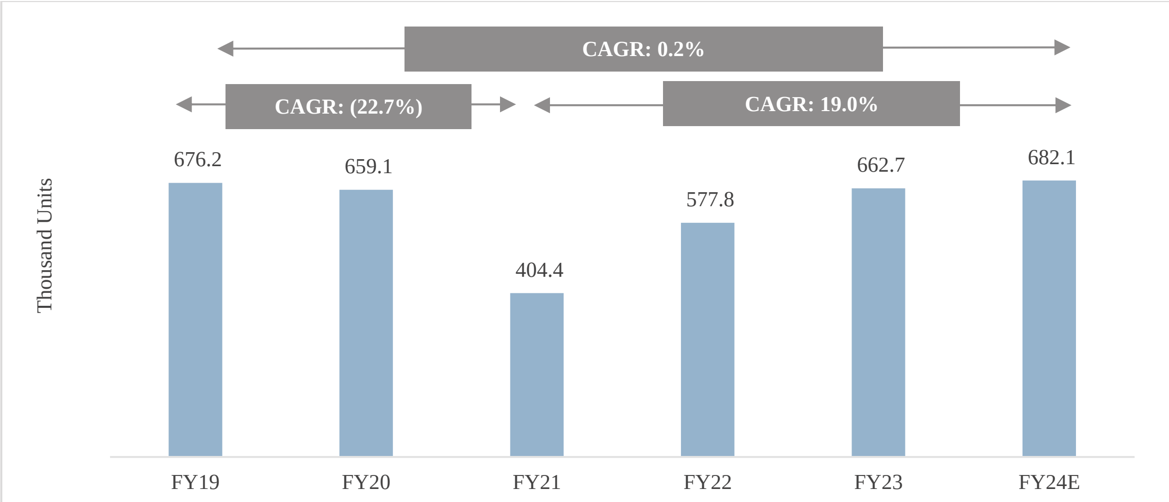
Review of Exports Trend

Passenger vehicle exports are estimated to grow at approximately 3% in Fiscal 2024 compared to 15% in Fiscal 2023. The export volume is estimated to reach 682 thousand units in Fiscal 2024 from 663 thousand units in Fiscal 2023. The moderation in trade across global economies, which is directly linked to the slowdown in economic growth, has weighed down on passenger vehicle exports from the country. This economic slowdown is anticipated to lead to reduced consumer spending and investment in various regions, subsequently impacting merchandise trade volumes and posing significant challenges for India's export prospects. The Red Sea crisis has further added to the woes. Red Sea strait is a crucial shipping route for India's trade with Europe, Middle East, and Africa. The crisis is leading to an increased logistical challenge as changes in the trade route is impacting the distance and thus increasing the freight cost. Further, the longer transit times and higher lead time for dispatches owing to some uncertainties in the incoming cargo ships are also impacting exports. The Red Sea crisis might have a ripple effect on crude oil prices, thus impacting the inflation and GDP growth. As a result, the overall demand for Indian export cars in the international markets is likely to have flat growth in Fiscal 2024.

Demand for Indian vehicles in export destinations is affected by, among others, economic conditions in those export destinations such as inflation, geopolitical issues, incentives provided by the Government of India and trade agreements.

Top export destinations including Morocco, Mexico, Philippines, Chile, Côte d'Ivoire and Indonesia witnessed good economic growth along with lowering inflation which resulted in a healthy demand recovery. Further, OEMs including Maruti Suzuki and Hyundai Motor India continued to export their entry level as well as best selling vehicles to overseas market leveraging the trade agreement pacts in place to gain competitive edge in these markets.

Export growth trend (Fiscal 2019-Fiscal 2024E)



Source: Society of Indian Automobile Manufacturers (SIAM), CRISIL MI&A
Note: FY24E (estimated) numbers are calculated based on actual exports volumes as of 11M FY2024

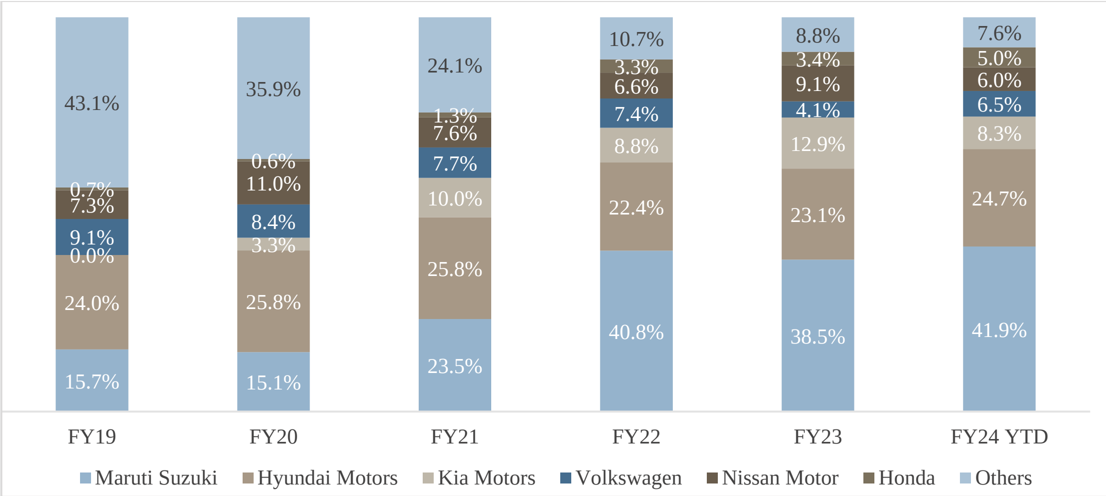
Competitive Scenario

Fiscal 2023 recorded an export growth of approximately 15% owing to demand from emerging countries supported by push from major OEMs. Latin America and Africa dominated the demand for Maruti Suzuki's Baleno, S-Presso and Dzire models. Overall exports of Maruti stood at 2.6 lakh helping it garner approximately 39% of overall exports share and making it the biggest PV exporter. Hyundai Motor India (23%), Kia (approximately 13%) and Nissan (9%) secured second, third and fourth spot in exports share respectively.

Hyundai Motor India remains as the county's largest car exporter cumulatively from Fiscal 2005 till Fiscal 2024 YTD. As of Fiscal 2024 YTD, their exports stood at 150.6 thousand units. In Fiscal 2023, the exports reached 153 thousand from 129.3 thousand in Fiscal 2022, a growth of 18.4% contributed mainly by African and Latin American markets. Verna, Grand i10 and Aura are the top export model for Hyundai Motor India. Since its launch, Verna has always maintained a strong position in the export market. With the launch of 6th generation Verna in Fiscal 2023, Hyundai Motor India has started exports of the same to Latin America and South Africa. Further, SUV models Creta, Alcazar and Venue are among the top exported vehicles from India. Compact sedans including Aura and Xcent, strengthen the company's position in the compact sedans market. Improved performance and subsequent recognition in emerging market for small cars such as Hyundai Aura, Maruti Suzuki Dzire, Maruti Suzuki Baleno, Hyundai Grand i10 as well as SUV models like Hyundai Creta, Kia Seltos and Kia Sonet have led to increase in exports. Kia has scaled up export operations very quickly in India after entry in mid-2019 and posted approximately 69% growth over the previous L. Export performance of Tata Motors and Mahindra & Mahindra is subdued owing to their higher focus on the domestic market. Nissan and Renault also posted good growth driven by their new crossovers. Volkswagen also started exporting the Virtus and Taigun to overseas markets leveraging the demand for large cars.

Maruti Suzuki has significantly grown its shipments and emerged as the top car exporter in the country with approximately 42% market share in Fiscal 2024 YTD. Hyundai Motor India's market share has remained stable over the past few years, and it is the second largest passenger car exporter with approximately 25% market share in Fiscal 2024 YTD. The company's export volumes have increased year-on-year by approximately 6% owing to the introduction of the new Verna, and continuing momentum for Grand i10 and Venue models. Top export destinations for Hyundai Motor India are South Africa, Saudi Arabia, Chile and Mexico.

OEM wise exports share by volume (Fiscal 19-Fiscal 2024 YTD)

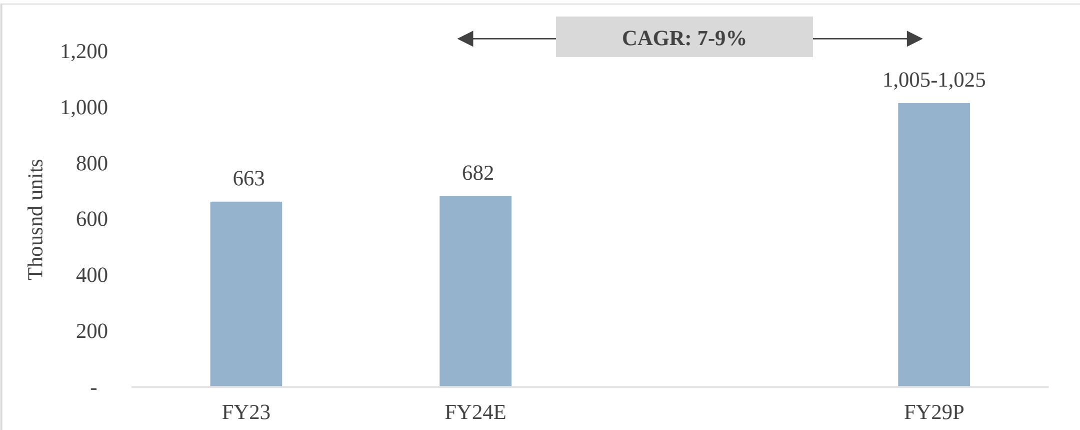


Note: Fiscal 2024 YTD refers to April 2023-February 2024 period
Source: SIAM, CRISIL MI&A

PV Exports Outlook for India

Major OEMs in India are expanding their production capacities with an aim to make India as an export hub for Africa, Middle East, and Asia. Further, policies including PLI are offering a momentum to domestic OEMs for manufacturing and exporting EVs from India. Government offers incentives through PLI for entire EV ecosystem including automobiles, auto components and ACC batteries. Major OEMs in India have already announced plans to export EVs from India starting 2025-2026. Passenger vehicle exports from India is expected to grow at 3.1% in Fiscal 2024 and at a CAGR of 7-9% between Fiscals 2024 and 2029. Anticipated economic stability / growth, increased push from OEMs and India's trade agreements are expected to boost India's overall exports.

Outlook for exports (Fiscal 2023-Fiscal 2028P)



Source: CRISIL MI&A

Electrification in the Indian PV Industry

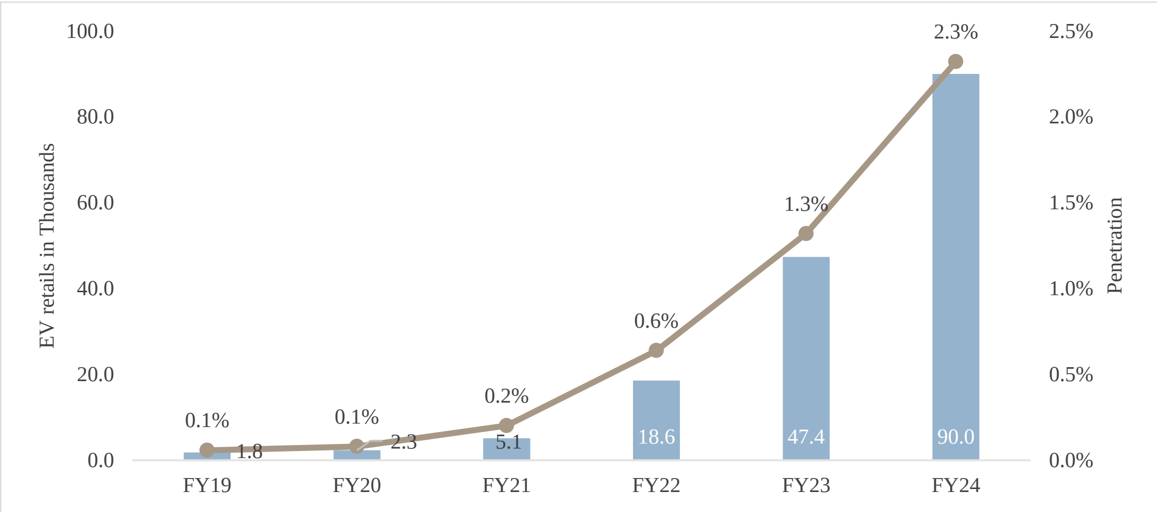
Amid rising environmental concerns, electric vehicles (EVs) are gaining traction globally, including in India. The country is one of the signatories to the Paris Agreement under the United Nations Framework Convention on Climate Change. It is also part of the EV30@30 campaign, targeting a 30% sales share for EVs by 2030.

To accelerate EV adoption, the government has been incentivising consumers by extending support via FAME (Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India) subsidy as well as tax cuts. The government announced INR 100 billion for Phase II of FAME, which commenced on April 1, 2019. The policy aims to provide a subsidy of INR 10,000 per kWh to four-wheelers (battery EVs, plug-in hybrid EVs, strong hybrids) for commercial purposes and public transport. It also envisions creation of infrastructure for charging of EVs.

These schemes alongside the Production Linked Incentive (PLI) schemes, scrappage policy, Battery Waste Management Rules 2022 as well as the Make in India initiative is setting up the roadmap for widespread EV manufacturing and adoption.

Government support, coupled with rising awareness about EVs, environmental concerns, expansion in EV infrastructure as well as increasing EV model portfolio is driving electrification in India. The EV segment received a real thrust in the last two years backed by model launches at competitive rates, price hikes in ICE vehicles and elevated petrol and diesel costs. While EVs bring several cost benefits and have evolved into a desirable powertrain choice today, the public perception towards electric vehicles and awareness against pollution from ICE vehicles also played a major role behind the rise in EV adoption across the country.

Domestic passenger vehicles EV retails and penetration trend



Note: VAHAN figures exclude Telangana, Lakshadweep retails
Source: VAHAN, CRISIL MI&A

During Fiscal 2021 to Fiscal 2024 period, EV retails increased at approximately 160% CAGR (17 times). This sharp rise in EV retails translated into 2.3% EV penetration in Fiscal 2024.

However, electrification in the passenger vehicle segment is still at a quite nascent stage and there is a sizeable scope of expansion going ahead.

Intensifying Competition in the EV Passenger Vehicle Space

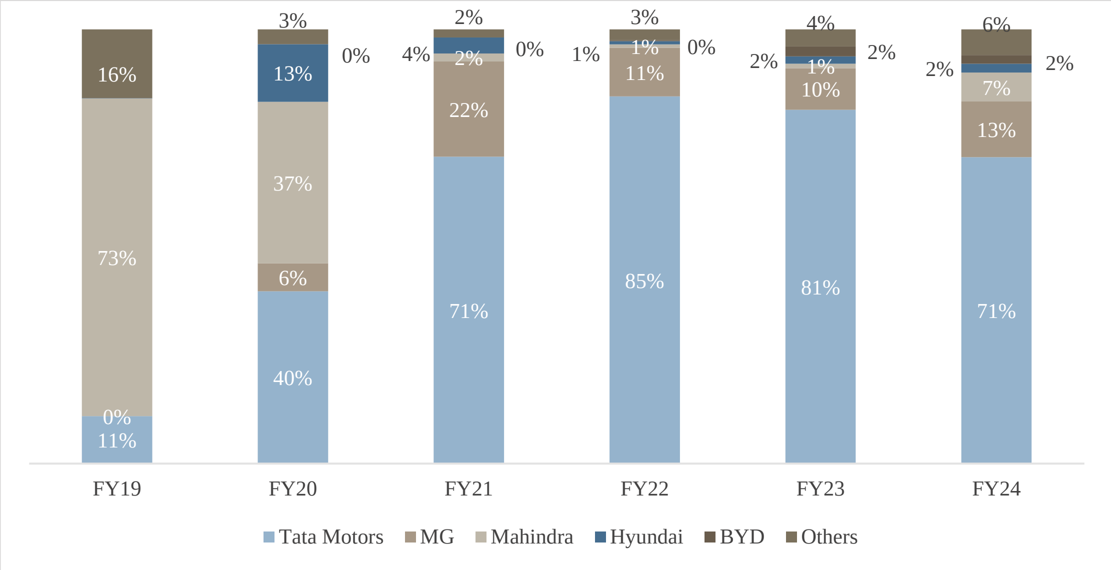
The competition within the EV space has been intensifying, illustrated by the fluctuating market shares and positions of automobile companies in India that offer EVs in the passenger vehicle space.

Mahindra & Mahindra dominated the EV market till Fiscal 2019. Introduction of Nexon helped Tata Motors take the lead in the EV space. Continued traction for its popular EV Nexon coupled with new EV launches like Tiago, Tigor and Punch, aided Tata Motors' share expansion. However, with increased competition especially from MG and Mahindra & Mahindra, Tata Motors lost some ground during Fiscal 2024.

ZS EV supported MG's expansion in the EV subsegment. The recent launch of Comet EV further extended its contribution during Fiscal 2024. The introduction of Kona helped Hyundai Motor India grab a 13% market share during Fiscal 2020. Intensified competition in the subsegment restricted its contribution in further years.

Mahindra lost its lead in the EV space with discontinuation of its models like e Verito. The launch of XUV400 aided its share expansion in recent years.

Player wise share in EV retails



Source: VAHAN, CRISIL MI&A

Current expanse of India's Charging Infrastructure

To support the rising electric vehicle population, there is a growing focus on expanding the supporting charging infrastructure network across the country. Public charging stations are being installed in cities, highways, and commercial areas, making it more convenient for EV owners to charge their vehicles. There is an increasing adoption of fast charging technologies, such as DC fast charging, to reduce charging times and provide greater convenience to EV users.

The overall number of chargers for PVs is estimated at more than 40,000, with the residential category leading by far with a nearly 74% share in terms of volume. According to data from the Bureau of Energy Efficiency, a total of 12,146 Public Charging Stations ("**PCS**") were active in the country as of January 2024. This is 19 times increase over the 650 charging outlets in 2019. Market for residential chargers is expected to grow at a CAGR of 59-61% between the Fiscal 2024 and 2029 due to the growing demand of wall mount chargers that could support charging at home. PCS is expected to grow at 51-53% CAGR between Fiscal 2024 and 2029 with rising investments from OMCs.

Barriers to adoption of electric vehicles and challenges in the Indian EV ecosystem

The government is actively pushing for EVs, and in order to drive adoption, various measures are being taken like building public EV charging infrastructure, incentives for players investing in R&D to develop EV components, and alternate chemistry cells. However, by far the biggest challenge faced by the EV industry is the dependencies in the EV manufacturing supply chain. The industry continues to rely on imports of critical parts including motors and batteries. The current domestic supply chain still needs to advance before it becomes 100% indigenous. Some of the key challenges to the large scale adoption of EVs are:

- **High acquisition cost**: Despite the direct and in-direct incentives offered by the government, the acquisition cost for an EV is 10-20% higher than the ICE equivalent.
- **Limited charging infrastructure**: One of the major hurdles in adoption of EVs in India is the unavailability and slow development public charging infrastructure. Currently India has limited number of chargers in national highways, state highways and public places. This poses a threat to mass scale adoption of EVs in the country.
- **Range anxiety**: Addressing range anxiety plays pivotal role in expediting the widespread adoption of EVs. EVs are yet to receive the consumer trust in terms of range and hassle-free operation. EV drivers need the assurance that they can conveniently find charging points on their route and trust in the reliability of those chargers. Further, Indian climatic conditions, terrain and driving patterns of consumers impact the range of a vehicle. Hence the actual operable range is generally lower than the promised range as per ideal conditions leading to range anxiety.
- **Dependency on raw material imports for battery**: Metals like lithium, magnesium, cobalt, nickel, etc. are needed for manufacturing EV batteries. Countries deficient in these resources need to depend on

imports for manufacturing EVs. Imports increase the cost of procurement of raw materials and hence manufacturing of EVs. Also, any unprecedented global event could further elevate the raw material prices along with disrupting the entire supply chain for the same. Currently, India is highly dependent on imports for Lithium or Lithium-ion cells and the dependency on imports along with the lack of robust supply chain network threatens the current supply of the Lithium. While India recently discovered Lithium reserves in the country, commercialisation of the same might take time, thereby making India dependent on imports for the medium term.

- **Import of EV components**: While many EV suppliers have reached domestic content requirement as mentioned by the government, there are still a lot of component parts that need to be imported. For example, permanent magnets in electric motors, semiconductor chips, electronic child parts, and printed circuit boards. Capability of Indian OEMs to manufacture and design these complex systems is currently limited owing to limited technical expertise, less availability of raw materials and intense investment requirement.
- **Resale value remains a concern**: The resale market for EVs is still developing, and there is limited data and history to guide buyers and sellers. This lack of information can make it difficult to determine the value of a used EV, leading to uncertainty and potentially lower resale prices. Several factors impact the resale price of EVs, including market demand, vehicle age, battery health and changing technology.

OEM Electrification Initiatives

Below are some of the major initiatives undertaken by OEMs to enhance their electrification capabilities:

Maruti Suzuki

- The company plans to introduce 6 EVs by Fiscal 2031. These EVs are to be manufactured in Suzuki Motor Gujarat, for which the production facility is being set-up.
- To expand its EV production, Suzuki Motor corporation plans to invest INR 32.0 billion in Suzuki Motor Gujarat to add a new fourth production line which can produce 2.5 lakh units per year; For EV battery manufacturing, Suzuki Motor Corp is setting-up a facility in Gujarat.
- The Parent company Suzuki Motor Corp has announced plans to invest JPY 4.5 trillion (INR 2.8 trillion) globally on its electrification drive by 2019-2030.
- In August 2022, Suzuki Motor Gujarat announced an investment of INR 73.0 billion for a battery manufacturing plant in Hansalpur, Gujarat for both the local market and exports. Suzuki Motor Corporation had earlier entered in a memorandum of understanding ("**MoU**") with the Gujarat government to spend around INR 104.4 billion for local production of battery electric vehicles/batteries.

Hyundai Motor India

- Hyundai Motor India introduced the country's first electric mass market SUV, the Kona Electric, in 2019, followed by Ioniq 5 in 2023. The company developed dedicated EV platform E-GMP and adapted platforms for battery electric vehicles in India. They plan to further launch 4 new EVs in India.
- Hyundai Motor India has signed an agreement with the government of Tamil Nadu to invest INR 200.0 billion over the next decade (2023 to 2032).
- The investment will be done to introduce new models of EVs, increase EV production capacity at their *Chennai* plant set up a battery packing assembly unit and install charging stations along major highways and in key cities. The Chennai manufacturing plant was one of the largest single location passenger vehicle manufacturing plants in terms of production capacity for CY2023.
- The company has also invested in a battery assembly plant in Chennai, Tamil Nadu, which will have a capacity of around 75,000 battery packs annually in the first phase by 2025.
- In 2024, Hyundai Motor Company and Kia Corporation signed a Memorandum of Understanding with Exide Energy Solutions for a strategic cooperation to aid battery localisation efforts for their upcoming electric vehicles.

Tata Motors

- Tata Motors introduced their first EV, the Tigor EV, in 2019, followed by Nexon EV in 2019, Tiago EV in 2022 and Punch EV in 2024. Punch EV was the first product based on their advanced Pure EV architecture acti.ev.

- Tata Motors Ltd and TPG Rise Climate also entered an agreement wherein TPG Rise Climate along with its co-investor ADQ, shall invest in a subsidiary of Tata Motors (Tata Passenger Electric Mobility Limited which was formed in 2021 for the electric vehicle subsegment).
- The new company shall leverage all existing investments and capabilities of Tata Motors Ltd and will channelise the future investments into electric vehicles, dedicated BEV platforms, and advanced automotive technologies and catalyse investments in charging infrastructure and battery technologies.
- The company plans to offer EVs in different body styles, at different price points in the medium term with launch of Harrier EV, Curvv EV in Fiscal 2025 and launch of Sierra, Avinya subsequently. They plan to launch a total of 6-7 EVs by Fiscal 2026.
- TPEM plans to invest US$2 billion over the next 5 years in products, platforms, drivetrains dedicated EV manufacturing, charging infrastructure and advanced technologies.
- Additionally, over the next five years, in association with Tata Power Ltd, the company plans to create a widespread charging infrastructure to facilitate rapid EV adoption in India.
- Together with Tata AutoComp, the company has localised crucial EV powertrain components. The company plans to further localise components like battery packs, motors, and combo boxes.
- The company has also planned an investment of INR 130.0 billion to set up lithium-ion cell manufacturing giga-factory in Gujarat. In the first phase, the plant will have a production capacity of 20 GWh.

Mahindra & Mahindra

- Mahindra introduced e-Verito sedan in 2016 and XUV400, compact electric SUV in 2023. However, company discontinued the e-Verito sedan later on.
- The company incorporated *Mahindra Electric Automobile limited (“**MEAL**”)* in 2022 to undertake PV electric vehicle business of the company; MEAL entered into an agreement with British international Investment (“**BII**”) to invest up to INR 19.3 billion in MEAL.
- The total capital infusion by the company and BII for MEAL is envisaged to be approximately INR 110.0 billion (US$1.4 billion) between Fiscal 2024 and Fiscal 2027 for the planned product portfolio. The funds are to be utilised to create and market Electric SUV portfolio.
- They plan to introduce 8 electric SUVs by 2030.
- The company has partnered with Valeo, a player in electrification technologies, to provide the electric powertrain for a certain range of Born Electric vehicle platform and onboard charger combo for its electric utility vehicles.

KIA

- They plan to launch 2 EVs by 2025 in India. A locally manufactured EV in the RV body style is also expected to be launched by 2030.
- Company will partner with charge point operator - Statiq, Chargezone, Relux Electric, Lion charge & E-fill charger to expand EV infrastructure.
- Kia India plans to invest INR 20.0 billion to drive research and development (R&D), infrastructure development and manufacturing capabilities to locally produce EVs in India.

MG

- MG currently offers two EV models, ZS EV from 2020 and Comet EV from 2023.
- The company is planning to expand its EV portfolio by launching 2 new EVs in 2024.
- In 2024, SAIC motors and JSW group formed a new strategic joint venture *JSW MG Motor India Pvt Ltd (JSW MG Motor India).*
- JSW MG Motor India will invest INR 50.0 billion to enhance production capacity and launch one new vehicle including electric vehicles every 3-6 months starting September 2024.
- The company will have second plant in Gujarat near existing unit at Halol and production capacity is expected to range from over one lakh per year to over three lakhs per year.

- In February 2024, JSW Group signed an MoU with the Odisha government for establishment of an integrated electric vehicle and EV battery manufacturing project at an investment of INR 400.0 billion in the state.

Toyota

- The company is planning to launch an EV in 2025.
- The company is also planning to introduce a high performance lithium-ion battery to its next gen EVs by 2026.

Renault Nissan

- Renault will launch Kwid EV in 2025.
- Nissan plans to launch 16 EVs in next three years globally.

Skoda VW

- Skoda EV plans to introduce 6 models by 2027 globally including one model for India, a low priced electric SUV.
- Skoda Auto will begin assembling electric vehicles in India latest by 2027.
- Volkswagen is planning to have a portfolio of 11 electric vehicle by 2027. An investment of EUR 180 billion (INR 15,818.4 billion) to be done globally in the next five years and part of the investment will be for India.

Current Network Strength and OEM-wise Touchpoints

As of Fiscal 2023, there were more than 9,200 sales touchpoints across India catering to the overall demand for passenger vehicles. Maruti Suzuki, Tata Motors and Hyundai Motor India are the top OEMs with higher number of sales touchpoints compared to peers. Maruti Suzuki operates more than 3,250 touchpoints in India including their Arena and Nexa showrooms. They added 263 sales touchpoints in Fiscal 2023, primarily in rural markets. Tata Motors added 227 sales touchpoints in Fiscal 2023 to reach to more than 1,400 sales touchpoints, becoming the second largest sales network in India. Hyundai Motor India has more than 1,350 sales touchpoints across India. These three OEMs together operate approximately 65% of the total PV sales touchpoints in the country.

Maruti Suzuki operates more than 4,560 service touchpoints in the country as of Fiscal 2023, which is 1.4 times the number of its sales touchpoints. During the same year, the company added 310 service touchpoints majorly in the rural markets. Hyundai Motor India has the second largest number of service touchpoints in the country. As of Fiscal 2023, they operate more than 1,500 service touchpoints which is 1.1 times the number of their sales touchpoints. Tata Motors expanded their service network, adding 150 service touchpoints in Fiscal 2023, making their total service touchpoints to 855. However, the ratio of service to sales outlet for Tata Motors is lower compared to the major OEMs, standing at 0.6.

Maruti Suzuki operates more than 7,800 total customer touchpoints (sales touchpoints + service touchpoints) in India as of Fiscal 2023. Hyundai Motor India is the second largest with more than 2,850 total customer touchpoints in India as of Fiscal 2023. Hyundai Motor India is followed by Tata Motors with more than 2,250 total customer touchpoints.

Current Sales and Service Touchpoints

<table>
<tr><th rowspan="2">OEM</th><th colspan="3">Touchpoints</th></tr>
<tr><th>Sales Outlets</th><th>Service Outlets</th><th>Total</th></tr>
<tr><td>Maruti Suzuki</td><td>3,250+</td><td>4,560+</td><td>7,800+</td></tr>
<tr><td>Hyundai Motor India</td><td>1,350+</td><td>1,500+</td><td>2,850+</td></tr>
<tr><td>Tata Motors</td><td>1,400+</td><td>850+</td><td>2,250+</td></tr>
<tr><td>Mahindra & Mahindra*</td><td>1,250+</td><td>600+</td><td>1,850+</td></tr>
<tr><td>Kia Motors India</td><td colspan="2">520+</td><td>520+</td></tr>
<tr><td>Toyota Kirloskar Motor</td><td colspan="2">600+</td><td>600+</td></tr>
<tr><td>Honda Cars India*</td><td colspan="2">400+</td><td>400+</td></tr>
<tr><td>SkodaAuto India</td><td colspan="2">250+</td><td>250+</td></tr>
<tr><td>MG Motor India</td><td colspan="2">350+</td><td>350+</td></tr>
<tr><td>Renault India</td><td>450+</td><td>530+</td><td>980+</td></tr>
<tr><td>Volkswagen India</td><td>190+</td><td>130+</td><td>320+</td></tr>
<tr><td>Nissan Motor India</td><td colspan="2">250+</td><td>250+</td></tr>
</table>

*Note: * not verified from official source*
Source: Company Annual Reports of Fiscal 2023 for listed players and Hyundai Motor India. For other non-listed OEMs, data sourced from company websites or press releases in April to December months duration of Fiscal 2024

Both Hyundai Motor India and Maruti Suzuki have a larger service network vis-à-vis their sales network as they both have a large existing customer base requiring vehicle services throughout ownership lifetime. Tata Motors has aggressively expanded its sales network in the recent past and currently has 1,400+ sales touchpoints across India. They also have 850+ service touchpoints. Mahindra & Mahindra has 1,250+ sales touchpoints and 600+ service touchpoints.

Online Car Sales in India

Online car sale is the process of selling cars through digital channels such as the company website, online platforms, and mobile applications. Digital retail platform enables customers to research, browse, configure, book and purchase car from the comfort of their homes. OEMs are recognizing this shifting preference and are embracing digital technologies to offer personalised and seamless experience to end customers. To improve the customer engagement through these digital channels, OEMs have introduced technologies including virtual showroom, vehicle configurator, AR/VR experience alongside integrating finance, insurance, used car valuator etc. Almost all OEMs in India including Maruti Suzuki, Hyundai Motor India and Kia have launched various digital initiatives to enable the car sale online.

In 2020, Hyundai Motor India was amongst the first mass market players to introduced online automotive retail platform 'Click to Buy', an end-to-end online car buying platform that offered complete car retail experience to customers. The platform offers access to complete range of cars and offers complete spectrum of services with information including on-road prices, online finance options, dedicated sales consultants, special online promotions, estimated time of delivery, online test drive booking and home delivery of cars.

Tata Motors also launched their 'Click to Drive' digital sales platform in 2020. However, unlike Hyundai Motor India's platform this is not an end-to-end platform. Click to Drive enables customers to review the car online through configurator and book the car online. After booking buyers will be navigated to the nearest dealer and a sales consultant would guide the customer through the entire purchase process, including providing the on-road price, financing, and valuation of used car. Customers can choose to complete the process over email, WhatsApp, or video call.

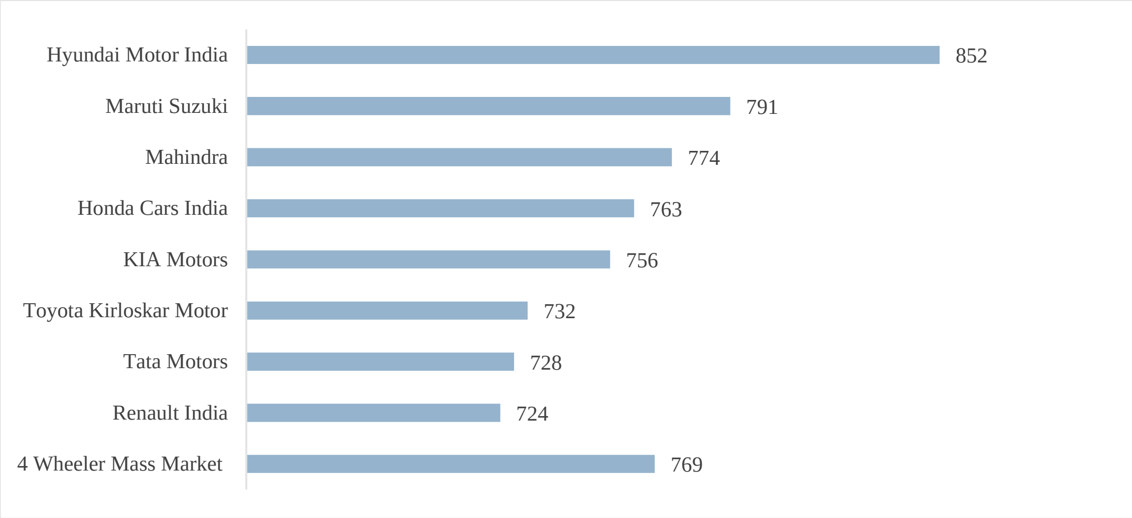
Maruti Suzuki launched the Smart Finance platform in 2020. Smart Finance is an AI driven, end-to-end car finance marketplace with multiple financiers. Customers can explore loan offers from multiple financiers, customised loan offers and track loan status in real time. As of Fiscal 2023, more than 30% of customers financed their cars through this mode. Although this is not an end-to-end car buying platform, smart finance acts as a facilitator between customer and financier.

Dealer Satisfaction Scores

Dealers are the primary touchpoints for the car buying customer in India, as well as the face of the OEMs. Efficient dealer management and satisfaction are of great importance in ensuring successful network growth in the long run. Recently, the Federation of Automotive Dealers Association ("**FADA**") conducted their 2023 India Dealer Satisfaction Study, which was a dealer satisfaction survey conducted amongst a total of 1,821 dealer principals who represent around 3,500 touchpoints across various OEMs, regions and vehicle categories. (Among 1,821 dealers, dealers for PV – 523 Dealers).

In mass market passenger vehicle segment Hyundai Motor India dealers ranked highest in the satisfaction index amongst all PV OEM dealers. Maruti Suzuki and Mahindra & Mahindra are the other two players in top 3. FADA has considered factors like Business Viability & Policy, After-Sales, Sales & Order Planning, Training, Product, and Marketing to evaluate the scores.

PV Dealers Rankings as per FADA's 2023 India Dealer Satisfaction Study:



Source: Federation of Automobile Dealers Associations (FADA) September 2023 report, CRISIL MI&A

According to FADA's previous Dealers Satisfaction Study 2022, Kia Motors dealers were most satisfied followed by Hyundai Motor India, MG Motor India, Mahindra & Mahindra, Renault India, Toyota Kirloskar Motor, Tata Motors, Maruti Suzuki, and Honda Cars India.

According to FADA Dealer Satisfaction Study 2021, Kia Motors dealers were most satisfied, followed by MG Motor, Toyota Kirloskar Motor, Renault, Tata Motors, Hyundai Motor India, Maruti Suzuki, Mahindra & Mahindra, Ford, and Honda Cars India.

Player Comparison

Operational Parameters

Maruti Suzuki

Maruti Suzuki offers a large portfolio of products across price brackets. A significant part of their portfolio is in the INR 0-10 lakhs range followed by INR 10-15 lakhs range. They offer Petrol and CNG powertrain options for almost all the models in their portfolio, along with recent launch of Strong Hybrid technology in Grand Vitara. Maruti Suzuki currently has no offerings with diesel and pure electric powertrains.

With the launch of Maruti Suzuki 800 in 1983, Maruti Suzuki accelerated the evolution of passenger vehicles in India. Over the years, the company has contributed significantly to the development of mass market passenger vehicle industry in India with introduction of new technology including the high efficiency K series engines in 2008, introduction of CNG powertrain in 2010, AGS technology in 2014 and mild hybrids in 2015.

Maruti Suzuki Brezza, Fronx, Baleno, Jimny, and Grand Vitara are equipped with 6 airbags for safety.

Awards & Accolades

1. Grand Vitara:
    a. 'Car of the Year' & 'Mid-Size SUV of the year' at Autocar Awards 2023
2. Baleno:
    a. 'Hatchback of the Year' at both the Autocar Awards 2023 and Zee Auto Awards 2022
    b. 'Best Pre-Owned Large Hatchback Award' OLX Autos Autocar Pre-Owned Car Awards 2023
    c. 'Best Hatchback Award' Autoportal Best Car Awards 2023
    d. 'Premium Hatchback of the Year' Motor Vikatan Awards 2023
3. Brezza:
    a. 'Update of the Year 2023' Indian Vehicle Awards
    b. 'Sub Compact SUV of the Year' at both the Acko Drive Awards 2023 and the ABP Auto Awards 2022
    c. 'Best Pre-Owned Compact SUV' OLX Autos Autocar Pre-Owned Car Awards 2023

    d. 'Facelift SUV of the Year' Jagran HiTech Awards 2022

    e. ICOTY 2017 Winner

4. Ertiga

    a. 'Best Pre-Owned MPV' and the 'Best Pre-Owned Car of the Year' OLX Autos Autocar Pre-Owned Car Awards 2023

5. Ciaz

    a. 'Best Pre-owned Midsize Sedan' OLX Autos Autocar Pre-owned Car Awards 2023

6. Alto K10

    a. 'Entry Level Hatchback of the Year' title at the Vikatan Awards 2023 and the 'Entry Level Car of the Year' at the ABP Auto Awards 2022

    b. 'People's Car of the Year' at the Jagran HiTech Awards 2023 and the 'Entry-level Car of the Year' at the Acko Drive Awards 2023

7. Celerio

    a. 'Hatchback of the Year' at the Motoring World Awards 2022

8. Swift

    a. ICOTY 2019 Winner

    b. ICOTY 2012 Winner

    c. ICOTY 2006 Winner

9. 'Manufacturer of the Year' title at Jagran HiTech Awards 2022 and at 1st edition of Acko Drive Awards 2023.

10. 'SUV of the Year' – Jimny – Zee Auto Awards 2023

Note: The list of awards and accolades has been obtained basis our assessment of information available in public domain, and may not be exhaustive, ICOTY awards list is exhaustive as awards since inception have been considered

Hyundai Motor India

Hyundai Motor India's parent company, Hyundai Motor Company offers several powertrain options in its global portfolio which is a mix of conventional fuels like petrol & diesel as well as more eco-friendly options like BEV, PHEV, HEV, FCEV and CNG.

In India, Hyundai Motor India offers a diverse portfolio of products across price brackets. While almost their entire portfolio has petrol powertrain options, they also offer diesel powertrain options primarily for SUVs, and CNG options for the 0-10 lakhs bracket which support better ownerships costs amidst rising fuel prices. Hyundai Motor India currently has 1 EV model that is in the 20lakh+ price bracket (Kona was recently discontinued), with very high battery range. Hyundai Motor India also offers latest N-line versions (sporty and high-performance cars) in models like i20, Venue and Creta.

Hyundai Motor India has been at the forefront of several innovations in the industry. During their early years they were the first player to introduce the Santro with a "tall boy" hatchback design that offered better headroom and seating height as compared to other available hatchbacks in the market then. They were also amongst the first to introduce the CRDi diesel engine technology in India. Hyundai Motor India was the first mass market OEM to introduce power steering in India by providing the option for their Santro model in 2006. They also introduced the Kona EV in 2019, which was India's first long range EV (452 km range) by a mass market player in the less than INR 30 lakhs price bracket. And they also introduced the Ioniq5 which was amongst the first premium EVs (greater than INR 30 lakhs price bracket) launched in India by a mass market player. They were also amongst the early players to launch connected car technology via Bluelink and have been responsible for introducing a slew of new age features in their portfolio like Daytime Running Lights (DRLs), Air Purifier and Dash Cam with recording capability. Further, they were also first to introduce panoramic sunroof in the mid-size SUV segment.

Hyundai Verna has obtained a 5-star rating according to the most recent criteria set by Global NCAP in 2023. The Verna was assessed in its most basic passive safety specification with 6 airbags and ESC as standard. The model achieved a five-star rating for adult and child occupants.

In 2022 publication by Global NCAP Hyundai 120 – 2 airbags and Hyundai Creta – 2 airbags obtain a 3-star rating. Hyundai Motor India is the first mass market OEM in India to standardise six airbags across all its models and variants under its “safety-for-all” mission in Oct 2023. Apart from that, Hyundai Motor India has also standardised 3-point seatbelt and seatbelt reminder as a standard safety feature across all variants.

Awards & Accolades

1. Exter

    a. ICOTY 2024 Winner
    b. Acko Insurance - The One that Matters Awards – 2024 Micro SUV
    c. Jagran Hi-tech Awards - Urban Car of the Year 2023
    d. Car of the Year – Zee Auto Awards 2023

2. Ioniq 5

    a. Green Car Award 2024 by ICOTY
    b. Coveted EV of the Year 2024 by ABP Auto Awards
    c. Acko Insurance - The One that Matters Awards – Car Design of the Year 2024
    d. Jagran Hi-tech Awards – Electric Car of the Year 2023
    e. Green car of the Year and Hi-Tech Car of the Year – Zee Auto Awards 2023
    f. Premium Electric SUV of the Year – Top Gear Awards 2023
    g. World Car of the Year – World Car Awards 2022

3. Verna

    a. Acko Insurance – The One That Matters Awards – 2024
    b. Compact Car, Car&Bike Awards 2024
    c. Car of the Year 2024 by ABP Auto Awards
    d. Sedan of the Year 2024 by ABP Auto Awards
    e. Design of the Year 2024 (Budget Car) – Zee Auto Awards 2023
    f. ICOTY Winner 2018

4. TUCSON

    a. Car of the Year: Acer FASTER Awards 2023
    b. Premium SUV of the Year – CAR India Awards 2023
    c. Car of the Year -Top Gear Awards 2023
    d. AutoX AWARDS 2022 – Best of 2022

5. ICOTY Winner 2021- i20

6. Venue

    a. Facelift of the Year- Zee Auto Awards 2022
    b. ICOTY Winner 2020

7. ICOTY Winner 2016- Creta

8. ICOTY Winner 2015 –Elite i20

9. ICOTY Winner 2014 –Grand i10

10. ICOTY Winner 2008- i10

11. Most Trusted Brand Award – Zee Auto Awards 2023

12. Best Corporate Social Responsibility Initiatives: Hyundai Motor India

13. Motor India Foundation – Acer FASTER Awards 2023

14. Manufacturer of the Year: Hyundai Motor India Ltd – CAR India Awards 2023

Note: The list of awards and accolades has been obtained basis our assessment of information available in public domain, and may not be exhaustive, ICOTY awards list is exhaustive as awards since inception have been considered

Tata Motors

Tata Motors primarily offers products under 15 lakhs, with couple of models above 20 lakhs. They have powertrain options across all models under 10 lakhs – petrol, EV, and the recently launched CNG variants. Diesel options are also available for the higher range models. Tata Motors also has a subsidiary especially for the electric vehicles known as Tata Passenger Electric Mobility Ltd.

The company has propelled the EV powertrain in India with launch of its popular EV models like Nexon, Tiago, Tigor and Punch. Moreover, they also introduced AMT transmission in the CNG powertrain for the mass market as well as twin cylinder CNG technology aiding the growth of CNG powertrain in India.

The Nexon was the inaugural model to receive a five-star NCAP rating in 2018. In 2023, the updated Nexon with enhanced safety features such as six airbags and ESC has secured the second-highest score in Global NCAP testing for both adult and child occupant safety. Additionally, Tata Motors led the rankings with the top rating for their Safari & Harrier models for both adult & child occupant safety. The Punch and Altroz models have received top NCAP ratings in 2023.

Tata Motors continued its legacy of safety with the new Safari and Harrier SUVs achieving a 5-star rating in adult and child occupant protection in the new Bharat-NCAP, setting new standards in Indian automotive safety. Tata Nexon, Harrier, Punch EV, Safari and Nexon EV has 6 airbags

Awards & Accolades:

1. Received Manufacturer of the year award at Auto Car 2023 awards
2. Nexon
    a. 'Facelift of the year' – Zee Auto Awards 2023 and ABP Auto Awards 2024
3. ICOTY Green Card Award Winner 2021- Nexon EV
4. ICOTY Premium Car Award Winner 2021- Land Rover Defender
5. ICOTY Winner 2010- Nano
6. Ranked #1 SUV manufacturer in India
7. #1 Tiago, Tigor, Punch ranked by the JD Power IQS Survey 2022
8. The Range Rover has been awarded Car Design Review 9's top accolade of 'Production Car of the Year', for its thoroughly modern yet recognisable form.
9. The new Range Rover won in the 'Best New Large SUV' and 'Best PHEV' categories at the Car Expert Awards and Business Motoring awards.
10. The Defender won 'Best Large Premium SUV' and 'Best Off-roader' at the Auto Express and Parkers awards.

Note: The list of awards and accolades has been obtained basis our assessment of information available in public domain, and may not be exhaustive, ICOTY awards list is exhaustive as awards since inception have been considered

Mahindra & Mahindra

Mahindra & Mahindra primarily offers products between 10-20 lakhs. They also have a portfolio offering multiple powertrain options – Petrol, Diesel and EV.

During the early 2000s, Mahindra & Mahindra, popularised the SUV segment in India, through their successful models of Bolero and Scorpio.

Scorpio-N was rated as the world's first body-on-frame vehicle to receive a 5-star rating for adult and 3-star rating for child safety from GNCAP in 2022. Mahindra XUV700– 2 Airbags received 5-star rating for adult and 4-star rating for child from GNCAP in 2021 publication. Mahindra XUV300, XUV700 and Scorpio-N come with 6-airbags for safety.

Awards & Accolades:

1. Won the Automotive Company of the Year award by Top Gear India.

2. Scorpio-N
    a. Coveted Autocar Viewer's Choice, Car of the Year award.
    b. Readers' Choice Car of the Year: Mahindra Scorpio-N – Car India Awards 2023
3. XUV700
    a. ICOTY Winner 2022
4. XUV400
    a. Electric Vehicle of The Year at the Car&Bike Awards 2024
5. XUV300 TurboSport
    a. Variant of the Year – Car India Awards 2023
6. Thar 4x2
    a. Variant of the Year – ABP Auto Awards 2024

Note: The list of awards and accolades has been obtained basis our assessment of information available in public domain, and may not be exhaustive, ICOTY awards list is exhaustive as awards since inception have been considered

Financial Parameters

Player-wise Overall Financial Comparison (Fiscal 2023)

Particulars	Maruti Suzuki	Hyundai Motor India	Tata Motors	Mahindra & Mahindra	Kia Motors India	Toyota Kirloskar Motor	Honda Cars India	Skoda Auto Volkswagen India	MG Motor India	Nissan Renault India
Passenger Vehicle Volume Wise Market Share (%)	41.3%	14.6%	14.0%	11.2%	6.9%	4.5%	2.4%	2.4%	1.3%	2.9%
Operating revenue (INR billion)	1,175.7	603.1	478.7	849.6	387.8	337.3	141.9	170.4	75.8	123.6
Operating margin (%)	8.5%	9.1%	1.0%	12.3%	7.7%	5.3%	4.1%	3.1%	(12.9%)	(1.3%)
PAT margin (%)	7.3%	7.8%	NA	7.7%	5.5%	4.2%	10.4%	1.9%	(14.3%)	0.3%

Note: For Maruti Suzuki and Hyundai Motor India Consolidated financials are used and for all other OEMs standalone financials are considered.
For Mahindra & Mahindra the Operating Revenue is for Standalone business that includes Automotive segment (comprises of sale of automobiles, spares, mobility solutions, Construction Equipment and related services), Farm Equipment (comprises of sale of tractors, implements, spares and related services) and Others (comprises of Powerol, Two Wheelers and Spares Business Unit). For Automotive Segment the Operating Revenue is INR 585.1 billion, however other financial parameters are not available specifically for Automotive Segment.
For Tata Motors the financials are for passenger vehicle segment
NA = Not Available in the data reported in Annual or Quarterly Reports by respective players
Source: Company Financial Reports, CRISIL MI&A

Financial Ratios comparison (Fiscal 2023, standalone financials only)

Particulars	Maruti Suzuki	Hyundai Motor India	Tata Motors#	Mahindra & Mahindra	Kia Motors India	Toyota Kirloskar Motor	Honda Cars India	Skoda Auto Volkswagen India	MG Motor India	Nissan Renault India
Return on Capital Employed (%)	17.9%	27.0%	9.0%	18.1%	43.0%	27.0%	0.2%	2.2%	(0.4)	6.6%
Return on Net worth (%)	14.1%	26.0%	13.0%	16.1%	31.0%	39.0%	1.2%	6.2%	(19.1)	0.7%
Debt Equity Ratio	0.02x	0.06x	0.84x	0.11x	0.50x	0.84x	1.50x	0.52x	(7.80)	0.12x
Current Ratio	0.6x	2.1x	0.5x	1.3x	1.5x	1.6x	1.3x	0.8x	0.6x	1.3x
Debt Service Coverage Ratio	40.3x	29.3x	10.0x	24.0x	1.4x	12.5x	7.2x	258.6x	(0.1)	1.6x
Debt Ratio (%)	1.5%	3.6%	1.5%	6.6%	42.6%	26.3%	37.3%	16.5%	43.7%	6.3%

Note: For all players Standalone financials are used.
#: Tata Motors Standalone financials represents commercial vehicles business.

Source: Company Financial Reports, CRISIL MI&A

Threats and challenges to the automotive industry

Demand side

- **Slowdown in economic activities impacting buying decision**

India's GDP growth is projected to be 6.8% for Fiscal 2025 and is expected to grow at a CAGR of 6% to 8% between Fiscal 2024 and Fiscal 2029. Any moderation to GDP growth may have an impact on the incomes of people at large and hence the decision to buy passenger vehicles.

- **Above or below normal monsoons**

We have considered a normal monsoon scenario while forecasting domestic sales for Fiscal 2025 as well as forecast till Fiscal 2029. If rains are not normal and there is a scenario like El Nino or La Nina, then farm activities and farming output could be impacted, which could adversely affect farm related incomes, rural sentiments, food prices and thereby inflation. This could further impact demand for passenger vehicles.

- **Impact of changing interest rates scenario**

A sustained high level of inflation could lead to rate hikes by the central bank thereby impacting interest rates. The transmission of past rate hikes by the Monetary Policy Committee have largely played out amid tight liquidity conditions. There could be further rise in market lending rates in the near term on account of many other macroeconomic conditions thereby leading to an increase in lending rates impacting cost of purchase. This along with regulatory measures to clamp down risky lending by NBFCs could moderate domestic passenger vehicle demand in Fiscal 2025.

- **Increase in vehicle cost of ownership**

A vehicle's cost of ownership is determined by its cost of acquisition and cost of operations, and both have a significant impact on the demand. The cost of vehicle acquisition rises when OEMs transfer the impact of increased manufacturing costs to the customers. In the past, the industry has seen price hikes owing to several reasons like emission norms implementation, increase in raw material prices, and general inflationary hikes. These are also likely to push vehicle prices upwards going forward. Auto finance rates are also pivotal in determining affordability.

The cost of operations for a customer are directly impacted by fluctuations in crude oil prices and INR USD exchange rates, which cause rise in fuel import costs and overall fuel prices. Geopolitical issues like the Russia-Ukraine war, the war in Israel etc. could also impact fuel prices thereby having a bearing on the passenger vehicle demand.

- **Increase in traffic density on account of increasing congestion**

Increasing traffic congestion on roads especially in urban centres is leading to longer transit times, which is also causing a rise in air pollution due to excessive burning of fuel. This problem is leading to more and more people preferring to use public modes of transport, and is also driving the growth of public transport systems like metro, e-buses, ride hailing etc. The traffic congestion is expected to rise further owing to rapid urbanisation, which could lead to customers deferring personal vehicle purchases going forward.

- **Price escalations on account of regulatory push**

Based on European emission standards, the Indian government has introduced the Bharat Stage ("**BS**") norms, which are being implemented in a phased manner in the country. For the BS-VI stage 2 norms, applicable from Fiscal 2024, companies have invested in the relevant technology, research, and development, and signed joint ventures with global players. These norms have resulted in price hike for vehicles across segments owing to the introduction of new technologies to meet new emission regulations. Going forward, new emission norms are likely to be announced, which could potentially raise vehicle prices as well.

The PV industry has been conforming to safety regulations (such as mandatory installation of ABS/CBS, airbags, manual lock in anti-locking systems, seat belt warning system, speed warning system etc.) in new models. The

Bharat New Car Assessment Program (BNCAP) was also launched by Ministry of Road Transport and Highways in 2023 with an aim to enhance the road safety of passenger cars by increasing the vehicle safety standards of these vehicles. This has increased the manufacturing cost per vehicle leading to price hikes and could further raise prices as and when newer safety norms will be announced in the future.

- **Inherent cyclicity of the domestic PV business**

The passenger vehicle industry has close linkages with growth in GDP as well as business cycles impacting incomes of probable customers thereby making the industry susceptible/vulnerable to these changes. This cyclical nature of the passenger vehicle industry poses constant challenges to the industry players as they have to constantly manage vehicle dispatches and network inventory optimally and profitably.

Supply side

- **Geo-political risks and infrastructure bottlenecks**

Certain global events have a pronounced impact on the automotive industry. In the past few months, global trade has been held back by disruption at two critical shipping routes. Attacks on vessels in the Red Sea reduced traffic through the Suez Canal - the shortest maritime route between Asia and Europe. Several shipping companies diverted their ships around the Cape of Good Hope. This led to increased delivery times, especially for companies with limited inventories. A severe drought at the Panama Canal has forced authorities to impose restrictions that have substantially reduced daily ship crossing, slowing down maritime trade. This has disrupted supply chains for the automotive industry.

Commodity prices and prices of precious metals like palladium, platinum and rhodium are also impacted by geopolitical tensions and extreme weather shocks, which impact the input costs for OEMs. The conflict of Gaza and Israel could escalate further into the wider region, which produces about 35% of the world's oil export and 14% of gas exports. Risks due to continued attacks in the Red Sea and the ongoing war in Ukraine have generated fresh adverse supply shocks to global recovery, with spike in food, energy, and transportation costs. Container freight cost have sharply increased since October 2023 till January 2024 as the situation in Middle East was volatile. Further geoeconomic fragmentation could also constrain the cross-border flow of commodities causing additional price volatility, and uncertainty for the automotive industry.

The INR/USD exchange rate also directly impacts the input costs and fuel prices. A weak INR exchange rate puts the burden on OEMs for deciding whether or not to pass on the costs to the consumer. Often these fluctuations are absorbed by the OEMs which may negatively impact their overall margins.

- **Dependence on imports for key raw materials**

Many OEMs in India are still dependent on suppliers based out of locations outside India for critical components including transmission systems, electronics, semiconductors, magnets, rare earth materials etc. to name a few. While the government is trying to reduce dependence on these imports by driving several initiatives like Make In India, Atmanirbhar Campaign, PMP, PLI scheme, and enabling FDI across sectors, it may take some time for the OEMs to localise. Until then dependence on imports for certain components will continue to carry an inherent risk from supply, pricing, and other risks which may emanate out of global macro-economic situations.

- **Commodity and input material prices**

For example, pricing and availability of commodities like steel and aluminum can be volatile due to numerous factors beyond our control, including general domestic and international economic conditions, geopolitical tensions, extreme weather shocks, import duties and tariffs and foreign currency exchange rates.

- **Availability of skilled manpower**

The automotive industry is undergoing continuous and rapid technological change in terms of introduction of new powertrains like electric, hybrid, and CNG, more stringent emission norms leading to enhanced and sophisticated emission systems in the vehicle, lightweighting, enhanced safety via Advanced Driver Assist Systems, growth of embedded software technology and driver controls, etc. These continuous advancements have led to a constant demand for skilled manpower in the industry. Currently, few OEMs are taking initiatives in developing the new age skills inhouse or participating in skill training initiatives by associating with various educational institutions and the government.

However, there will still be an ever-growing demand for skilled manpower as the automotive industry will continue to undergo technological advancements in the future and hence availability of manpower could turn out to be a challenge in case of demand supply mismatch. Also, with respect to commercial applications of passenger vehicles with new technologies and features being introduced, drivers will have to be imparted with training for better/efficient use of the vehicle which will also be a challenge in the near term.

- **Technology risk**

With ever changing technology also comes the risk of obsolescence of older technologies. The automotive industry today faces the challenge of adapting newer technologies by either upgrading the older technologies or introducing new ones, thereby posing a risk in terms of capability development, investments, skill development, technology development, and product development as well. For example, the field of battery technology is continuously evolving with current LFP and NMC battery technologies being challenged by newer technologies like solid state battery, LTO etc. Electric and hybrid technologies are also continuously evolving. Therefore, going forward, OEMs have to be cautious in terms of investing in technology and ensure positive yields.

- **Increasing competitive intensity**

The competitive intensity in the automotive industry is expected to increase with easing import duties, PLI schemes and FDI norms that will encourage foreign passenger vehicle OEMs to enter India. Also, with newer technologies finding ground in the automotive industry we are seeing a global trend of the entry of newer players increasing in this industry. There could be a possibility of these players entering the Indian passenger vehicle market in the future as well. Hence competitive risk will be high.

Long term policy roadmap

- **Changes in GST rates and import duty structure**

Any change in the tax structure whether direct or indirect can have an impact on the demand for the passenger vehicle industry, In order to encourage electric vehicles (EVs), the government has reduced taxes on EVs from 12% tax to 5%, much lesser than internal combustion engine vehicles (28% and additional CESS also in some cases). Also, the excise duty on petrol is a variable which the central and state government decides, which again has a high correlation with the PV industry sales. Going forward, the GST structure will be one of the key factors in driving non-ICE powertrain adoption as well as investments in the country.

The government also recently launched a scheme to promote electric passenger cars in India under which import duty concession is offered for OEMs who set up domestic manufacturing facilities in India with a minimum investment of US$500 million. Under this scheme, the imported vehicles would attract a reduced customs duty of 15% with maximum CIF (Cost, Insurance & Freight) value of USD35,000. This policy will enable foreign OEMs to set up manufacturing bases in India, and also enter the domestic sales market, which will also intensify competition in the industry. Any changes to the scheme will have an impact on demand.

- **Localisation norms**

The government is encouraging localisation across sectors, especially in automotive sector via policies like PLI for Automotive Technology, PLI for Advanced Cell Chemistry, Phased Manufacturing Program, Atmanirbhar Bharat, and Make in India. While the end goal of localisation is to reduce import dependence, and bring down overall manufacturing costs, it also involves significant initial capital investments from several stakeholders within the automotive industry. While the government has designed the schemes to support investments by offering several subsidies and import duty benefits, there are still concerns around the meeting the eligibility criteria and availing of the benefits. Going forward, simplification and better tracking of the policies will ensure localisation in India. The progress of the vendors tied up with individual OEMs would also lead to a change in the risk profile of the industry from a supply side perspective.

- **Ad hoc changes in policies**

Another challenge that the industry is facing is frequent changes in policies which makes it difficult for auto industry stakeholders not only to ensure adherence but also commit investments. Overall policy stability and transparency will be required going forward to ensure smooth technology transition and localisation in the country.

OUR BUSINESS

*Some of the information in the following section, including information with respect to our business plans and strategies, consists of certain forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those expressed in, or implied by, these forward-looking statements. You should read the section "**Forward-Looking Statements**" on page 26 for a discussion of the risks and uncertainties related to those statements and the section "**Risk Factors**" on page 28, "**Management's Discussion and Analysis of Results of Operations"** on page 293, "**Industry Overview**" on page 113 for a discussion of certain risks that may affect our business, financial condition, or results of operations. Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our Restated Consolidated Financial Information included in this Draft Red Herring Prospectus beginning on page 228. Financial information for the nine-month period ended December 31, 2023, is not indicative of the financial results for the full year and is not comparable with financial information for the years ended March 31, 2023, 2022 and 2021. Also see, "**Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data**" on page 24.*

*Only to the extent explicitly indicated, industry and market data used in this section has been derived from the report titled 'Industry Report on the Passenger Vehicle Industry in India' dated June 2024, prepared and issued by CRISIL (the "**CRISIL Report**"), commissioned by and paid for by our Company. The CRISIL Report has been prepared and issued by CRISIL for the purpose of understanding the industry exclusively in connection with the Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular fiscal or calendar year, refers to such information for the relevant fiscal or calendar year. For further details, see "**Risk Factors – Internal Risks – We have used information from the CRISIL Report which has been commissioned and paid for by our Company for industry related data in this Draft Red Herring Prospectus and any reliance on such information is subject to inherent risks**" and "**Industry Overview**" on pages 57 and 113, respectively.*

*All references to "Hyundai Motor Group" refer to any company (individually or in the aggregate, as the context may require) that is (i) directly or indirectly owned or controlled by Hyundai Motor Company ("**HMC**" or the "**Promoter**"), (ii) directly or indirectly owns or controls HMC, or (iii) is under the same direct or indirect ownership or control of HMC.*

Overview

Who We Are

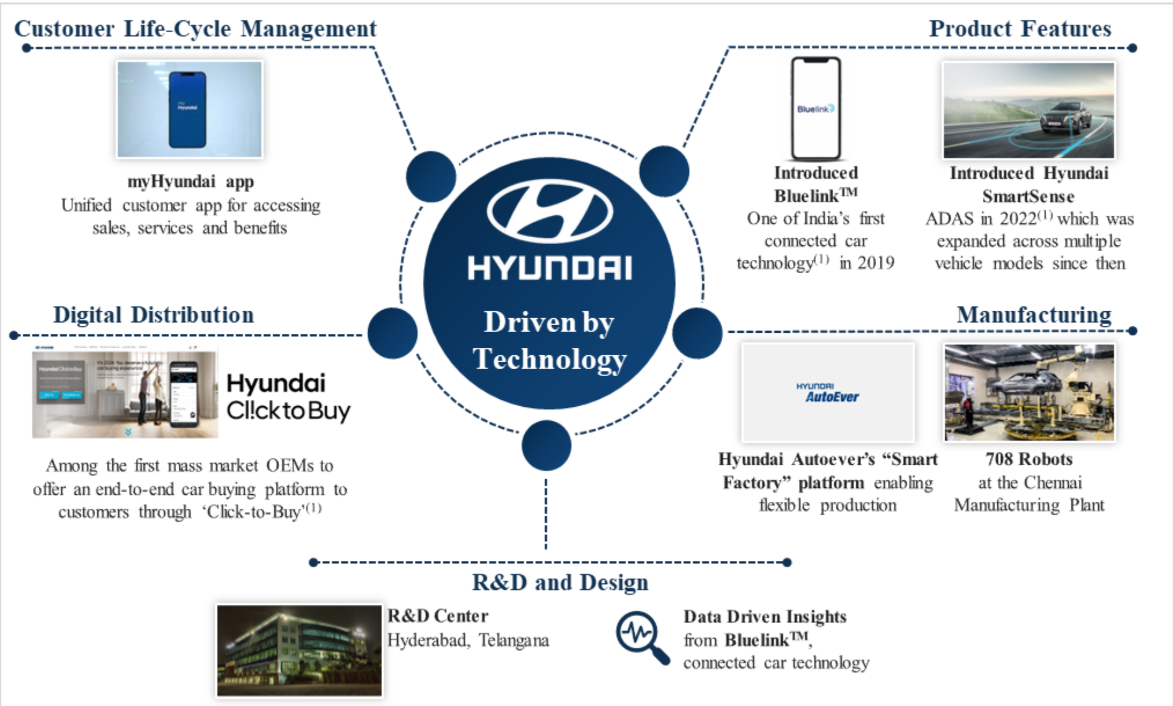
We are a part of the Hyundai Motor Group, the third largest auto original equipment manufacturer ("**OEM**") in the world based on passenger vehicle sales in CY2023, according to the CRISIL Report. We have been the second largest auto OEM in the Indian passenger vehicles market since Fiscal 2009 (in terms of domestic sales volumes) according to the CRISIL Report. We have a track record of manufacturing and selling four-wheeler passenger vehicles that are reliable, feature-rich, innovative and backed by latest technology. This is demonstrated in our portfolio of 13 models across multiple passenger vehicle segments by body type such as sedans, hatchbacks, sports-utility vehicles ("**SUVs**") and battery electric vehicles ("**EVs**"). We also manufacture parts, such as transmissions and engines. We have also been India's largest exporter of passenger vehicles from Fiscal 2005 to the first 11 months of Fiscal 2024, having exported the highest cumulative number of passenger vehicles for the same period, according to the CRISIL Report. Since 1998 and up to March 31, 2024, we have cumulatively sold nearly 12 million passenger vehicles in India and through exports. We believe our current market position is because of (i) our wide product offerings, stakeholder relationships and operations; (ii) the strong Hyundai brand in India; (iii) our ability to leverage new technologies to enhance operational and manufacturing efficiency; and (iv) our ability to expand into new businesses such as EVs through innovation. In CY2023, we were among the top three contributors to HMC's global sales volumes, and our contribution to HMC's sales volumes has increased from 15.48% in CY2018 to 18.19% in CY2023.

Our Business Model

Our business model is founded on the following fundamental pillars.

First, "strong parentage" of Hyundai Motor Group. We are a part of the Hyundai Motor Group, which is the third largest auto OEM in the world based on passenger vehicle sales in CY2023, according to the CRISIL Report. We have the support of HMC in many aspects of our operations including management, R&D, design, product planning, manufacturing, supply chain development, quality control, marketing, distribution, brand, human resources and financing, among others. We benefit from HMC's centralised R&D hub that oversees global R&D initiatives for the Hyundai Motor Group. HMC has invested an aggregate amount of ₹1,756.47 billion (KRW 28,486.21 billion or US$24.62 billion) towards global R&D from CY2014 to CY2023 including towards emerging mobility areas such as electrification, shared mobility and autonomous driving. We believe HMC's R&D capabilities, coupled with information flow within the Hyundai Motor Group on emerging global trends and latest customer preferences, enables us to identify customer preferences in a timely fashion. This further helps us introduce new passenger vehicles, technologies and features in India in a short time-to-market. We also benefit from implementing HMC's manufacturing practices and quality management system in our operations. HMC's exports network across more than 190 countries helps us pursue export opportunities which is an important revenue and profitability driver for us. Additionally, we benefit from the strong "Hyundai" brand. Globally, "Hyundai" is focused on delivering an outstanding customer experience, grounded in design leadership, engineering excellence and exceptional value in every passenger vehicle they sell, according to Interbrand. As per Interbrand's "Best Global Brands 2023", the Hyundai brand value has been growing for the past 13 years, and in 2023 Hyundai's brand value grew 18% year-on-year to reach ₹1,695.57 billion (US$20.41 billion) making it the 32nd most valuable brand globally, up three places from 2022. We also maintain close connections with other affiliates within the Hyundai Motor Group across the auto OEM value chain, creating synergies in supply, manufacturing, and product development. For example, Mobis India Limited ("**Mobis**"), our Group Company, supplies after-sale parts and accessories to our dealers, and Glovis India Private limited ("**Glovis**"), a company within the Hyundai Motor Group, provides transportation of our passenger vehicles to destinations such as dealerships and stockyards on an end-to-end basis.

Second, "advanced technology". We deploy technology that is integrated across our operations, including in product design, manufacturing, and customer and dealer engagement. As a key part of the Hyundai Motor Group, we gain early access to global trends in automotive, technologies and features, including from HMC's dedicated technology arm covering passenger vehicle IT services, smart manufacturing, mobility services, data security services and enterprise IT services – Hyundai Autoever. We leverage global insights and our R&D capabilities to introduce technology, design and aesthetics in our passenger vehicles that are tailored for the Indian market. Our manufacturing plant located at Irrungattukottai, Sriperumbudur in Chennai, Tamil Nadu ("**Chennai Manufacturing Plant**") was HMC's first global integrated manufacturing plant outside Korea. The Chennai Manufacturing Plant had a production capacity of 824,000 units as of March 31, 2024. Leveraging Hyundai Autoever, HMC's "smart factory" platform, we are able to produce flexibly customised passenger vehicles and parts using automated manufacturing processes. Further, to digitise the sales network, we have launched end-to-end digital platforms, such as the "myHyundai" app for customers and the "H-Smart" app for dealers in India. Some of our innovations are shown in the image below.



Note: (1) Source: CRISIL Report.

Third, "Hyundai brand". In addition to benefitting from the strength of the "Hyundai" brand globally, we have established "Hyundai" as a trusted brand in India. This is demonstrated by the more than 50 awards that our Company has received for the Hyundai brand and products in Fiscal 2024 alone. We have received the highest number of the Indian Car of the Year (ICOTY) awards over the years (based on data provided in the CRISIL report). The eight passenger vehicle models that have received this accolade are i10 (2008), Grand i10 (2014), Elite i20 (2015), Creta (2016), Verna (2018), Venue (2020), i20 (2021) and Exter (2024). Further IONIQ 5 also won the Green Car of the Year award in 2024. To connect with our customers as a trusted, aspirational and inclusive brand in India, we deploy innovative marketing initiatives across fashion, music, game shows and sports events. We carefully select our celebrity brand endorsements of movie stars to sports persons, which include five Indian women endorsers (three women cricketers, one woman golfer and one woman actor). We believe these efforts have helped us evolve as an inclusive brand in India, expand and diversify our customer base and bolster our connection with the youth. We have a social media community across platforms in India which allows us to connect with the youth. We strive to associate our brand with customer satisfaction from a 360-degree viewpoint across passenger vehicle purchase, insurance, maintenance and after-sale services.

***Fourth, "Localisation*". Our value proposition to customers is to manufacture passenger vehicles that are feature-rich, reliable and innovative at a competitive price point. To achieve this and enhance profitability, we focus on localisation of parts and materials. Under our localised supply chain ecosystem, we source majority of parts and materials from suppliers based in India. In Fiscal 2023 and in the nine months ended December 31, 2023, we sourced approximately 90% of our parts and materials in terms of purchase value in India from the four districts adjoining our Chennai Manufacturing Plant[2]. This leads to operational and cost efficiencies in our supply chain helping us enhance our profitability and build flexibility in our manufacturing process. As a result, we are able to follow a "Just in Time" concept for manufacturing where parts and materials are available to us in a short time frame, minimising the need for and cost of holding inventory.

Fifth, "Win-Win approach". We aim to build long term relationships with all our stakeholders and create sustained value by following a "win-win" approach, as described below.

- *Customers:* Our continuous endeavour is to exceed customer expectations not only through innovative, feature-rich, reliable, and innovative passenger vehicles, but also through consistent and high-quality service, that is readily accessible to the customers through our dealer showrooms and service network, as well as through our digital applications. Customers can browse, test drive, and purchase a passenger vehicle through the network of 1,366 sales outlets operated by our dealers across 1,031 cities and towns in India as of December 31, 2023, or purchase through the "Click to Buy" section on our website or "myHyundai" app. For after-sale services of their passenger vehicles, customers can access our network of 1,550 service centres operated by our dealers across 962 cities and towns in India as of December 31, 2023. As per the CRISIL Report, our sales and service network was the second largest in India in terms of the number of customer touchpoints as of March 31, 2023. We also assist customers in the sale of their passenger vehicles through our dealers in the pre-owned passenger vehicles market under our "Hyundai Promise" programme, through which Hyundai passenger vehicles that are up to 10 years old can be certified and backed by our warranties to facilitate resale. As of December 31, 2023, 586 dealer outlets across 349 cities and towns in India were enrolled under this programme. Customers can also opt for passenger vehicle insurance online or at our dealer outlets through our partner insurance providers. As a testament to our customer-centricity, our net promotor score ("**NPS**") rating has been consistently increasing. Our NPS for passenger vehicles sales was 92% and for services was 90% in three quarters of CY2022[3], and our NPS for passenger sales was 97% and for services was 92% in CY2023, according to research conducted by NielsenIQ (India) Private Limited (*formerly known as Nielsen (India) Private Limited*).

- *Dealers:* We strive to establish long-term relationships with our dealers and develop this relationship by providing opportunities to dealers to set up additional showrooms, continuous training and upskilling of dealer employees and owners, and offering incentives and awards for meeting performance targets. As of December 31, 2023, we partnered with 363 dealer companies for distribution and sales in India. Our "Hyundai Promise" programme provides our dealers with an additional income source where dealers can purchase refurbished Hyundai passenger vehicles and sell them to customers on the back of our warranties. This integrated approach has resulted in the growth of average new passenger vehicle sales per dealer company from 1,415 passenger vehicles in CY2021 to 1,659 passenger vehicles in CY2023. To motivate, engage and build relationships with the next generation of dealers we offer training programmes in association with a leading business school in India. To strengthen our relationship with dealers, we also organise various engagement programmes such as the National Dealer Conference, Platinum Dealer Meet and Dealer Incentive Trips, among others. In the "2023 India Dealer Satisfaction Study" conducted by Federation of Automobile Dealers Association ("**FADA**"), we secured the score of 852 (out of 1,000) compared to the industry average of 769, thereby securing the highest score amongst all mass market passenger vehicle OEMs in India, according to the CRISIL Report.

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[2] Chennai, Kancheepuram, Tiruvallur, Chengalpattu districts in the state of Tamil Nadu.

[3] CY2022 – Quarters 2, 3 and 4

- *Suppliers*: Hyundai Motor Group's largest supply chain outside Korea is in India, which as of March 31, 2024, comprised of 194 tier-1 and 1,083 tier-2 suppliers by location in India. We have rigorous supplier on-boarding processes which requires each supplier to satisfy certain metrics, including high-quality standards. These standards encourage our suppliers to upgrade their technological and performance standards, which in turn helps them better serve us and our customers. By being associated with us, suppliers also get opportunities to become suppliers to other companies within the Hyundai Motor Group.

- *Employees*: As of December 31, 2023, we had 5,475 full-time employees. We have implemented a role-based organisational structure, providing employees with learning and development opportunities. We have secured an above average score in the internal culture survey conducted by HMC, which evaluates employee experience and satisfaction within the Hyundai Motor Group. We were recognised by the Confederation of Indian Industry with the Special Awards for EHS Engagement in Workforce at the Environment Health & Safety Excellence Awards 2021 for our achievements in safety and employee engagement. The World HRD Congress, a non-profit organisation, recognised our Company with the Best Employer Brand Award at the Employer Branding Awards in 2023 for our human resources practices.

- *Environment and Community:* Our values of serving our community and being an aware, green and inclusive brand are core to how we operate. For example, in Fiscal 2024, 63% of our total energy need at the Chennai Manufacturing Plant was sourced from renewable sources. At this plant, we use water that is sourced primarily from six rainwater harvesting ponds and the plant had a green cover of 33% as of March 31, 2024. We have also implemented several initiatives to serve the community. For example, through one of our initiatives, "Samarth by Hyundai", an awareness and enablement campaign for the specially-abled in India, 99% of Hyundai showrooms across India were wheelchair accessible as of March 31, 2024. In July 2023, we launched TurnPlus, a swivel seat mechanism designed as an accessory for individuals with special needs. This feature is now available across our dealerships and is compatible with most of our passenger vehicles. The inclusive aspect of our brand is recognised through the sustainability related recognitions that we have received such as Best Non-for-Profit in Grassroots Sports Development of the Year-2023 by Indian CSR Awards and Best CSR Initiative at the Autocar India Awards 2023. We have also received the CSR Initiatives Award at the Acer Faster Awards 2023.

Hyundai's Commitment to India

Our Company has invested ₹297.41 billion (US$5.04 billion[4]) in India operations as of December 31, 2023 in tangible fixed assets and capital work in progress since our inception. With the support from HMC, we have built the first and second-largest manufacturing and supply chain ecosystem within the Hyundai Motor Group outside Hyundai's home country, Korea. We believe that our large network of suppliers, dealers and other key stakeholders has helped create multiple job opportunities across the OEM value chain in India. We serve as a production and export hub for emerging markets for HMC, particularly for passenger vehicle models such as Verna and Venue. Our Chennai Manufacturing Plant had an annual production capacity of 824,000 units as of March 31, 2024. We are expanding our manufacturing capabilities in India with the recent acquisition of a manufacturing plant in Talegaon, Maharashtra ("**Talegaon Manufacturing Plant**") which is expected to commence commercial operations partly in the second half of Fiscal 2026. We expect our annual production capacity across the Chennai and Talegaon manufacturing plants in aggregate to increase to 994,000 units when the Talegaon Manufacturing Plant is partly operational and to 1,074,000 units once the Talegaon Manufacturing Plant is fully operational.

In line with our commitment to India, we are taking steps to develop an EV supply chain and manufacturing capabilities in India through EV parts localisation and developing an EV platform in India. We are undertaking research and development on cost-effective green hydrogen energy in collaboration with the nodal agency for investment promotion of the Government of Tamil Nadu, India and the Indian Institute of Technology Madras. In January 2024, we entered into an arrangement with the Government of Tamil Nadu for the development of EV manufacturing infrastructure in the state pursuant to which we may receive incentives and subsidies from the Government of Tamil Nadu subject to us making a minimum investment in fixed assets within a specific period of time. For the Talegaon Manufacturing Plant, we received offer letters from the Government of Maharashtra under which we are required to make a minimum investment in fixed assets within a specific period of time to avail certain incentives including, but not limited to, electricity duty exemption, industrial promotion subsidy and stamp duty exemption. These initiatives involve an investment commitment from our Company of approximately ₹320.00 billion in aggregate.

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[4] Converted using the average exchange rates for the respective fiscals / periods. Average exchange rate is considered as average of opening exchange rate and closing exchange.

Financial and Operating Metrics

A summary of our key financial results and financial position for the periods indicated are set forth below:

Particulars	Nine months ended December 31, 2023[9]	Fiscal 2023	Fiscal 2022	Fiscal 2021
	(₹ millions unless otherwise specified)			
Revenue from operations	**521,579.11**	**603,075.80**	**473,784.32**	**409,722.51**
Domestic (% of revenue from operations)	76.34%	76.59%	78.80%	81.21%
Exports (% of revenue from operations)	23.66%	23.41%	21.20%	18.79%
Revenue from operations growth (*YoY%*)	-	27.29%	15.64%	-
Profit for the period/year	43,828.71	47,092.50	29,015.91	18,811.56
Total income	532,980.88	614,366.42	479,660.48	414,046.50
Profit For The Period/ Year Margin	8.22%	7.67%	6.05%	4.54%
EBITDA (Excluding Other Income) [1][3]	66,107.74	75,487.80	54,860.89	42,456.61
EBITDA Margin (Excluding Other Income) [1][4]	12.67%	12.52%	11.58%	10.36%
EBIT (Excluding Other Income) [1][5]	49,606.85	53,589.14	33,165.03	22,724.96
EBIT Margin (Excluding Other Income) [1][6]	9.51%	8.89%	7.00%	5.55%
Net Worth [7]	197,779.17	200,548.18	168,562.55	153,113.43
Return On Capital Employed (%) [1][8]	27.19%	28.75%	20.37%	15.38%

*(1) For a reconciliation of non-GAAP measures, see "**Management's Discussion and Analysis of our Results of Operations – Non-GAAP Financial Measures**" on page 310.*
(2) Profit for the Period/ Year Margin is calculated as profit for the period/ year divided by total Income.
(3) EBITDA (Excluding Other income) is calculated as profit for the period / year plus total tax expense plus finance costs plus depreciation and amortisation expense less other income.
(4) EBITDA Margin (Excluding Other Income) is calculated as EBITDA (Excluding Other Income) as a percentage of revenue from operations.
(5) EBIT (Excluding Other Income) is calculated as profit before tax plus finance costs less Other income.
(6) EBIT Margin (Excluding Other Income) is calculated as EBIT (Excluding Other Income) as a percentage of revenue from operations.
(7) Net Worth is defined as total equity, which is equity share capital plus general reserve and retained earnings.
(8) Return On Capital Employed is calculated as EBIT as a percentage of Capital Employed.
(9) Not annualised.

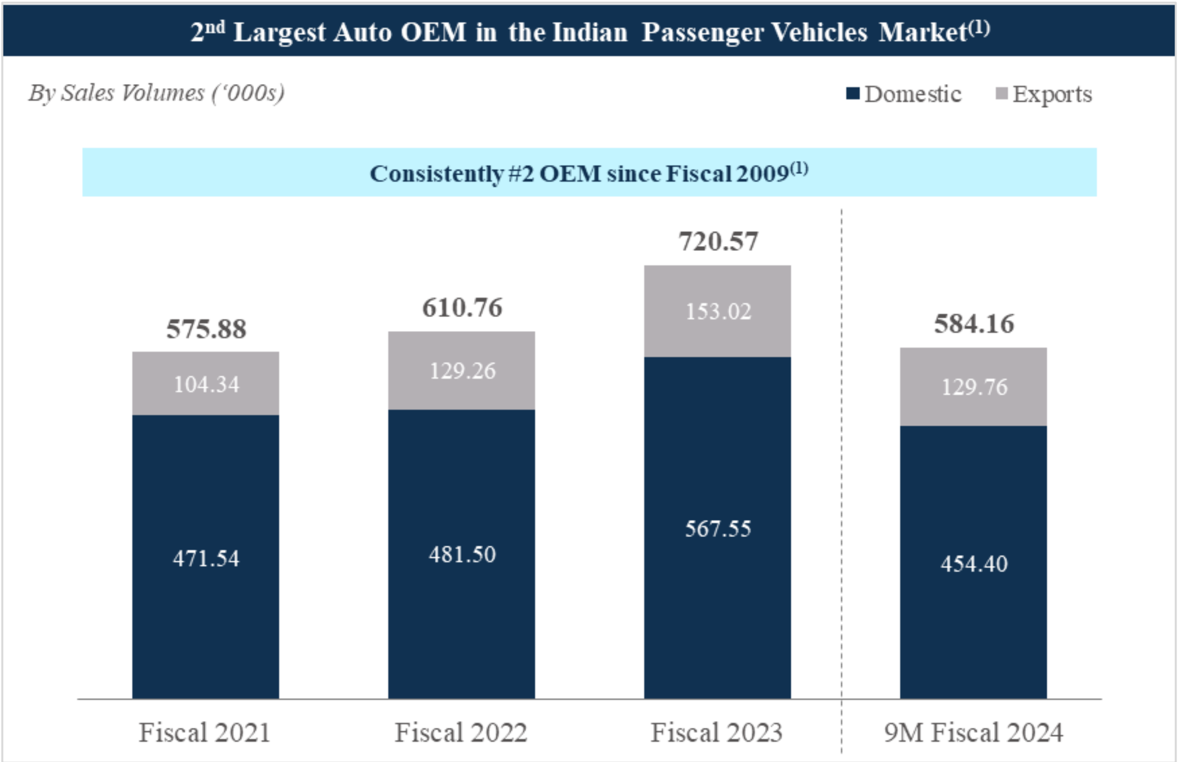
A summary of our select operational metrics for the periods indicated are set forth below:

Particulars	As of or for the nine months ended December 31, 2023	As of or for Fiscal 2023	As of or for Fiscal 2022	As of or for Fiscal 2021
	Units unless otherwise specified			
Total Passenger Vehicle Sales Volume	**584,159**	**720,565**	**610,760**	**575,877**
Domestic	454,404	567,546	481,500	471,535
Exports	129,755	153,019	129,260	104,342
Sales and Service Outlets				
Sales outlets	1,366	1,336	1,282	1,167
Service outlets	1,550	1,498	1,422	1,307

Our Strengths

We are the second largest auto OEM in India and the largest exporter of passenger vehicles

We have been the second largest auto OEM in the Indian passenger vehicles market since Fiscal 2009 (in terms of domestic sales volumes) according to the CRISIL Report.



Note: (1) Source: CRISIL Report

We have consistently been the largest auto OEM in India by sales volume in the mid-size SUV sub-segment from Fiscal 2019 to the first 11 months of Fiscal 2024, according to the CRISIL Report. Our 2016 India Car of the Year (ICOTY) awardee, Creta had a market share of 30% in the mid-size SUV sub-segment in the first 11 months of Fiscal 2024, according to the CRISIL Report. Further, Verna was the top selling model in the premium sedans sub-segment with 31.2% market share, in the first 11 months of Fiscal 2024, according to the CRISIL Report. In 2023, we launched our first premium EV, IONIQ 5. As a result of our consistent scale and leadership, we believe that we have garnered trust and loyalty for the Hyundai brand among existing and potential customers in India. Our scale and leadership position also gives us the ability to attract new dealers and derive economies of scale in sourcing and manufacturing operations.

We were India's largest exporter of passenger vehicles from Fiscal 2005 to the first 11 months of Fiscal 2024, having exported the highest cumulative number of passenger vehicles for the same period, according to the CRISIL Report. Since our inception and up to December 31, 2023, we exported 3.53 million passenger vehicles to over 150 countries, including to countries in Latin America, Africa, Middle East, Asia, and others. We serve as a production and export hub for emerging markets for HMC for passenger vehicles and parts, particularly for passenger vehicle models such as Verna and Venue. The exports market is a revenue driver for us as we earn higher average selling price ("**ASP**") for exports versus domestic products on an average. Exports also provides a natural hedge against foreign currency risk by virtue of our export sales offsetting our imports to an extent. For example, in December, which is a low sales season in India, we are able to manage our total sales relatively well by increasing exports during these months.

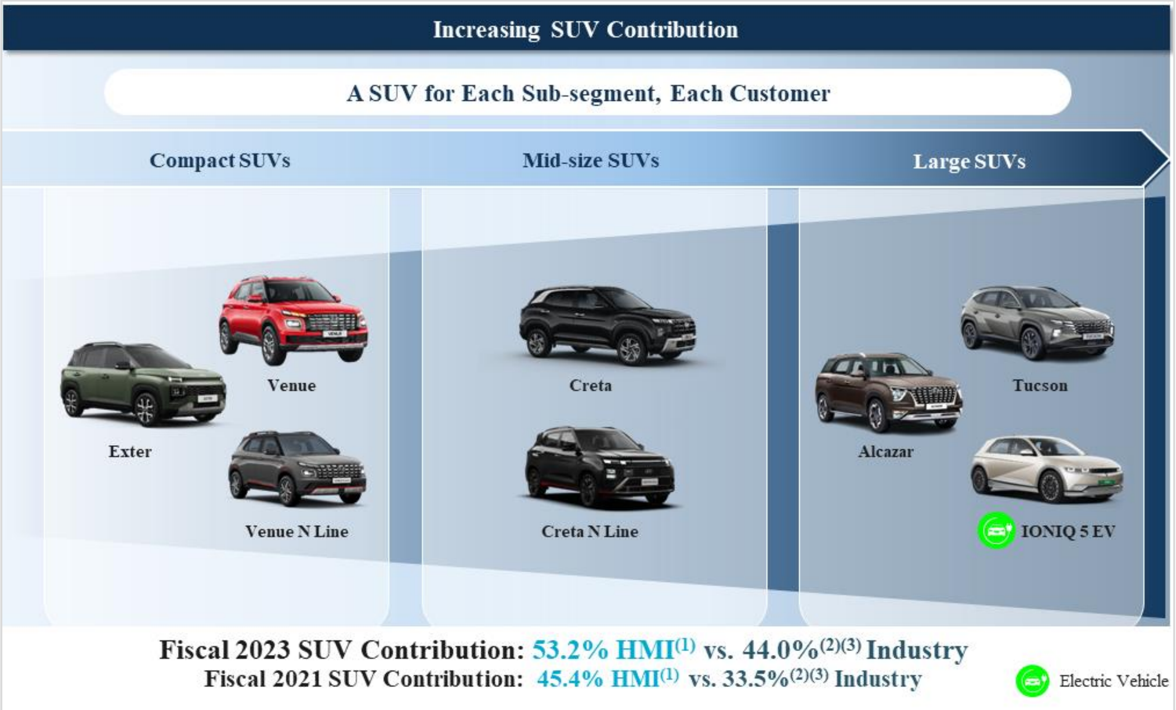
Notes: (1) Source: CRISIL Report; (2) Since Fiscal 2005 in terms of cumulative export volume

We have a diverse portfolio of passenger vehicles across powertrains and major passenger vehicle segments

Our current portfolio of passenger vehicles caters to a diverse customer base offering "something for everyone". Our portfolio of 13 passenger vehicle models across major passenger vehicle segments by body type include sedans (Aura and Verna), hatchbacks (Grand i10 NIOS, i20 and i20 N Line) and SUVs (Exter, Venue, Venue N Line, Creta, Creta N Line, Alcazar, Tucson and IONIQ 5). Together, the passenger vehicle segments in which we are present in India accounted for approximately 89% of the total passenger vehicle sales volume in India in Fiscal 2023 and approximately 88% for the first 11 months of Fiscal 2024, based on the data provided in the CRISIL Report. Various passenger vehicle models have multiple engine fuel options across petrol, diesel, compressed natural gas ("**CNG**") and EV along with diverse transmission options (MT, AMT, AT, DCT and iVT). We also seek to become a significant player in the EV segment sustainably, and our future EV investments will be calibrated based on the expected growth of the Indian four-wheeler EV market. The following image provides an overview of our product portfolio.

Note: BS-Bharat Stage Emission Standards

We have sought to evolve our passenger vehicle portfolio in line with changing customer aspirations. According to the CRISIL Report, consumers in India are increasingly preferring mid-end or top end version of the vehicles moving away from the traditional fuel-efficient budget friendly small vehicles towards higher priced feature loaded larger vehicles which offer much more space, taller ride height, seamless connectivity, and improved performance. Consequently, we have expanded our SUV product line-up in the last few years. Currently, we offer eight SUV passenger vehicle models in India, across compact, mid-size and large SUV sub-segments, including one EV model, as shown in the image below.



*Notes: (1) Units of SUV sold as a percentage of the total domestic sales volume for Hyundai Motor India Limited ("**HMI**") (2) Source: SIAM, CRISIL Report (3) Units of SUVs sold as a percentage of the total sales volumes in the Indian passenger vehicle industry.*

Our ability to identify emerging market trends in a timely manner and introduce innovative passenger vehicles and technologies to meet customer needs in India

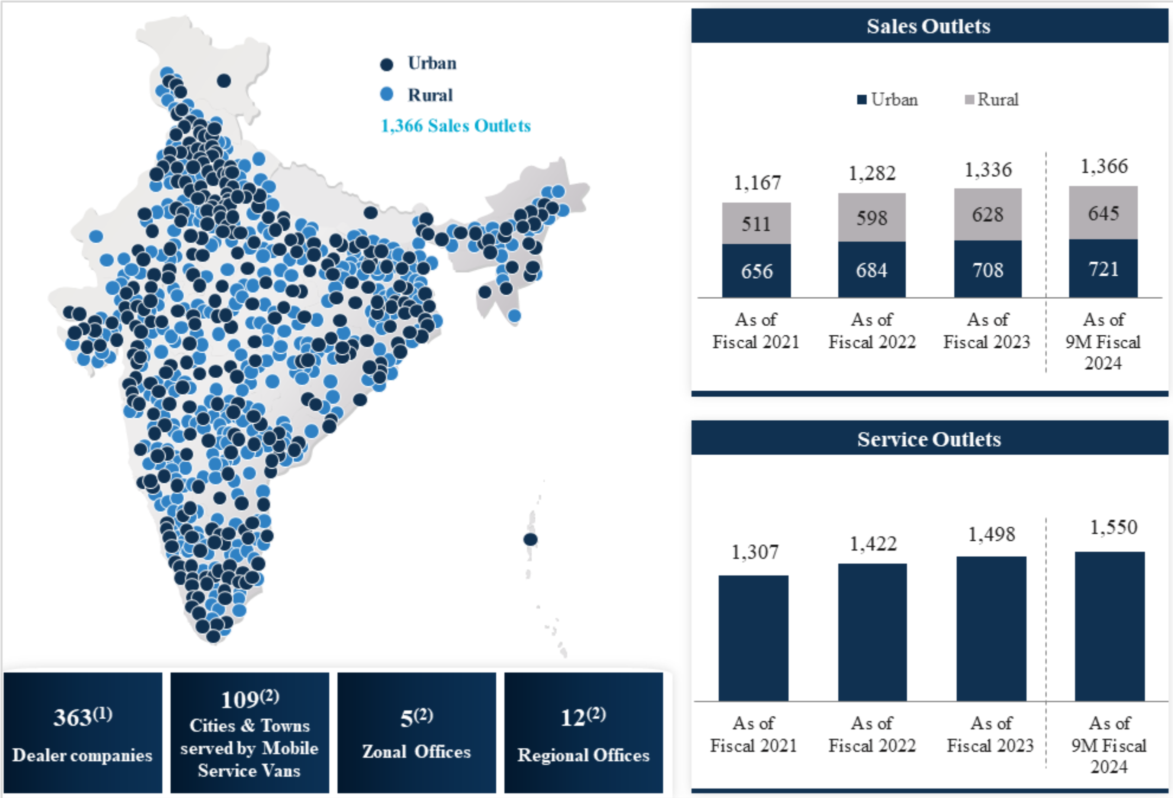
We identify emerging market trends, latent customer needs and aspirations based on our and HMC's global network, in-depth market and product research. As a key part of the Hyundai Motor Group, we gain early access to the latest global trends in the automotive industry, technologies and features; and strive to be a front-runner in introducing passenger vehicles and technologies in India. We believe this is our unique competitive advantage. Our R&D centre in Hyderabad, works closely with the HMC's centralised R&D hub at Namyang, Korea. This centre in Hyderabad is being expanded to become the hub for global compact passenger vehicle R&D for HMC. Further, our subsidiary, Hyundai Motor India Engineering Private Limited ("**HMIEPL**"), provides technical expertise to support local customisation. We tailor these global technologies and features to meet customer needs, design and aesthetic preferences in India. For example, we have customised our Bluelink™ voice recognition system to understand *Hinglish* (Hindi-English) commands, in addition to English. Further, it can support embedded voice commands without an internet connection. Additionally, we offer audio-video navigation and telematics across multiple of our passenger vehicles, among other features. Since our inception in 1998, we have introduced in aggregate 38 passenger vehicle models as of March 31, 2024 and have built a track record of introducing numerous innovations, as demonstrated by some examples in the table below:

Note: Source: (1) CRISIL Report

Before we launch a passenger vehicle in India, we conduct several pre-market tests by inviting an identified target audience to evaluate our products and collect feedback, which becomes the cornerstone of our approach to tailor global passenger vehicles and features for Indian customers. We also solicit feedback from customers and media to determine if any improvements are required after the launch of our passenger vehicles. We also leverage data generated by our connected car technology to gain insights from customer experiences, which allows us to improve our products. Based on market demand and customer preference, we release upgrades and model changes. In the past, for certain of our passenger vehicle models, we have released upgrades in approximately four years of a passenger vehicles model's original launch, and a new full model change in approximately six years of a passenger vehicle model's original launch. Further, within a span of 15 months from January 2023 to March 2024, we launched an aggregate of eight upgrades and model changes.

Pan-India sales, distribution and after-sale services network offered by our dealers.

As of December 31, 2023, we had 1,366 sales outlets across 1,031 cities and towns in India and 1,550 service centres across India across 962 cities and towns in India. This has grown from 1,167 sales outlets across 873 cities and towns in India and 1,307 service centres across 814 cities and towns in India as of March 31, 2021. As per the CRISIL Report, our sales and service network was the second largest in India in terms of the number of customer touchpoints as of March 31, 2023. We sell all our passenger vehicles, except for IONIQ 5, through our dealer network. We facilitate the sale of IONIQ 5 through "Click to Buy" with support from select franchise dealers, which enables us to understand the premium electric SUV (E-SUV) space better from the direct customer feedback. As electrification in the passenger vehicle segment in India is still at a nascent stage, according to the CRISIL Report, we consider this approach crucial for gaining first-hand market insight and calibrating our EV growth strategy.



Notes: (1) as of December 31, 2023; (2) as of March 31, 2024

We have also implemented various programmes to help increase the reach and effectiveness of our after-sales services provided through dealers. For instance, we introduced a "Doorstep Service Programme" in 2020 to provide after-sale services to our customers across our primary rural markets and emerging cities through mobile service vans. Each van has a team equipped to meet the needs of customers who find it challenging to visit their nearest service centre. As of March 31, 2024, our mobile service vans had served customers across 109 cities and towns in India. We have also launched a car maintenance programme "Hyundai Shield of Trust", which covers the replacement of wear and tear parts.

Digitisation across the value chain

We have digitised our customers and dealers' interactions with each other and with us. Through the "myHyundai" app and our website, customers can interact with us at every stage of the passenger vehicle purchase journey and access after-sale services. Our constant endeavour is to provide a 360-degree customer experience in passenger vehicle purchase, insurance, maintenance, and after-sales service. Customers can use the "Click to Buy" website and "myHyundai" app to browse new or pre-owned passenger vehicles, request for personalised shopping assistance from our sales consultants, schedule a test drive and locate a dealer nearest to them. After our customers have made their purchase, they can use the myHyundai app to access connected car features, book after-sale and maintenance services, renew or extend warranties and receive support from a 24/7 call centre, among other services.

We have been enhancing the quality of our sales by leveraging various digital platforms, such as "myHyundai" and "H-Smart" apps. We support our dealers in managing their entire business operations through our Global Dealer Management System ("**GDMS**"). GDMS is a web application for our dealers to interact with us for their day-to-day operations, such as sales, services and "Hyundai Promise", among others. Through this software, dealers can place orders with us and monitor operational information like delivery timelines and inventory. In addition, "H-Smart" app, developed by us in India, is a unified-dealer app designed to streamline and simplify dealer interaction with customers. It enables the integration of various dealer activities such as managing leads, customer enquiry management, scheduling, monitoring sales and bookings, sourcing and evaluating "Hyundai Promise" enquiries, and handling sales complaints for enhanced efficiency and productivity. We initiated a hyperlocal digital marketing self-help platform to enhance sales for our dealers in India. Suppliers can use our VAATZ system to view orders from us, download the purchase orders, and view supply schedules.

Our flexible and automated manufacturing capabilities

The Chennai Manufacturing Plant was one of India's largest single location passenger vehicle manufacturing plants in terms of production capacity for CY2023, according to the CRISIL Report. Our passenger vehicles are based on five different platforms (four for internal combustion engine ("**ICE**") passenger vehicles and one for EVs).

To enhance operational efficiency, we have a common platform architecture across the two manufacturing plants in Chennai and this enables us to manufacture eight different models in one plant and six different models in the other plant, with one model manufactured in both plants. As a result, based on market demand, selected models can be produced on multiple lines in parallel at the Chennai Manufacturing Plant. This flexibility of having a common platform architecture lowers our product development costs, reduces our time-to-market, streamlines our manufacturing process, allows higher capacity utilisation and boosts agility in delivering new models.

Our manufacturing operations are highly automated, and the Chennai Manufacturing Plant is optimised to manufacture our full range of 13 passenger vehicle models. Our plant operates in three shifts over 293 working days per year, six days per week, and on an average, producing 131 passenger vehicles per hour, with a production rate of one passenger vehicle within 30 seconds. As of March 31, 2024, over 2,000 critical machines were connected with technologically advanced systems and 708 robots.

Additional examples of our advanced manufacturing technology include integration of a vision system that confirms sealer application, enhancing efficiency and accuracy, and the four-layer painting process which includes electro deposition, surfacer coating and a premium topcoat finish. As a result of these processes, we received the "Indian Manufacturer of the Year" award by Frost & Sullivan in 2016, 2017, 2019, 2021 and 2022, the Smart Factory of the Year award by Frost & Sullivan in 2019, 2021 and 2022, the "Top Manufacturer Award" by CII Pinnacle in 2023, and the Industry Excellence Award for Engineering Manufacturing and Processing by the Institution of Engineers in 2021 and 2022. We are also scaling our manufacturing capabilities with the acquisition of the Talegaon Manufacturing Plant.

Our quality control systems are based on HMC's Global Quality Management System which monitors the quality of our products during all phases of the value chain, from product development, production, sale to after-sales service. Seamless information flow across the organisation helps minimise the response time for any issues that may arise in the normal course of operations. Further, we have established the India Quality Centre in Faridabad, Haryana to support our quality control initiatives. Our completed passenger vehicles go through rigorous quality checks. These tests include brake tests, real-time road tests, a shower test, and exterior body checks, among others. For more details, see "***– Our Manufacturing – Quality Control***" on page 170.

Our experienced management team with a track record of delivering profitable growth and superior returns

We are led by an experienced management team which includes our Managing Director, Unsoo Kim; our Whole-time Director and Chief Operating Officer Tarun Garg; our Chief Financial Officer, Wangdo Hur; and our Whole-time Director and Chief Manufacturing Officer, Gopalakrishnan Chathapuram Sivaramakrishnan. We are also governed and advised by an experienced Board of Directors, which has representations from India and Korea, to ensure high corporate governance standards in line with HMC's governance standards. Our Board includes three independent directors, with several years of experience in their respective fields. For further details on our management see "***Our Management – Brief Biographies of our Directors***" on page 198; and for details on our culture, see "– ***Employees – Our Culture***" on page 176.

Our focus on premiumisation, operational efficiency, strategically aligned sales mix between domestic and foreign markets, diverse passenger vehicle portfolio, and experienced management team have contributed to our financial performance and returns as demonstrated in the table below. CRISIL reaffirmed our AAA/Stable ratings on our bank facilities and short-term debt in January 2024, reflecting our established market position and a robust financial risk profile with strong liquidity. This is further bolstered by the strong balance sheet of HMC whose credit rating was upgraded from Baa1 (Positive) to A3 (Stable) and from BBB+ (Positive) to A- (Stable) by Moody's and Fitch respectively in February 2024.

A summary of our key financial results and financial position for the periods indicated are set forth below:

Particulars	Nine months ended December 31, 2023[(5)]	Fiscal 2023	Fiscal 2022	Fiscal 2021
	₹ millions unless otherwise specified			
Revenue from operations	**521,579.11**	**603,075.80**	**473,784.32**	**409,722.51**
Revenue from operations growth (*YoY%*)	-	27.29%	15.64%	-
Profit for the period/ year	43,828.71	47,092.50	29,015.91	18,811.56
Total income	532,980.88	614,366.42	479,660.48	414,046.50
Profit For The Period/ Year Margin [(1)(2)]	8.22%	7.67%	6.05%	4.54%
EBITDA Margin (Excluding Other Income) [(1)(3)]	12.67%	12.52%	11.58%	10.36%
Return On Capital Employed (%) [(1)(4)]	27.19%	28.75%	20.37%	15.38%

*(1) For a reconciliation of non-GAAP measures, see "**Management's Discussion and Analysis of our Results of Operations – Non-GAAP Financial Measures**" on page 310.*
(2) Profit For The Period/ Year Margin is calculated as profit for the period/ year divided by total income.
(3) EBITDA Margin (Excluding Other Income) is calculated as EBITDA (Excluding Other Income) as a percentage of revenue from operations.
(4) Return On Capital Employed is calculated as EBIT as a percentage of Capital Employed.
(5) Not annualised.

Our Strategies

Leveraging our deep understanding of consumer preferences to successfully expand our passenger vehicle portfolio

We are committed to investing in R&D and new passenger vehicle launches in order to further strengthen our market position and to improve the attractiveness of our passenger vehicles to the customers. We intend to continue being one of the leading players in the Indian automobile market that is relevant for passenger vehicle buyers across the spectrum from affordable to premium segments. We intend to do this by identifying and addressing emerging global trends to deliver advanced technology, design, and quality, while customising features based on customers' demands from both a "price" and "value" perspective. To stay prepared for and keep up with the evolving market trends and dynamics, we intend to innovate continuously, invest in our robust market research channels for the ongoing collection and integration of customer feedback and leverage HMC's global R&D, insights and advanced technologies. Further, our aim is to provide customers with alternate, sustainable fuel options such as hydrogen energy. We have entered into a memorandum of understanding with the nodal agency for investment promotion of Government of Tamil Nadu and Indian Institute of Technology Madras to undertake research on cost-effective green hydrogen energy ecosystem development. We seek to leverage the developments from this partnership to build upon our alternate fuel strategy in the future.

Focus on continued premiumisation of our passenger vehicle portfolio

We have a premiumisation strategy, where we focus on selling trims that have a higher average selling price ("**ASP**") for the respective passenger vehicles. With a growing share of younger buyers in India, there is an increasing awareness and preference towards parameters other than price such as exterior and interior design, driving experience, safety, advanced features and aesthetics resulting in inter-segmental shift towards SUVs as well as intra-segmental shifts towards the mid- to top-end variants, according to the CRISIL Report. This is demonstrated by the growing ASP of passenger vehicles in India which increased at a CAGR of 7% to 8% between Fiscal 2019 and Fiscal 2023, according to the CRISIL Report. In line with this trend, the contribution of passenger vehicles with ex-showroom ASP of greater than ₹1,000,000 to our domestic sales has been increasing from 32.37% in Fiscal 2021 to 48.71% in Fiscal 2023 and was 49.23% in the nine months ended December 31, 2023. Similarly, the contribution of passenger vehicles with ex-showroom ASP of greater than ₹1,500,000 to our domestic sales has been increasing from 7.45% in Fiscal 2021 to 15.22% in Fiscal 2023 and was 15.65% in the nine months ended December 31, 2023. Further, we consistently achieve SUV sales contribution that surpasses industry level by sales volumes in units. In Fiscals 2021 and 2023, the share of SUV sales volume to total passenger vehicle sales volumes in India was 33.5% and 44.0%, respectively, according to the CRISIL Report. On the other hand, our domestic SUV sales volumes accounted for 45.42% and 53.16% of our total domestic sales volumes in Fiscals 2021 and 2023, respectively. We intend to bolster our sales in the SUV segment and mid-to-high range passenger vehicles in other segments through targeted passenger vehicle introduction across price points and powertrains.

Calibrated manufacturing capacity expansion and efficient capital allocation

With years of operational expertise, we believe that we are well positioned to calibrate capacity additions in line with market demand growth through efficient capital allocation. We plan to develop the Chennai Manufacturing Plant as a hub for our EV and SUV production. Further, with the addition of the Talegaon Manufacturing Plant, which is expected to start commercial operations partly in the second half of Fiscal 2026, we are expanding our manufacturing capacity to boost production volume and accelerate economies of scale to match our supply capabilities in line with the growing demand in the domestic market. Our Chennai Manufacturing Plant had an annual production capacity of 824,000 units as of March 31, 2024. We expect our annual production capacity across the Chennai and Talegaon manufacturing plants in aggregate to increase to 994,000 units when the Talegaon Manufacturing Plant is partly operational and to 1,074,000 units once the Talegaon Manufacturing Plant is fully operational. By aiming to maintain capacity utilisation above 90% with a healthy mix between domestic sales and exports, we plan to optimise operations across all plants, with a profit-centric approach. We also intend to continue to deepen our localised supplier network by adopting a localisation strategy for the Talegaon Manufacturing Plant in India.

Focus on increasing EV market share

We seek to calibrate our EV strategy and plan our EV timelines in line with market demands in India, by launching the appropriate EV models within each price segment. We are following a transition strategy having started with the launch of high-end, premium EVs and plan to transition towards the mass markets as the EV market and ecosystem scales up in India. In line with the same, we aim to launch four EV models in future including Creta EV in the last quarter of Fiscal 2025.

We believe, HMC's diversified xEV portfolio across battery EVs, hybrid EV, plug-in hybrid EVs, mild hybrid EVs and fuel cell EVs, will be a key enabler for our EV strategies. We believe that our experience in developing dedicated, localised ICE models will help us leverage their know-how to develop localised xEV models for the Indian market.

To maximise price competitiveness of our EV models, we intend to focus on securing local production capabilities for key parts such as cells, battery packs, power electronics, drivetrain and building a localised EV supply chain. We leased a section of the Chennai Manufacturing Plant to Mobis for the assembly of EV batteries which will be supplied to us, in turn reducing our import costs for battery packs.

Further, we intend to localise the EV supply chain through collaboration with both local and global EV power electronic vendors. Recently in 2024, HMC announced its strategic collaboration with Exide Energy Solutions Limited to facilitate localised battery production and supply in India. Similarly, currently our Company is also exploring different avenues for a strategic collaboration for production of batteries. We believe the addition of domestically sourced EV models will contribute to diversifying our passenger vehicle offering and further expand our market coverage. Further, in the near-term, we aim to increase localisation to secure production-linked-incentive ("**PLI**") subsidies and transition to a dedicated EV platform to optimise costs.

Beyond EV manufacturing, we aim to develop the EV infrastructure in India by constructing charging stations. As of March 31, 2024, we have established 11 fast charging stations in India. We intend to support the adoption of EVs by installing charging points across cities and highways in India. In collaboration with the Government of Tamil Nadu, we are installing public EV charging network across key highways and cities. Each fast-charging station has a DC 150 kW and DC 60kW charging points, with the ability to service up to three EVs per charging stations. In addition to above, our Company has entered into a memorandum of understanding with the Government of Tamil Nadu to install 100 units of high speed charging stations across the state by 2027. These charging stations will be hosted on our own App based Charger Management System "EV Charge", for easy finding, pre-booking, digital payments and to check charging status. In May 2024, we inaugurated a 180 kW DC fast public EV charging station in Chennai, comprising of 150 kW and 30 kW connectors. We also intend to form partnerships with key players in the EV ecosystem for DC charging, battery recycling and AI-based infotainment and payment assistance, to strengthen our overall EV ecosystem, in line with the Government of India's electrification initiatives.

Further strengthening our position as the export hub for HMC

We intend to leverage our local manufacturing capabilities to set ourselves up as HMC's largest foreign production base in Asia. We aim to become an export hub for HMC for exports to emerging markets including South Asia, Latin America, Africa and Middle East with the potential to export to other global markets. Our aim is to be the global manufacturer and supplier of cost-optimised passenger vehicles including the Grand i10 NIOS, i20, Aura, Venue, Verna, Creta and Alcazar. We also intend to collaborate with our stakeholders in export countries with innovative sales strategies. For example, to benefit from incentives offered by Nepal, we recently collaborated with a distributor in Nepal to set up a local passenger vehicle assembly line, and we agreed to provide materials and parts for the assembly of the Venue passenger vehicle model.

Continue to enhance our brand as a trusted brand in India

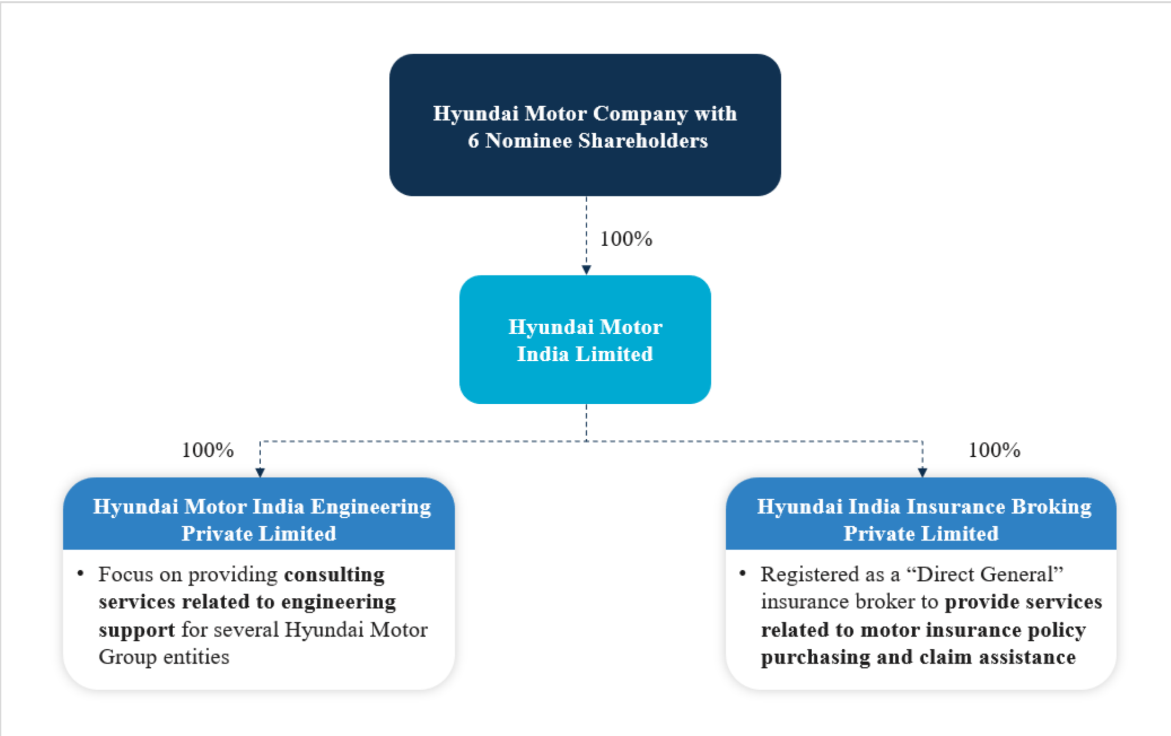
We intend to continue to invest in targeted marketing campaigns with a strong India connect, through digital media initiatives, sponsorships, television advertisements, gaming shows and sporting events and carefully selected celebrity endorsements to position ourselves as a trusted brand in India. We also intend to increase further our customer base by tapping into new markets in India, such as rural, tier-2 and tier-3 towns, to meet demands of customers. Specifically, we intend to partner with our dealers to conduct outreach events to showcase our passenger vehicle portfolio to enhance brand awareness and generate interest. We also plan to continue undertaking inclusivity initiatives such as "Samarth by Hyundai" and make our passenger vehicles accessible to all. By expanding our reach across age groups and geographies, we aim to continue to enhance the image of "Hyundai" as a trusted brand across India.

Further deepen our physical-and digital network for sales and services across India

We intend to continue to deepen our dealer network across India. With the expanding road infrastructure in India, we have been expanding our presence across rural areas by engaging with our existing dealers to expand their operations as well as to onboard new dealers. We are also taking steps to enhance allied businesses such as pre-owned passenger vehicle sales, conducting benchmarking studies and sharing of best practices with dealers, to boost efficiency and provide more business opportunities for our dealers. We also intend to continue focussing on sustainability at our dealer showrooms. For example, we now encourage some of our dealers to install solar power panels at their showrooms and service centres and give the option of dry wash for customers to clean their vehicles.

Our Corporate Structure

The following chart shows the corporate structure of our Company as of March 31, 2024:



Our Company is a wholly-owned subsidiary of HMC. HMC offers a diverse product line and offered more than 40 models in CY2023. Their product portfolio includes among others, passenger vehicles, recreational vehicles (including multi-purpose vehicles, crossover utility vehicles and SUVs), commercial and passenger EVs for sale globally on a completely built basis or completely knocked down basis.

Royalty Agreement between HMC and HMI

Until June 10, 2024, our Company used to enter into separate technology and royalty agreements with HMC for each passenger vehicle model that our Company manufactured and sold. However, pursuant to the existing

Royalty Agreement with HMC, HMC has, among others, granted our Company a non-exclusive, non-transferable right and license to manufacture and sell passenger vehicles and/or parts as specified in the Royalty Agreement in India and to use HMC's trademarks in connection with such manufacturing and selling activities for which our Company is required to pay an amount to HMC equal to 3.5% of our sales revenue (*which is to be determined as set forth in the Royalty Agreement*) , arising from sale of the passenger vehicles or parts. Payment of royalty is to be made by our Company to HMC on a quarterly basis. Under the Royalty Agreement, HMC provides our Company the right to purchase machinery, tools and equipment and other necessary items for the manufacture and assembly of the passenger vehicles and technical information for the production and/or assembly of the passenger vehicles and other assistance required for the manufacture of the passenger vehicles. Any export of passenger vehicles by our Company is subject to a prior written approval from HMC. The Royalty Agreement may be terminated by HMC for specified reasons, including if our Company is unable to remit royalty payments to HMC for any reason. For further details on the Royalty Agreement, see "***History and Certain Corporate Matters – Key terms of other subsisting material agreements***" on page 192.

Our Operations

We primarily manufacture and sell four-wheeler passenger vehicles and parts, such as transmissions and engines in India and outside India. We also provide extended warranties and insurance broking services. The figure below illustrates our pan-India operations:

Note: Data as of March 31, 2024 (1) Expected to be operational in second half of Fiscal 2026

Our Portfolio

The following table sets forth the domestic sales volumes by passenger vehicle segment for the periods indicated:

Particulars	Nine months ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
		(*Units*)		
Domestic sales volumes by passenger vehicle sub-segments	**454,404**	**567,546**	**481,500**	**471,535**
Sedans				
Compact Sedans (1)	39,763	50,232	35,854	34,573
Premium Sedans (2)	24,459	19,769	20,230	19,378
Luxury Sedans (3)	2	-	-	-
Hatchbacks				
Compact Hatchbacks (4)	53,918	113,252	112,217	123,810
Premium Hatchbacks (5)	52,619	82,612	62,769	79,607
SUVs				
Compact SUVs (6)	145,532	120,653	105,091	92,972

Particulars	Nine months ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
		(*Units*)		
Mid-size SUVs [7]	118,288	151,293	118,223	120,215
Large SUVs [8]	19,823	29,735	27,116	980

(1) *Refers to sedans with a length of less than 4 metres.*
(2) *Refers to sedans with a length between 4 metres and 4.7 metres.*
(3) *Refers to sedans with a length of more than 4.7 metres. The two passenger vehicles sold in the nine months ended December 31, 2023, have not been commercially launched in India.*
(4) *Refers to hatchbacks with a length of less than 3.9 metres.*
(5) *Refers to hatchbacks with a length of more than 3.9 metres.*
(6) *Refers to SUVs with a length of less than 4 metres.*
(7) *Refers to SUVs with a length between 4 metres and 4.4 metres.*
(8) *Refers to SUVs with a length between 4.4 metres and 4.7 metres.*

The following table sets forth the domestic sales volumes by powertrain for the periods indicated:

Particulars	Nine months ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Domestic sales volume by powertrain				
ICE (without CNG)	402,497	506,249	437,637	448,278
CNG	50,272	60,322	43,732	23,077
EV	1,635	975	131	180
Eco-friendly passenger vehicle (CNG passenger vehicles and EVs) sales volume contribution (%)	11.42%	10.80%	9.11%	4.93%

The following table provides an overview of our passenger vehicle portfolio:

Models	Ex-showroom (Delhi) price range as of March 31, 2024 [1]	Fuel types	First model's launch date	Awards/Rating
COMPACT SEDANS				
Aura 	₹648,600 – ₹904,700	Petrol; Bi fuel (Petrol and CNG)	January 2020	
PREMIUM SEDANS				
Verna 	₹1,100,400 – ₹1,741,800	Petrol	September 2006	• India Car of the Year (ICOTY), ICOTY 2018 • The One That Matters Awards – Compact Car 2024, Acko Insurance • Breakthrough Car of the Year, Car&Bike Awards, 2024, Car&Bike Magazine • Car of the Year, 2024, ABP Live Auto Awards • Sedan of the Year, 2024, ABP Live Auto Awards • Five-star safety rating, the Global New Car Assessment Programme, 2023
COMPACT HATCHBACKS				
Grand i10 NIOS 	₹592,300 – ₹856,300	Petrol; Bi fuel (Petrol and CNG)	September 2007	• Hatchback of the Year, 2020, Autocar Awards
PREMIUM HATCHBACKS				
i20 *i20* 	₹704,400 – ₹1,120,900	Petrol	December 2008	• India Car of the Year (ICOTY), ICOTY 2021 • Hatchback of the Year, 2021, Autocar India

Models		Ex-showroom (Delhi) price range as of March 31, 2024 (1)	Fuel types	First model's launch date	Awards/Rating
	i20 N Line 	₹999,500 – ₹1,251,800	Petrol	September 2021	
COMPACT SUVs					
Exter		₹612,800 – ₹1,027,900	Petrol; Bi fuel (Petrol and CNG)	July 2023	• India Car of the Year (ICOTY), ICOTY 2024 • The One That Matters Awards – Micro SUV, 2024, Acko Insurance • Jagran Hi-tech Awards – Urban Car of the Year, 2023, Jagran New Media
Venue	*Venue* 	₹794,100 – ₹1,348,100	Petrol; Diesel	May 2019	• India Car of the Year (ICOTY), ICOTY 2020
	Venue N Line 	₹1,207,700 – ₹1,389,800	Petrol	September 2022	
MID-SIZE SUVs					
Creta	*Creta* 	₹1,099,900 – ₹2,014,900	Petrol; Diesel	July 2015	• India Car of the Year (ICOTY), ICOTY 2016
	Creta N Line 	₹1,682,300 – ₹2,044,900	Petrol	March 2024	
LARGE SUVs					
Alcazar		₹1,677,500 – ₹2,128,400	Petrol; Diesel	June 2021	
Tucson		₹2,901,800 – ₹3,594,200	Petrol; Diesel	March 2005	• Car of the Year, Design of the Year, Premium SUV of the Year, 2022, Auto X
IONIQ 5		₹4,605,000	Electric	January 2023	• World Car of the Year, 2022, World Car Awards • Green Car of the Year, 2024, ICOTY • The One That Matters Awards – Car Design of the Year, 2024, Acko Insurance • Premium Car of the Year, Car&Bike Awards, 2024, Car&Bike Magazine • Jagran Hi-tech Awards – Electric Car of the Year, 2023, Jagran New Media • EV of the Year, 2024, Autocar Awards

(1) Ex-showroom price (Delhi) refers to the cost of a passenger vehicle including GST and any other applicable taxes before registration, insurance and road tax.

Key Vehicle Features

To enhance customer experience, our passenger vehicles are equipped with various technology-enabled features. A few examples are set out below.

Connected Car

- *Bluelink™* is a connected car technology. Through Bluelink™, customers can retrieve information about their passenger vehicles using their smartphones. Some of the features on Bluelink™ include 24/7 access to the call centre operated by us for immediate support to customers in case of roadside assistance. Some services include remote operations, live tracking, vehicle status, trip history, real time traffic and hands free calling assistance. Bluelink™ also comes with embedded voice commands that support *Hinglish,* in addition to English. Further, it can support embedded voice commands without an internet connection. As of March 31, 2024, Bluelink™ was equipped with 72 features (2024 Creta) which increased from 35 features in May 2019 when Bluelink™ was introduced. As of March 31, 2024, most of our passenger vehicle models were offered with Bluelink™ as an optional feature. The proportion of our total passenger vehicles sold in India with Bluelink™ increased from 20.38% in Fiscal 2021 to 23.87% in Fiscal 2022 to 26.33% in Fiscal 2023 and was 29.28% in the nine months ended December 31, 2023.

- *Home to Car* is a connected car technology through which customers can remotely lock and unlock the door of their passenger vehicles, check the status or condition of their passenger vehicles, locate their passenger vehicles using the "find my car" feature, obtain fuel level information and tire pressure information, among others.

Safety Features

- *Hyundai SmartSense* is an advanced driver assistance system ("**ADAS**") that uses automated sensing technology with a combination of radars, sensors, and cameras to detect obstacles on road and respond with countermeasures for impact avoidance. It provides protection through features such as blind-spot collision warning, forward collision-avoidance assist, blind-spot view monitor, driver attention warning, lane following assist, safe exit warning, forward collision avoidance and assist-junction turning, among others. As of June 1, 2024, we have ADAS in seven of our passenger vehicle models with Level 2 ADAS in five of our passenger vehicle models.

- *Other safety features:* Include standardised six airbags, three-point seatbelts and seatbelt reminder which have been incorporated across all our passenger vehicle models and variants.

Charging Features

- *Vehicle-to-load ("**V2L**"):* The V2L technology is available in our IONIQ 5 passenger vehicle model and provides charging sockets inside and outside the passenger vehicle allowing customers to charge or use their electric devices even while on the move. Each V2L socket provides up to 3.6 kW power.

- *800V charging system:* IONIQ 5 is equipped with an 800V charging system. Using a 350-kW direct current charger, IONIQ 5 can be charged from 10% to 80% battery-life in approximately 18 minutes.

Other Features

- *Innovative Features*: Many of our passenger vehicles come equipped with innovative features such as panoramic sunroof, air purifiers and wireless charging pods.
- *Assistive technology for co-passengers:* As part of our "Samarth by Hyundai" initiative, we are adopting assistive technology for co-passengers. For example, in July 2023, we launched TurnPlus as an accessory, which is a swivel seat mechanism for passenger vehicles for the specially able to easily enter and exit in the vehicles at the co-driver seat. As of March 31, 2024, most of our passenger vehicle models can be customised with manual TurnPlus. To support inclusivity, we are developing other assistive features as described in our strategies above.

- *Drive modes*: Some of our passenger vehicles are equipped with three traction control modes (snow, mud and sand) and three drive modes (normal, eco and sport).

- *Sustainable materials*: IONIQ 5 uses eco-friendly materials such as eco-processed leather, carpet fabric, paint used on the crash pad and door trims, made from extracts of sustainable materials.

Our Manufacturing

Manufacturing Plants

We have three manufacturing plants in India – two operating plants in Irrungattukottai, Sriperumbudur in Tamil Nadu – the Chennai Manufacturing Plant; and one plant at Talegaon in Pune in Maharashtra – Talegaon Manufacturing Plant, which is under redevelopment.

Note: Data as of March 31, 2024

The following table sets forth our installed capacity, production volume and capacity utilisation across the Chennai Manufacturing Plant for the periods indicated:

Plant (1)	Nine months ended December 31,			Fiscal								
	2023			2023			2022			2021		
	Installed capacity (3)	Production volume	Capacity utilisation (%) (2)	Installed capacity	Production volume	Capacity utilisation (%) (2)	Installed capacity	Production volume	Capacity utilisation (%) (2)	Installed capacity	Production volume	Capacity utilisation (%) (2)
Chennai Plant #1	293,000	301,700	102.97	354,000	350,342	98.97	342,000	289,308	84.59	336,000	251,813	74.94
Chennai Plant #2	310,000	285,000	91.94	416,000	376,958	90.61	416,000	316,792	76.15	416,000	315,915	75.94
Total installed capacity	**603,000**	**586,700**	**97.30**	**770,000**	**727,300**	**94.45**	**758,000**	**606,100**	**79.96**	**752,000**	**567,728**	**75.50**

Source: Independent Chartered Engineer; Notes: (1) calculations assume 293 working days at 21.92 working hours per day for Fiscals 2021, 2022 and 2023, and calculations assume 219 working days at 21.92 working hours per day for the nine months ended December 31, 2023; (2) production volume divided by installed capacity; (3) the annual installed capacity is 824,000 units as on March 31, 2024.

Chennai Manufacturing Plant:

The Chennai Manufacturing Plant comprises two fully integrated plants. The first manufacturing plant commenced commercial operations in 1997, while the second manufacturing plant commenced commercial operations in 2008. The Chennai Manufacturing Plant can produce 13 passenger vehicle models with different specifications depending on market demand. We also have two shops for manufacturing engines, two shops for manufacturing transmissions and one aluminium foundry. We have also leased a part of our facility at the Chennai Manufacturing Plant to Mobis to produce EV batteries.

Talegaon Manufacturing Plant:

To augment our manufacturing capacity, we recently acquired the Talegaon Manufacturing Plant from General Motors India on December 28, 2023, which is under redevelopment and is expected to be operational in phases – with the first phase to be operational by the second half of Fiscal 2026. The timing of the next phases will be determined based on market demand. The Talegaon Manufacturing Plant is an integrated passenger vehicle and engine manufacturing facility across approximately 300 acres of leased land allotted by the industrial development corporation premises.

Manufacturing Process & Technology

Integrated Plant Manufacturing - both Vehicles and Powertrains

Vehicle Plant – 2 Plants with 4 Shops each

824,000	**708**	**2,000+**
Annual capacity	**Robots for automation**	**Critical machines**

Note: Data as of March 31, 2024

The passenger vehicle manufacturing process at our facility is set out below:

- *Press Shop:* as a first step sheet metal is converted to body panels monitored and inspected to ensure consistency.

- *Body Shop:* these panels are then processed to build body shells using a hi-tech line. Automated robotic arms are used for intricate welding operations that ensures consistent quality.

- *Paint Shop:* body shells are painted using protection paint through a process that includes electro deposition, surfacer, basecoat and topcoat finish. Each paint shop can accommodate eight passenger vehicle models and paint using 12 colours on the same line.

- *Powertrain Shop:* is equipped with tooling and testing facilities to produce a wide range of powertrains in-house. The engine manufacturing process at our facility includes foundry operations, machining and engine assembly. We manufacture both diesel and petrol engines in same production line. Precision is achieved with advanced machining centres and measurement machines. Operational parameters are monitored in real time through our in-house line monitoring systems with data collected for analysis and process improvement; and

- *Final Assembly:* chassis parts including the front and rear axles and steering units are processed and mounted onto the frame to form a complete chassis, after which the complete vehicle chassis, complete engine unit and other auto parts (including auto parts purchased from suppliers) are assembled into a complete passenger vehicle.

To boost manufacturing efficiency, we use robotics for a large part of our manufacturing operations. Robots perform welding, assembly, painting, inspection, production facility organisation, component process management, ordering and transportation. This enables us to manufacture multiple passenger vehicle models at the same time. The dedicated network deployed at the Chennai Manufacturing Plant connects seven shops and over 2,000 critical machines through more than 1,000 intelligent sensors. This network generates 20 billion data points annually and enables real-time monitoring of over 300 process parameters through 150 real-time dashboards. Other examples of our manufacturing technology include: (i) an intelligent timer controller to reduce spatters and improve weld quality; (ii) a sealer vision system; (iii) sophisticated robot 3D scanners for dimensional quality measurement; (iv) a multimodal key jig for the floor assembly to facilitate space utilisation and provide flexibility in our manufacturing process; (v) welds with tip dressing system that utilises a colour sensor for improved accuracy; (vi) AI-powered cameras for auto zone safety monitoring; (vii) regenerative thermal oxidiser to control emissions and (viii) multi-degree 3D gun sealer for underbody sealing, and we inspect sealer application using vision deep learning technology. The safety performance of the Chennai Manufacturing Plant is also significantly boosted by this automation and robotics with only 15 accidents reported from April 1, 2020 to December 31, 2023.

Quality Control

We have a separate final inspection line for quality checks for all assembled passenger vehicles. We conduct system wise checks to ensure function and appearance quality of our products. Our Digital Vehicle Inspection System integrates the quality assurance process digitally by capturing quality assessment data and verifying it against established standards, involving multiple inspection checkpoints before final clearance. We conduct real-time road tests for each passenger vehicle manufactured, covering various road types, a shower test and a drive evaluation. We also use technologies such as 3D scanners, dynamo test beds, digital processes, among others to test our products. Our quality control systems are based on HMC’s Global Quality Management System which monitors the quality throughout all phases of the value chain, from development, production, sale to after-sale services of new passenger vehicle. We have also established the India Quality Centre in Faridabad, Haryana to support our quality control initiatives. Pursuant to the Royalty Agreement, we are required to submit quality reports to HMC on a regular basis.

Our Suppliers

We depend on a combination of Indian and global suppliers, including HMC, to provide body parts, trims, engines and transmission, and materials such as steel for our manufacturing operations. These suppliers in turn source their own supplies such as steel, rubber, plastic, and aluminium and petroleum products from domestic and global suppliers, including from us. For example, Hyundai Steel India Private Limited supplies steel to us, which we in turn supply to our suppliers.

While procuring supplies from HMC, our Company places purchase orders for our monthly supply requirements at least three months in advance. The unit price of the parts is determined based on negotiations between both parties. We have entered into the Framework Agreement with HMC which sets forth a framework for the various services that we, our Promoter or other companies within the Hyundai Motor Group provide. For details in relation to the Framework Agreement entered into by our Company and HMC please see “***History and Certain Corporate Matters - Key terms of other subsisting material agreements***” on page 192. With our other suppliers, the supplier selection process is based on a wide variety of factors, including technical expertise, product quality, location, and financial stability. We conduct site visits and assess suppliers using HMC’s global vendor checklist against various parameters such as new part development management, quality, procurement, line process management, among others.

We typically enter into a basic purchase agreement with other suppliers under which we agree to (i) share with the suppliers the specifications of the ordered parts including documents, drawings and samples as certified by our Company, (ii) supply raw materials, semi-finished products wherever applicable to the supplier in relation to the ordered parts and (iii) supply certain special tools such as moulds, jigs, fixtures, among others, in relation to the ordered parts to the suppliers. Under the basic purchase agreements, we also agree to conduct regular inspections of the ordered parts as per our inspection standards. Further, we also agree on the unit price, supply schedule, packaging specifications, compensation and claims procedures and quality assurance processes, among others with the suppliers. For each purchase, we place purchase orders with these suppliers which specify the quality, price, time and other specific details. We also enter into non-disclosure agreements and license agreements with other suppliers, which primarily covers the responsibility of the suppliers to keep all information provided by our Company, such as business plans, projections, trade secrets and new material, among others, confidential and to use the certain specialised tools and jigs, as may be required, provided by our Company to the suppliers in relation to the ordered parts.

The following table provides a breakdown our top-10 suppliers that constituted more than 50% of our total supplies for the nine months ended December 31, 2023:

Name of supplier	***% of total parts and materials supplied***
Mobis India Limited*	16.08%
Hyundai Motor Company*	10.50%
Hyundai Steel India Private Limited	7.81%
Hyundai GLOVIS Co., Ltd.	5.81%
Kia India Private Limited*	3.72%
Hyundai Transys Lear Automotive India Private Limited*	3.67%
Seoyon E-Hwa Summit Automotive India Private Limited	3.24%
S L Lumax Limited	2.76%
BASF Catalysts India Private Limited	2.62%
PT Hyundai Motor Manufacturing Indonesia*	2.18%

* Related parties of our Company.

Research & Development and Design

Our passenger vehicles are based on designs developed within the Hyundai Motor Group to ensure a globally consistent design quality. As part of the Hyundai Motor Group, we gain early access to the latest global trends in automobile manufacturing. We then reorient and customise these technologies and features to meet local tastes, design and aesthetics. Our R&D centre in Hyderabad, works closely with the HMC's centralised R&D hub at Namyang, Korea. Our big data team analyses the data collected through sensors, telematics devices, and telecommunications, such as brake intensity during hard stops, which form the basis for improvements, upgrades, facelifts and new features.

Sales and Distribution

We sell our passenger vehicles and parts in India and outside India.

Domestic Sales

We primarily sell our passenger vehicles in India through our large dealer network across urban and rural India. The following table sets forth our various sales outlets that are operated by our dealers for the periods indicated:

Particulars	**As of December 31,**	**As of March 31,**		
	2023	**2023**	**2022**	**2021**
Urban	721	708	684	656
Rural	645	628	598	511
Total sales outlets	1,366	1,336	1,282	1,167

Under our dealership agreements with domestic dealers, they have the non-exclusive right to sell our passenger vehicles, provide after-sale services and promote our passenger vehicles. They also have the right to use the "Hyundai" marks and logos to promote passenger vehicles and after-sale services and sell pre-owned passenger vehicles under the "Hyundai Promise" programme. Our dealers are required to stock adequate quantity and variety of our passenger vehicles based on estimated purchase orders for the upcoming months, related parts and accessories, maintain a complete service and parts team and follow other requirements specified in the dealership agreement to maintain service standards. We collaborate with our dealers for promotion and advertising through various media and supply dealers with promotional materials for sales and service marketing. We also operate one showroom in Chennai, located near the Chennai Manufacturing Plant. We sell passenger vehicles and provide after-sale services at this showroom.

Exports

We export not only completely built passenger vehicles but also dismantled parts to overseas markets. As of December 31, 2023, we were operating through 82 international distributors outside India. For exports, we typically service export orders received directly from HMC or from distributors in the export country in coordination with the respective Hyundai regional headquarters. HMC enters into dealership agreements with these distributors pursuant to which these distributors agree to purchase passenger vehicles and parts from us (as an affiliate of HMC) for sale directly to retail customers or to their authorised dealers in the assigned region. The supply price of passenger vehicles and parts is determined separately for each purchase order as agreed with us, HMC and the distributor. Exports by us are subject to receipt of a prior written approval of HMC, pursuant to the

Royalty Agreement. Like our domestic dealers, international distributors can also access the Distributor Trading System for order placing and day to day operation management.

Dealer Performance

Under our agreements with dealers, they are required to adhere to our quality standards. We also launched our "Dealer KPI Programme", which is a comprehensive tool designed to improve the business quality, customer experience, and long-term sustainability of our dealer network. The programme assesses dealer performance on a set of key performance indicators covering various aspects such as sales, service, "Hyundai Promise", customer experience, manpower, among others. We incentivise dealers that meet these key performance indicators and secure high scores. These assessments are conducted on a regular basis. We also have programmes that incentivises dealers that achieve monthly, quarterly and annual sales targets.

Services

After-Sale Services

We have four pillars of providing after-sales service, i.e., offering transparency, quality, convenience, and peace of mind to our customers. We offer after-sale services primarily through our large network of dealers. Our after-sales service network includes 1,550 dealer workshops and authorised service centres across India as of December 31, 2023.

One of our Group Companies, Mobis is the exclusive supplier of parts and accessories for the after sales services of our passenger vehicles. We sell some parts manufactured at our manufacturing plants to Mobis to support after sales service operations and dealers can purchase spare parts from Mobis exclusively. We have started digitising the after-sale service experience by introducing live-streaming, online service booking and payment, along with pick-up and drop service, and these services are being continuously expanded across our network.

We also provide various service programs such as Extended Warranty, Shield of Trust, Hyundai Premium Assurance and 24/7 roadside assistance for enhanced customer convenience.

We introduced the "Doorstep Service Programme" in 2020, where mobile service vans provide after-sale services, allowing customers to access these services from the comfort of their homes. As of March 31, 2024, our mobile service vans served customers in more than 100 cities and towns in India. A team equipped with the tools to carry out required services are available on these vans.

We also launched a passenger vehicle maintenance programme "Hyundai Shield of Trust", which offers coverage for the replacement of 14 parts and labour ranging from two years/40,000 km to five years/60,000 km. In addition, we also offer "Shield of Trust Super" programme covering the periodic maintenance parts and labour cost ranging from two years/20,000 km to five years/50,000 km. Customers can purchase the packages through any Hyundai dealer workshop. Dedicated service support is available 24/7 through the myHyundai app and the Hyundai India website for roadside assistance.

Warranty

Customers are entitled to after-sale services from us, which include replacement of parts, during the warranty period. Our warranties typically include new passenger vehicle warranty, replacement parts warranty, emissions warranty and powertrain warranty. We also offer customers the option to extend their warranties. The following table sets forth the general classification of the warranties offered by the Company:

Warranty	Coverage
New passenger vehicle warranty	Three-year/100,000 km warranty Three-year/unlimited distance warranty
Replacement part warranty	Six-months/10,000 km
Emission warranty	Applicable to certain passenger vehicles sold in India to comply with the Central Motor Vehicle Rules, 1989 • Warranty for 36 months/80,000 km • Warranty for 36 months irrespective of the mileage
Powertrain extended warranty	Extended warranty offering up to five years/140,000 km.
Passenger vehicle extended warranty	Extended warranty offering up to five years/140,000 km for petrol, diesel and CNG passenger vehicles. An additional extended warranty option for the sixth and seventh year up to 100,000 km for petrol passenger vehicles only.

Export Passenger vehicle warranty condition	One year/ 20,000 kms basic warranty going up to five years and unlimited km for export vehicles based on region/ countries as applicable.

The following table shows the warranty provision created for our sold passenger vehicles and as a percentage of total expenses for the periods indicated:

	Nine months ended December 31,	**As of March 31,**		
	2023	**2023**	**2022**	**2021**
	(₹ millions except percentages)			
Provisions for warranty (net)	1,819.78	2,144.58	1,917.63	1,989.07
Provisions for warranty (net) as a percentage of total expenses	0.38%	0.39%	0.43%	0.51%

Insurance Broking

To enhance customer mobility experience, we incorporated our insurance broking subsidiary in Fiscal 2022. Our wholly owned subsidiary, Hyundai India Insurance Broking Private Limited ("**HIIBPL**") is licensed by Insurance Regulatory & Development Authority of India under the category "Direct-General." Through HIIBPL, we liaise with insurance companies and provide a one-stop solution for our customers with respect to motor insurance policy purchasing and claim assistance. Customers can purchase these insurance products along with passenger vehicles through our dealers.

Financing

We facilitate access to financing arrangements for our dealers by working with banking institutions to provide cash credit to dealers identified by us to support purchase of our passenger vehicles.

Transportation Services

We offer transportation services to our dealers and distributors to transport passenger vehicles from our manufacturing plants, stock yards and ports. We charge dealers and distributors for such transportation services. For domestic shipments, we apply a standard freight rate for all locations based on the passenger vehicle model. For exports, we include the logistics cost in the price that we charge the distributors. To provide this service, we engage third-party transportation service providers.

"Hyundai Promise" Programme

As of March 31, 2024, 586 dealer outlets in our network across 352 cities and towns in India provided certified pre-owned passenger vehicle buying and selling services through our "Hyundai Promise" programme. Through this programme, dealers can source pre-owned passenger vehicles through trade-ins and other direct channels and refurbish the Hyundai passenger vehicles using Hyundai genuine parts. They can also take the assistance of a trained personnel to check and certify the Hyundai passenger vehicles, and then resell them with a warranty backed by us of up to one year or 20,000 km. The number of customers served in Fiscals 2021, 2022, 2023 and 2024 were approximately 85,300, 103,769, 134,443 and 152,322, respectively. Our dealers using the "Hyundai Promise" programme have served more than 1,200,000 customers on a certified and non-certified sales basis since the programme's launch in 2009.

Environment

We promote environmental sustainability through initiatives like sustainable mobility, ecological balance and resource conservation in alignment with HMC's global vision of "Progress for Humanity".

- We incorporate low-carbon practices to reduce carbon emission across our value chain. For example, at the Chennai Manufacturing Plant, we source renewable power from our inhouse 10 MW solar power plant, the Indian Energy Exchange and other offsite power purchase arrangements, which has resulted in the Chennai Manufacturing Plant's renewable energy utilisation rate to be 63% as of March 31, 2024. We are in the process of implementing a "RE100" plan, which will enable us to achieve our vision of improving our renewable energy utilisation rate to 100% by 2025, through renewable energy generated inhouse and sourced from third parties. The Chennai Manufacturing Plant is equipped with six rainwater harvesting ponds. Additionally, we have our own reverse osmosis water treatment plant and effluent and sewage treatment plant. We have taken steps to reduce hazardous waste through various initiatives such as engaging Tamil Nadu Pollution Control Board-approved vendors to conduct hazardous waste disposal and implementing screw press filters. We also have a dedicated environmental and energy team overseeing the implementation of an Environmental Management System that adheres to ISO 14001 standards. Additionally, we have established an Energy Management System in accordance with ISO 50001 criteria.

- We are committed to fulfilling the "Extended Producer Responsibility" for the recovery and recycling of end-of-life passenger vehicles and minimising their environmental impact. In our passenger vehicle design process, we prioritise recycling and aim to transition from a linear (production-consumption-disposal) to a circular (production-consumption-regeneration) business model. For example, in our battery recycling programme, used EV batteries are collected by our battery collection vendor and recycled for battery manufacturing after appropriate tests.
- Our Chennai Manufacturing Plant uses multiple sustainable processes. Some examples include using LED lighting; applying thermo-ceramic coating on furnaces and ovens to reduce fuel consumption; eliminating steam through waste heat recovery at paint shops; relocating boilers to reduce transmission loss; installing energy efficient turbo chillers in paint shops; and using dry-wash technology to wash passenger vehicles.
- "EcoGram" was established by Municipal Corporation Gurugram and our public trust for CSR initiatives - the "Hyundai Motor India Foundation ("**HMIF**"): Centre for Sustainable Solutions", a decentralised self-sustained waste management and biogas plant. It includes a material recovery facility for dry waste, a biogas plant converting wet waste into electricity and a learning centre.
- We are committed towards carbon neutrality and have initiated the Integrated Solutions to Climate Change to achieve carbon neutrality by 2045. We received the "Excellent Energy Efficient Unit" Award at the CII National Energy Management Awards held in 2018, 2020 and 2021.

Social

Through HMIF and in partnerships with other non-government organisations we execute projects with respect to safety, healthcare, education and skill development across India.

Safety and healthcare:

- In Fiscal 2023, HMIF initiated "Mission Chennai", a health and road safety project targeting both public and private transport drivers. This initiative includes providing free health check-ups for drivers along with counselling by medical experts; conducting road safety sessions; and collaborating with authorities to conduct surveys addressing road use issues and proposing solutions.
- Launched in 2021, our "Sparsh Sanjeevani – Mobile Medical Van" project is a doorstep healthcare service in underserved rural areas, specifically in Laxmangarh, Rajasthan. We also established Sparsh Sanjeevani Telemedicine Clinics, extending healthcare access to other rural areas.

Education and skill development:

- We launched the "Vidya Vahini" programme in 2022 through which a mobile science library visits schools in Uttar Pradesh. The project inventory includes books, apparatus for experiments and trained instructors.
- We launched an agroforestry project in Andhra Pradesh for the Chenchu tribe. As a part of the project, we support the tribe by fencing the land, planting trees, delivering organic manure, supplying mechanised support for tilling, ploughing and conducting trainings on intercropping practices.
- In partnership with a non-governmental organisation, HMIF launched "Drive4Progress" in 2023, a driver skill development initiative aimed at providing skill development training and employment opportunities for the youth including women in Haryana, Maharashtra, National Capital Territory of Delhi, Andhra Pradesh, Tamil Nadu, West Bengal and Telangana.

Intellectual Property

We own various trademarks and other intellectual property rights in India that are ultimately owned by HMC, our Promoter. As of the date of this Draft Red Herring Prospectus, we had 77 registered trademarks under the Trademarks Act, 1999 and two registered patents under the Patents Act, 1970, while our applications in relation to five trademarks and one patent are pending in India. For further details, see "***Risk Factors – Internal Risks – We may be unable to adequately protect our intellectual property rights and may be subject to intellectual property infringement claims, either of which may substantially harm its business***" on page 54. Our Promoter has granted our Company a non-exclusive right to use our Promoter's trademarks in connection with its manufacturing and selling of passenger vehicles. For further details of the Royalty Agreement, see "***History and Certain Corporate Matters – Key terms of other subsisting material agreements***" on page 192.

Information Technology and Data Security and Protection

We utilise third-party business software and solutions to support our operations. Additionally, we have implemented office automation and security systems that span across our network infrastructure in factories and sales offices throughout India. To align with business needs, we regularly update our systems, ensuring that both hardware and software can handle the data processing demands and providing robust backup solutions.

Data Security and Protection

We operate our own data centre to support our business. Our data centre has a disaster recovery site storing replicated business critical data to ensure business continuity, managed by our internal IT staff at separate locations. Data collected during our operations, including data generated by our connected car technology, is handled in accordance with our data security policies. To protect our systems, products and data, we apply a variety of technical and organisational security measures. For example, access to applications is secured through multi-level authentication. Server and application vulnerabilities are mitigated through software patch updates and an IT malware protection system. Our security measures are enforced by dedicated personnel responsible for both physical and digital safeguards, with periodic updates to solutions and services to align with national and international security standards. We also have a vulnerability management team, which monitors various cyber threats around the clock. We have established security policies and procedures to manage data security and privacy. These are regularly reviewed by our team to accesses performance and ensure periodic updates to policies and processes for smooth business transactions. For more details on risks related to cybersecurity or privacy breach, please see "***Risk Factors – Internal Risks – Any actual or perceived cybersecurity or privacy breach could interrupt our operations, harm our brand and adversely affect our reputation, brand, business, financial condition and results of operations***" on page 56.

Employees

As of December 31, 2023, we had 5,475 full-time employees and 10,127 off-roll employees. The following table sets forth the number of our full-time employees by function as of December 31, 2023, and March 31, 2023, 2022 and 2021.

Function	As of December 31, 2023		As of March 31, 2023		2022		2021	
	Full-time Employees	(%)	Full-time Employees	(%)	Full-time Employees	(%)	Full-time Employees	(%)
Manufacturing Production	4,199	76.69%	4,104	77.04%	4,088	77.03%	4,091	76.87%
Sales, Service & Marketing	880	16.07%	847	15.90%	845	15.92%	857	16.10%
Supporting	396	7.23%	376	7.06%	374	7.05%	374	7.03%
Total	**5,475**	**100.00%**	**5,327**	**100.00%**	**5,307**	**100.00%**	**5,322**	**100.00%**

The table below provides our employee attrition rate for the periods indicated.

Particulars	Nine months ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
	(%)			
Employee - Voluntary Attrition Rate [(1)]	3.17	4.85	2.77	1.48

(1) Employees resigned voluntarily during the period/ fiscal divided by the average number of employees during the period/ fiscal. The average number of employees is computed as average of number of employees at the beginning and end of the period/ year.

We encourage job rotation among existing employees to optimise their skillsets and develop managerial skills through diverse tasks. We introduced learning programmes on data analytics, smart factory awareness, industry tools and evolution of mobility, among others. In collaboration with leading institutions in India, we offer head of department-level employees a 36-hour virtual certification programme titled "Digital Transformation & Digital Technologies". We upgrade our on-site safety management system by conducting comprehensive safety inspections regularly. We have achieved a low level of safety-related accidents with 5, 4, 1 and 5 in the nine months ended December 31, 2023 and Fiscals 2023, 2022 and 2021, respectively. We have also introduced flexible and hybrid work models and developed employee wellness programmes.

We have established zero-tolerance policy towards sexual harassment and discrimination. The Loyola Institute of Business Administration honoured us as the best human resource development practitioner in the automobile industry in 2022 and 2023.

As of the date of this Draft Red Herring Prospectus, our employees are unionised into two labour unions out of which one has been recognised by us. We have entered into a long-term wage settlement agreement dated June 30, 2022 with United Union of Hyundai Employees, which was valid for a period of three years from April 1, 2021 until March 31, 2024. For risks related to unionisation of our employees, work stoppages or increased labour costs, please see "***Risk Factors – Internal Risks – We may be subject to unionisation, work stoppages or increased labour costs, which could adversely affect our business and results of operations***" on page 58.

Our Culture

Our people strategy focuses on work, workplace and work force. We implement a role-based organisation structure, providing employees with agile experiences and development opportunities. This approach fosters a culture of collaboration, empowerment, and accountability, enabling us to increase work efficiency and facilitate the effective achievement of collective goals. We have a diverse leadership team, composed of individuals from diverse backgrounds, experiences, and perspectives. We believe in the power of inclusive leadership to drive positive change and create sustained value for all stakeholders. For example, we initiated the Diversity & Inclusion Council to review various aspects of diversity to create an inclusive workplace. We have established the "HYUNDAI-way (HY-way) to Excellence Framework", which is a behaviour competency framework guiding our key human resource processes and programmes. It consists of 13 competencies encompassing current and future-focused behaviours: think exponentially, passion for excellence, customer centricity, boundaryless working, impactful communication, digital dexterity, grow value, inspirational leadership, business acumen, managing people and performance, navigating ambiguity and change, continuous innovation and flawless execution. We also have a "reIMAGINATION'' leadership development programme with training on Work, People and Workplace dimensions, with phases of Reset, Rethink, Reconsider and Reimagine.

Insurance

Our insurance policies cover, among others, protection from fire, earthquake, burglary and special perils, group medical and accident insurance, commercial crime insurance, public liability insurance, commercial package insurance and marine cargo insurance. While we believe that the level of insurance, we maintain would be adequate to cover the normal risks associated with the operation of our business, we do not have insurance policies to cover all possible events. Also, see "***Risk Factors – Internal Risks – We rely primarily on third-party insurance policies to insure our operations-related risks. If our insurance coverage is inadequate, it may have an adverse effect on our business, financial condition and results of operations***" on page 55.

Property

Our Registered Office and the Chennai Manufacturing Plant are located at Plot No. H-1, SIPCOT Industrial Park, Irrungattukottai, Sriperumbudur Taluk, Kancheepuram District - 602 105, Tamil Nadu, India. Our Corporate Office is located at Plot No. C-11 & C-11 A, City Centre, Urban Estate, Sector 29, Gurugram – 122 001, Haryana, India. The details of our owned and leased properties are set forth in the table below:

	Location	Area	Lease/Freehold
Registered office and manufacturing plants			
1	Registered office and Chennai Manufacturing Plant	536.54 acres	Freehold (Owned)
Headquarter and corporate office			
1	Gurugram, Haryana	532,286 sq. ft	Freehold (Owned)
Other Manufacturing plant			
1	Talegaon Manufacturing Plant	300 acres	Leased
R&D centre			
1	Hyderabad, Telangana	15 acres	Owned
Quality centre			
1	Faridabad, Haryana	76,207 sq. ft	Leased

	Location	Area	Lease/Freehold
Showroom			
1	Chennai	44,954 sq. ft	Freehold (Owned)
Other offices			
1	*Zonal and regional offices*	139,580 sq. ft	Leased
2	*Training centres*	337,352 sq. ft	Leased

KEY REGULATIONS AND POLICIES

The following is a brief overview of certain sector specific laws and regulations in India which are applicable to the business and operations of our Company. The information in this section has been obtained from legislations, including rules, regulations, guidelines and circulars promulgated and issued by regulatory bodies that are available in the public domain. The statements below are based on the current provisions of Indian law, which are subject to change or modification by subsequent legislative actions, regulatory, administrative or judicial decisions. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial or administrative decisions. The description of laws and regulations set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice.

Laws in relation to our business

Motor Vehicles Act, 1988, the Central Motor Vehicle Rules, 1989 and the Tamil Nadu Motor Vehicles Rules, 1989

The Motor Vehicles Act, 1988, and the Central Motor Vehicle Rules, 1989 and the Tamil Nadu Motor Vehicles Rules, 1989 framed thereunder aim to ensure quality, safety, and performance standards in relation to any part, component, or assembly to be used in the manufacture of automobiles. In 2019, by way of an amendment, Central Government has introduced a mandatory recall provision for automobiles if any defects were found in the vehicle or a component of the vehicle, which were harmful to the environment, driver or occupant or other road users or which contains defects which are reported to the Central Government. Further, if a manufacturer notices a defect in a motor vehicle manufactured by them, they are required to inform the Central Government of the defect and initiate recall proceedings. The amendments to the Central Motor Vehicles Rules, 1989 from time to time regulate seat belts, air bags, safety of children in vehicles and adherence to Automotive Industry Standards 038 (Revision 2) which mandates additional safety requirements related to battery cells, onboard chargers, design of the battery pack, thermal propagation and short circuit loading.

Consumer Protection Act, 2019 and the rules made thereunder

The Consumer Protection Act, 2019 (the "**Consumer Protection Act**"), which repeals the Consumer Protection Act, 1986, was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, inter alia to promote and protect the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of "consumer" under the Consumer Protection Act also includes persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs.

Factories Act, 1948

The Factories Act, 1948, as amended (the "**Factories Act**"), defines a "factory" to cover any premises which employs 10 or more workers on any day of the preceding 12 months and in which a manufacturing process is carried on with the aid of power or any premises where at least 20 workers are employed, and where a manufacturing process is carried on without the aid of power. Each State Government has enacted rules in respect of the prior submission of plans and their approval for the establishment of factories and registration/licensing thereof. The Factories Act provides for imposition of fines and imprisonment of the manager and occupier of the factory in case of any contravention of the provisions of the Factories Act.

The Explosives Act, 1884 and the Explosives Rules, 2008

The Explosives Act, 1884 ("**Explosives Act**") is a comprehensive law which regulates by licensing the manufacturing, possession, sale, transportation, export and import of explosives. Under the Explosives Act, "explosive" means inter alia any substance, whether a single chemical compound or a mixture of substances, whether solid or liquid or gaseous, used or manufactured with a view to produce a practical effect by explosion or pyrotechnic effect. The Central Government may, for any part of India, make rules consistent with this act to regulate or prohibit, except under and in accordance with the conditions of a license granted as provided by those rules, the manufacture, possession, use, sale, transport, import and export of explosives, or any specified class of explosives. Extensive penalty provisions have been provided for manufacture, import or export, possession, usage, selling or transportation of explosives in contravention of the Explosives Act. In furtherance to the purpose of the Explosives Act, the Central Government has notified the Explosive Rules, 2008 to regulate the manufacture, import, export, transport and possession for sale or use of explosives.

Petroleum Act, 1934 ("Petroleum Act") and Petroleum Rules, 2002 ("Petroleum Rules")

The Petroleum Act regulates the import, transport, production, refining, storage, blending of petroleum. The Petroleum Rules require every person importing, transferring, or storing petroleum of certain grades to do so only in accordance with a licence granted under the Petroleum Rules.

The Gas Cylinder Rules, 2016

The Central Government promulgated the Gas Cylinder Rules, 2016 to regulate the filling, possession, transport and import of compressed gas filled in metallic containers. The objective of these rules is to ensure the safety of persons engaged in the activity of filling, possession, transport and import of gases in compressed or liquefied states. No person shall deliver or dispatch any cylinder filled with any compressed gas to any other person in India who is not the holder of a licence, unless he is exempted under these rules and the license can be suspended or cancelled by the licensing authority, if there is any non-compliance with the provisions of the Explosives Act, 1884 or the Gas Cylinder Rules, 2016.

The Solvent, Raffinate and Slop (Acquisition, Sale, Storage and Prevention of Use in Automobile) Order, 2000

The Solvent, Raffinate and Slop (Acquisition, Sale, Storage and Prevention of Use in Automobile) Order, 2000 defines an automobile as any vehicle registered by a person with the road transport authority wherein fuel certified for use in such automobile is motor spirit, high diesel, liquefied petroleum gas or compressed natural gas. The Central or State Government may authorise an officer to draw to (a) enter and search any place or premises being used in the business of the dealer or transporter, (b) stop and search vehicles intended to be used for movement of products, (c) inspect any books of account or other documents of the products used or proposed to be used in the business of the dealer or transporter and (d) takes samples of the product and seize any stocks of the products.

The Essential Commodities Act, 1955 (the "ECA")

The ECA empowers the Central Government, to control production, supply and distribution, trade and commerce in certain essential commodities for maintaining or increasing supplies or for securing their equitable distribution and availability at fair prices or for securing any essential commodity for the defence of India or the efficient conduct of military operations. Using the powers under it, various ministries/departments of the Central Government have issued control orders for regulating production, distribution, quality aspects, movement and prices pertaining to the commodities which are essential and administered by them.

Legal Metrology Act, 2009

The Legal Metrology Act, 2009, as amended (the "**Metrology Act**") aims to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. Any transaction/contract relating to goods/class of goods or undertakings shall be as per the weight/measurement/numbers prescribed by the Metrology Act. The specifications with respect to the exact denomination of the weight of goods to be considered in transactions are contained in rules by each state. The Metrology Act makes it mandatory to obtain a license from the Controller of Legal Metrology by any person who manufactures sells or repairs any weight or measure. All weights or measures in use or proposed to be used in any transaction, are required to be verified and stamped at such place and during such hours as the Controller of Legal Metrology may specify, on payment of prescribed fees. The Metrology Act and rules framed thereunder regulate, inter alia, the labelling and packaging of commodities, notification of government-approved test centres for verification of weights and measures used, and lists penalties for offences and compounding of offences under it. Any non-compliance or violation under the Metrology Act may result in, inter alia, a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases. The Metrology Act also provides for provisions relating to compounding of offences.

Sale of Goods Act, 1930 (the "Sale of Goods Act")

The Sale of Goods Act governs contracts relating to sale of goods in India. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract of sale may be an absolute one, or based on certain conditions. The Sale of Goods Act, 1930 contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of gods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

The Indian Boilers Act, 1923 and the Indian Boiler Regulations, 1950

Under the provisions of the Indian Boilers Act, 1923 ("**Boilers Act**"), an owner of a boiler is required to get the boiler registered and certified for its use. The Boilers Act provides for inter alia the safety of life and property of persons from the danger of explosions of steam boilers and regulates the possession of steam boilers. It sets out the requirements for achieving uniformity in registration and inspection during operation and maintenance of boilers in India and provides for penalties for illegal use of boilers. It also prescribes standard requirements with respect to material, construction, safety and testing of boilers. The Indian Boiler Regulations, 1950 provides for, inter alia, standard requirements with respect to material, construction, safety and testing of boilers.

Electricity Act, 2003

The Electricity Act, 2003 ("**Electricity Act**") was enacted to regulate the generation, transmission, distribution, trading and use of electricity by authorising a person to carry on the above acts either by availing a license or by seeking an exemption under the Electricity Act. Additionally, the Electricity Act states no person other than Central Transmission Utility or State Transmission Utility, or a licensee shall transmit or use electricity at a rate exceeding 250 watts and 100 volts in any street or place which is a factory within the meaning of the Factories Act, 1948 or a mine within the meaning of the Mines Act, 1952 or any place in which 100 or more persons are ordinarily likely to be assembled. An exception to the said rule is given by stating that the applicant shall apply by giving not less than seven days' notice in writing of his intention to the Electrical Inspector and to the District Magistrate or the Commissioner of Police, as the case may be, containing the particulars of electrical installation and plant, if any, the nature and purpose of supply of such electricity. The Electricity Act also lays down the requirement of mandatory use of metres to regulate the use of electricity and authorises the Commission so formed under the Electricity Act, to determine the tariff for such usage. The Electricity Act also authorises the State Government to grant subsidy to the consumers or class of consumers it deems fit from paying the standard tariff required to be paid.

Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 ("CEA Regulations")

The CEA Regulations lay down regulations for safety requirements for electric supply lines and accessories (metres, switchgears, switches, and cables). It requires all material and apparatus used in the construction, installation, protection, operation and maintenance of electric supply lines and apparatus to conform to the relevant specifications prescribed by the BIS or the International Electro-Technical Commission. These include requiring all electric supply lines and apparatus to: (a) have sufficient rating for power, insulation, and estimated fault current; (b) be of sufficient mechanical strength for the duty cycle which they may be required to perform under the environmental conditions of installation; and (c) be constructed, installed, protected, worked and maintained in such a manner as to ensure safety of human beings, animal and property.

The Information Technology Act, 2000 (the "IT Act") and the rules made thereunder

The IT Act seeks to (i) provide legal recognition to transactions carried out by various means of electronic data interchange and other means of electronic communication, commonly referred to as "electronic commerce", involving alternatives to paper-based methods of communication and storage of information, (ii) facilitate electronic filing of documents, and (iii) create a mechanism for the authentication of electronic documentation through digital signatures. The IT Act facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third-party information liability and creates liability for failure to protect sensitive personal data. The IT Act also prescribes civil and criminal liability. Including fines and imprisonment, for computer related offences including those relating to unauthorized access to computer systems, tampering with or unauthorised manipulation of any computer, computer system or computer network and, damaging computer systems and creates liability for negligence in dealing with or handling any sensitive personal data or information in a computer resource and in maintaining reasonable security practices and procedures in relation thereto.

The IT Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. In exercise of this power, the Department of Information Technology, Ministry of Electronics and Information Technology, Government of India, in April 2011, notified the Information

Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 ("**IT Security Rules**") prescribe directions for the collection, disclosure, and transfer of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. The IT Security Rules require every such body corporate or person who on behalf of the body corporate receives, stores or handles information to provide a privacy policy for handling and dealing with personal information, including sensitive personal data, publishing such policy on its website. The IT Security Rules further require that all such personal data be used solely for the purposes for which it was collected and any third-party disclosure of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law.

The Digital Personal Data Protection Act, 2023 ("DPDP Act")

The Parliament passed the DPDP Act on August 9, 2023. The DPDP Act, once notified, will replace the existing data protection provision, as contained in Section 43A of the IT Act. The DPDP Act provides for the processing of digital personal data in a manner that recognises both the rights of individuals to protect their personal data and the need to process personal data for lawful purposes and matters incidental thereto. The DPDP Act provides that personal data may be processed only for a lawful purpose after obtaining the consent of the data principal to whom the personal data relates, or for certain legitimate uses. A notice must be given before seeking consent.

The Bureau of Indian Standards Act, 2016 (the "BIS Act")

The BIS Act provides for the establishment of a national standards body for the harmonious development of the activities of standardization, conformity assessment and quality assurance of goods, articles, processes, systems, and services. The BIS Act provides for establishment of Bureau of Indian Standards which takes necessary steps for promotion, monitoring and management of quality of goods, services, articles, processes and systems. The Central Government has the power to notify essential requirements and standards with which goods, articles, processes, systems and services shall conform, and direct the use of standard mark under a certificate of conformity in this regard.

Government plans and policies

National Auto Policy 2018 and Automotive Mission Plan 2016-2026

The Department of Heavy Industry, Ministry of Heavy Industries and Public Enterprises released the draft National Auto Policy that envisages propelling India amongst the top three nations in the world in engineering, manufacturing and export of automotive vehicles and components. The key policy guidelines prescribed by the National Auto Policy include inter alia measures to increase exports of vehicles and components including by considering a phased increase of duty credit scrips (from 2%) for export of vehicles and auto components in line with comparable products to target countries under Merchandise Export from India Scheme. The Ministry of Heavy Industries and Public Enterprises, GoI released the Automotive Mission Plan 2016-26 ("**AMP**") in September 2015 with the objective of making the Indian automotive industry an integral part of the "Make in India" initiative. This plan aims to, among others, promote safe, efficient and comfortable mobility for every person in the country along with environmental protection and affordability through both public and personal transport options. The AMP recommends increasing the export of vehicles by 5 times and components by 7.5 times and also highlights the need of a coordinated and stable policy regime for the automotive sector. Under the AMP, specific interventions are envisaged to sustain and improve manufacturing competitiveness and to address challenges of environment and safety.

National Electric Mobility Mission Plan 2020

The National Electric Mobility Mission Plan 2020 ("**NEMMP**"), which was released in 2013, is a vision and the roadmap for the faster adoption of electric vehicles and their manufacturing in the country. This plan has been designed by the Ministry of Heavy Industries and Public Enterprises to enhance national fuel security, to provide affordable and environmentally friendly transportation and to enable the Indian automotive industry to achieve global manufacturing leadership. Further, it is also proposed to establish necessary charging infrastructure for electric vehicles across India.

Bharat Stage (BS) VI Emission Standards ("BS-VI Standards")

The Indian Ministry of Road Transport and Highways issued a draft notification of Bharat Stage (BS) VI emission standards for all major on-road vehicle categories in India in February 2016. The adoption of these standards seeks to bring the Indian motor vehicle regulations into alignment with European Union regulations for light-duty passenger cars and commercial vehicles, heavy-duty trucks and buses, and two-wheeled vehicles. Taking a leap from the Bharat Stage-V emission standards, these standards were enforced amid the lockdown on April 1, 2020. The BS-VI Standards set forth emission standards, type approval requirements, on-board diagnostic systems specifications, and durability levels for all major vehicle categories in India. Additionally, the BS-VI Standards also have specifications for reference and commercial fuels.

Corporate Average Fuel Consumption ("CAFC")

The Corporate Average Fuel Consumption ("**CAFC**") standards issued under notification no. S.O. 1072I dated April 23, 2015 under the Energy Conservation Act, 2001, are applicable to manufacturers of passenger vehicles and importers of passenger vehicles for sale in India, regulate the corporate average fuel consumption i.e., the average of the standards fuel consumption of all vehicles sold by the manufacturers in a fiscal year. The CAFC standards are primarily designed to increase fuel efficiency, which enables in lowering a company's overall CO_2 footprint. The CAFC standards, notified in 2018 have been implemented in two target phases, i.e. CO_2 emission target of 130 gram/km by 2022-23 and 113 g/km 2022-23 onwards.

Bharat New Car Assessment Programme

The Bharat New Car Assessment Programme, a voluntary programme introduced by the Ministry of Road Transport and Highways, Government of India, is a safety rating system for vehicles, particularly passenger cars, which are subjected to crash testing procedures, and assigned a safety rating ranging from one to five stars based on assessment of crash safety performance of cars on the basis of standard laboratory tests conducted as per the Automotive Industry Standard 197.

Government incentive schemes

Merchant Export from India Scheme ("MEIS") and Remission of Duties and Taxes on Exported Products ("RoDTEP")

MEIS incentive schemes were governed by the Government of India through the Directorate General of Foreign Trade and was applicable till December 31, 2020. Under the MEIS Scheme, certain rewards and incentives were given to exporters at free on board value in the form of duty credit scrips which were freely transferable and could be used for the payment of customs duty. MEIS was replaced by the RoDTEP scheme notified by the Ministry of Commerce & Industry with effect from January 2021 with the intention to boost exports. The objective of scheme was to refund, currently un-refunded duties/taxes/levies at the central, state and local level, borne on the exported product including prior stage cumulative indirect taxes on goods and services used in production of the exported product; and such indirect duties/taxes/levies in respect of distribution of exported products. Under the RoDTEP scheme, rebate of duty and taxes which is not refunded under any other scheme would be provided in the form of duty credit/electronic scrip which could be utilised for payment of customs duty.

Duty Drawback scheme under Section 75 of the Customs Act, 1962

As per section 75 of the Customs Act, 1962, the Government of India is empowered to allow duty drawback on export of goods, wherein the imported materials are used for the manufacture of such exported goods. The Government of India fixes a rate per unit of the final article to be exported out of the country as the drawback amount payable on such goods.

Export Promotion Capital Goods Scheme, 2020

The Export Promotion Capital Goods Scheme, 2020 (the "**EPCG Scheme**") provides that importers can benefit from reduced duties on the import of capital goods provided that they fulfil an export obligation to export a prescribed amount of their goods manufactured or services rendered (such amount being a multiple of the duty saved) within a specified period. Export obligations can be fulfilled by either through direct exports or through third parties. An EPCG authorization holder shall be liable to pay custom duties along with interest custom in the event of nonfulfillment of prescribed export obligations.

The Production Linked Incentive Scheme for Automobile and Auto Component Industry ("Automobile PLI Scheme") and the Guidelines for the PLI for Automobile and Auto Component Industry ("Automobile PLI Guidelines")

The Automobile PLI Scheme for automobile and auto components was notified by the Ministry of Heavy Industries, Government of India ("**MHI**") on September 23, 2021 and proposed financial incentives to boost domestic manufacturing of advanced automotive technology products and attract investments in the automotive manufacturing value chain. For effective implementation of the scheme, the Automobile PLI Guidelines were laid down. The Automobile PLI Guidelines state that the 'advanced automotive technology products' for which incentives can be availed include both (a) advance automotive technology vehicles (which comprise of battery electric vehicles, and hydrogen fuel cell vehicle), as amended by MHI from time to time, and (b) advance automotive technology components, as notified by MHI. In case of any inconsistency, between the Automobile PLI Scheme and the Automobile PLI Guidelines, the provisions of the Automobile PLI Scheme are to prevail.

Based on satisfying specific criteria for incentive, the Automobile PLI Guidelines state that an applicant company will be eligible for either (i) the '*Champion OEM Incentive Scheme'* or (ii) the '*Component Champion Incentive Scheme*' and incentives under the scheme are applicable commencing from Fiscal 2024, and disbursed in the financial years thereafter, for a total of five consecutive financial years. Further, the MHI has released the "*Standard Operating Procedure for certification of Domestic Value Addition of Advanced Automotive Technology Product*" dated April 26, 2023 under PLI Scheme ("**PLI SOP**"). The PLI SOP specifies the procedure for certification of domestic value addition of advanced automotive technology products under the Automobile PLI Scheme which includes inter alia the application procedure for domestic value addition certification, initiation of certification by testing agencies, procedure for desk appraisal and techno-commercial audit.

Environmental legislations

Environment Protection Act, 1986 (the "EP Act") and the Environment Protection Rules, 1986 (the "EP Rules") read with the Environmental Impact Assessment Notification, 2006 ("EIA Notification")

The EP Act has been enacted with an objective of protection and improvement of the environment and for matters connected therewith. As per the EP Act, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and preventing environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the EP Act, including the power to direct the closure, prohibition or regulation of any industry, operation, or process. The EP Rules prescribes the standards for emission or discharge of environmental pollutants from industries, operations, or processes through prohibitions and restrictions on the location of industries as well as on the handling of hazardous substances in different areas for the purpose of protecting and improving the quality of the environment and preventing and abating environmental pollution. Additionally, under the EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources.

The Manufacture, Storage and Import of Hazardous Chemical Rules, 1989 (the "**MSIHC Rules**") are formulated under the EP Act and are applicable to an industrial activity in which a hazardous chemical which satisfies certain criteria as listed in the schedule thereto, and to an industrial activity in which there is involvement of a threshold quantity of hazardous chemicals as specified in the schedule thereto. The occupier of a facility where such industrial activity is undertaken has to provide evidence to the prescribed authorities that he has identified the major accident hazards and that he has taken steps to prevent the occurrence of such accident and has to provide to the persons working on the site with the information, training and equipment including antidotes necessary to ensure their safety. Where a major accident occurs on a site or in a pipeline, the occupier shall forthwith notify the concerned authority and submit reports of the accident to the said authority.

Water (Prevention and Control of Pollution) Act, 1974 (the "Water Act") and Water (Prevention and Control of Pollution) Cess Act, 1977

The Water Act provides for one Central Pollution Control Board, as well as state pollution control boards ("**State PCB**"), to be formed to implement its provisions, including enforcement of standards for factories discharging pollutants into water bodies. The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set down by the State PCB. The Water Act also provides that the consent of the State PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage effluent. The Water Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

Air (Prevention and Control of Pollution) Act, 1981 (the "Air Act")

The Air Act provides for the prevention, control and abatement of air pollution. Under the Air Act, the State Government may, after consultation with the state pollution control board declare, any area or areas within the State as air pollution control area or areas for the purposes of the Air Act. Pursuant to the provisions of the Air

Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant. Further, under section 22 of the Air Act, no person operating any industrial plant in any air pollution control area shall discharge or permit or cause to be discharged the emission of any air pollutant in excess of the standards laid down by the state pollution control board. The Air Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

Noise Pollution (Regulation and Control) Rules, 2000 ("Noise Pollution Rules")

The Noise Pollution Rules were enacted to regulate and control noise producing and generating sources with the objective of maintaining ambient air quality standards in respect of noise in different areas/zones. Pursuant to the Noise Pollution Rules, different areas/zones shall be classified into industrial, commercial, residential or silence areas/zones, with each area having a permitted ambient air quality standard in respect of noise. The Noise Pollution Rules provide for penalties in case the noise levels in any area/zone exceed the permitted standards.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the "Hazardous Waste Rules")

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste. Under the Hazardous Waste Rules, "hazardous waste" inter alia means any waste which by reason of characteristics such as physical, chemical, biological, reactive, toxic, flammable, explosive or corrosive, causes danger or is likely to cause danger to health or environment, whether alone or in contact with other wastes or substances. Every occupier and operator of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment or third party resulting from the improper handling and management and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

The Battery Waste Management Rules, 2022 ("Battery Rules")

The Battery Rules are framed under the EP Act and apply to every producer, dealer, consumer, entities involved in collection, segregation, transportation, re-furbishment and recycling of waste battery. The Battery Rules prescribe the responsibilities and functions of a producer, consumer, entity involved in collection, segregation, and treatment, refurbisher, and recycler of the batteries as well as lay down the provisions for imposition of environmental compensation. The rules cover all types of batteries regardless of chemistry, shape, volume, weight, material composition and use, (viz. electric vehicle batteries, portable batteries, automotive batteries, and industrial batteries) except those used in protection of essential security interests including those intended specifically for military purposes and equipment designed to be sent into space. The Battery Rules function based on the concept of 'extended producer responsibility' ("**EPR**"), where the producers (including importers) of batteries are responsible for collection and recycling or refurbishment of waste batteries and use of recovered materials from wastes into new batteries. To meet the EPR obligations, producers may engage themselves or authorise any other entity for collection, recycling or refurbishment of waste batteries. Every person or an entity involved in manufacturing of batteries shall register with Central Pollution Control Board ("**CPCB**") in accordance with the procedure provided in the Battery Rules.

The Public Liability Insurance Act, 1991 read with the Public Liability Insurance Rules, 1991

The Public Liability Insurance Act, 1991("**PLI Act**") imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. The Government by way of a notification has enumerated a list of hazardous substances. The owner or handler is also required to obtain an insurance policy insuring against liability to provide relief under the terms of the legislation. The PLI Act also provides for the establishment of the Environmental Relief Fund, which shall be utilized towards payment of relief granted under the Public Liability Act. The Public Liability Insurance Rules, 1991 mandate the employer to contribute a sum equal to the premium paid on the insurance policies towards the Environmental Relief Fund.

Bio-Medical Waste Management Rules, 2016 ("BMW Rules")

The BMW Rules apply to all persons who generate, collect, receive, store, transport, treat, dispose, or handle bio-medical waste in any form. The BMW Rules mandate every occupier of an institution generating bio-medical waste to take all necessary steps to ensure that such waste is handled without any adverse effect to human health and environment and inter alia to make provisions for safe premises, ventilated and secured location for storage of segregated bio-medical waste, pre-treat laboratory waste and provide training to workers involved in handling bio-medical waste.

E-Waste Management Rules, 2022 ("E-Waste Rules")

The E-Waste Rules apply to every manufacturer, producer, refurbisher, dismantler and recycler involved in manufacture, sale, transfer, purchase, refurbishing, dismantling, recycling, and processing of e-waste or electrical and electronic equipment as classified under the E-Waste Rules, including their components, consumables, parts, and spares which make the product operations. The E-Waste Rules mandate that a manufacturer must register on the portal and submit returns on the portal developed by the Central Pollution Control Board. In case any registered entity furnishes false information or wilfully conceals information for getting registration or return or report or information required to be provided or furnished or in case of any irregularity, the registration of such entity may be revoked by the Central Pollution Control Board for a period up to three-years in addition to levy of environmental compensation charges.

Plastic Waste Management Rules, 2016

Under the Plastic Waste Management Rules, 2016, all institutional generators of plastic waste, are required to inter alia, segregate and store the waste generated by them in accordance with the Municipal Solid Waste (Management and Handling) Rules, 2000, as amended, and handover segregated wastes to authorized waste processing or disposal facilities or deposition centres, either on its own or through the authorized waste collection agency.

Intellectual Property Laws

The Trade Marks Act, 1999 (the "Trademarks Act")

The Trademarks Act governs the statutory protection of trademarks and prohibits any registration of deceptively similar trademarks, among others. The purpose of the Trademarks Act is to grant exclusive rights to marks such as a brand, label and heading, and to obtain relief in case of infringement of such marks. Indian law permits the registration of trademarks for both goods and services. Under the provisions of the Trademarks Act, an application for trademark registration may be made before the Trademark Registry by any person claiming to be the proprietor of a trademark, whether individual or joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration are required to be restored. Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010 ("**Trademark Amendment Act**") simultaneous protection of trademarks in India and other countries has been made available to owners of Indian and foreign trademarks. The Trademark Amendment Act also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to conform Indian trademark law to international practice.

The Patents Act 1970 (the "Patents Act")

The Patents Act governs the patent regime in India. A patent under the Patents Act is an intellectual property right relating to inventions and grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling and importing the patented product or process or produce that product. The Patents Act recognises both product and process patents and prescribes eligibility criteria for grant of patents, including the requirement that an invention must satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection.

Foreign investment and trade regulations

The Foreign Exchange Management Act, 1999 and regulations framed thereunder

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999, as amended, along with the rules, regulations and notifications made by the Reserve Bank of India thereunder, and the consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time (the "**Consolidated FDI Policy**"). Under the current Consolidated FDI Policy, foreign investment in manufacturing sector is under automatic route. Further, a manufacturer is permitted to sell its products manufactured in India through wholesale and/or retail, including through e-commerce, without Government approval.

Foreign Trade (Development and Regulation) Act, 1992 (the "FTA") and the rules framed thereunder

The FTA seeks to provide for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India. The FTA provides that no person shall make any import or export except under an importer-exporter code number ("**IEC**") granted by the Director General of Foreign Trade, Ministry of Commerce ("**DGFT**"). The IEC granted to any person may be suspended or cancelled inter alia in case the person contravenes any of the provisions of FTA or any rules or orders made thereunder or the DGFT or any other officer authorized by him has reason to believe that any person has made an export or import in a manner prejudicial to the trade relations of India. Any person who makes any export or import in contravention of any provision of this Act or any rules or orders made thereunder or the foreign trade policy would become liable to a penalty under the FTA.

Taxation laws

The Goods and Services Tax ("**GST**") is levied on supply of goods or services or both jointly by the Central Government and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by the Central Government and by the State Government including union territories on intra-state supply of goods or services. Further, Central Government levies GST on the inter-state supply of goods or services. The GST is enforced through various acts viz. Central Goods and Services Act, 2017 ("**CGST**"), relevant state's Goods and Services Act, 2017 ("**SGST**"), Union Territory Goods and Services Act, 2017 ("**UTGST**"), Integrated Goods and Services Act, 2017 ("**IGST**"), Goods and Services (Compensation to States) Act, 2017 and various rules made thereunder.

Further, the Income-tax Act, 1961 (the "**Income Tax Act**") is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of the Income Tax Act or rules made there under depending upon its "Residential Status" and "Type of Income" involved. The Income Tax Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the Income Tax Act is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax, etc. In 2019, the Government has also passed an amendment act pursuant to which concessional rates of tax are offered to a few domestic companies and new manufacturing companies.

Under the Customs Act, 1962, the Central Government has the power to prohibit either absolutely or subject to such conditions, the import or export of goods of any specified description. Further, the Central Government may specify goods of such class or description, if it is satisfied that it is necessary to take special measures for the purpose of checking the illegal import, circulation or disposal of such goods.

Labour law legislations

Contract Labour (Regulation and Abolition) Act, 1970

The Contract Labour (Regulation and Abolition) Act, 1970 ("**CLRA**") regulates the employment of contract labour in certain establishments. The CLRA provides that the appropriate Government may, after consultation with the Central or State Advisory Boards (constituted under the CLRA), prohibit employment of contract labour in any process, operation or other work in any establishment.

Shops and establishments legislations

Under the provisions of local shops and establishments legislations applicable in the states in India where our establishments are set up and business operations exist, such establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments, including commercial establishments, and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of records, maintenance of shops and establishments and other rights and obligations of the employers and employees. These shops and establishments' acts, and the relevant rules framed thereunder, also prescribe penalties in the form of monetary fine or imprisonment for violation of provisions, as well as procedures for appeal in relation to such contravention of the provisions.

In addition to the Factories Act, the CLRA and the local shops and establishments legislations, the employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The various other labour and employment-related legislations (and rules issued thereunder) that may apply to our operations, from the perspective of protecting the workers' rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, including but not limited to the following:

- Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
- Employee's Compensation Act, 1923.
- Employees' State Insurance Act, 1948.
- The Equal Remuneration Act, 1976.
- Maternity Benefit Act, 1961.
- Minimum Wages Act, 1948.
- Payment of Bonus Act, 1965.
- Payment of Gratuity Act, 1972.
- Payment of Wages Act, 1936.
- The Child Labour (Prohibition and Regulation) Act, 1986.
- The Right of Persons with Disabilities Act, 2016.
- The Workmen's Compensation Act, 1923.
- The Labour Welfare Fund Act, 1965.
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- Apprentices Act, 1961.

In order to rationalize and reform labour laws in India, the Government of India has framed four labour codes, namely:

a) The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020, and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, and the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979. This code proposes to provide for, among other things, standards for health, safety and working conditions for employees of establishments, and will come into effect on a date to be notified by the Central Government.

b) The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020, and proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The Industrial Relations Code, 2020 will come into effect on a date to be notified by the Central Government.

c) The Code on Wages, 2019 received the assent of the President of India on August 8, 2019. Through its notification dated December 18, 2020, the Government of India brought into force certain sections of the Code on Wages, 2019. The remaining provisions of this code will be brought into force on a date to be notified by the Government of India. It proposes to subsume four separate legislations, namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976.

d) The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020. Through its notification dated April 30, 2021, the Government of India brought into force section 142 of the Code on Social Security, 2020. The remaining provisions of this code will be brought into force on a date to be notified by the Government of India. It proposes to subsume several separate legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, the Maternity Benefit Act, 1961, and the Payment of Gratuity Act, 1972.

Other Indian laws

In addition to the above, we are also governed by the provisions of the Companies Act and rules framed thereunder, fire-safety related laws, the Contract Act, 1872, and other applicable laws and regulation imposed by the Central Government and State Governments and other authorities for our day to day business.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated on May 6, 1996 as a public limited company under the Companies Act, 1956, with the name "Hyundai Motor India Limited", pursuant to a certificate of incorporation granted by the Registrar of Companies, Tamil Nadu and subsequently, a certificate of commencement of business dated May 10, 1996 was issued to our Company by the Registrar of Companies, Tamil Nadu.

Changes in the Registered Office

Except as stated below, our Company has not changed its registered office address since the date of incorporation:

Effective date	Details of change	Reasons for change
April 1, 1998	The address of the registered office of our Company was changed from 39, TTK Road, Alwarpet, Chennai 600 018, Tamil Nadu, to Plot No. H-1, SIPCOT Industrial Park, Irrungattukottai, Sriperumbudur Taluk, Kancheepuram District, Chennai 602 105, Tamil Nadu	The previous registered office address of our Company was a temporary arrangement. Once the Chennai Manufacturing Plant was set up, the registered office of our Company was shifted to the Chennai Manufacturing Plant's premises.

Main objects of our Company

The main objects contained in our Memorandum of Association are set forth below:

"(1) To manufacture, sell, carry on the business and deal in all kinds of vehicles and component parts thereof.

(2) To manufacture, sell, carry on the business and deal in general machines and component parts thereof.

(3) To manufacture. sell, carry on the business and deal in castings and forgings (excluding fuel consuming equipment).

(4) To carry on the business of automobile workshops, undertake, carry out repair and service in all kinds of vehicles and automobiles.

(5) To carry on the business and engage in the import and export. To carry on the business, engage and conduct trade in wholesale vehicle parts, components and automobile parts. To buy, sell, import, export and deal in any auto parts, components and its materials.

(6) To carry on the business, engage and to manage an agency for automobile inspection.

(7) To carry on and undertake business as Financiers to finance operations of all kinds such as purchasing, selling, leasing, hiring, letting on hire and dealing in all kinds of property, movable or immovable, goods, chattels, motor-cars, motorbuses, motor lorries.

(8) Subject to the provisions of the Insurance Laws in force in India and amendments/ reenactments of such laws to be made from time to time and the rules and regulations framed thereunder, to carry on whether in India or elsewhere throughout the world (subject to the laws of the place where the business is to be carried on), the business as brokers, agents or representatives in India or abroad, for Indian and/ or foreign insurers in respect of sale of their products, services and technical know-how and for that purpose to apply, approach, tender, acquire, hold, procure and obtain such rights, titles, entitlements, licenses and permissions from the Government, semi Government, local authorities, Public Bodies, Public Institutions and Government Undertakings or from other authorities as may be necessary for attainment of objects under these presents.

(9) To plan, design, develop, build, install, operate and maintain and to import, export, lease or hire, electric charging infrastructure either on self-owned basis or through partnership or joint venture with other companies for the purpose of charging of batteries of electric vehicles of all types and in connection with this business, to invest in electric charging infrastructure, develop revenue models, enter into all types of contracts, agreements including but not limited to consultancy services, development of software, procurement of electricity either from the grid or through non-renewable sources etc.

(10) To carry on the business of: (i) operating / maintaining/ acquiring / providing IT-enabled services on digital and electronic networks for facilitating sale and/or provision of goods and services, and to undertake all activities that are incidental or ancillary thereto, including, but not limited to: (a) partnering with third party operators and service providers for the operation/ maintenance/ availing/provision of such platforms and ancillary services; (b) levying fees/charges for providing such platforms; (c) providing advertising /marketing platforms to third party sellers/service providers and (d) facilitating payments by customers for purchase of such goods and/or availing of such services; and (ii) developing and selling / licensing software and relevant applications (including through third party providers) for automobile / mobility management, including but not limited to fleet management services, privilege memberships and for any or all of the above, to create revenue sharing models and data monetization methodologies as may be permitted by the extant laws.

(11)(i) To generate electricity power with the help of non conventional source of energy, such as wind energy, solar energy, tidal energy, geo thermal energy, agro waste, etc. and/or to generate power using conventional source of energy, such as coal, lignite, Liquefied Natural Gas, Liquefied Petroleum Gas, hydrocarbons, etc., for captive consumption and/or sale and/or loan and/or supply to any State Electricity Board and/or to any other organization whether public or private, either directly or through investment in any Special Purpose Vehicle or through partnership or joint venture with other companies.

(11)(ii) To receive, purchase, develop, use, sell, supply, distribute and accumulate electricity power and to transmit, distribute and supply such power through transmission lines and facilities of the State Electricity Board/s to participating industries and generally to develop, generate and accumulate power at any other place or places and to transmit, distribute, sell and supply such power."

The main objects clause and matters necessary for furtherance of the main objects, as contained in our Memorandum of Association, enable our Company to carry on the business presently being carried out.

Amendments to the Memorandum of Association

Set out below are the amendments to the Memorandum of Association of our Company during the 10 years immediately preceding the date of this Draft Red Herring Prospectus:

Date of Shareholders' resolution/Effective date	Details of amendment
October 23, 2020	Clause III of the Memorandum of Association of our Company was amended to align the objects clause of the Memorandum of Association with requirements of the Companies Act.
August 8, 2022	Clause III of the Memorandum of Association of our Company was amended to include two new clauses which are as follows: *"(9) To plan, design, develop, build, install, operate and maintain and to import, export, lease or hire, electric charging infrastructure either on self-owned basis or through partnership or joint venture with other companies for the purpose of charging of batteries of electric vehicles of all types and in connection with this business, to invest in electric charging infrastructure, develop revenue models, enter into all types of contracts, agreements including but not limited to consultancy services, development of software, procurement of electricity either from the grid or through non-renewable sources etc.* *(10) To carry on the business of: (i) operating / maintaining/ acquiring / providing IT-enabled services on digital and electronic networks for facilitating sale and/or provision of goods and services, and to undertake all activities that are incidental or ancillary thereto, including, but not limited to: (a) partnering with third party operators and service providers for the operation/ maintenance/ availing/provision of such platforms and ancillary services; (b) levying fees/charges for providing such platforms; (c) providing advertising /marketing platforms to third party sellers/service providers and (d) facilitating payments by customers for purchase of such goods and/or availing of such services; and (ii) developing and selling / licensing software and relevant applications (including through third party providers) for automobile / mobility management, including but not limited to fleet management services, privilege memberships and for any or all of the above, to create revenue sharing models and data monetization methodologies as may be permitted by the extant laws."*

Date of Shareholders' resolution/Effective date	Details of amendment
October 20, 2023	Clause III of the Memorandum of Association of our Company was amended to include two new clauses which are as follows: *"(11)(i) To generate electricity power with the help of non conventional source of energy, such as wind energy, solar energy, tidal energy, geo thermal energy, agro waste, etc. and/or to generate power using conventional source of energy, such as coal, lignite, Liquefied Natural Gas, Liquefied Petroleum Gas, hydrocarbons, etc., for captive consumption and/or sale and/or loan and/or supply to any State Electricity Board and/or to any other organization whether public or private, either directly or through investment in any Special Purpose Vehicle or through partnership or joint venture with other companies.* *(11)(ii) To receive, purchase, develop, use, sell, supply, distribute and accumulate electricity power and to transmit, distribute and supply such power through transmission lines and facilities of the State Electricity Board/s to participating industries and generally to develop, generate and accumulate power at any other place or places and to transmit, distribute, sell and supply such power."*
May 17, 2024	Amendment to the MOA to reflect the subdivision from ₹ 14,000,000,000 comprising 14,000,000 equity shares of face value of ₹ 1,000 each to 1,400,000,000 equity shares of face value of ₹ 10 each

Major events and milestones

The table below sets forth certain major events in the history of our Company:

Calendar Year	Events and Milestones
1998	Commenced production at our plant in Chennai
	Launch of Hyundai Santro (Atos) in India
2006	Launch of VERNA
	Production of 1,000,000th car in India
2007	Start of production at our second plant at Chennai
2015	Global launch of the SUV CRETA
2019	Launch of India's first fully electric mass-market SUV, the 'KONA Electric' and a fully connected SUV 'VENUE' with Global BlueLink Connectivity Technology
2020	Accomplished the export of over three million vehicles
	Launched "Click to Buy" platform to facilitate online car purchasing experience for customers
2021	Introduction of the N LINE brand in India
	Production of "10 millionth" car in India
2023	Launch of Hyundai IONIQ – 5 in India
	Acquisition of the plant at Talegaon, Pune from General Motors India Private Limited

Key awards, accreditations and recognition

Set forth below are some of the key awards, accreditations and recognition received by our Company:

Calendar Year	Awards and accreditations
2000	Hyundai Santro awarded 'Most Appealing Small Car' at the J.D. Power Asia Pacific- India Initial Quality Study Awards
2001	Hyundai Accent awarded 'Most Appealing Entry Midsize Car' at the J.D. Power Asia Pacific- India Initial Quality Study Awards
2002	Hyundai Santro awarded 'Most Appealing Premium Compact Car' at the J.D. Power Asia Pacific- India Initial Quality Study Awards
2005	Hyundai Accent Petrol awarded 'Total customer satisfaction study' at the TNS Voice of the Customer Awards
2008	Hyundai i10 awarded 'Indian Car of the Year' at the ICOTY Awards
	'Top Exporter of the Year' in the 'Large Enterprise' category by EEPC
	Hyundai i10 awarded 'Car of the Year' at the NDTV Profit Car and Bike Awards
2010	'Best Brand Award 2010' at the Apollo Awards India
2013	'Top Exporter of the Year' in the 'Large Enterprise' category by EEPC
2014	'Top Exporter of the Year' in the 'Large Enterprise' category by EEPC
	Hyundai Grand i10 awarded the 'Indian Car of the Year' at the ICOTY Awards
2015	Hyundai Elite i20 awarded the 'Indian Car of the Year' at the ICOTY Awards
2016	'Certificate of Achievement for best Auto CXO's - Best Production Function' at the World Auto

Calendar Year	Awards and accreditations
	Forum Awards
	Hyundai Creta awarded 'Indian Car of the Year' at the ICOTY Awards
2018	Hyundai Verna awarded 'Indian Car of the Year' at the ICOTY Awards
	Awarded the 'Excellent Efficient Energy Unit' at the CII National Energy Management Awards
2020	Hyundai Venue awarded 'Indian Car of the Year' at the ICOTY Awards
	Awarded the 'Excellent Efficient Energy Unit' at the CII National Energy Management Awards
	Awarded the 'National Energy Leader' at the CII National Energy Management Awards in Energy Management
2021	i20 awarded 'Indian Car of the Year at the ICOTY 2021 Awards
	Awarded 'Manufacturer of the Year' at the Autocar awards
	Hyundai i20 N Line awarded the 'Hatchback of the Year' at the Zee News Awards
	Awarded the 'Excellent Efficient Energy Unit' at the CII National Energy Management Awards
	Awarded the 'National Energy Leader' at the CII National Energy Management Awards in Energy Management
2022	Awarded the 'Manufacturer of the Year' at the Top Gear Awards
	Awarded the 'Indian Manufacturer of the Year' at IMEA Awards
	Awarded the 'Best innovation (Digitization and Personalisation in After Sales)' Award at the World Auto Forum
2023	Awarded the 'Manufacturer of the Year' at the Car India Awards
	Awarded 'Excellence in Manufacturing in 2023- 3rd edition' at the CII Pinnacle Awards
	Awarded the 'Best CSR Initiative' at the Autocar Awards
	Awarded the 'CSR Initiatives Award' at the Faster Acer Awards 2023
	Awarded the 'Excellence in Manufacturing under the category of Large Enterprise' at the CII Pinnacle Awards
	Awarded the 'Most Trusted Brand of the Year - 4 Wheeler' at the Auto Awards
	Awarded the 'Shield of Trust' at the World Auto Forum Awards
2024	Awarded the '6th Social Impact Award' by the Indian Chambers of Commerce
	Hyundai IONIQ 5 awarded 'Green Car of the Year' at the ICOTY Awards
	Hyundai Exter awarded 'Indian Car of the Year' at the ICOTY Awards

Significant financial or strategic partnerships

Our Company does not have any significant financial or strategic partners as on the date of this Draft Red Herring Prospectus.

Time/cost overrun in setting up projects

We have not experienced any time or cost overrun in setting up our projects as on the date of this Draft Red Herring Prospectus.

Capacity/facility creation, location of plants

For details regarding capacity/facility creation and location of plants of our Company and our Subsidiaries, see "***Our Business – Manufacturing Plants***" on page 168.

Launch of key products or services, entry in new geographies or exit from existing markets

For details of key products launched by us and entry into new geographies or exit from existing markets, as applicable, see "***Our Business – Our Portfolio***"and "***History and certain Corporate Matters – Major events and milestones***" on pages 164 and 190, respectively.

Defaults or re-scheduling/restructuring of borrowings with financial institutions/banks

As on the date of this Draft Red Herring Prospectus, there have been no defaults or rescheduling/restructuring of borrowings with financial institutions/banks.

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamations, any revaluation of assets, etc., in the last 10 years

Except as stated below our Company has not made any material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc., during the 10 years immediately preceding the date of this Draft Red Herring Prospectus:

Asset Purchase Agreement dated August 16, 2023 ("Agreement") entered into between our Company and General Motors India Private Limited ("General Motors"), read with the amendment to the Agreement dated October 17, 2023 ("First Amendment"), second amendment to the Agreement dated October 31, 2023 ("Second Amendment"), third amendment to the Agreement dated December 5, 2023 ("Third Amendment"), fourth amendment to the Agreement dated December 18, 2023 ("Fourth Amendment") and the deed of guarantee dated December 5, 2023 entered into by and among our Company, our Promoter and General Motors Holdings LLC ("Guarantee")

Our Company entered into an asset purchase dated August 16, 2023 with General Motors, pursuant to which our Company agreed to purchase and accept the transfer and assignment of certain assets of General Motors including, land and buildings, certain machinery, equipment, right, interest and title to General Motor's Talegaon plant, located in Pune ("**Acquisition**"). Further, the Agreement also mandated the sale of the product distribution centre ("**PDC**") warehouse, of Chevrolet Sales India Private Limited ("**CSIPL**"), situated at the same plant. Pursuant to the First Amendment, Second Amendment and Third Amendment, the original long stop date under the Agreement was extended to December 29, 2023. The Fourth Amendment, among others, added the PDC warehouse to the list of original assets proposed to be transferred under the Agreement. Pursuant to the Guarantee, General Motors Holdings LLC, being the principal holding company of General Motors, has provided an undertaking to our Company and our Promoter to ensure performance by General Motors of its indemnity obligations under the Agreement and to provide indemnity, in the event and to the extent that, indemnity obligations of General Motors are outstanding, if any, under the Agreement. Our Company has paid a consideration of ₹7,871.80 million to General Motors, towards such Acquisition and the Acquisition is effective from December 29, 2023.

Neither our Promoter nor any of our Directors have any relationship with General Motors.

Summary of key agreements and shareholders' agreements

There are no other agreements/ arrangements and clauses / covenants which are material and which need to be disclosed in this Draft Red Herring Prospectus or non-disclosure of which may have bearing on the investment decision in connection with the Offer:

Guarantees given by our Promoter Selling Shareholder

As on the date of this Draft Red Herring Prospectus, no guarantee has been issued by our Promoter Selling Shareholder.

Agreements with Key Managerial Personnel or Senior Management, Director, Promoter or any other employee

As on the date of this Draft Red Herring Prospectus, there are no agreements entered into by a Key Managerial Personnel or Senior Management or Directors or the Promoter or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Key terms of other subsisting material agreements

Except as stated below, as on the date of this Draft Red Herring Prospectus, our Company has not entered into any other subsisting material agreements including with strategic partners, joint venture partners, and/or financial partners other than in the ordinary course of business of our Company:

Royalty agreement dated June 10, 2024, between our Company and our Promoter ("Royalty Agreement")

Pursuant to the Royalty Agreement, our Promoter has granted our Company (a) a non-exclusive, non-transferable right and license (without the right to grant sub-license) to manufacture motor vehicles or parts as specified in Schedule A of the Royalty Agreement ("**Licensed Products**") in India in accordance with drawings, specifications and other technical information furnished provided by our Promoter; (b) a non-exclusive right to sell the Licensed Products in India; and (c) a non-exclusive right to use our Promoter's trademarks in connection with its manufacturing and selling activities. Our Company is required to pay an amount to our Promoter equal to 3.5% of our sales revenue (*as set forth in the Royalty Agreement*), arising from both domestic sales and exports of all Licensed Products. Any export of Licensed Products by our Company is subject to a prior written approval of our Promoter.

Our Company and our Promoter have agreed to indemnify each other and their respective directors, officers, employees and suppliers from among others, losses or damages, arising directly or indirectly out of any design or design defect of any Licensed Products or any breach of any representation, warranty, covenant, or agreement made under the Royalty Agreement, as applicable.

The Royalty Agreement is effective retroactively from April 1, 2024 until its termination in accordance with the provisions of the Royalty Agreement. The Royalty Agreement may be terminated in accordance with its terms, including, by our Promoter in the event our Company is prevented from remitting any sums payable under the Royalty Agreement to our Promoter in the Republic of Korea or any other country designated by our Promoter.

Framework agreement dated June 13, 2024, between our Company and our Promoter ("Framework Agreement")

Our Company, our Promoter and their respective holding companies, subsidiaries, associates, affiliates, or subsidiaries of holding companies ("**HMC Group Companies**") from time to time (i) require and provide, resources; (ii) purchase and sell goods; and (iii) provide and avail services to/ from each other relating to, among others, administrative, operational, manufacturing, marketing, and other matters as required for the conduct of their respective business operations ("**Services**"). The Framework Agreement has been entered into to record the principal terms of provision of Services by our Company, our Promoter and the HMC Group Companies ("**Group Transactions**"). The Framework Agreement shall be valid unless terminated by either our Company or our Promoter in accordance with the terms of the Framework Agreement, by providing a 30 days prior written notice to the other party, for among others, breach of terms and conditions of the Framework Agreement by any party, cancellation or expiration of any approval necessary to conduct Services and by our Promoter in the event our Company is prevented from remitting any sums payable under the Framework Agreement to our Promoter in the Republic of Korea or any other country designated by our Promoter.

Our Promoter has, from time to time, granted our Company the right to, among others, manufacture, assemble, sell and service its products ("**Business Activities**") and supply technical know-how for the Business Activities ("**Existing Arrangements**") and there exist Group Transactions between our Company, our Promoter and the HMC Group Companies. Our Company and our Promoter have agreed that obligations and relationship of the various parties under the Existing Arrangements shall be subject to the terms and conditions under the Framework Agreement.

The statement of work/ other necessary documentation ("**SOWs**") to be entered into in connection with the Group Transactions shall comprise, among other things, details of the nature of Group Transaction and the fees payable. All SOWs shall be subject to the terms of the Framework Agreement.

Our Company and our Promoter have agreed to indemnify each other and their respective directors, officers, employees and suppliers from among others, losses, damages, arising out of direct or indirect breach of any representation, warranty or, covenant under the Framework Agreement. Our Company and our Promoter are each entitled to terminate the Framework Agreement in accordance with the terms of the Framework Agreement. The Framework Agreement shall terminate automatically, without any action on part of either of the parties, upon our Company ceasing to be a subsidiary of our Promoter. Further, the Framework Agreement may also be terminated by our Promoter for any reason, including on account of *force majeure* (as set out in the Framework Agreement), if our Company is prevented from remitting any sums payable under the Framework Agreement to our Promoter in the Republic of Korea or any other country designated by our Promoter.

Holding company

Our Company's holding company is our Promoter, Hyundai Motor Company.

For details regarding the corporate information and nature of business of our Promoter, please see "***Our Promoter and Promoter Group – Our Promoter***" on page 218.

Subsidiaries

As on the date of this Draft Red Herring Prospectus, our Company has two Subsidiaries, Hyundai Motor India Engineering Private Limited and Hyundai India Insurance Broking Private Limited.

1) Hyundai Motor India Engineering Private Limited ("HMIEPL")

Corporate Information

HMIEPL was incorporated as a private limited company on November 9, 2006, under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies Telangana, at Hyderabad. The registered office of HMIEPL is at Survey No. 5/2 & 5/3, Backside of NAC, Izzatnagar, Opp. Hitec City Railway Station Lingampally Mandal, Hyderabad 500 084, Telangana, India. Its CIN is U50103TG2006PTC073037.

Nature of business

The principal business of HMIEPL is to provide, *inter alia,* (i) research assistance in various information and communication technologies including software technology, telematics, IT security, autonomous systems, (ii) research and developmental assistance to develop new products, (iii) consultancy, maintenance and service support.

Capital Structure and shareholding of our Company

The authorized share capital of HMIEPL is ₹ 1,370,000,000 divided into 1,370,000 equity shares of ₹ 1,000 each. The issued, subscribed and paid-up equity share capital of HMIEPL is ₹ 1,370,000,000 divided into 1,370,000 equity shares of ₹ 1,000 each. Our Company holds 1,370,000 equity shares of ₹ 1,000 each aggregating to 100.00% of the total shareholding of HMIEPL.

Amount of accumulated profits or losses

There are no accumulated profits or losses of HMIEPL that have not been accounted for by our Company.

2) Hyundai India Insurance Broking Private Limited ("HIIBPL")

Corporate Information

HIIBPL was incorporated as a private limited company on November 8, 2021, under the Companies Act pursuant to a certificate of incorporation issued by the Registrar of Companies, Haryana at New Delhi and subsequently a certificate of registration dated June 1, 2022 was issued by the IRDAI. The registered office of HIIBPL is at 16th Floor, Building No. 9A, DLF Cybercity, DLF QE, Sector-17, Gurgaon 122 001, Haryana, India. Its CIN is U67200HR2021PTC098982.

Nature of business

The principal business of HIIBPL is to provide insurance broking services.

Capital Structure and shareholding of our Company

The authorized share capital of HIIBPL is ₹ 150,000,000 divided into 15,000,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up equity share capital of HIIBPL is ₹ 98,000,000 divided into 9,800,000 equity shares of ₹ 10 each. Our Company holds 9,800,000 equity shares of ₹ 10 each aggregating to 100.00% of the total shareholding of HIIBPL.

Amount of accumulated profits or losses

There are no accumulated profits or losses of HIIBPL that have not been accounted for by our Company.

Joint Venture

As on the date of this Draft Red Herring Prospectus, our Company does not have any joint venture.

Confirmations

As on the date of this Draft Red Herring Prospectus, except (i) as disclosed in "***Restated Consolidated Financial Information***" on page 228; and (ii) for an agreement entered into between HMIEPL and our Company for management of and providing professional services for our Chennai Manufacturing Plant, our Subsidiaries do not have any: (a) business interest in our Company; or (b) related business transactions with our Company.

For details of the Framework Agreement governing related party transactions of our Company, see **"*- Key terms of other subsisting material agreements***" on page 192 above.

As on date of this Draft Red Herring Prospectus, none of our Subsidiaries have common pursuits with our Company.

As on date of this Draft Red Herring Prospectus, our Subsidiaries are not listed.

OUR MANAGEMENT

Board of Directors

In accordance with our Articles of Association, our Company is required to have not less than three Directors and not more than 15 Directors. As of the date of this Draft Red Herring Prospectus, we have six Directors on our Board comprising one Managing Director, two Whole-time Directors, and three Independent Directors, including two women Independent Directors.

The following table sets forth details regarding our Board as of the date of this Draft Red Herring Prospectus:

S. No.	Name, DIN, Designation, Address, Occupation, Date of Birth, Period of Directorship and Term	Age (Years)	Other Directorships
1.	Unsoo Kim ***DIN*****:** 09470874 ***Designation*****:** Managing Director* ***Address*****:** Hyundai Motor India Limited, 42/73 Chamiers Road, Nandhanam, Chennai 600 035, Tamil Nadu, India ***Occupation*****:** Service ***Term*****:** Three years up to January 24, 2025 and liable to retire by rotation. Appointed as the chairperson with effect from June 12, 2024 ***Period of directorship:*** Director since January 25, 2022 ***Date of birth:*** October 27, 1966	57	*Indian Companies:* • Hyundai Motor India Engineering Private Limited *Foreign Companies*: Nil
2.	Tarun Garg ***DIN*****:** 00045669 ***Designation*****:** Whole-time Director and Chief Operating Officer ***Address*****:** C-152, Second Floor, Safdarjung Development Area, Delhi – 110 016, Delhi, India ***Occupation*****:** Service ***Term*****:** Three years up to August 23, 2026 and liable to retire by rotation ***Period of directorship:*** Director since August 24, 2020 ***Date of birth:*** August 9, 1970	53	*Indian Companies*: Hyundai India Insurance Broking Private Limited *Foreign Companies*: Nil
3.	Gopalakrishnan Chathapuram Sivaramakrishnan ***DIN*****:** 09679256 ***Designation*****:** Whole-time Director and Chief Manufacturing Officer ***Address*****:** S-24, Block F- Jains Avantika Appartment, 55 Manapakkam Main Road, Mannapakkam, Kancheepuram 600 125, Tamil Nadu, India ***Occupation*****:** Service ***Term*****:** Three years up to July 27, 2025 and liable	56	*Indian Companies:* Nil *Foreign Companies*: Nil

S. No.	Name, DIN, Designation, Address, Occupation, Date of Birth, Period of Directorship and Term	Age (Years)	Other Directorships
	to retire by rotation ***Period of directorship:*** Director since July 28, 2022 ***Date of birth:*** August 31, 1967		
4.	Shalini Puchalapalli ***DIN*:** 07820672 ***Designation*:** Independent Director ***Address*:** Flat 102, Tower – 4, Pebble Bay, Dollars Colony, Bengaluru – 560 094, Karnataka, India ***Occupation*:** Senior director ***Term*:** Four years up to June 6, 2028 ***Period of directorship:*** Director since June 7, 2024 ***Date of birth:*** June 27, 1973	50	*Indian Companies:* • Miracle Foundation India • Godrej Consumer Products Limited *Foreign Companies*: • Aarti For Girls, USA
5.	Ajay Tyagi ***DIN*:** 00187429 ***Designation*:** Independent Director ***Address*:** X – 24, First Floor, Hauz Khas, South Delhi 110 016, Delhi, India ***Occupation*:** Professional ***Term*:** Three years up to June 6, 2027 ***Period of directorship:*** Director since June 7, 2024 ***Date of birth:*** December 10, 1958	65	*Indian Companies*: • Larsen And Toubro Limited • Gujarat International Finance Tec-City Company Limited • Porus Laboratories Private Limited *Foreign Companies*: Nil
6.	Sree Kirat Patel ***DIN*:** 03554790 ***Designation*:** Independent Director ***Address*:** A-81, 8th Floor, Grand Paradi Apartments, August Kranti Marg, Kemps Corner, Mumbai – 400 026, Maharashtra, India ***Occupation*:** Legal advisor ***Term*:** Three years up to June 6, 2027 ***Period of directorship:*** Director since June 7, 2024 ***Date of birth:*** June 12, 1958	66	*Indian Companies*: • Greaves Cotton Limited • Mondelez India Foods Private Limited *Foreign Companies*: Nil

* *Also appointed as the Chairperson of the Company with effect from June 12, 2024.*

Relationship between our Directors

None of our Directors are related to each other.

Brief Biographies of our Directors

Unsoo Kim is the Managing Director of our Company. He has also been appointed as the Chairman of our Board. He has been associated with our Company since January 1, 2022. Further, on account of the position held by him in our Company, he also serves as the head of the India, Middle-East & Africa Strategic Region of HMC, our Promoter, and to the extent of this role, reports directly to our Promoter. He holds a bachelor's degree in science (engineering) from the Department of Naval Architecture and Ocean Engineering of the College of Engineering at Seoul National University, Korea. He is responsible for the overall operations and business of our Company. He has been associated with the Hyundai Motor Group since December 2, 1991.

Tarun Garg is the Whole-time Director and Chief Operating Officer of our Company. He has been associated with our Company since December 4, 2019. He holds a bachelor's degree in engineering (mechanical) from the University of Delhi and a post graduate diploma in management from the Indian Institute of Management, Lucknow. He is responsible for driving sales, service, dealer management, product strategies, marketing, profitability, customer relationship, brand and media management at our Company. He was previously associated with Maruti Suzuki India Limited.

Gopalakrishnan Chathapuram Sivaramakrishnan is the Whole-time Director and Chief Manufacturing Officer of our Company. He has been associated with our Company since September 12, 1997. He holds a master's degree in business administration from the ICFAI University, Dehradun. He is also an associate of the Institute of Engineers (India). He is responsible for the overall manufacturing process, leading strategic planning, ensuring optimal resource utilization and agile procurement practices for sustained growth and driving production targets at our Company. He was previously associated with Maruti Udyog Limited.

Ajay Tyagi is an Independent Director of our Company. He has been associated with our Company since June 7, 2024. He holds a master's degree in technology (computer sciences) from the Indian Institute of Technology, Kanpur and a master's degree in public administration from Harvard University, Massachusetts. He has previously served as the chairman of the SEBI for a period of five years.

Sree Kirat Patel is an Independent Director of our Company. She has been associated with our Company since June 7, 2024. She holds a bachelor's degree in commerce (business management) from the H.R. College of Commerce and Economics, University of Bombay. She is currently a director on the board of directors of Greaves Cotton Limited and Mondelez India Foods Private Limited.

Shalini Puchalapalli is an Independent Director of our Company. She has been associated with our Company since June 7, 2024. She holds a bachelor's degree in technology (civil engineering) from the Indian Institute of Technology, Madras and a post graduate diploma in personnel management & industrial relations from XLRI, Jamshedpur. She is currently a director on the board of directors of Miracle Foundation India, Godrej Consumer Products Limited and Aarti For Girls, USA.

Terms of Appointment of our Whole-time Directors

Unsoo Kim

Pursuant to the appointment letter and employment agreement, each dated December 20, 2021**,** a consolidated compensation of USD 338,088 per annum (inclusive of salary allowance, house rent allowance and conveyance allowance), i.e., USD 28,174 per month (*payable each month in Indian ₹ based on the average of the prevalent USD exchange rate as on the 25th and 24th of the relevant month*) as basic salary was payable to our Managing Director.

Further, pursuant to a Board resolution dated January 25, 2022 and an ordinary resolution of our Shareholders passed at their meeting dated March 30, 2022, the remuneration payable to our Managing Director was as follows:

(a) salary, allowances and perquisites (where perquisites, reimbursements and allowances include house rent allowance, medical expenses, leave travel allowances and any other perquisites or allowances as may be agreed to between our Managing Director and our Company) and allowances not exceeding ₹ 3.80 million per month; and

(b) telephone at our Managing Director's residence, a mobile phone, a chauffeur-driven car and a club membership for the business of our Company which shall not be included as part of his salary, allowances and perquisites amounting to ₹ 3.80 million.

Further, pursuant to a Board resolution dated July 5, 2022 and an ordinary resolution of our Shareholders passed at their meeting dated August 8, 2022, the remuneration payable to our Managing Director, with effect from January 25, 2022 was as follows:

(a) salary, allowances and perquisites (where perquisites, reimbursements and allowances include house rent allowance, medical expenses, leave travel allowances and any other perquisites or allowances as may be agreed to between our Managing Director and our Company) and incentive/ rewards, as may be paid from time to time, on an actual basis, not exceeding ₹ 6.00 million per month; and

(b) telephone at our Managing Director's residence, a mobile phone, a chauffeur-driven car and a club membership for the business of our Company which shall not be included as part of his salary, allowances and perquisites as mentioned above.

Further, pursuant to a Board resolution dated May 17, 2024 and an ordinary resolution of our Shareholders passed at their meeting dated May 17, 2024, the remuneration payable to our Managing Director as on date, with effect from January 1, 2024 is as follows:

(a) salary, allowances and perquisites (where perquisites, reimbursements and allowances include house rent allowance, medical expenses, leave travel allowances and any other perquisites or allowances as may be agreed to between our Managing Director and our Company) and incentive/ rewards, as may be paid from time to time, on an actual basis, not exceeding ₹ 15.00 million per month; and

(b) telephone at our Managing Director's residence, a mobile phone, a chauffeur-driven car and a club membership for the business of our Company which shall not be included as part of his salary, allowances and perquisites as mentioned above.

Tarun Garg

Pursuant to a Board resolution dated March 7, 2022 and an ordinary resolution of our Shareholders passed at their meeting dated March 30, 2022, the remuneration payable to our Whole-time Director and Chief Operating Officer was as follows:

(a) salary, perquisites and allowances not exceeding ₹ 2.49 million per month and a performance incentive of a sum not exceeding ₹ 9.00 million;

    Perquisites, reimbursements, allowances and other payments and provisions include the following:

    (i) contribution to the provident fund (as per applicable laws);
    (ii) contribution to superannuation fund (i.e., 15% of basic salary);
    (iii) contribution to gratuity (as per law);
    (iv) contribution to national pension scheme (i.e., 10% of basic salary);
    (v) leave and encashment of leave (where leave and encashment of leave shall have the meaning prescribed in the rules of our Company. However, encashment of leave at the end of the tenure shall not be considered as a perquisite);
    (vi) medical reimbursements on an actual basis subject to a ceiling of ₹ 0.02 million per annum.

(b) in addition to the above, our Whole-time Director and Chief Operating Officer was entitled to travel, boarding and lodging for business travel, mobile phone(s), chauffeur-driven cars, club membership, medical facilities, group personal accident insurance policies cover as per the rules of our Company.

Pursuant to a Board resolution dated July 28, 2022 and an ordinary resolution of our Shareholders passed at their meeting dated August 22, 2022, the remuneration payable to our Whole-time Director and Chief Operating Officer with effect from January 1, 2022 was as follows:

(a) salary, allowances and perquisites not exceeding ₹ 3.00 million per month and performance incentives as may be paid by our Company from time to time not exceeding ₹ 12.00 million;

Perquisites, reimbursements, allowances and other payments and provisions include the following:

(i) contribution to the provident fund (as per applicable laws);
(ii) contribution to superannuation fund (i.e., 15% of basic salary);
(iii) contribution to gratuity (as per law);
(iv) contribution to national pension scheme (i.e., 10% of basic salary);
(v) leave and encashment of leave (where leave and encashment of leave shall have the meaning prescribed in the rules of our Company. However, encashment of leave at the end of the tenure shall not be considered as a perquisite);
(vi) medical reimbursements on an actual basis subject to a ceiling of ₹ 0.02 million per annum.

(b) in addition to the above, Whole-time Director and Chief Operating Officer is entitled to travel, boarding and lodging for business travel, mobile phone(s), chauffeur-driven cars, club membership, medical facilities, group personal accident insurance policies cover as per the rules of our Company.

Pursuant to a Board resolution dated March 14, 2024 and an ordinary resolution of our Shareholders passed at their meeting dated, May 17, 2024, the remuneration payable to our Whole-time Director and Chief Operating Officer with effect from January 1, 2024 is as follows:

(c) salary, allowances and perquisites not exceeding ₹ 3.5 million per month and performance incentives as may be paid by our Company from time to time not exceeding ₹ 15.00 million;

Perquisites, reimbursements, allowances and other payments and provisions include the following:

(i) contribution to the provident fund (as per applicable laws);
(ii) contribution to superannuation fund (i.e., 15% of basic salary);
(iii) contribution to gratuity (as per law);
(iv) contribution to national pension scheme (i.e., 10% of basic salary);
(v) leave and encashment of leave (where leave and encashment of leave shall have the meaning prescribed in the rules of our Company. However, encashment of leave at the end of the tenure shall not be considered as a perquisite);
(vi) medical reimbursements on an actual basis subject to a ceiling of ₹ 0.02 million per annum.

(d) in addition to the above, Whole-time Director and Chief Operating Officer is entitled to travel, boarding and lodging for business travel, mobile phone(s), chauffeur-driven cars, club membership, medical facilities, group personal accident insurance policies cover as per the rules of our Company.

Gopalakrishnan Chathapuram Sivaramakrishnan

Pursuant to a Board resolution dated July 28, 2022 and an ordinary resolution of our Shareholders passed at their meeting dated August 22, 2022, the remuneration payable to our Whole-time Director and Chief Manufacturing Officer with effect from July 28, 2022 was as follows:

(a) salary, allowances and perquisites not exceeding ₹ 0.90 million per month and performance incentives as may be paid by our Company from time to time not exceeding ₹ 3.50 million per annum.

Perquisites, reimbursements, allowances and other payments and provisions include the following:

(i) contribution to the provident fund (as per applicable laws);
(ii) contribution to superannuation fund (i.e., 15% of basic salary);
(iii) contribution to gratuity (as per law);
(iv) contribution to national pension scheme (i.e., 10% of basic salary);
(v) leave and encashment of leave (where leave and encashment of leave shall have the meaning prescribed in the rules of our Company. However, encashment of leave at the end of the tenure shall not be considered as a perquisite);
(vi) medical reimbursements on an actual basis subject to a ceiling of ₹ 0.02 million per annum.

(b) in addition to the above, Whole-time Director and Chief Manufacturing Officer was entitled to travel, boarding and lodging for business travel, mobile phone(s), chauffeur-driven cars, club membership, medical facilities, group personal accident insurance policies cover as per the rules of our Company.

Pursuant to a Board resolution dated September 15, 2022, the limits of remuneration payable to our Whole-time Director and Chief Manufacturing Officer was increased retrospectively with effect from July 28, 2022 to (a) salary, allowances and perquisites not exceeding ₹ 1.00 million per month; and (b) performance incentive of a sum not exceeding ₹ 5.00 million per annum. Subsequently, pursuant to a board resolution dated May 30, 2023 and an ordinary resolution of our Shareholders passed at their meeting dated August 7, 2023, the remuneration payable to our Whole-time Director and Chief Manufacturing Officer was revised retrospectively with effect from July 28, 2022 was as follows:

(a) salary, allowances and perquisites not exceeding ₹ 1.50 million per month and a performance incentives of a sum not exceeding ₹ 6.00 million per annum.
Perquisites, reimbursements, allowances and other payments and provisions include the following:

(i) contribution to the provident fund (as per applicable laws);
(ii) contribution to superannuation fund (i.e., 15% of basic salary);
(iii) contribution to gratuity (as per law);
(iv) contribution to national pension scheme (i.e., 10% of basic salary);
(v) leave and encashment of leave (where leave and encashment of leave shall have the meaning prescribed in the rules of our Company. However, encashment of leave at the end of the tenure shall not be considered as a perquisite);
(vi) medical reimbursements on an actual basis subject to a ceiling of ₹ 0.02 million per annum.

(b) in addition to the above, Whole-time Director and Chief Manufacturing Officer was entitled to travel, boarding and lodging for business travel, mobile phone(s), chauffeur-driven cars, club membership, medical facilities, group personal accident insurance policies cover as per the rules of our Company.

Pursuant to a Board resolution dated May 17, 2024 and an ordinary resolution of our Shareholders passed at their meeting dated May 17, 2024, the remuneration payable to our Whole-time Director and Chief Manufacturing Officer with effect from January 1, 2024 is as follows:

(a) salary, allowances and perquisites not exceeding ₹ 3.50 million per month and performance incentives as may be paid by our Company from time to time not exceeding ₹ 8.00 million per annum.

Perquisites, reimbursements, allowances and other payments and provisions include the following:

(i) contribution to the provident fund (as per applicable laws);
(ii) contribution to superannuation fund (i.e., 15% of basic salary);
(iii) contribution to gratuity (as per law);
(iv) contribution to national pension scheme (i.e., 10% of basic salary);
(v) leave and encashment of leave (where leave and encashment of leave shall have the meaning prescribed in the rules of our Company. However, encashment of leave at the end of the tenure shall not be considered as a perquisite)’
(vi) medical reimbursements on an actual basis subject to a ceiling of ₹ 0.02 million per annum.

(b) in addition to the above, Whole-time Director and Chief Manufacturing Officer was entitled to travel, boarding and lodging for business travel, mobile phone(s), chauffeur-driven cars, club membership, medical facilities, group personal accident insurance policies cover as per the rules of our Company.

Commission and sitting fees payable to the Independent Directors

Pursuant to (a) appointment letters dated June 7, 2024 issued to each of our Independent Directors; and (b) a resolution passed by our Board on June 7, 2024 and a special resolution of our Shareholders passed at their meeting held on June 12, 2024, our Independent Directors are each entitled to receive (a) a sitting fee of ₹0.10 million for each meeting of our Board; (b) ₹0.06 million for each meeting of any duly constituted committee of our Board; and (c) an annual commission of ₹ 6.00 million per annum, comprising of a fixed remuneration of ₹ 5.50 million and a committee chairperson allowance of ₹ 0.50 million payable to each of the Independent Directors if they are appointed as the chairpersons of our committees.

Payment or Benefit to Directors

Details of the remuneration paid to the Directors by our Company are disclosed below:

1. *Compensation paid to our Managing Director and Whole-time Directors*

The remuneration paid by our Company to our Managing Director during Financial Year 2024 was ₹ 74.88 million.

The remuneration paid by our Company to our Whole-time Director and Chief Operating Officer during Financial Year 2024 was ₹ 42.35 million.

The remuneration paid by our Company to our Whole-time Director and Chief Manufacturing Officer during Financial Year 2024 was ₹ 24.14 million.

2. Compensation paid to our Independent Directors

Our Independent Directors were appointed in Fiscal 2025, and accordingly no sitting fees or commission or remuneration was paid by our Company to our Independent Directors for Fiscal 2024.

Contingent and deferred compensation payable to Directors

No contingent or deferred compensation was accrued or payable to any of our Directors for Fiscal 2024.

Remuneration paid to our Directors by our Subsidiaries

Our Directors have not been paid any remuneration in Financial Year 2024 by our Subsidiaries.

Shareholding of our Directors in our Company

None of our Directors hold or are required to hold any qualification shares. For details of the shareholding of our Directors in our Company, see "***Capital Structure – Shareholding of our Directors, Key Managerial Personnel and members of Senior Management in our Company***" on page 92.

Arrangement or Understanding with Major Shareholders, Customers, Suppliers or Others

None of our Directors have been appointed pursuant to any arrangement or understanding with major Shareholders, customers, suppliers or others.

Interest of Directors

1. All Directors may be deemed to be interested to the extent of (i) sitting fees, if any, payable to them for attending meetings of our Board and committees and other remuneration or benefits, if any, to which they are entitled in accordance with the terms of their appointment or reimbursement of expenses incurred by them during the ordinary course of business by our Company, (ii) transactions entered into in the ordinary course of business with companies in which our Directors hold directorship, and (iii) their directorship on the board of directors of, and/or their shareholding in our Company and Subsidiaries, as applicable.

2. Other than statutory benefits upon termination of employment of Tarun Garg, our Whole-time Director and Chief Operating Officer and Gopalakrishnan Chathapuram Sivaramakrishnan, our Whole-time Director and Chief Manufacturing Officer, our Company has not entered into any service contracts with our Directors providing for benefits upon termination of their employment.

3. None of our Directors have any interest in the promotion or formation of our Company.

4. None of our Directors are a party to any bonus or profit-sharing plan by our Company. However, certain of our Whole-time Directors are entitled to a variable pay which is based on their performance in our Company.

5. Our Directors have no interest in any property acquired by our Company or proposed to be acquired of our Company or by our Company, as of the date of this Draft Red Herring Prospectus.

6. Our Directors are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Directors or to such firm or company in cash or shares or otherwise by any person either to induce them to become, or to help them qualify as a Director, or otherwise for services rendered by them or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

7. None of our Directors have any interest in any property acquired in the three years immediately preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction

by our Company for acquisition of land, construction of building or supply of machinery, etc.

Confirmations

None of our Directors is or was a director of any listed company during the five years immediately preceding the date of this Draft Red Herring Prospectus, whose shares have been, or were suspended from being traded on any of the stock exchanges during the term of their directorship in such company.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the term of their directorship in such company.

Changes in the Board during the last three years

S. No.	Name	Effective Date of Appointment/Change in designation/Cessation/Regularization	Reason
1.	Ajay Tyagi	June 7, 2024	Appointment as an additional director - independent – non-executive [7]
2.	Sree Kirat Patel	June 7, 2024	Appointment as an additional director - independent – non-executive [7]
3.	Shalini Puchalapalli	June 7, 2024	Appointment as an additional director - independent – non-executive [7]
4.	Wangdo Hur	June 7, 2024	Cessation as a whole-time director due to change in the organization structure
5.	Jong Hoon Lee	June 7, 2024	Cessation as a whole-time director due to change in the organization structure
6.	Jae Wan Ryu	June 7, 2024	Cessation as a whole-time director due to change in the organization structure
7.	Keun Han Yi	June 7, 2024	Cessation as a director due to change in the organization structure
8.	Hyunju Kim	June 7, 2024	Cessation as a non-executive director due to change in the organization structure
9.	Jae Wan Ryu	February 2, 2024	Appointment as additional director designated as whole-time director[6]
10.	Dosik Kim	December 31, 2023	Resignation as a director due to his return to South Korea
11.	Dae Han Choi	December 8, 2023	Resignation as an alternate director to Gang Hyun Seo consequent to resignation of Gang Hyun Seo
12.	Gang Hyun Seo	December 8, 2023	Resignation as a director – non-executive due to personal reasons
13.	Hyunju Kim	March 10, 2023	Appointment as an additional director (non-executive)[5]
14.	Wangdo Hur	February 3, 2023	Appointment as an additional director designated as whole-time director and Chief Financial Officer[4]
15.	Kyung Hee Jung	December 31, 2022	Resignation as a director due to her return to South Korea
16.	Choon Hang Park	December 31, 2022	Resignation as whole-time director and chief financial officer due to his return to South Korea
17.	Shanmuga Sundaram Ganeshmani	July 7, 2022	Resignation as a whole-time director due to personal reasons
18.	Gopalakrishnan Chathapuram Sivaramakrishnan	July 28, 2022	Appointment as a whole-time director
19.	Daehan Choi	April 20, 2022	Appointment as an alternate director
20.	Unsoo Kim	January 25, 2022	Appointment as an additional director designated as the Managing Director[3]
21.	Seonseob Kim	January 1, 2022	Resignation as the managing director due to his return to South Korea
22.	Dosik Kim	September 28, 2021	Appointment as an additional director designated as a whole-time director[2]
23.	Woongsik Oh	August 8, 2021	Resignation as whole-time director due to his return to South Korea
24.	Gang Hyun Seo	June 16, 2021	Appointment as additional director – non-executive[1]

[1]Regularised by way of an ordinary resolution of the Shareholders passed at their meeting dated August 23, 2021.
[2]Regularised by way of a special resolution of the Shareholders passed at their meeting dated October 25, 2021.
[3] Regularised by way of a special resolution of the Shareholders passed at their meeting dated March 30, 2022.

[(4)] *Regularised by way of a special resolution of the Shareholders passed at their meeting dated March 1, 2023.*
[(5)] *Regularised by way of an ordinary resolution of the Shareholders passed at their meeting dated August 7, 2023.*
[(6)] *Regularised by way of an ordinary resolution of the Shareholders passed at their meeting dated March 1, 2024.*
[(7)] *Regularised by way of an ordinary resolution of the Shareholders passed at their meeting dated June 7, 2024.*

Borrowing Powers of our Board

In accordance with our Articles of Association and pursuant to a resolution of the Board dated December 6, 2018 and a special resolution of our Shareholders passed at their meeting dated January 7, 2019, the Board of Directors has been authorized to borrow any sum or sums of money from time to time, which together with the money already borrowed by our Company, may exceed aggregate of its paid-up capital, free reserves and securities premium, apart from temporary loans obtained from our Company's bankers in the ordinary course of business, provided however, the total amount so borrowed shall not exceed ₹ 49,000 million.

Corporate Governance

Our Company is in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations (as applicable to equity listed companies), the Companies Act and the SEBI ICDR Regulations, as well as the applicable requirements prescribed by the RBI, in respect of corporate governance, including in relation to the constitution of our Board and committees thereof.

Committees of the Board

In addition to the committees of our Board described below, our Board may constitute committees for various functions from time to time.

Audit Committee

The Audit Committee was constituted pursuant to a resolution passed by our Board at its meeting held on June 7, 2024. The composition and terms of reference of the Audit Committee are in compliance with Section 177 and other applicable provisions of the Companies Act and Regulation 19 of the SEBI Listing Regulations. The Audit Committee currently comprises:

1. Shalini Puchalapalli (*Independent Director*) (*Chairperson*);
2. Sree Kirat Patel (*Independent Director*);
3. Tarun Garg (*Whole-time Director and Chief Operating Officer*)

Scope and Terms of Reference

The Audit Committee shall be responsible for, among other things, as may be required by the relevant stock exchange(s) in India where the equity shares of the Company are proposed to be listed (the "**Stock Exchanges**") from time to time, the following:

Powers of Audit Committee

The Audit Committee shall have powers, including the following:

(1) to investigate any activity within its terms of reference;
(2) to seek any specific information, as may be required, from any employee(s) of the Company and the concerned employee(s) shall co-operate with the request of the committee;
(3) to obtain outside legal or other professional advice and secure attendance of outsider(s) with relevant experience if the same is considered necessary;
(4) to form and delegate authority to its sub-committees or to one or more members of the committee; and
(5) such powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

Role of Audit Committee

The role of the Audit Committee shall include the following:

(a) Oversight of the financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible.

(b) Recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors including statutory auditors, secretarial auditors, cost auditors, internal auditors of the Company and the fixation of the audit fee, as applicable.

(c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

(d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

- Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act 2013;

- Changes, if any, in accounting policies and practices and reasons for the same;

- Major accounting entries involving estimates based on the exercise of judgment by management;

- Significant adjustments made in the financial statements arising out of audit findings;

- Compliance with listing and other legal requirements relating to financial statements;

- Disclosure of any related party transactions; and

- Modified opinion(s) in the draft audit report.

(e) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval.

(f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the issue document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue, and making appropriate recommendations to the Board to take up steps in this matter.

(g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.

(h) Approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

Explanation: The term "related party transactions" shall have the same meaning as provided in Regulation 2(1)(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act 2013.

(i) Scrutiny of inter-corporate loans and investments.

(j) Valuation of undertakings or assets of the Company, wherever it is necessary.

(k) Evaluation of internal financial controls and risk management systems.

(l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.

(m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

(n) Discussion with internal auditors of any significant findings and follow up there on.

(o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

(p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

(q) Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

(r) Recommending to the Board the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services.

(s) Reviewing the functioning of the whistle blower mechanism.

(t) Overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases.

(u) Approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.

(v) Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision.

(w) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

(x) Approving the key performance indicators for disclosure in the offer documents.

(y) Carrying out any other functions required to be carried out by the Audit Committee as may be decided by the Board and/or as provided under the Companies Act, or as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

The Audit Committee shall mandatorily review the following information:

(a) management discussion and analysis of financial condition and results of operations;

(b) management letters / letters of internal control weaknesses issued by the statutory auditors;

(c) internal audit reports relating to internal control weaknesses;

(d) the appointment, removal and terms of remuneration of the chief internal auditor; and

(e) statement of deviations in terms of the SEBI Listing Regulations:

- quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s); and

- annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice, if any.

The Audit Committee shall meet at least four times a year with maximum interval of 120 days between two consecutive meetings, and shall have the authority to investigate into any matter in relation to the items specified under the terms of reference or such other matter as may be referred to it by the Board and for this purpose, shall have full access to information contained in the records of the Company and shall have power to seek information from any employee, obtain external professional advice and secure attendance of outsiders with relevant expertise if necessary.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted pursuant to a resolution passed by our Board at its meeting held on June 7, 2024. The composition and terms of reference of the Nomination and Remuneration

Committee are in compliance with Section 178 and other applicable provisions of the Companies Act and Regulation 19 of the SEBI Listing Regulations. The Nomination and Remuneration Committee currently comprises:

1. Sree Kirat Patel (*Independent Director*) (*Chairperson*);
2. Shalini Puchalapalli (*Independent Director*); and
3. Ajay Tyagi (*Independent Director*)

Scope and terms of reference:

The Nomination and Remuneration Committee shall be responsible for, among other things, the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees.

- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

    (a) use the services of an external agencies, if required;

    (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and

    (c) consider the time commitments of the candidates;

- Formulation of criteria for evaluation of performance of independent directors and the Board.

- Devising a policy on Board diversity.

- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director’s performance (including independent director).

- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

- Recommend to the Board, all remuneration, in whatever form, payable to senior management.

- Succession planning for the key executives and overseeing;

- Carrying out any other activities as may be delegated by the Board and functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that —

a. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

In addition, the Nomination and Remuneration Committee has also been empowered to perform such functions as are required to be performed by the compensation committee under Regulation 5 of the SEBI (Share Based

Employee Benefits and Sweat Equity) Regulations, 2021, as applicable, including the following:

(a) administering the employee stock option plans of the Company as may be instituted from time to time, including the employee stock option schemes;

(b) determining the eligibility of employees to participate under the employee stock option plans;

(c) granting options to eligible employees and determining the date of grant under the employee stock option plans;

(d) determining the number of options to be granted to an employee under the employee stock option plans;

(e) determining the exercise price under the employee stock option plans; and

(f) construing and interpreting the employee stock option plans and any agreements defining the rights and obligations of the Company and eligible employees under the employee stock option plans, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the employee stock option plans.

The Nomination and Remuneration Committee is required to meet at least once every year in accordance with the SEBI Listing Regulations.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted pursuant to a resolution passed by our Board at its meeting held on June 7, 2024, in compliance with Section 178 of the Companies Act and Regulation 20 of the SEBI Listing Regulations. The Stakeholders' Relationship Committee currently comprises:

1. Ajay Tyagi (*Independent Director*) (*Chairperson*);
2. Gopalakrishnan Chathapuram Sivaramakrishnan (*Whole-time Director and Chief Manufacturing Officer*);
3. Tarun Garg (*Whole-time Director and Chief Operating Officer*)

Scope and Terms of Reference

The Stakeholders' Relationship Committee shall be responsible for, among other things, as may be required under applicable law, the following:

- Considering and looking into various aspects of interest of shareholders, debenture holders and other security holders.

- Redressal of grievances of the security holders of the Company, including complaints in respect of allotment of Equity Shares, transfer/ transmission of Equity Shares, non-receipt of share credit in demat accounts, declared dividends, annual reports, balance sheets of the Company, general meetings, etc.

- Giving effect to allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities.

- Reviewing measures taken for effective exercise of voting rights by shareholders.

- Reviewing adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent.

- Reviewing the various measures and initiatives undertaken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

- recognising the rights of its stakeholders and encourage cooperation between the Company and the stakeholders, in the following manner:

- The Company shall respect the rights of stakeholders that are established by law or through mutual agreements.

- Stakeholders shall have the opportunity to obtain effective redress for violation of their rights.

- Stakeholders shall have access to relevant, sufficient, and reliable information on a timely and regular basis to enable them to participate in the corporate governance process.

- Carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

The Stakeholders' Relationship Committee is required to meet at least once in a year in accordance with the SEBI Listing Regulations.

Risk Management Committee

The Risk Management Committee was constituted pursuant to a resolution passed by our Board at its meeting held on June 7, 2024, in compliance with Regulation 21 of the SEBI Listing Regulations. The Risk Management Committee currently comprises:

1. Unsoo Kim (*Managing Director*) (*Chairperson*);
2. Sree Kirat Patel (*Independent Director*);
3. Tarun Garg (*Whole-time Director and Chief Operating Officer*)

The role and responsibility of the Risk Management Committee shall be as follows:

- Formulation of a detailed risk management policy which shall include: (a) a framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee; (b) measures for risk mitigation including systems and processes for internal control of identified risks; and (c) business continuity plan;

- Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

- Monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

- Periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity, and recommend for any amendment or modification thereof, as necessary;

- Keep the Board of directors of the Company informed about the nature and content of its discussions, recommendations and actions to be taken; and

- Review the appointment, removal and terms of remuneration of the chief risk officer (if any).

- Review and approve the Enterprise Risk Management ('ERM') framework, if any;

- Implement and monitor policies and/or processes for ensuring cyber security;

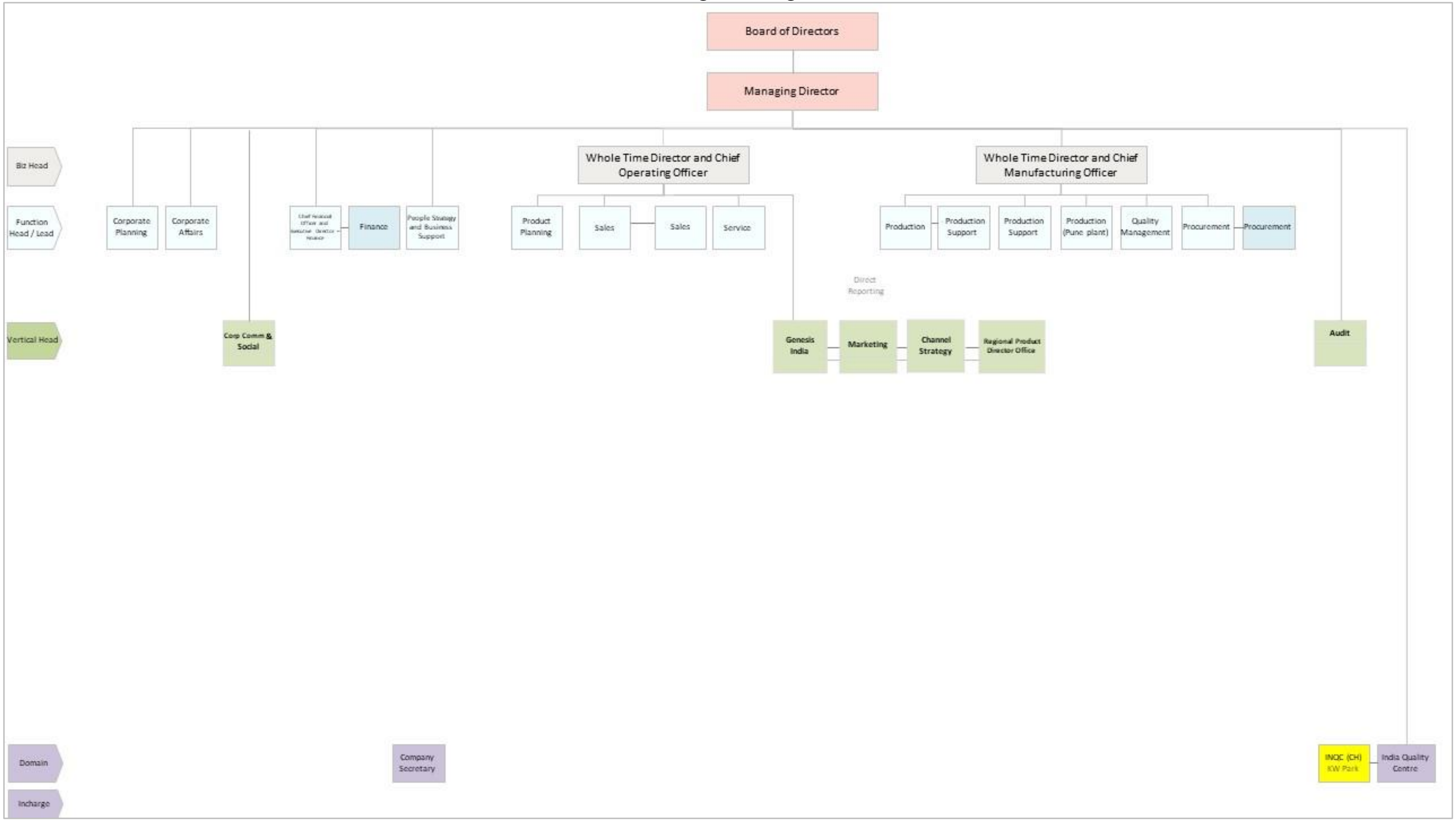
- Review and recommend to the Board various business proposals for their corresponding risks and opportunities;

- Review and monitor the effectiveness and application of credit risk management policies, related standards and procedures to control the environment with respect to business decisions;

- Any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law, as and when amended from time to time, including the SEBI Listing Regulations.

In addition to the above, our Company has also constituted the Corporate Social Responsibility Committee and an IPO Committee.

Management Organization Structure



Key Managerial Personnel of our Company

In addition to Unsoo Kim, our Managing Director, Tarun Garg, our Whole-time Director and Chief Operating Officer, Gopalakrishnan Chathapuram Sivaramakrishnan, our Whole-time Director and Chief Manufacturing Officer whose details are provided in "***– Brief Biographies of our Directors***" on page 198, the details of our Key Managerial Personnel as of the date of this Draft Red Herring Prospectus are set out below:

Wangdo Hur is the Chief Financial Officer and a function head – finance of our Company. He has been associated with our Company since January 1, 2023. His current tenure in our Company as the executive director – finance is for a period of four years commencing from January 1, 2023 to December 31, 2026, and his current tenure as the Chief Financial Officer is for a period of three years i.e., up to February 2, 2026. He holds a bachelor's degree in economics from the College of Business and Economics at Yeungnam University, Korea. He oversees the finance activities and performance of our Company. He has been associated with the Hyundai Motor Group since December 1, 1991. During Fiscal 2024, he received a remuneration of ₹ 43.72 million.

Divya Venkat is the Company Secretary and Compliance Officer of our Company. She has been associated with our Company since October 4, 2018. She holds a bachelor's degree in commerce (corporate secretaryship) from the M.O.P Vaishnav College for Women, Chennai, University of Madras. She is also an associate of the Institute of Company Secretaries of India. She has previously worked with Qube Cinema Technologies Private Limited, Kailash Shipping Services Private Limited and Randstad India Private Limited. She is responsible for ensuring legal and secretarial compliance in our Company. During Fiscal 2024, she received a remuneration of ₹ 1.83 million.

Senior Management of our Company

In addition to Wangdo Hur, our Chief Financial Officer and Divya Venkat, our Company Secretary and Compliance Officer, whose details are provided in "***- Key Managerial Personnel of our Company***" on page 212 above, the details of other members of our Senior Management in terms of SEBI ICDR Regulations, as on the date of this Draft Red Herring Prospectus are set out below:

Keunwoo Park is the domain advisor (India quality centre) of our Company. He has been associated with our Company since January 8, 2024. His current tenure in our Company is for a period of four years commencing from January 8, 2024 to January 7, 2028. He holds a bachelor's degree in engineering from the College of Engineering, Kyung Hee University, Korea. He has been associated with the Hyundai Motor Group since July 8, 2002. He is responsible for strategizing and identifying quality control measures to develop and support unique safety standards applicable to India at our Company. During Fiscal 2024, he received a remuneration of ₹ 8.39 million.

Anup Vajram is the domain head – India quality centre of our Company. He has been associated with our Company since April 5, 2013. He holds a bachelor's degree in engineering (mechanical) from the College of Engineering, Sakharale at Shivaji University, Kolhapur. He has previously worked with Waterman Industries Ltd, Fiat India Private Limited, General Motor India Private Limited and Tata Motors Limited. He is responsible for strategizing and identifying quality control measures to develop and support unique safety standards applicable to India, at our Company. During Fiscal 2024, he/ received a remuneration of ₹ 9.51 million.

Raja R is the vertical head - audit of our Company. He has been associated with our Company since August 13, 1998. He holds a bachelor's degree in engineering (mechanical) from Annamalai University (Faculty of Engineering and Technology) and a post graduate diploma in operations management from Indira Gandhi National Open University. He has previously worked with Rane (Madras) Limited. He is responsible for conducting internal audit of our Company's operation and development of internal controls, governing systems and assurance at our Company. During Fiscal 2024, he received a remuneration of ₹ 8.54 million.

Amit Kumar Dhaundiyal is the vertical head - regional product director office of our Company. He has been associated with our Company since January 11, 2004. He holds a bachelor's degree in engineering (mechanical) from the University of Pune. He has previously worked with LML Limited. He is responsible for improving the operating profit, product life cycle management and co-ordination with internal and external stakeholders at our Company. During Fiscal 2024, he received a remuneration of ₹ 12.24 million.

Jae Wan Ryu is the function head – corporate planning of our Company. He has been associated with our Company since August 9, 2021. His current tenure in our Company is for a period of four years commencing from August 9, 2021 to August 8, 2025. He holds a bachelor's degree in arts (economics) from the College of Business and Economics, Hanyang University, Korea. He has been associated with the Hyundai Motor Group since December 18, 1995. He is responsible for preparing organizational objectives, new business strategies and missions and overall export management at our Company. During Fiscal 2024, he received a remuneration of ₹ 49.71 million.

Saravanan T is the function lead - finance of our Company. He has been associated with our Company since April 6, 1998. He holds a bachelor's degree in science from the University of Madras. He has also passed the final examination held by the Institute of Chartered Accountants of India. He is responsible for the finance operations of our Company. During Fiscal 2024, he received a remuneration of ₹12.86 million.

Youngki Shin is the function head - people strategy and business support of our Company. He has been associated with our Company since January 1, 2024. His current tenure in our Company is for a period of four years commencing from January 1, 2024 to December 31, 2027. He holds a bachelor's degree in business administration from the College of Business, Hankuk University of Foreign Studies, Korea. He has been associated with the Hyundai Motor Group since December 12, 1994. He is responsible for development of business services, information technology, legal risk and strategic human resource planning and management at our Company. During Fiscal 2024, he received a remuneration of ₹ 11.54 million.

Hyoung Soon Yoon is the function head – product planning of our Company. He has been associated with our Company since July 15, 2019. His current tenure in our Company is for a period of two years commencing from July 15, 2023 to July 14, 2025. He holds a bachelor's degree in economics from the College of Political Science and Economics, Korea University, Korea. He has been associated with the Hyundai Motor Group since July 2, 2002. He is responsible for formulating product planning and strategies and market research to ensure digitization, technology leadership and profitability at our Company. During Fiscal 2024, he received a remuneration of ₹ 43.64 million.

Jong Tae Park is the function advisor – sales & marketing of our Company. He has been associated with our Company since January 1, 2023. His current tenure in our Company is for a period of four years commencing from January 1, 2023 to December 31, 2026. He holds a bachelor's degree in business administration from The College of Business Administration, Kangwon National University, Korea. He has been associated with the Hyundai Motor Group since November 1, 1999. He is responsible for directing all aspects of our Company's sales activities for meeting sales target through strategic and operational planning which supports the overall business objectives at our Company. During Fiscal 2024, he received a remuneration of ₹ 41.75 million.

Tapan Kumar Ghosh is the function head - sales of our Company. He has been associated with our Company since March 5, 2013. He holds a bachelor's degree in engineering (mechanical) from the Birla Institute of Technology and a post graduate diploma in management from T.A. Pai Management Institute, Manipal. He has previously worked with Tata Motors Limited, Maruti Suzuki India Limited, Honda Siel Cars India Limited, Hindustan Motors Limited and Mahindra & Mahindra Limited. He is responsible for direction of sales, strategic and operational planning to support overall business objectives and improve profitability and dealer network at our Company. During Fiscal 2024, he received a remuneration of ₹16.68 million.

Nilesh Chandrakant Shah is the function head - service of our Company. He has been associated with our Company since September 11, 2014. He holds a bachelor's degree in engineering (mechanical) from Dr. Babasaheb Ambedkar Marathwada University, Aurangabad. He has previously worked with Tata Motors Limited, Maruti Suzuki India Limited, Motor Industries Co. Ltd., Bajaj Tempo Limited and Spectrum Sales and Service. He is responsible for service operations, customer relationship management and development of standards of service quality and performance at our Company. During Fiscal 2024, he received a remuneration of ₹ 12.44 million.

M S Mukundan is the function head - production of our Company. He has been associated with our Company since May 20, 1998. He holds a bachelor's degree in engineering (mechanical) from V.L.B. Janaki Ammal College of Engineering and Technology, Coimbatore at Bharathiar University, a master's degree in business administration from the Institute of Chartered Financial Analysts of India University, Tripura and a post graduate diploma in operations management from Indira Gandhi National Open University, New Delhi. He also holds an advanced diploma in total quality management and ISO9000 from the Indian School of Labour Education, Coimbatore. He has previously worked with Lakshmi Precision Tools Limited and Lakshmi Machine Works Limited. He is responsible for leading production operations and support through strategic planning, flexible operations and resource optimization at our Company. During Fiscal 2024, he received a remuneration of ₹15.33 million.

Jong Hoon Lee is the function advisor – production support of our Company. He has been associated with our Company since April 9, 2019, wherein his original tenure in our Company was for a period of four years commencing from April 9, 2019 to March 31, 2023. His current tenure in our Company is for a period of one year commencing from January 24, 2024 to January 23, 2025. He holds a bachelor's degree in science (precision mechanical engineering) from the College of Engineering at Hanyang University, Seoul. He has been associated with the Hyundai Motor Group since December 11, 1989. He is responsible for review of the manufacturing process, production and production support and managing the overall production milestones at our Company. During Fiscal 2024, he received a remuneration of ₹ 44.21 million.

Tae Hoon Kim is the function head – quality management of our Company. He has been associated with our Company since September 14, 2022. His current tenure in our Company is for a period of four years commencing from September 14, 2022 to September 13, 2026. He holds a bachelor's degree in engineering from the College of Engineering, Dong-A University, Korea. He has been associated with the Hyundai Motor Group since December 26, 2002. He is responsible for leading the development and implementation of quality policies and procedures, ensuring alignment with organizational objectives and industry regulations at our Company. During Fiscal 2024, he received a remuneration of ₹ 40.51 million.

Daeick Kim is the function head – procurement of our Company. He has been associated with our Company since January 1, 2022. His current tenure in our Company is for a period of four years commencing from January 1, 2022 to December 31, 2025. He holds a bachelor's degree in engineering from The College of Engineering, Yeungnam University, Korea. He has been associated with the Hyundai Motor Group since March 16, 1998. He is responsible for managing the procurement of raw materials and supply chain management to drive sustainability, quality excellence and risk mitigation at our Company. During Fiscal 2024, he received a remuneration of ₹ 40.02 million.

Sundar R is the function lead – procurement of our Company. He has been associated with our Company since August 17, 2000. He holds a master's degree in science (technological operations branch) from the Birla Institute of technology & Science, Rajasthan and a master's in business administration (operations management) from the Indira Gandhi National Open University. He has previously worked with AEIP Precision Products Limited. He is responsible for managing the procurement of raw materials and supply chain management to drive sustainability, quality excellence and risk mitigation at our Company. During Fiscal 2024, he/ received a remuneration of ₹ 11.66 million.

Senthil Kumar R is the is the function head – production support of our Company. He has been associated with our Company since July 11, 1997. He holds a bachelor's degree in engineering (electrical & electronics) from the PSG College of Technology, Bharathiar University, a master's degree in business administration from the Indian Institute of Management, Tiruchirappalli and a master's degree in science from the Birla Institute of Technology & Science. He has previously worked with Bajaj Auto Limited. He is responsible for production control, maintenance and material management at our Company. During Fiscal 2024, he received a remuneration of ₹ 11.66 million.

Puneet Anand is the vertical head - corporate communication and social of our Company. He has been associated with our Company since January 5, 1998. He holds a master's degree in business administration (global) from The Korea University Business School, Korea University. He is responsible for developing and implementing strategic communications to enhance our brand reputation, drive social impact and align strategies to align with our Company's sustainability goals at our Company. During Fiscal 2024, he received a remuneration of ₹ 13.38 million.

In Ho Jeong is the function head – production (Pune) of our Company. He has been associated with our Company since January 22, 2024. His current tenure in our Company is for a period of four years commencing from January 22, 2024 to January 21, 2028. He holds a bachelor's degree in engineering from the College of Engineering, Yeungnam University, Korea. He has been associated with the Hyundai Motor Group since February 8, 1993. He is responsible for leading production operations in the Talegaon Manufacturing Plant through flexible operations, strategic planning and cost reduction initiatives to ensure resource optimization, equipment reliability and safety compliance for sustained productivity at our Company. During Fiscal 2024, he received a remuneration of ₹ 5.94 million.

Anuraag Singh is the vertical head – Genesis India of our Company. He has been associated with our Company since July 13, 1999. He also holds a post graduate diploma in management from the Symbiosis Institute of Management Studies. He is responsible for developing innovative and differentiated sales strategies, creation of business models to drive commitment, investment and focus towards strengthening our presence in India's market for premium products at our Company. During Fiscal 2024, he received a remuneration of ₹ 11.19 million.

Virat Khullar is the vertical head - marketing of our Company. He has been associated with our Company since February 18, 2020. He holds a bachelor's degree in engineering (technology) from the Punjab Technical University and a post graduate diploma in business management from the Institute of Management Technology, Ghaziabad. He has previously worked with Renault India Private Limited and Tata Motors Limited. He is responsible for the overall planning, development and execution of our marketing and advertising initiatives and strategies to transform our brand and contribute to the overall growth of our Company. During Fiscal 2024, he received a remuneration of ₹ 16.76 million.

Gautam Mukherjee is the vertical head – channel strategy of our Company. He has been associated with our Company since April 14, 2014. He has completed his examination for a bachelor's degree in engineering from the South Gujarat University, Surat and has completed a senior management program at the Indian Institute of Management, Calcutta. He has previously worked with Tata Motors Limited, Satyam Computers Services Limited and Toyota Kirloskar Motor Private Limited. He is responsible for devising various strategies and policies for channel management, developing an efficient and profitable dealer network and brand management at our Company. During Fiscal 2024, he received a remuneration of ₹ 12.78 million.

Jeongick Lee is the function head – corporate affairs of our Company. He has been associated with our Company since May 13, 2024. His current tenure in our Company is for a period of four years commencing from May 13, 2024 to May 12, 2028. He holds a bachelor's degree in law from the College of Law, Yeungnam University, Korea. He has been associated with the Hyundai Motor Group since May 28, 2011. He is responsible for the overall corporate affairs management, ensuring enhancement of our business performance. He is also responsible for building and maintaining strategic relationships with internal and external stakeholders in our Company. Since Jeongick Lee joined our Company in Fiscal 2025, he did not receive any remuneration from our Company in Fiscal 2024.

Status of Key Managerial Personnel and Senior Management

All Key Managerial Personnel and Senior Management are permanent employees of our Company. It is clarified that in accordance with the Human Resources Regulations for Overseas Expatriates of our Promoter, i.e., Unsoo Kim, Wangdo Hur, Keunwoo Park, Jae Wan Ryu, Youngki Shin, Hyoung Soon Yoon, Jong Tae Park, Jong Hoon Lee, Tae Hoon Kim, Daeick Kim, In Ho Jeong and Jeongick Lee, have been onboarded as permanent employees of our Company for their respective tenures in our Company.

Relationship between our Key Managerial Personnel, Senior Management and Directors

None of our Key Managerial Personnel and Senior Management are related to each other or to the Directors of our Company.

Shareholding of Key Managerial Personnel and Senior Management in our Company

For details of the shareholding of our Key Managerial Personnel and Senior Management, see "***Capital Structure– Shareholding of our Directors, Key Managerial Personnel and members of Senior Management in our Company***" on page 92.

Bonus or Profit-Sharing Plan of our Key Managerial Personnel and Senior Management

None of our Key Managerial Personnel or Senior Management is a party to any profit-sharing plan by our Company. However, certain of our Senior Management are entitled to a variable pay which is based on their performance in our Company.

Arrangement or Understanding with Major Shareholders, Customers, Suppliers or Others

There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel or Senior Management were selected as members of our management.

Interest of Key Managerial Personnel and Senior Management

Except as disclosed in "***- Interest of Directors***" on page 202, our Key Managerial Personnel and Senior

Management do not have any interests in our Company, other than to the extent of (i) the remuneration or incentives, if any, to which they are entitled in accordance with the terms of their appointment or reimbursement of expenses incurred by them during the ordinary course of business by our Company and (ii) their directorship on the board of directors of, and/or their shareholding in our Company and Subsidiaries, as applicable and any dividend payable to them and other benefits arising out of such shareholding.

None of our Key Managerial Personnel or Senior Management have been paid any consideration of any nature by our Company other than remuneration in the ordinary course of their employment.

No deferred or contingent compensation was accrued or payable to any of our Key Managerial Personnel or Senior Management in Fiscal 2024.

Changes in the Key Managerial Personnel and Senior Management during the last three years

Other than as disclosed in "- ***Changes in our Board in the last three years***" on page 203, the changes in the Key Managerial Personnel and Senior Management in the preceding three years are as follows:

Name	Date of Change	Reason for Change
Jeongick Lee	May 13, 2024	Appointment as function head – corporate affairs
Anuraag Singh	April 1, 2024	Appointment as vertical head – Genesis India
Puneet Anand	April 1, 2024	Appointment as vertical head – corporate communication & social
Senthil Kumar R	April 1, 2024	Appointment as function head – production support
M S Mukundan	April 1, 2024	Appointment as function head - production
M S Mukundan	March 31, 2024	Cessation as function head – production support
In Ho Jeong	January 22, 2024	Appointment as function head – production (Pune)
Keunwoo Park	January 8, 2024	Appointment as domain advisor – India quality centre
Youngki Shin	January 1, 2024	Appointment as function head – people strategy and business support
Jin Hwan Ryu	December 31, 2023	Cessation as function head – people strategy & business support
Dosick Kim	December 31, 2023	Cessation as function head – corporate affairs
Divya Venkat	December 18, 2023	Appointment as Company Secretary
M V Vidya	November 30, 2023	Cessation as company secretary
Amit Kumar Dhaundiyal	October 1, 2023	Appointment as vertical head – regional product director office
Wangdo Hur	February 3, 2023	Appointment as Chief Financial Officer
Jong Tae Park	January 1, 2023	Appointment as function advisor – sales
Choon Hang Park	December 31, 2022	Cessation as chief financial officer and division head – finance (1)
Dong Huwy Park	December 31, 2022	Cessation as division advisor – sales (2)
Tae Hoon Kim	September 14, 2022	Appointment as unit head – quality management(3)
Gopalakrishnan Chathapuram Sivaramkrishnan	July 8, 2022	Appointment as division head (4)
Sinmo Soan	July 7, 2022	Cessation as unit head – quality management
Gopalakrishnan Chathapuram Sivaramkrishnan	July 7, 2022	Cessation as division head – production (5)
Ganesh Mani S	July 7, 2022	Cessation as division head
Nilesh Chandrakant Shah	July 1, 2022	Appointment as unit head – service (6)
Punnaivanam Sankaramoorthy	June 10, 2022	Cessation as unit head – service
Sundar R	June 1, 2022	Appointment as unit head – procurement (7)
Muralidharan T	May 31, 2022	Cessation as unit head – procurement
Saravanan T	April 22, 2022	Appointment as unit head – finance (8)
Ramesh N	February 28, 2022	Cessation as unit head – finance
Tapan Kumar Ghosh	January 3, 2022	Appointment as unit head – sales (9)
Raja R	January 3, 2022	Appointment as group head – audit (10)
Daeick Kim	January 1, 2022	Appointment as division head – procurement (11)
Kwang Youl Lee	December 31, 2021	Cessation as division head – procurement
Vikas Jain	December 31, 2021	Cessation as unit head – sales
Jae Wan Ryu	August 9, 2021	Appointment as division head – corporate planning (12)
Woongsik Oh	August 8, 2021	Cessation as division head – corporate planning

(1) *Position changed to function head – finance with effect from January 1, 2023.*
(2) *Position changed to function advisor – sales with effect from January 1, 2023.*
(3) *Position changed to function head – quality management with effect from January 1, 2023.*
(4) *Position changed to business head with effect from January 1, 2023 and externally also referred to as chief manufacturing officer.*
(5) *Position changed to function head – production with effect from January 1, 2023.*

[(6)] *Position changed to function head – service with effect from January 1, 2023.*
[(7)] *Position changed to function lead – procurement with effect from January 1, 2023.*
[(8)] *Position changed to function lead – finance with effect from January 1, 2023.*
[(9)] *Position changed to function head – sales with effect from January 1, 2023.*
[(10)] *Position changed to vertical head – audit with effect from April 1, 2023.*
[(11)] *Position changed to function lead – procurement with effect from January 1, 2023.*
[(12)] *Position changed to function head – corporate planning with effect from January 1, 2023.*

Payment or Benefit to Key Managerial Personnel and Senior Management

No amount or benefit has been paid or given within two years preceding the date of this Draft Red Herring Prospectus or is intended to be paid or given to any officers of our Company, including our Key Managerial Personnel and Senior Management, other than normal remuneration, for services rendered as officers of our Company, and as disclosed in "***Other Financial Information – Related Party Transactions***", on page 292.

Other than statutory benefits upon termination of employment, our Company has not entered into any service contracts with our Key Managerial Personnel/ Senior Management providing for benefits upon termination of their employment.

Employee stock option and stock purchase schemes

Our Company has not formulated any employee stock option and stock purchase scheme as of the date of this Draft Red Herring Prospectus.

OUR PROMOTER AND PROMOTER GROUP

Our Promoter

Hyundai Motor Company is the Promoter of our Company.

As on the date of this Draft Red Herring Prospectus, our Promoter i.e. Hyundai Motor Company holds 812,541,100 Equity Shares of face value of ₹ 10 each (including 100 Equity Shares each held by Wangdo Hur, Kuen Han YI, Unsoo Kim, Jae Wan Ryu, Daeick Kim and Jong Hoon Lee on behalf of and as nominees of our Promoter) in our Company, representing 100.00% of the pre-Offer issued, subscribed and paid-up equity share capital of our Company. For further details, see "***Capital Structure - History of build-up of the Promoter shareholding in our Company***" on page 88.

The details of our Promoter are provided below:

Hyundai Motor Company ("HMC")

Corporate Information

HMC was incorporated as 'Hyundai Motor Company' on December 29, 1967 in Seoul, South Korea, as a public limited company and was granted a registration certificate by the Head of the District Tax Office, National Tax Service. The resident (corporation) registration number of HMC is 110111 – 0085450 and the business registration number of HMC is 1018109147. Its registered office is located at 12, Heolleung-ro, Seocho-gu, Seoul, Republic of Korea.

As on the date of this Draft Red Herring Prospectus, the equity shares of our Promoter are listed on the Korea Exchange.

Nature of Business

HMC is engaged in the business of manufacture and distribution of motor vehicles and parts, operation of vehicle financing and credit card processing, and manufacture of trains.

Change in Activities

There has been no change in business activities of HMC.

Board of Directors

The board of directors of HMC, as on the date of this Draft Red Herring Prospectus is as follows:

Sr. No.	Name of the Director	Designation
1.	Euisun Chung	Executive chair and chief executive officer
2.	Jaehooon Chang	President and chief executive officer
3.	Dong Seock Lee	Executive vice president and chief executive officer
4.	Jose Munoz	President and global chief operating officer
5.	Seung Jo Lee	Senior vice president and chief financial officer
6.	Chi-Won Yoon	Independent director
7.	Eugene M. Ohr	Independent director
8.	Sang Seung Yi	Independent director
9.	Dal-Hoon Shim	Independent director
10.	Ji-Yun Lee	Independent director
11.	Seung Wha Chang	Independent director
12.	Yoon-Hee Choi	Independent director

Shareholding Pattern of our Promoter

The shareholding pattern of the equity shares of our Promoter as on December 31, 2023 is as follows:

Sr. No	Name of shareholders	Number of shares	Shareholding (%)
1)	Hyundai Mobis	45,782,023	21.64
2)	National Pension Service	15,075,239	7.13
3)	Treasury Stock	7,700,625	3.64

Sr. No	Name of shareholders	Number of shares	Shareholding (%)
4)	Public shareholding	142,973,619	67.59
	Total	**211,531,506**	**100.00**

Details of change in control of our Promoter

There has been no change in the control of HMC in the last three years preceding the date of this Draft Red Herring Prospectus.

Our Company confirms that the permanent account number, bank account number, resident (corporation) registration number of our Promoter along with the address of the authority where our Promoter is registered will be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

Promoter of our Promoter

As on date of this Draft Red Herring Prospectus, HMC does not have a promoter or any natural person who is control of HMC.

Change in the control of our Company

Our Promoter is the original promoter of our Company. There has been no change in the control of our Company during the last five years preceding the date of this Draft Red Herring Prospectus.

Interests of our Promoter

Our Promoter is interested in our Company to the extent (i) that it is the Promoter of our Company; (ii) of transactions entered into by our Company with it; (iii) of its shareholding in our Company; (iv) the dividend payable, if any, and any other distributions in respect of the Equity Shares held by it in our Company, from time to time. For further details of the interest, see "***Capital Structure***" beginning on page 86.

Under the Royalty Agreement, our Promoter has, among others, granted us a non-exclusive, non-transferable right and license to manufacture motor vehicles or spare parts for a payment of an amount equal to 3.5% of our sales revenue (*as set forth in the Royalty Agreement*), arising from both domestic sales and exports of all motor vehicles and spare parts. Further, our Company and our Promoter have entered into the Framework Agreement for recording the principal terms of provision of services by our Company, our Promoter and their respective holding companies, subsidiaries, associates, affiliates, or subsidiaries of holding companies. For further details on these agreements, see "***History and Certain Corporate Matters - Key terms of other subsisting material agreements***" on page 192.

Further under the master reimbursement agreement for expatriation of wages dated July 1, 2016, between our Promoter and our Company ("**Master Reimbursement Agreement**"), our Company reimburses on a monthly basis to our Promoter for compensation (all or part), if any, paid by our Promoter on our behalf ("**Wages**") to the executive employees originally hired by our Promoter ("**Officials**"), but seconded to our Company, to work for our Company's benefit. In accordance with the Master Reimbursement Agreement, while the entire economic burden of payment of Wages to Officials are required to be borne by our Company, for Officials who request such Wages to be transferred to their Korean bank accounts, our Promoter is required to pay the Wages to the relevant Officials on behalf of our Company in the first instance and request the equivalent amount along with any additional cost as reimbursement from our Company. In the event our Company is unable to make the payment for reimbursement, then our Company is required to pay a late payment interest per day of 7.3% per annum of the period of delay in addition to the amount to be reimbursed.

Pursuant to the secondment agreement dated May 9, 2022, between our Promoter and our Company ("**Secondment Agreement**"), our Company and our Promoter have agreed to make available the services of certain of their respective employees and executives to the other through a global exchange program ("**Exchange Program**") for a period between six months to two years, as may be agreed between the parties. The purpose of the Exchange Program is to accelerate talent mobility and rotation globally. The payment of the compensation of the seconded employee is to be made by the company hosting the seconded employee which in turn is required to be reimbursed by the home company.

In addition to the above, our Company and our Promoter have also entered into arrangements for, among others, (i) HMC providing technical training services to our Company's personnel in relation to the manufacture and assembly of the motor vehicles; (ii) supply of certain parts and components by HMC for manufacture of motor vehicles by us.

Our Promoter is not interested in the properties acquired or proposed to be acquired by our Company in the three years preceding the date of filing of the Draft Red Herring Prospectus. Our Promoter is not interested in any transaction in acquisition of land, construction of building or supply of machinery, etc.

Our Promoter is not interested as a member of a firm or a company, and no sum has been paid or agreed to be paid to our Promoter or to such firm or company in which our Promoter is interested as a member, in cash or shares or otherwise by any person either to induce any such person to become, or qualify them as a director, or otherwise for services rendered by such firm or company in connection with the promotion of our Company.

Payment or benefits to our Promoter or to the members of the Promoter Group

Except as stated in "***Restated Consolidated Financial Information – Note 37 - Related Party Disclosures***" and "***Dividend Policy***" on pages 269 and 227, there has been no payment of any amount or benefit given to our Promoter or the members of our Promoter Group during the two years preceding the date of filing of the Draft Red Herring Prospectus nor is there any intention to pay any amount or give any benefit to our Promoter or the members of our Promoter Group as on the date of filing of this Draft Red Herring Prospectus.

Material guarantees given by our Promoter to third parties with respect to Equity Shares

Our Promoter has not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Draft Red Herring Prospectus.

Companies and firms with which our Promoter have disassociated in the last three years

Except as stated below, our Promoter has not disassociated itself from any company or firm in the three years immediately preceding the date of this Draft Red Herring Prospectus:

Name of company or firm from which the Promoter has disassociated	Reasons and circumstances for disassociation	Terms of disassociation	Date of disassociation
Super Series Sixth Securitization Specialty Co., Ltd.	Liquidation as per strategic decision	Not Applicable	February 17, 2023
Super Series Seventh Securitization Specialty Co., Ltd.	Liquidation as per strategic decision	Not Applicable	December 21, 2023
Super Series Eighth Securitization Specialty Co., Ltd.	Liquidation as per strategic decision	Not Applicable	August 22, 2023
KEFICO Automotive Systems(Chongqing) Co., Ltd.	Liquidation as per strategic decision	Not Applicable	May 3, 2023
SMART Alabama, LLC	Liquidation as per strategic decision	Not Applicable	June 29, 2023
Stamped Metal American Research Technology, Inc.	Liquidation as per strategic decision	Not Applicable	July 18, 2023
Super Series Fifth Securitization Specialty Co., Ltd.	Liquidation as per strategic decision	Not Applicable	June 22, 2022
Autopia Sixty-fourth Asset Securitization Specialty Company	Liquidation as per strategic decision	Not Applicable	February 22, 2023
KyoboAXA Private Tomorrow Securities Investment Trust No.12	Liquidation as per strategic decision	Not Applicable	August 24, 2022
Shinhan BNPP Private Corporate Security Investment Trust No.34	Liquidation as per strategic decision	Not Applicable	August 24, 2022
KB Leaders Private Securities Fund1(Bond Mixed)	Liquidation as per strategic decision	Not Applicable	August 24, 2022
Samsung ETF rotation Private Investment Trust 1	Liquidation as per strategic decision	Not Applicable	August 24, 2022
MoceanLab, Inc.	Liquidation as per strategic decision	Not Applicable	July 28, 2022
Hyundai Rotem Malaysia SDN BSD	Liquidation as per strategic decision	Not Applicable	July 14, 2022
Hyundai Autron Company Ltd.	Liquidation as per strategic decision	Not Applicable	April 1, 2021

Name of company or firm from which the Promoter has disassociated	Reasons and circumstances for disassociation	Terms of disassociation	Date of disassociation
Autopia Sixty-Third Asset Securitization Specialty Company	Liquidation as per strategic decision	Not Applicable	January 21, 2021

Promoter Group

The names of the members of our Promoter Group, identified in accordance with the provisions of Regulation 2(1)(pp) of the SEBI ICDR Regulations (excluding our Promoter), are provided below:

Sr No.	Members of the Promoter Group
1)	Hyundai Kefico Corporation
2)	Hyundai Capital Services Inc.
3)	Jeonbuk Hyundai Motors FC Co., Ltd.
4)	Hyundai NGV Company Ltd.
5)	Hyundai Partecs Co., Ltd.
6)	Mocean Co., Ltd.
7)	Hyundai Motor Netherlands B.V.
8)	Hyundai Capital Canada Inc.
9)	Hyundai Assan Otomotiv Sanayi Ve Ticaret AS.
10)	Hyundai Motor Brasil Montadora De Automoveis LTDA
11)	Hyundai Truck & Bus (China) Co., Ltd.
12)	Hyundai Translead, Inc.
13)	Beijing Hyundai Motor Company
14)	Hyundai Motor Manufacturing Czech, s.r.o.
15)	Hyundai Motor Manufacturing Rus LLC
16)	Hyundai Motor Poland Sp. z o.o.
17)	Beijing Jingxian Motor Safeguard Service Co., Ltd.
18)	Hyundai Mobility Japan Co.,Ltd.
19)	Hyundai Mobility Japan R&D Center Co., Ltd
20)	Hyundai America Technical Center, Inc.
21)	Hyundai Motor America
22)	Hyundai Motor Europe GmbH
23)	Hyundai Motor Company Australia Pty Limited
24)	China Millennium Corporation I, Ltd.
25)	China Millennium Corporation II, Ltd.
26)	China Millennium Corporation III, Ltd.
27)	Hyundai Motor Group China, Ltd.
28)	Hyundai Motor UK Limited
29)	Hyundai Motor Commonwealth Of Independent States B.V
30)	Hyundai Motor De Mexico S DE RL DE CV
31)	Hyundai Motor Deutschland Gmbh
32)	Hyundai Motor France SAS
33)	Hyundai Motor Czech s.r.o.
34)	Hyundai Motor Company Italy S.r.l
35)	Hyundai Motor Espana S.L.U
36)	Hyundai Motor Europe Technical Center Gmbh
37)	Limited Liability Company Hyundai Truck & Bus Rus
38)	Hyundai Thanh Cong Viet Nam Auto Manufacturing Corporation
39)	Hyundai Thanh Cong Commercial Vehicle Joint Stock Company
40)	Genesis Motor Sales(Shanghai) Co. Ltd.
41)	China Mobility Fund, L.P.
42)	Hydrogenic Energy Fund 1,L.P
43)	Genesis Motor Europe Gmbh
44)	PT Hyundai Motor Manufacturing Indonesia
45)	Hyundai Hydrogen Mobility AG
46)	PT Hyundai Motors Indonesia
47)	Hyundai Thanh Cong Viet Nam Auto Joint Venture Joint Stock Company
48)	Hyundai Motor Investment, Inc
49)	Hyundai Motor Philippines, Inc.
50)	Hyundai Mobility Thailand Co., Ltd.
51)	Hyundai Motor Business Services Company
52)	Hyundai Motor Sweden AB

Sr No.	Members of the Promoter Group
53)	Hyundai Connected Mobility Gmbh
54)	42dot Inc.
55)	Airplug Inc.
56)	Hyundai Motor Middle East And Africa L.L.C
57)	Hyundai Rotem Company
58)	Hyundai Engineering And Construction Co., Ltd
59)	Kia Corporation
60)	Hyundai Transys Inc.
61)	Hyundai Wia Corporation
62)	Hyundai Card Co., Ltd.
63)	Haevichi Hotels & Resorts Co., Ltd
64)	Haevichi Country Club Co., Ltd.
65)	Hyundai Autoever Corp
66)	Hyundai Commercial Inc.
67)	Korea Electric Vehicle Charging Service Co., Ltd.
68)	Hyundai Motor Securities Co., Ltd.
69)	Hyundai Motor Group Innovation Center In Singapore Pte. Ltd.
70)	Maniv Revel Co-Investment, Llc
71)	Motional AD LLC
72)	Ai Alliance, LLC
73)	HTWO guangzhou Co., Ltd
74)	HMG Global LLC
75)	Boston Dynamics AI Institute
76)	Beijing Hyundai Transys Transmission Co., Ltd.
77)	Hyundai Transys (Shandong) Co., Ltd
78)	Hyundai Wia Automotive Engine Company
79)	Hydrogen Energy Network Co. Ltd.
80)	Bnsoft Co., Ltd.
81)	Ignite Co., Ltd.
82)	The Korea Economic Daily
83)	Iljin Bearing
84)	Hyundai Mobis Co., Ltd.

GROUP COMPANIES

In accordance with SEBI ICDR Regulations, the term 'group companies', includes (i) such companies (other than promoter(s) and subsidiary(ies)) with which there were related party transactions during the period for which financial information is disclosed in the Offer Documents, as covered under applicable accounting standards, and also (ii) other companies considered material by the board of directors of the issuer.

Accordingly, for (i) above, all such companies (other than our Promoter and Subsidiaries) with which there were related party transactions in accordance with Indian Accounting Standard (Ind AS) 24, during the periods covered in the Restated Consolidated Financial Information in the DRHP, shall be considered as Group Companies in terms of the SEBI ICDR Regulations.

In addition, for the purposes of (ii) above, pursuant to the Materiality Policy a company (other than Subsidiaries and companies categorized under (i) above) shall be considered "material" and will be disclosed as a "group company" if such company forms part of members of the Promoter Group and with which there were related party transactions in the last completed full financial year and stub period (i.e., Fiscal 2023 and during the period ended December 31, 2023), which individually or in the aggregate, exceed 10% of the total revenue from operations of our Company, for the last completed full Fiscal (i.e., Fiscal 2023) as per the Restated Consolidated Financial Information.

Accordingly, based on the parameters for (i) and (ii) as outlined above, the following companies have been identified as our group companies ("**Group Companies**"), as on the date of this Draft Red Herring Prospectus. The details are set forth below:

Sr. No.	Name of Group Company	Registered address
1)	Haevichi Hotels & Resorts Co., Ltd	(63616) 319, Wonim-ro 399 gil, Namwon-eup, Seogwipo-si, Jeju-do, Korea
2)	Hyundai Assan Otomotiv Sanayi Ve Ticaret AS	Şehit Mehmet Fatih Öngül Sokak, No:2 Kozyatağı 34742, Istanbul, Turkey
3)	Hyundai Autoever Corp	510, Teheran-ro, Gangnam-gu, Seoul, Republic of Korea
4)	Hyundai Autoever India Private Limited	4th Floor, No. 4/169, Old Mahabalipuram Road, Kandanchavadi, Chennai 600 096, Tamil Nadu, India
5)	Hyundai Capital India Private Limited	5th Floor, Corporate One, Plot No. 5, Non-Hierachical Commercial Centre, Jasolar, New Delhi 110 076, India
6)	Hyundai Motor Deutschland GmbH	Kaiserleipromenade 5 Offenbach, Hessen D-63067 Germany
7)	Hyundai Engineering and Construction Co. Ltd.	(03058) Yulgok-ro, Jongno-gu, Seoul, Korea
8)	Hyundai Engineering India Private Limited	Sri Balavinayagar Buildings, Old No. 4, New No. 35/5 A.R.K. Colony, EldamsRoad, Alwarpet, Chennai 600 018, Tamil Nadu, India
9)	Hyundai Kefico Corporation	102, Gosan-ro Gunpo-si Gyeonggi, Gunpo-si, South Korea
10)	Hyundai Motor Brasil Montadora de Automoveis LTDA	AV Hyundai, 777, Agua Santa Piracicaba, Sao Paulo 13413-900, Brazil
11)	Hyundai Motor CIS LLC Russia	Prospect 1-Y Krasnogvardeisky, D. 21, Bldg. 1, Floor / Floor 31/32, Moscow, 123112, Russian Federation
12)	Hyundai Motor Company Australia Pty Limited	394 Land Cove Road, Macquarie Park, New South Wales 2113, Australia
13)	Hyundai Motor Company Italy S.R.L	Via Bensi Giovanni 11, Milano, 20152, Italy
14)	Hyundai Motor Czech s.r.o	Siemensova 2717/4, Praha 5, Praha, 155 00, Czechia
15)	Hyundai Motor De Mexico S DE RL DE CV	Antonio Dovalí Jaime No. 70 Torre D-10, Col. Santa Fé, Deleg. Álvaro Obregón, Ciudad de Mexico, Ciudad de Mexico 01210, Mexico
16)	Hyundai Motor Espana S.L.U	55 Calle Desarrollo, Mairena del Aljarafe, Andalusia 41927, Spain
17)	Hyundai Motor France SAS	71 Boulevard National, La Garenne-Colombes, 92250, France
18)	Hyundai Motor Group (China) Limited	Room 2501, Hyundai Motor Building, No. 38, Xiaoyun Road, Chaoyang District, Beijing, Beijing, China
19)	Hyundai Motor Netherlands B.V.	Hub van Doorneweg 14, Sassenheim, Zuid-Holland 2171 KZ, Netherlands
20)	Hyundai Motor Poland Sp. Z.O.O.	ul. Woloska 24, Warszawa, 02-675, Poland
21)	Hyundai Motor UK Limited	Ground Floor, Birchwood Building Springfield Drive Leatherhead, Surrey KT22 7LP
22)	Hyundai Rotem Company	Changwondaero 488, Seongsan-gu, Changwon-si, Gyeongsangnam-do, Republic of Korea

Sr. No.	Name of Group Company	Registered address
23)	Hyundai Thanh Cong Viet Nam Auto Manufacturing Corporation	Gian Khau Industrial Zone, Gia Tran Ward,Viet Nam
24)	Hyundai Transys India Private Limited	S F No: 146-2, Block 4 Erramanchi Penukonda, Anantapur, Andhra Pradesh 515164, India
25)	Hyundai Transys Lear Automotive India Private Limited	Plot No. A6 & A7 Sipcot Industrial Park, Irrungattukotai Sriperumbudur Taluk, Chennai, Tamil Nadu 602105, India
26)	Hyundai Wia Automotive Engine (Shandong) Company	No.188,Shanghai Road, Economic and Technological Development Zone, Rizhao, Shandong Province, China
27)	Hyundai Wia Corporation	(51533) 153, Jeongdong-ro, Seongsan-gu, Changwon-si, Gyeongnam, Republic of Korea
28)	Hyundai Wia India Private Limited	No. 48, Survey No.78-80, Kandamangalam Village, Sriperumbudur Taluk, Kancheepuram, Tamil Nadu 602105, India
29)	Kia Corporation	12, Heolleung-ro, Seocho-gu, Seoul
30)	Kia India Private Limited	NH-44, Sy. No.151-2 Erramanchi, Penukonda Mandal, Anantapur, Andhra Pradesh 515164, India
31)	Kia Motors Slovakia s.r.o	Sv.Jána Nepomuckého 1282/1, Teplička nad Váhom, 013 01, Slovakia
32)	Mobis India Limited	G-1-G4, Sipcot Industrial Park Irungattukottai, Sriperumbudur, Kancheepuram 602 105, Tamil Nadu, India
33)	Mobis India Module Private Limited	D No 27-42-5, M G Road, Governorpet Vijayawada Krishna, Vijayawada 520 002, Andhra Pradesh, India
34)	Primemover Mobility Technologies Private Limited	7th Floor, Paras Downtown Centre, Near Sec 53-54, Rapid Metro Station, Golf Course Road, DLF V, Gurgaon 122 003, Haryana, India
35)	PT Hyundai Motor Manufacturing Indonesia	Kawasan (GIIC) Greenland International Industrial Center, Kota Deltamas Lot DG Zone D, Sukamukti, Bojongmangu, Bekasi, Jawa Barat 17350, Indonesia
36)	PT Hyundai Motors Indonesia	Wisma Mulia 25th Floor, Jalan Jend. Gatot Subroto No. 42, Kuningan Barat, Mampang Prapatan, South Jakarta, Jakarta Raya 12710, Indonesia

In accordance with the SEBI ICDR Regulations, certain financial information with respect to: (i) reserves (excluding revaluation reserve); (ii) sales; (iii) profit after tax; (iv) earnings per share; (v) diluted earnings per share; and (vi) net asset value, of the top five Group Companies (determined based on market capitalisation, given the top five Group Companies are listed companies) for the preceding three years, based on their respective audited financial statements, shall be hosted on their respective websites, as indicated below:

Sr. No.	Group Company	Website
1)	Kia Corporation	https://worldwide.kia.com/int/company/ir/financial/audit
2)	Hyundai Rotem Company	https://www.hyundai-rotem.co.kr/en/invest/finance/major_report/list.do
3)	Hyundai Autoever Corp	https://www.hyundai-autoever.com/eng/ir/finance/income-statement/index.do
4)	Hyundai Engineering and Construction Co. Ltd	https://en.hdec.kr/en/invest/annual.aspx
5)	Hyundai Wia Corporation	https://en.hyundai-wia.com/investment/audit_report.asp

Our Company is providing links to such websites solely to comply with the requirements specified under the SEBI ICDR Regulations. Such financial information/ details of the Group Companies provided on the websites do not constitute a part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, would be doing so at their own risk.

A. Litigation

Our Group Companies are not party to any litigation which may have material impact on our Company.

B. Common pursuits between our Group Companies and our Company

Except for Kia Corporation and Kia India Private Limited, which operate in the automobile industry in India through the business of manufacturing passenger cars and other vehicles like our Company, there are no common pursuits between any of our Group Companies and our Company.

Our Company will adopt the necessary procedures and practices, as required under applicable law, to address any situations of conflict of interest, if and when they arise. For details, see "***Risk Factors - We depend on HMC, our Promoter, for our operations. Any disruption in our relationship with HMC and the companies in the Hyundai Motor Group could have a material adverse impact on our business, reputation, financial condition, and results of operations.***" on page 30.

C. Related business transactions within our Group Companies and significance on the financial performance of our Company

Other than the transactions disclosed in "***Restated Consolidated Financial Information – Note 37 - Related Party Disclosures***" on page 269 and below, there are no other related business transactions between our Group Companies and our Company.

a) ***Agreement for licensing of trademark and transfer of know-how dated April 30, 2007 ("Agreement") entered into between our Company and Mobis India Limited, read with the supplementary agreement to the Agreement dated May 1, 2007, entered into between our Company and Mobis India Limited ("Supplementary Agreement" together with the Agreement the "License Agreement"):***

   Our Company and one of our Group Companies, Mobis India Limited ("**MIL**") had executed a business transfer agreement dated April 26, 2007, pursuant to which our Company had transferred its after service parts business ("**Business**") to MIL. Further, under the License Agreement, our Company has licensed (on an exclusive and non-transferable basis), the right to use its trademarks, logos and/ or designs, ("**License**"), in favour of MIL, in relation to products which were assembled, distributed, sold and/or serviced ("**Products**") under the Business. MIL was required to pay a license fee of 8.5% on the domestic sale value of the Products within India ("**License Fee**") for a period of 10 years ("**Term**") from May 1, 2007. Pursuant to the Supplementary Agreement, our Company has agreed to allow MIL to use the License without payment of any license fee, after the expiry of the Term, i.e., from May 1, 2017.

b) Our Company entered into a lease agreement dated April 18, 2024 with MIL, pursuant to which a portion located within the premises of the Chennai Manufacturing Plant has been leased to MIL for assembling battery systems for EV vehicles to be supplied to our Company and one of our Group Companies, Kia India Private Limited. The lease has been granted for a period of five years from the date of the agreement and MIL is required to pay ₹10,000,000 monthly to our Company.

D. Business Interest

Except as disclosed in "***Restated Consolidated Financial Information – Note 37 - Related Party Disclosures***" on page 269, our Group Companies have no business interests in our Company.

E. Nature and extent of interest of our Group Companies

In the promotion of our Company

Our Group Companies do not have any interest in the promotion of our Company.

In the properties acquired by us in the preceding three years before filing this Draft Red Herring Prospectus or proposed to be acquired by our Company

None of our Group Companies are interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

In transactions for acquisition of land, construction of building and supply of machinery, etc.

None of our Group Companies are interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

Other Confirmations

As on the date of this Draft Red Herring Prospectus, except as disclosed in "***Other Regulatory and Statutory Disclosures - Particulars regarding capital issues by our Company, listed Group Companies, Subsidiaries or***

associates during the last three years" on page 348, none of our Group Companies have their debt or equity securities listed on any stock exchange in India or abroad or have made any public, rights issue or composite issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Draft Red Herring Prospectus.

DIVIDEND POLICY

The declaration and payment of dividend on the Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion subject to the provisions of the Articles of Association and applicable law, including the Companies Act, read with the applicable rules issued thereunder, each as amended.

The dividend distribution policy of our Company was approved and adopted by our Board on June 14, 2024 ("**Dividend Policy**"). In terms of the Dividend Policy, the dividend, if any, will depend on a number of internal and external factors, which includes, *inter alia*, profits earned during the financial year, accumulated reserves, present and future capital expenditure plans/ working capital requirements, past dividend trends, macro-economic environment, regulatory changes, dividend pay-our ratios and taxation policy.

Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and Shareholders. The dividend, if any, will depend on the aforementioned parameters and on factors that our Board deems relevant, including but not limited to the earnings, past dividend patterns, capital expenditures to be incurred by our Company, cash flow position of our Company and the cost of borrowings, applicable legal restrictions, overall financial position of our Company and other factors considered relevant by the Board. For details in relation to risks involved in this regard, please see "***Risk Factors – Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.***" on page 58.

Except as disclosed below, our Company has not declared and paid any dividends on the Equity Shares during the period from January 1, 2024 until the date of this Draft Red Herring Prospectus and the nine months ended December 31, 2023 and Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021:

Particulars	**January 1, 2024 till the date of this Draft Red Herring Prospectus**	**Nine months ended December 31, 2023**	**Financial Year 2023**	**Financial Year 2022**	**Financial Year 2021**
Face value per equity share (in ₹)*	1,000	1,000	1,000	1,000	1,000
Dividend paid (including withholding tax) (in ₹ million)	107,824.20	-	46,534.23	14,934.51	13,593.81
Dividend per equity share (in ₹)	13,270	-	5,727.00	1,838.00	1,673.00
Rate of dividend (%)**	1,327.00	-	572.70	183.80	167.30
Number of equity shares^	8,125,411	8,125,411	8,125,411	8,125,411	8,125,411
Dividend distribution tax (in %)	N.A.	-	N.A.	N.A.	N.A.
Dividend distribution tax (in ₹)	N.A.	-	N.A.	N.A.	N.A.
Mode of payment	Bank				

Note:
Final dividend declared at the end of a Fiscal Year is paid to our Shareholders in the ensuing Fiscal Year subsequent to the approval of such dividend payout at the annual general meeting of our Shareholders.
**At the time of payment of dividend.*
*** Rate of dividend per equity share (%) is calculated as (total dividend per equity share divided by face value per equity share at the time of payment of dividend) multiplied by 100.*
^ Prior to sub-division of the equity shares of the Company from ₹1,000 each to ₹10 each.

The amounts paid as dividends in the past are not necessarily indicative of dividend amounts that will be paid, if any, in the future. Investors are cautioned not to rely on past dividends as an indication of the future performance of our Company or for an investment in the Equity Shares offered in the Offer. There is no guarantee that any dividends will be declared or paid in the future.

SECTION V: FINANCIAL INFORMATION

RESTATED CONSOLIDATED FINANCIAL INFORMATION

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INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors
Hyundai Motor India Limited
Plot No. H-1, SIPCOT Industrial Park,
lrrungattukottai, Sriperumbudur Taluk,
Kancheepuram District - 602 105
Tamil Nadu, India

Dear Sirs,

1. We B S R & Co. LLP, Chartered Accountants ("we" or "us" or "B S R") have examined the attached Restated Consolidated Financial Information of Hyundai Motor India Limited (the "Company" or the "Issuer") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group"), comprising the Restated Consolidated Statement of Assets and Liabilities as at December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Statement of Cash Flows for the nine month period ended December 31, 2023 and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021, the Summary Statement of Material Accounting Policies, and Other Explanatory Notes (collectively, the "Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on June 12, 2024 for the purpose of inclusion in the draft red herring prospectus ("DRHP") prepared by the Company in connection with its proposed initial public offer of equity shares ("IPO") prepared in terms of the requirements of:

    a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");

    b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and

    c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

2. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India, relevant stock exchanges and Registrar of Companies, Tamil Nadu situated at Chennai in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in note 2.1 of Annexure V to the Restated Consolidated Financial Information.

    The responsibility of respective Board of Directors of the companies included in the Group includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Consolidated Financial Information taking into consideration:

    a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated April 3, 2024 in connection with the proposed IPO of equity shares of the Company;

    b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

    c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and

    d) The requirements of Section 26 of the Act, and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed IPO.

4. These Restated Consolidated Financial Information have been compiled by the management from:

   a) Audited special purpose consolidated interim financial statements of the Group as at and for the nine months period ended December 31, 2023 prepared in accordance with Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting" prescribed under section 133 of the Act except for presentation and disclosure requirements relevant for the comparative period has not been provided (the "Special Purpose Consolidated Interim Financial Statements"), which have been approved by the Board of Directors at their meeting held on June 12, 2024.

   b) Audited consolidated financial statements of the Group as at and for the year ended March 31, 2023, March 31, 2022 and March 31, 2021 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meetings held on July 11, 2023, July 5, 2022 and July 29, 2021 respectively.

5. For the purpose of our examination, we have relied on:

a) Auditor's report issued by us dated June 12, 2024 on the Special Purpose Consolidated Interim Financial Statements of the Group as at and for the nine-month period ended December 31, 2023 as referred in Paragraph 4 (a) above. The auditor's report on the Special Purpose Consolidated Interim Financial Statements of the Group as at and for the nine-month period ended December 31, 2023 included the following Emphasis of Matter paragraph (as referred in Part B(c) of Annexure VI of the Restated Consolidated Financial Information):

   Emphasis of Matter:

   - We draw attention to Note 2.1 to the Special Purpose Consolidated Interim Financial Statements, which describes the basis of preparation. As explained therein, these Special Purpose Consolidated Interim Financial Statements have been prepared by the Company for the purpose of preparation of the Restated Consolidated Financial Information, which will be included in the Draft Red Herring Prospectus in connection with the proposed issue of equity shares of the Company by an offer for sale of equity shares by the existing shareholder by way of initial public offer in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"). As per the ICDR Regulations, the Company has opted not to present comparatives in these Special Purpose Consolidated Interim Financial Statements. Accordingly, the attached Special Purpose Consolidated Interim Financial Statements may not be suitable for any other purpose and this report should not be used, referred to or distributed for any other purpose.

     Our opinion is not modified in respect of this matter.

b) Auditor's report issued by us dated July 11, 2023, July 5, 2022, July 29, 2021 on the consolidated financial statements of the Group as at and for the year ended March 31, 2023, March 31, 2022 and March 31, 2021 respectively as referred in Paragraph 4 (b) above. The auditor's report on the consolidated financial statements of the Group as at and for the year ended March 31, 2023 included under the Report on Other Legal and Regulatory Requirements (as referred in Part B(b) to Annexure VI of the Restated Consolidated Financial Information) as follows:

   - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Holding Company and its subsidiary company, so far as it appears from our examination of those books. With respect to one of the subsidiaries of the Holding Company, the back-up of the books of account and other relevant books and papers in electronic mode has not been kept on servers physically located in India on a daily basis.

- With respect to the maintenance of accounts and other matters connected herewith are as stated in paragraph 2(A)(b) above.

6. Based on our examination and according to the information and explanations given to us, we report that the Restated Consolidated Financial Information:

   a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the nine month period ended December 31, 2023;

   b) does not contain any qualifications requiring adjustments. Moreover, matters in the Independent Auditor's Report, which do not require any corrective adjustments in the Restated Consolidated Financial Information have been disclosed in Part B of Annexure VI of the Restated Consolidated Financial Information; and

   c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

7. We have not audited any financial statements of the Group as of any date or for any period subsequent to December 31, 2023. Accordingly, we express no opinion on the financial position, results of operations, cash flows and statement of changes in equity of the Group as of any date or for any period subsequent to December 31, 2023.

8. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Special Purpose Consolidated Interim Financial Statements and audited consolidated financial statements mentioned in paragraph 4 above.

9. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

11. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed with Securities and Exchange Board of India, relevant stock exchanges and Registrar of Companies, Tamil Nadu situated in Chennai, in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491
ICAI UDIN: 24203491BKCQQC9660

Place: Bengaluru
Date: June 12, 2024

OTHER FINANCIAL INFORMATION

The audited financial statements of our Company as at and for the Financial Years ended March 31, 2023, March 31, 2022, and March 31, 2021, together with all annexures, schedules and notes thereto ("**Audited Financial Statements**") are available on our website at https://www.hyundai.com/in/en/investor-relations/financial-information/standalone-audited-financials. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements or any other information on such website does not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document or recommendation or solicitation to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider when subscribing for or purchasing any securities of our Company and should not be relied upon or used as a basis for any investment decision. None of our Company or any of its advisors, nor BRLMs or the Promoter Selling Shareholder nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from reliance placed on any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

The accounting ratios derived from the Restated Consolidated Financial Information as required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

Particulars	As at and for the nine months ended December 31, 2023#	As at and for Financial Year ended March 31, 2023	As at and for Financial Year ended March 31, 2022	As at and for Financial Year ended March 31, 2021
Restated earnings per equity share				
- Basic earnings per share (1)(2) (in ₹)	53.94	57.96	35.71	23.15
- Diluted earnings per share (1)(2) (in ₹)	53.94	57.96	35.71	23.15
Return On Net Worth(3) (%)	22.16	23.48	17.21	12.29
Net Asset Value Per Equity Share(4) (in ₹)	243.41	246.82	207.45	188.44
EBITDA (Excluding Other Income) (5) (₹ in million)	66,107.74	75,487.80	54,860.89	42,456.61

 # Not annualised

Notes:

(1) Basic and diluted earnings per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended). Basic EPS and Diluted EPS for the nine months ended December 31, 2023 is not annualized.

(2) Pursuant to resolutions passed by our Board and our Shareholders in their respective meetings held on May 17, 2024, the authorised share capital of our Company was sub-divided from 14,000,000 equity shares of face value of ₹ 1,000 each into 1,400,000,000 Equity Shares of face value of ₹10 each. Number of equity shares considered for above calculations are after considering impact of share sub-division.

(3) Return on Net Worth is calculated as Profit for the period / year as a percentage of Net Worth.

(4) Net Asset Value Per Equity Share defined as total equity divided by number of equity used in calculating earnings per shares.

(5) EBITDA (Excluding Other Income) is calculated as Profit for the period / year plus Total tax expense plus Finance Costs plus Depreciation and amortisation expense less other income.

For a reconciliation of non-GAAP measures, see "***Management's Discussion and Analysis of our Results of Operations – Non-GAAP Financial Measures***" on page 310.

Related Party Transactions

For details of the related party transactions, as per the requirements under applicable Accounting Standards, i.e., Ind AS 24 -Related Party Disclosures, read with the SEBI ICDR Regulations for the the nine months ended December 31, 2023 and the Financial Years ended March 31, 2023, March 31, 2022, and March 31, 2021 and as reported in the Restated Consolidated Financial Information, see "***Restated Consolidated Financial Information – Note 37 – Related Party Disclosures***" on page 269.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion is intended to convey the management's perspective on our financial condition and results of operations for the nine months ended December 31, 2023 and Financial Years 2023, 2022 and 2021. Unless otherwise stated, the financial information in this section has been derived from the Restated Consolidated Financial Information. You should read the following discussion and analysis of our financial condition and results of operations in conjunction with our Restated Consolidated Financial Information, including the related annexures.

*Our financial year ends on March 31 of each year. Accordingly, references to "Fiscal 2021", "Fiscal 2022" and "Fiscal 2023", are to the 12-month period ended March 31 of the relevant year. Ind AS differs in certain respects from Indian GAAP, IFRS and U.S. GAAP and other accounting principles with which prospective investors may be familiar. Please also see "**Risk Factors – External Risks – Significant differences exist between Ind AS and other accounting principles, such as IFRS, U.S. GAAP and Korean International Financial Reporting Standards ("K-IFRS"), which may be material to investors' assessments of our financial condition.**" on page 63. This discussion contains certain forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, such as the risks set forth in the chapters entitled "***Risk Factors***" and "***Forward Looking Statements***" beginning on pages 28 and 26, respectively.*

*Only to the extent explicitly indicated, industry and market data used in this section has been derived from the report titled 'Industry Report on the Passenger Vehicle Industry in India' dated June 2024, prepared and issued by CRISIL (the **"CRISIL Report"**), commissioned by and paid for by our Company. The CRISIL Report has been prepared and issued by CRISIL for the purpose of understanding the industry exclusively in connection with the Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular fiscal or calendar year, refers to such information for the relevant fiscal or calendar year. For further details, see "**Risk Factors – Internal Risks - We have used information from the CRISIL Report which has been commissioned and paid for by our Company for industry related data in this Draft Red Herring Prospectus and any reliance on such information is subject to inherent risks**" and "**Industry Overview**" on pages 57 and 113, respectively.*

*All references to "Hyundai Motor Group" refer to any company (individually or in the aggregate, as the context may require) that is (i) directly or indirectly owned or controlled by Hyundai Motor Company ("**HMC**" or the "**Promoter**"), (ii) directly or indirectly owns or controls HMC, or (iii) is under the same direct or indirect ownership or control of HMC.*

Overview

We primarily manufacture and sell four-wheeler passenger vehicles and parts, such as transmissions and engines in India and outside India. Currently our vehicle portfolio includes 13 passenger vehicle models across sedans, hatchbacks, sports-utility vehicles ("**SUVs**") and battery electric vehicle ("**EVs**"). Since 1998 and up to March 31, 2024, we have cumulatively sold nearly 12 million passenger vehicles in India and through exports. We are a part of the Hyundai Motor Group, which is the third largest auto original equipment manufacturer ("**OEM**") in the world based on passenger vehicle sales in CY2023, according to the CRISIL Report. We have been the second largest auto OEM since Fiscal 2009 in the Indian passenger vehicles market in terms of domestic sales volumes, according to the CRISIL Report. We have also been India's largest exporter of passenger vehicles from Fiscal 2005 to the first 11 months of Fiscal 2024, having exported the highest cumulative number of passenger vehicles for the same period, according to the CRISIL Report.

Income

Revenue from operations

We primarily earn revenue from the sale of passenger vehicles through domestic sales and exports. We also earn revenue from (i) sale of parts including transmissions and engines, (ii) sale of services such as engineering services, insurance broking business and transportation service and (iii) sale of scrap. In addition, we receive incentives from central and state governments of India under various incentive schemes. We sell our vehicles and parts in India and export to various emerging markets, including Latin America, Africa, Asia and the Middle East. Additionally, we export parts to Europe.

Vehicles

The following table provides a breakdown of our revenue from sale of products – vehicles split by domestic and exports for the periods indicated:

	Nine months ended December 31, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Revenue from sale of products – vehicles	***% of total revenue from sale of products - vehicles***	**Revenue from sale of products – vehicles**	***% of total revenue from sale of products - vehicles***	**Revenue from sale of products – vehicles**	***% of total revenue from sale of products - vehicles***	**Revenue from sale of products – vehicles**	***% of total revenue from sale of products - vehicles***
	(in ₹ millions unless otherwise indicated)							
Domestic	342,085.98	76.02%	400,980.14	76.71%	321,529.88	78.64%	287,867.65	80.51%
Exports	107,912.10	23.98%	121,729.23	23.29%	87,346.64	21.36%	69,709.69	19.49%
Total revenue from sale of products - vehicles	**449,998.09**	**100.00%**	**522,709.37**	**100.00%**	**408,876.52**	**100.00%**	**357,577.34**	**100.00%**

The following table provides a breakdown of passenger vehicle sales volumes broken down by domestic sales and exports for the periods indicated:

Particulars	Nine months ended December 31, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Passenger vehicle sales volume	***% of total passenger vehicle sales volumes***	**Passenger vehicle sales volume**	***% of total passenger vehicle sales volumes***	**Passenger vehicle sales volume**	***% of total passenger vehicle sales volumes***	**Passenger vehicle sales volume**	***% of total passenger vehicle sales volumes***
	(in ₹ millions unless otherwise indicated)							
Domestic	454,404	77.79%	567,546	78.76%	481,500	78.84%	471,535	81.88%
Exports	129,755	22.21%	153,019	21.24%	129,260	21.16%	104,342	18.12%
Total vehicle sales volumes	**584,159**	**100.00%**	**720,565**	**100.00%**	**610,760**	**100.00%**	**575,877**	**100.00%**

In India, we primarily sell our passenger vehicles through a large network of third-party dealers, that also provide after-sale services. For an overview of our contractual terms with our dealers, please see "***Our Business – Sales and Distribution***" on page 171.

Parts

We sell parts, such as engines, transmissions, and other parts, to companies within the Hyundai Motor Group as well as to third parties. The following table provides a breakdown of our revenue from sale of products - parts for the periods indicated:

	Nine months ended December 31, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Revenue from sale of products - parts	***% of revenue from operations***	**Revenue from sale of products - parts**	***% of revenue from operations***	**Revenue from sale of products - parts**	***% of revenue from operations***	**Revenue from sale of products - parts**	***% of revenue from operations***
	(in ₹ millions unless otherwise indicated)							
Revenue from sale of products - parts	33,685.38	6.46%	36,486.67	6.05%	33,735.18	7.12%	28,866.07	7.05%

Services

We earn revenue from the provision of services.

- *Engineering services:* primarily includes revenue from consulting services related to engineering support provided by our subsidiary, Hyundai Motor India Engineering Private Limited, to companies within the Hyundai Motor Group.

- *Broking*: primarily includes brokerage fee collected from insurance companies by our subsidiary, Hyundai India Insurance and Broking Private Limited, when customers purchase vehicle insurance products through our dealers. We incorporated our insurance broking subsidiary in Fiscal 2022 and began to generate revenue from this business in Fiscal 2023.

- *Transportation services*: primarily includes revenue for the transportation services that we provide to dealers and distributors for facilitating the transportation of passenger vehicles and parts through a network of transportation providers.

Other operating revenue

Our other operating revenue includes incentives from central and state governments in India, and revenue from the sale of scrap. For more details, see "***– Principal Factors Affecting our Financial Condition and Results of Operations – Environmental and fiscal regulations***" on page 300.

Other income

Our other income primarily includes interest income from banks related to deposits. We invest our surplus funds in bank deposits.

Expenses

Our major expenses include (i) cost of materials consumed and purchases of stock-in-trade, (ii) depreciation and amortisation expenses, (iii) employee benefits expense, and (iv) other expenses, which primarily consist of power and fuel, freight, royalty and advertisement and sales promotion expenses. We also incur expenses such as finance costs and other expenses.

Cost of materials consumed and Purchases of stock-in-trade.

Cost of materials consumed primarily includes the cost of parts and materials that we source from suppliers for our operations. Purchase of stock-in-trade primarily includes the purchase of parts acquired from suppliers for our parts sales business. The following table provides a breakdown of parts and materials, and stock-in-trade sourced from domestic suppliers and through imports for the periods indicated:

Particulars	**Nine months ended December 31, 2023**		**Fiscal 2023**		**Fiscal 2022**		**Fiscal 2021**	
	Amount (₹ millions)	**% of purchases of parts and materials**	***Amount (₹ millions)***	**% of purchases of parts and materials**	***Amount (₹ millions)***	**% of purchases of parts and materials**	***Amount (₹ millions)***	**% of purchases of parts and materials**
Materials and parts sourced from domestic suppliers	317,959.49	76.93%	389,179.10	80.11%	316,445.59	82.45%	263,919.96	80.41%
Materials and parts sourced through imports	95,365.09	23.07%	96,648.22	19.89%	67,348.94	17.55%	64,308.00	19.59%
Total	**413,324.58**	**100.00%**	**485,827.32**	**100.00%**	**383,794.53**	**100.00%**	**328,227.96**	**100.00%**

Particulars	Nine months ended December 31,	Fiscal		
	2023	2023	2022	2021
	(in ₹ millions unless otherwise indicated)			
Total costs to purchase of parts and materials	413,324.58	485,827.32	383,794.53	328,227.96
Top-five suppliers as a % of total costs to purchase of parts and materials [(1)]	43.91%	44.01%	41.05%	45.51%
Top-10 suppliers as a % of total costs to purchase of parts and materials[(2)]	58.38%	58.81%	55.05%	60.68%
% of parts and materials sourced from related parties	38.50%	33.98%	34.60%	37.17%

(1) Three of our top-five suppliers during nine months period ended December 31, 2023, Fiscals 2023 and 2021 and two of our top-five suppliers during Fiscal 2022 are from related parties.

(2) Five of our top-10 suppliers during nine months period ended December 31, 2023 and four of our top-10 suppliers during Fiscal 2023, Fiscals 2022 and 2021 are from related parties.

Depreciation and amortisation expenses.

We primarily incur costs for depreciation on property, plant and equipment, including vehicles, office equipment and buildings, which are provided using the straight-line method over the useful life of an asset. We also incur amortisation expenses on intangible assets such as computer software and technical know-how. For more details on our policies on depreciation and amortisation expenses, see "***– Critical Accounting Policies and Use of Judgements and Estimates – Depreciation***" on page 322.

Employee benefits expense.

Our employee benefits expense primarily includes salaries, wages and bonus paid to employees. It also includes contributions to provident and other funds, and staff welfare expenses. As of December 31, 2023 and as of March 31, 2023, 2022 and 2021, our full-time employee base was 5,475, 5,327, 5,307 and 5,322, respectively.

Finance costs.

Our finance costs primarily comprise interest expense on financial liabilities, which include the value added tax ("**VAT**")/central sales tax ("**CST**") deferral loan, the CST soft loan and working capital facilities from banks, dealer drawdown payments, and unwinding of discounts on warranty provisions as per Ind AS 37. For more details on the VAT/CST deferral loan and the CST soft loan, see "***– Liquidity and Capital Resources – Indebtedness***" on page 314.

Other Expenses.

Freight

Our freight expenses primarily include fees that we pay to our transportation service providers to support delivery of vehicles to dealers in India and distributors outside India. Our freight expense is reported under "Other Expenses" on our statement of profit and loss.

Royalty

Royalty expenses primarily include the consideration we paid to HMC for the rights granted to use technology and trademark for our operations, under the terms of the royalty agreements that we enter into with HMC for each vehicle model we manufactured and sold. Under the existing Royalty Agreement dated June 10, 2024 with HMC, HMC has, among others, granted our Company a non-exclusive, non-transferable right and license to manufacture and sell passenger vehicles and/ or parts as specified in the Royalty Agreement in India and to use HMC's trademarks in connection with such manufacturing and selling activities for which we are required to pay an amount to HMC equal to 3.5% of our sales revenue (*which is to be determined as set forth in the Royalty Agreement*), arising from sale of the passenger vehicles or parts. Before the current Royalty Agreement was entered into, we paid a separate royalty fee for each passenger vehicle model sold by us. For further details on the Royalty Agreement, see "***Our Business – Royalty Agreement between HMC and HMI***" and "***History and Certain Corporate Matters – Key terms of other subsisting material agreements***" on pages 163 and 192, respectively.

Advertisement and sales promotion expenses

Advertisement and sales promotion expenses primarily includes expenses incurred for promoting our vehicles through various media, including online advertisements and merchandising activities.

Power and Fuel

Power and fuel expense primarily includes costs associated with electricity and fuel sourced for our operations.

Cost of materials consumed for own use.

Cost of materials consumed for own use primarily includes the capitalised value of passenger vehicles that we use for our operations such as testing, R&D and employees use and consumption of parts for manufacturing pilot vehicles for testing.

Tax Expense

We primarily incur current and deferred taxes. For more details on our policies on taxes, see "– ***Restated Consolidated Financial Information – Note 2.18 - Taxation***" on page 243.

Principal Factors Affecting our Financial Condition and Results of Operations

The paragraphs below discuss certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations.

Demand for our passenger vehicles and passenger vehicle mix

Our revenues depend on the market acceptance and demand for our passenger vehicles in India and outside India as it translates into the sales volumes of our passenger vehicles. According to the CRISIL Report, factors that directly influence demand for passenger vehicles include crude oil prices, currency exchange rate, agricultural variables such as monsoon, auto finance rates, private final consumption expenditure and per capita income, among others. Government policies impacting the automobile industry, including those related to infrastructure and supply chain, self-reliant manufacturing, foreign direct investment and tax related policies also have an impact on vehicle manufacturing and supply, according to the CRISIL Report. Increased production cost for automakers and potential shift in consumer spending due to inflation and economic conditions may influence automotive demand, as per the CRISIL Report. Demand for our passenger vehicle in export destinations is affected by, among others, economic conditions in those export destinations such as inflation, geopolitical issues, incentives provided by the Government of India and trade agreements, according to the CRISIL Report. Any changes in these factors are likely to continue to have an impact on the demand for vehicles, and in turn our business.

Our portfolio currently includes 13 passenger vehicle models, across multiple vehicle segments based on body type such as sedans, hatchbacks and SUVs, which includes EVs. We intend to continue being one of the leading players in the Indian automobile market. For that, we intend to identify and address emerging global trends to deliver advanced technology, design, and quality, while customising features based on customers' demands from both a "price" and "value" perspective in India. According to the CRISIL Report, customer buying behaviour is changing, wherein they are increasingly prioritising vehicle experience and technology over cost and are willing to pay a premium and are also ready to accept longer waiting time for the desired vehicle. We have therefore adopted a premiumisation strategy. For example, we have strategically focused on selling trims that have a higher average selling price ("**ASP**") for the respective passenger vehicles and oriented our vehicle portfolio towards feature-rich and innovative vehicles with a high ASP, such as SUVs, over the past few years. Our vehicle mix has contributed to the steady increase in the ASP of our vehicles over the years, as indicated in the table below, which has in turn contributed to an increase in our revenues.

	Nine months ended December 31,	**Fiscal**			**CAGR**
	2023	**2023**	**2022**	**2021**	**Fiscal 2021 to Fiscal 2023**
ASP (1)(2)	770,335	725,416	669,455	620,927	8.09%
Domestic ASP (1)(3)	752,823	706,516	667,767	610,491	7.58%
Exports ASP (1)(4)	831,660	795,517	675,744	668,089	9.12%

(1) Net of incentives.

(2) Total sales value of all our vehicles sold in a given period divided by total number of vehicles sold in the same period (including domestic and exports).

(3) Total sales value of all our vehicles sold in a given period in India divided by total number of vehicles sold in the same period in India.

(4) *Total sales value of all our vehicles sold in a given period exported divided by total number of vehicles sold in the same period outside India.*

Similarly, we seek to calibrate our EV strategy and plan our EV timelines in line with market demands in India, by launching the appropriate EV models within each price segment. We are following a transition strategy having started with the launch of high-end, premium EVs and plan to transition towards the mass markets as the EV market and ecosystem scales up in India. We intend to combine this transition with a focus on securing local production capabilities for key parts such as cells, battery packs, among others, and maximising the price competitiveness of our EVs. The changes to our vehicle mix may have an impact on the ASP of our vehicles and in turn our results of operations.

Geographic mix

The following table provides a breakdown of our revenue from operations by geography for the periods indicated:

	Nine months ended December 31,		**Fiscal**					
	2023		**2023**		**2022**		**2021**	
		% of revenue from operations		***% of revenue from operations***		***% of revenue from operations***		***% of revenue from operations***
	(₹ *millions except percentages*)							
India	398,150.49	76.34	461,866.65	76.59	373,320.21	78.80	332,748.27	81.21
Africa (1)	18,675.74	3.58	37,336.33	6.19	29,736.27	6.28	21,001.48	5.13
Latin America (2)	37,310.40	7.15	55,675.22	9.23	36,886.42	7.79	23,973.33	5.85
Middle East and Europe (3)	62,532.82	11.99	38,716.34	6.42	26,740.16	5.64	28,249.67	6.89
Others (4)	4,909.66	0.94	9,481.26	1.57	7,101.25	1.50	3,749.76	0.92
Revenue from operations	**521,579.11**	**100.00**	**603,075.80**	**100.00**	**473,784.32**	**100.00**	**409,722.51**	**100.00**

(1) *Includes countries in African continent and Madagascar, Mauritius, Seychelles*
(2) *Includes countries in Central and South American Continent and the Caribbeans*
(3) *Includes countries in Middle East Asia region such as Saudi Arabia, UAE, Bahrain, Qatar and Turkey being part of Europe.*
(4) *Includes countries as part of South Asia and Southeast Asia along with Fiji, New Caledonia, among others.*

We serve as a production and export hub for emerging markets for HMC. The ASP of our passenger vehicles and parts for exports is generally higher compared to domestic sales, and as a result we expect our revenues from sale of passenger vehicles to grow with an increase in our exports, and in turn improve our profitability. As indicated in the table above, our exports have been increasing in line with our strategies. According to the CRISIL Report, passenger vehicle exports from India is expected to grow at 3.1% in Fiscal 2024 and is expected to grow at a CAGR of 7% to 9% between Fiscals 2024 and 2029. Anticipated economic stability and growth, increased push from OEMs and India's trade agreements are expected to boost India's overall exports, according to the CRISIL Report.

Major expenses

Cost of materials consumed:

Our ability to manufacture passenger vehicles depends on the continued availability of parts such as trims, engines and transmissions, and materials such as steel, aluminium and precious metals such as palladium, platinum, rhodium required for our manufacturing operations and for our suppliers' part's manufacturing process. Our operations and our suppliers' ability to provide parts and materials to us at competitive prices is affected by global commodity prices, inflation and our ability to negotiate with our suppliers effectively. For example, pricing and availability of commodities like steel and aluminium can be volatile due to numerous factors beyond our control, including general domestic and international economic conditions, geopolitical tensions, extreme weather shocks, import duties and tariffs and foreign currency exchange rates, based on the information provided in the CRISIL Report. Fluctuations in the cost of materials, supply interruptions or material shortages have a direct impact on our ability to manufacture new passenger vehicles on time.

To manage supply costs, we have adopted a localisation strategy. Under our localised supply chain ecosystem, we source a majority of parts and materials from suppliers based in India and close to our manufacturing plants. Although there may be many suppliers that provide certain parts and materials that we need for our operations, as part of our localisation strategy and in order to maintain consistency in quality and quantity of supplies, we strategically onboard suppliers that are located close to our manufacturing plant located in Irrungattukottai, Sriperumbudur in Chennai, Tamil Nadu ("**Chennai Manufacturing Plant**") or those that provide parts and materials exclusively to us. In Fiscal 2023 and in the nine months ended December 31, 2023, we sourced approximately 90% of our parts and materials in terms of purchase value in India from the four adjoining districts close to our Chennai Manufacturing Plant[5]. As a result, we are able to follow a "Just in Time" concept for manufacturing where parts and materials are available to us in a short time frame, minimising the need for and cost of holding inventory. We intend to continue taking steps to localise the supply chain and source majority of our supplies from India, including localising our EV supply chain. As a result of the localisation strategy, we depend less on imports which are typically more expensive than domestically sourced supplies as domestic sourcing allows us to leverage the comparatively low manufacturing cost in India, reduces logistic costs and with no import duty payable. Due to increased localisation and strategic decisions, we have been able to largely maintain the level of our cost of materials consumed as a percentage of revenue from operations as indicated in the below table, despite the increase in commodity prices, foreign exchange rate of Indian Rupees against other foreign currencies and inflation.

Particulars	Nine months ended December 31,	Fiscal		
	2023	2023	2022	2021
Total cost of materials consumed (₹ *millions*)	385,110.54	445,086.35	352,308.08	304,696.79
Total cost of materials consumed as a % of total income	72.26%	72.45%	73.45%	73.59%

Depreciation and amortisation:

Our depreciation and amortisation expenses and payments for acquisition of property, plant and equipment for the nine months ended December 31, 2023, and for Fiscals 2023, 2022 and 2021 are shown in the table below. Along with our premiumisation strategy, efficient production operations and investment optimisation, our depreciation and amortisation expenses as a percentage of revenue from operations has been decreasing as indicated in the table below.

	Nine months ended December 31,	Fiscal		
	2023	2023	2022	2021
Depreciation and amortisation expenses *(₹ millions)*	16,500.89	21,898.66	21,695.86	19,731.65
Depreciation and amortisation expenses as a percentage of revenue from operations *(%)*	3.16	3.63	4.58	4.82
Payment for acquisition of property plant and equipment and intangible assets *(₹ millions)*	27,354.42	22,609.82	12,649.79	25,828.88
Payment for acquisition of property plant and equipment and intangible assets as a percentage of revenue from operations (%)	5.24	3.75	2.67	6.30

Employee benefits expense:

Our success depends on our ability to retain and hire key personnel for our operations. We also provide regular on-the-job training to enhance efficiencies. Although our employee benefits expense has been increasing it has been decreasing as a percentage of revenue from operations as indicated in the below table primarily due to improved efficiencies and processes.

	Nine months ended December 31,	Fiscal		
	2023	2023	2022	2021
Employee benefits expense *(₹ millions)*	14,784.20	17,662.26	16,476.38	14,648.58
Employee benefits expense as a percentage of revenue from operations *(%)*	2.83	2.93	3.48	3.58

[5] Chennai, Kancheepuram, Tiruvallur, Chengalpattu districts in the state of Tamil Nadu.

Capital efficient capacity expansion.

We currently operate two integrated manufacturing plants at the Chennai Manufacturing Plant. In December 2023, we acquired a new manufacturing plant located in Talegaon, Pune, Maharashtra ("**Talegaon Manufacturing Plant**") to support our expanding operations. The redevelopment of the Talegaon Manufacturing Plant and expansion of our manufacturing capabilities requires significant capital expenditures over a relatively short period. As of March 31, 2024, we have funded the redevelopment of the Talegaon Manufacturing Facility with cash and cash equivalents, however, we may need to incur additional financing in the future. For details on our capital expenditure, see "– ***Capital Expenditure***" on page 315.

Competition and introducing upgrades and new passenger vehicle models.

In India, we face competition from domestic and other multinational automobile manufacturers, as well as new entrants. In the last five years, the competition in the Indian domestic passenger vehicle market has intensified amidst competitively priced, feature-rich passenger vehicle launches by all players as well as recent entrants, according to the CRISIL Report. For the SUV segment, the market is fragmented with close competition between the OEMs, and with the sharp rise in demand for SUVs, the competition has intensified with increased focus on SUVs from all OEMs and the entry of new players, according to the CRISIL Report. Our market share in the SUV segment by sales volumes increased from 16.3% in Fiscal 2019 to 23.6% in Fiscal 2021, followed by a decrease to 19.9%, 17.7% and 18.8% in Fiscals 2022 and 2023 and the first 11 months in Fiscal 2024, respectively, according to the CRISIL Report. We also face competition in the EV segment. According to the CRISIL Report, the competition within the EV space has been intensifying, illustrated by the fluctuating market shares and positions of automobile companies in India that offer EVs in the passenger vehicle space. As we export passenger vehicles to various regions outside India, including countries in Latin America, Africa and the Middle East and export parts to Europe, we are subject to competitive pressures in these markets. Similar to other major automotive companies, we face significant pricing pressures, as competitors offer customers and dealers price reductions in order to stimulate demand, which may, in turn, adversely affect our results of operations.

It is important for us to introduce upgrades and new passenger vehicle models periodically addressing customer demands in terms of price, features and performance. For example, within a span of 15 months from January 2023 to March 2024, we launched an aggregate of eight upgrades and model changes. Our new passenger vehicle models typically take time to generate the sales volumes necessary to achieve significant economies of scale. As a result, early in the life of a model or a new upgrade, the increases in sales may not be sufficient to offset the effect of relatively high levels of cost of amortisation and depreciation. The ability of our new passenger vehicle models to achieve anticipated sales volumes for us to recover our initial investment and achieve economies of scale depends on their appeal to customers and competitive pressures such as price, features and services, which in turn will affect our results of operations.

Environmental and fiscal regulations

Environmental regulation

We incur costs to comply with current and future environmental regulation. For example, in CY2023, we incurred expenses to upgrade the relevant parts in our vehicles to comply with Real Driving Emission norms in India and to be compatible with E20 fuel, which is fuel with 20% ethanol blend. In CY2020, we incurred expenses to implement upgrades to comply with the Bharat Stage Emission Standards – VI norms. Further, the Corporate Average Fuel Consumption ("**CAFC**") norms issued in CY2015, applicable to manufacturers of passenger vehicles and importers of passenger vehicles for sale in India, regulate the corporate average fuel consumption i.e., the average of the standards fuel consumption of all vehicles sold by the manufacturers in a fiscal year. Any regulatory changes in CAFC norms might have an impact on the vehicle models we manufacture and sell in India.

Fiscal regulation

Changes in excise duties, goods and service tax ("**GST**"), value added tax ("**VAT**") and customs duties, and other fiscal levies affect our cost of production and our customers' willingness to purchase a vehicle. For example, the increase in GST compensation cess on vehicles is reflected in the sales price of our vehicles and thereby increasing the costs for customers. Currently, the tax benefits that are available to us include concessional tax rate that is available to all companies in India. We are eligible to receive incentives offered by the government. For example, under the four memoranda of understanding entered into with the Government of Tamil Nadu in relation to the Chennai Manufacturing Plant, we benefit from incentives such as (i) electricity tax exemptions; (ii) investment promotion subsidies in the form of state GST reimbursements, fiscal incentives such as a central sales tax ("**CST**") soft loan at a concessional rate of interest; (iii) clean energy vehicle ("**CEV**") subsidy; and (iv) interest free deferred sales tax. We had also received capital goods subsidies and assistance from the Government of Tamil Nadu in obtaining requisite approvals required for the construction and development of the Chennai Manufacturing Plant, pursuant to these memoranda of understanding with Government of Tamil Nadu. We also benefit from customs duty drawback, incentives under Merchandise Exports from India Scheme ("**MEIS**") and Remission of Duties and Taxes on Exported Products ("**RoDTEP**"). Further, we have received offers letter from the Government of Maharashtra under which we are required to make a minimum investment in fixed assets within a specific period for availing certain incentives such as electricity duty exemption, industrial promotion subsidy and stamp duty exemption.

We also benefit from a concessional rate on customs duties for imports under the Comprehensive Economic Partnership Agreements ("**CEPAs**") between Korea and India, and India-ASEAN Trade in Goods Agreement between Vietnam and India. Any reduction or withdrawal in these concessions or our inability to be eligible for such benefits, could affect the customs duty applicable to us, which could significantly increase our parts procurement costs. Any changes in taxes or levies or the loss of tax or other benefits we currently enjoy, will affect our business, results of operations and financial condition.

The following table provides income earned from our incentives for the periods indicated:

Particulars	**Nine months ended December 31, 2023**	**Fiscal 2023**	**Fiscal 2022**	**Fiscal 2021**
	(₹ millions)			
Sale of scrap	2,052.08	2,848.69	2,188.61	1,498.76
Duty drawback	3,847.83	4,347.31	3,474.36	2,364.84
Remissions of Duties and Taxes on Exported Products (RoDTEP) / Merchandise Exports from India Scheme income	1,306.02	1,163.50	970.69	331.13
Other incentives from government	1,656.29	3,688.42	2,542.06	1,885.24
Other operating revenues	**8,862.22**	**12,047.92**	**9,175.72**	**6,079.97**

Foreign exchange fluctuations

We are subject to foreign exchange fluctuations for imports of certain parts and materials, royalty payments and export of passenger vehicles. We generate a significant portion of our exports revenue and incur expenses, including production costs and the cost of materials, in currencies other than Indian Rupees, such as USD, South Korean Won, EUR, JPY, GBP and CHF which exposes our results of operations to fluctuations. We benefit from a natural hedge against for foreign currency risk by virtue of our export sales offsetting our imports to an extent. We also enter into derivative transactions such as forward contracts and discounting of export bills to hedge our foreign currency exposure. See also ***"– Quantitative and Qualitative Disclosures about Market Risks – Market risk***" on page 317.

Seasonality

The sales volumes and prices of our passenger vehicles are influenced by the cyclicality and seasonality of demand for passenger vehicles in the countries in which we operate. Typically demand for our passenger vehicles peaks between January and March, is lean from April to July, and picks up again in the festival season from September onwards, with a decline in December due to year-end. The demand for our exported passenger vehicles depends on the cyclicality and seasonality of vehicle demand in each country we sell our passenger vehicles. We plan our inventories and monitor inventory adequacy status in line with annual, quarterly and monthly sales plans which factors in effects of seasonality and cyclicality of passenger vehicle demands. For example, we plan our plant shut down for maintenance during the month of May which is a lean sales period. Further, during the lean sales seasons in India, we increase our exports.

Support from the Hyundai Motor Group and the "Hyundai" brand

We have the support of HMC in many aspects of our operations including management, R&D, design, product planning, manufacturing, supply chain development, quality control, marketing, distribution, brand, human resources and financing, among others. Specifically, we are well connected with other geographical units within the Hyundai Motor Group, regularly exchanging information on emerging trends and changing customer preferences. Additionally, we benefit from the strong "Hyundai" brand. Until June 10, 2024, we used to enter into separate technology and royalty agreements with HMC for each passenger vehicle model that we manufactured and sold. However, pursuant to the existing Royalty Agreement with HMC, HMC has, among others, granted our Company a non-exclusive, non-transferable right and license to manufacture and sell passenger vehicles and/ or parts as specified in the Royalty Agreement in India and to use HMC's trademarks in connection with such manufacturing and selling activities for which our Company is required to pay an amount to HMC equal to 3.5% of our sales revenue (*which is to be determined as set forth in the Royalty Agreement*), arising from sale of the passenger vehicles or parts. Payment of royalty is to be made by us to HMC on a quarterly basis. The continued support of the HMC is critical to our ability to provide high-quality and innovative products and services to customers. The following table shows the royalty paid to HMC for the periods indicated:

	Nine months ended December 31,	**Fiscal**		
	2023	**2023**	**2022**	**2021**
Royalty expense (₹ *millions*)	11,740.82	14,386.98	11,008.13	10,225.86
Royalty expense as a percentage of revenue from operations (%)	2.25	2.39	2.32	2.50

Results of Operations

The following table sets forth select financial data from our restated consolidated statement of profit and loss for the nine months ended December 31, 2023 and for Fiscals 2023, 2022 and 2021, the components of which are also expressed as a percentage of total income for such years/ period.

	For the nine months ended December 31,		**Fiscal**					
	2023		**2023**		**2022**		**2021**	
		% of total income		***% of total income***		***% of total income***		***% of total income***
	(₹ millions, except percentages)							
Income								
Revenue from operations..................	521,579.11	97.86	603,075.80	98.16	473,784.32	98.77	409,722.51	98.96
Other income................	11,401.77	2.14	11,290.62	1.84	5,876.16	1.23	4,323.99	1.04
Total income	**532,980.88**	**100.00**	**614,366.42**	**100.00**	**479,660.48**	**100.00**	**414,046.50**	**100.00**
Expenses								
Cost of materials consumed.....................	385,110.54	72.26	445,086.35	72.45	352,308.08	73.45	304,696.79	73.59
Purchases of stock-in-trade.............................	3,101.33	0.58	6,564.16	1.07	6,564.05	1.37	7,553.02	1.82
Changes in inventories of finished goods, stock-in-trade and work-in-progress...........	1,349.07	0.25	(1,351.21)	(0.22)	(621.20)	(0.13)	1,048.06	0.25
Employee benefits expense	14,784.20	2.77	17,662.26	2.87	16,476.38	3.44	14,648.58	3.54
Finance costs................	1,206.03	0.23	1,424.01	0.23	1,319.13	0.28	1,646.47	0.40
Depreciation and amortisation expense.....	16,500.89	3.10	21,898.66	3.56	21,695.86	4.52	19,731.65	4.77
Other expenses.............	51,581.89	9.68	60,098.70	9.78	44,397.74	9.26	39,556.26	9.55
Cost of materials consumed for own use ..	(455.66)	(0.09)	(472.26)	(0.08)	(201.61)	(0.04)	(236.81)	(0.06)
Total expenses................	**473,178.29**	**88.78**	**550,910.67**	**89.67**	**441,938.42**	**92.14**	**388,644.02**	**93.86**
Profit before tax.............	**59,802.59**	**11.22**	**63,455.75**	**10.33**	**37,722.06**	**7.86**	**25,402.48**	**6.14**
Tax expense								
Current tax	17,002.86	3.19	18,414.53	3.00	10,377.87	2.16	8,359.03	2.02
Deferred tax (net)..........	(1,028.98)	(0.19)	(2,051.28)	(0.33)	(1,671.72)	(0.35)	(1,768.11)	(0.43)
Total tax expense...........	**15,973.88**	**3.00**	**16,363.25**	**2.66**	**8,706.15**	**1.82**	**6,590.92**	**1.59**
Profit for the period / year..................................	**43,828.71**	**8.22**	**47,092.50**	**7.67**	**29,015.91**	**6.05**	**18,811.56**	**4.54**
Total comprehensive income for the period / year..................................	**43,765.22**	**8.21**	**46,920.14**	**7.64**	**29,042.93**	**6.05**	**18,819.73**	**4.55**

Nine Months Ended December 31, 2023

Income

Our total income was ₹532,980.88 million in the nine months ended December 31, 2023, which primarily included revenue from operations. Our revenue from operations primarily included revenue from our sale of vehicles, parts and services, in India and outside India.

- *Revenue from sale of products - vehicles*: our revenue from sale of products - vehicles was ₹449,998.09 million in the nine months ended December 31, 2023. Our domestic and exports vehicle sales volume was 584,159 units in the nine months ended December 31, 2023. The ASP of our vehicles was ₹770,335 in the nine months ended December 31, 2023.

- *Revenue from sale of products - parts:* our revenue from sale of products - parts was ₹33,685.38 million in the nine months ended December 31, 2023.

- *Revenue from sale of services*: our revenue from sale of services was ₹29,033.42 million in the nine months ended December 31, 2023, which primarily included transportation income of ₹19,711.54 million, brokerage fee of ₹3,891.29 million and income from engineering services-export provided to the Hyundai Motor Group of ₹3,536.88 million in the nine months ended December 31, 2023.

- *Other operating revenue:* our other operating revenue was ₹8,862.22 million in the nine months ended December 31, 2023, which primarily comprised duty drawback of ₹3,847.83 million, revenue from the sale of scrap of ₹2,052.08 million and other incentives received from the government of ₹1,656.29 million in the nine months ended December 31, 2023 including investment promotion subsidies in the form of state GST reimbursements from the Government of Tamil Nadu.

Our other income was ₹11,401.77 million in the nine months ended December 31, 2023, which primarily included interest income from bank deposits of ₹9,183.86 million in the nine months ended December 31, 2023.

Expenses

Our total expenses were ₹473,178.29 million for the nine months ended December 31, 2023, which primarily included cost of materials consumed, other expenses, depreciation and amortisation expense and employee benefits expense.

Cost of materials consumed.

Our cost of materials was ₹385,110.54 million for the nine months ended December 31, 2023 which primarily included purchases of parts and other materials for our operations.

Purchases of stock-in-trade

Our purchases of stock-in-trade were ₹3,101.33 million in the nine months ended December 31, 2023, which included purchases of parts used in our parts sale business.

Changes in inventories of finished goods, stock-in-trade and work-in-progress

Our changes in inventories of finished goods, stock-in-trade and work-in-progress were a net decrease of ₹1,349.07 million in the nine months ended December 31, 2023, which included the decrease in value of work-in-progress of ₹3,872.83 million in the nine months ended December 31, 2023, partially offset by increase in the value of finished goods of ₹2,514.09 million and stock-in-trade of ₹9.67 million in the nine months ended December 31, 2023.

Employee benefits expense

Our employee benefits expense was ₹14,784.20 million in the nine months ended December 31, 2023, which primarily included salaries, wages and bonus of ₹12,072.50 million and staff welfare expenses of ₹1,729.05 million. We had 5,475 full-time employees as of December 31, 2023.

Finance costs

Our finance costs were ₹1,206.03 million in the nine months ended December 31, 2023, which primarily included notional interest cost incurred for repaying the CST soft loan granted by the Government of Tamil Nadu of

₹466.01 million, unwinding of discounts on warranty provision of ₹373.08 million in relation to the warranty we provide for our vehicles sold, and other finance costs of ₹154.29 million. For more details on the CST soft loan, see "– ***Liquidity and Capital Resources – Indebtedness***" on page 314.

Depreciation and amortisation expense

Our depreciation and amortisation expense was ₹16,500.89 million in the nine months ended December 31, 2023, which primarily included depreciation of property, plant and equipment of ₹15,577.61 million, comprising depreciation on other plant and equipment of ₹4,773.65 million and depreciation of moulds and dies of ₹9,237.69 million.

Other expenses

Our other expenses were ₹51,581.89 million in the nine months ended December 31, 2023, which primarily included freight of ₹17,955.51 million, royalty of ₹11,740.82 million, advertisement and sales promotion expenses of ₹4,934.39 million, distribution fees of ₹3,352.61 million and power and fuel of ₹2,504.46 million.

Cost of materials consumed for own use

Our cost of materials consumed for own use was ₹455.66 million in the nine months ended December 31, 2023 which primarily included the capitalised value of vehicles that we use for our operations such as testing, R&D and employees use during the period.

Tax Expense

Our tax expense was ₹15,973.88 million in the nine months ended December 31, 2023, which primarily included current tax expense of ₹17,002.86 million, offset by deferred tax (net) of ₹1,028.98 million in the nine months ended December 31, 2023.

Profit for the Period

As a result of the foregoing factors, our profit for the nine months ended December 31, 2023, was ₹43,828.71 million.

Fiscal 2023 Compared to Fiscal 2022

Income

Our total income increased by 28.08% to ₹614,366.42 million in Fiscal 2023 from ₹479,660.48 million in Fiscal 2022, primarily due to an increase in our revenue from operations by 27.29% to ₹603,075.80 million in Fiscal 2023 from ₹473,784.32 million in Fiscal 2022. The increase in our revenue from operations was largely due to increase in revenue from the sale of vehicles, parts and services, in India and outside India.

- *Revenue from sale of products - vehicles*: our revenue from sale of products - vehicles increased by 27.84% to ₹522,709.37 million in Fiscal 2023 from ₹408,876.52 million in Fiscal 2022 primarily due to an increase in our passenger vehicle sales volumes by 17.98% to 720,565 units in Fiscal 2023 from 610,760 units in Fiscal 2022. Our revenue also increased with an increase in the ASP of our passenger vehicles by 8.36% to ₹725,415.99 in Fiscal 2023 from ₹669,455.30 in Fiscal 2022 in line with our premiumisation strategy. In particular, there was an increase of 51,251 units or 20.47% in the sales of our SUVs to 301,681 units in Fiscal 2023 from 250,430 units in Fiscal 2022 in India and increase by 31.61% in sale of premium hatchbacks to 82,612 in Fiscal 2023 from 62,769 in Fiscal 2022 in India.

  In addition, revenue from sale of products - vehicles increased with an increase in export sales volumes by 18.38% to 153,019 units in Fiscal 2023 from 129,260 units in Fiscal 2022 primarily due to an increase in sales in Latin America, Middle East and Europe, Africa, and other countries, with an increase in demand for these countries and in line with our export strategies.

- *Revenue from sale of products - parts:* our revenue from sale of products - parts increased by 8.16% to ₹36,486.67 million in Fiscal 2023 from ₹33,735.18 million in Fiscal 2022, primarily due to an increase in the exports of our parts to Turkey to meet the additional demand from Hyundai Motor Group's Turkey plant.

- *Revenue from sale of services*: our revenue from sale of services increased by 44.71% to ₹31,831.84 million in Fiscal 2023 from ₹21,996.90 million in Fiscal 2022, primarily due to,

    - an increase in transportation income by 41.34% to ₹24,885.01 million in Fiscal 2023 from ₹17,606.17 million in Fiscal 2022 in line with an increase in passenger vehicle sales volumes, in particular an increase in exports in Fiscal 2023 for which we earn higher transportation revenue. This caused an increase in the transportation services provided to dealers and distributors during Fiscal 2023.

    - an increase in income from engineering services - export provided to the Hyundai Motor Group by 22.92% to ₹4,005.57 million in Fiscal 2023 from ₹3,258.78 million in Fiscal 2022.

    - brokerage fees earned from our insurance broking business for the first time of ₹1,360.91 million in Fiscal 2023 as we incorporated our insurance broking subsidiary in Fiscal 2022.

- *Other operating revenue:* our other operating revenue increased by 31.30% to ₹12,047.92 million in Fiscal 2023 from ₹9,175.72 million in Fiscal 2022, primarily due to

    - an increase in incentives received from the government by 45.10% to ₹3,688.42 million in Fiscal 2023 from ₹2,542.06 million in Fiscal 2022 which was attributable to increase in the subsidies received from the Government of Tamil Nadu with an increase in passenger vehicle sales in the state of Tamil Nadu in Fiscal 2023.

    - a CEV subsidy of ₹500 million recognised in Fiscal 2023 which was realised in Fiscal 2022.

    - an increase in duty drawback by 25.13% to ₹4,347.31 million in Fiscal 2023 from ₹3,474.36 million in Fiscal 2022 and RoDTEP received by 19.86% to ₹1,163.50 million in Fiscal 2023 from ₹970.69 million in Fiscal 2022 received, both of which were attributable to the increase in exports sales in Fiscal 2023.

    - an increase in sale of scrap by 30.16% to ₹2,848.69 million in Fiscal 2023 from ₹2,188.61 million in Fiscal 2022 which was driven by an increase in sale of production scrap as we scaled up our operations.

Our other income increased by 92.14% to ₹11,290.62 million in Fiscal 2023 from ₹5,876.16 million in Fiscal 2022 primarily due to an increase in interest income from bank deposits by 124.92% to ₹8,847.81 million in Fiscal 2023 from ₹3,933.76 million in Fiscal 2022 primarily due to the increased interest rate in Fiscal 2023 and an increase in our fixed deposits.

Expenses

Our total expenses increased by 24.66% to ₹550,910.67 million in Fiscal 2023 from ₹441,938.42 million in Fiscal 2022, primarily due to an increase in cost of materials consumed, other expenses and employee benefits expense. As a percentage of total income, our total expenses decreased to 89.67% in Fiscal 2023 compared to 92.14% in Fiscal 2022.

Cost of materials consumed.

Our cost of materials consumed increased by 26.33% to ₹445,086.35 million in Fiscal 2023 from ₹352,308.08 million for Fiscal 2022, primarily due to an increase in our consumption of parts and materials used for our operations, in line with an increase in our passenger vehicle and parts sales volumes in Fiscal 2023. As a percentage of total income, our cost of materials consumed decreased to 72.45% in Fiscal 2023 from 73.45% in Fiscal 2022 primarily because of an increase in the sale of our passenger vehicles with higher ASP in line with our premiumisation strategy, and cost reduction initiatives that we implemented.

Purchases of stock-in-trade

Our purchases of stock-in-trade remained stable with ₹6,564.16 million in Fiscal 2023 and ₹6,564.05 million Fiscal 2022.

Changes in inventories of finished goods, stock-in-trade and work-in-progress

The net increase in changes in inventories of finished goods, stock-in-trade and work-in-progress increased 117.52% to ₹1,351.21 million in Fiscal 2023 from ₹621.20 million in Fiscal 2022 primarily due to the comparatively low inventories of finished goods and the comparatively high inventories of work-in-progress at the end of Fiscal 2022, both of which were attributable to the electronic component shortage in Fiscal 2022. In contrast, the relatively high inventories of finished goods and the relatively low inventories of work-in-progress at the end of Fiscal 2023 were attributable to the increased sales in Fiscal 2023 compared to Fiscal 2022, the resolution of electronic component shortages in Fiscal 2023, and the increased inventories of finished goods in anticipation of the scheduled plant maintenance shutdown in May 2023.

Employee benefits expense

Our employee benefits expense increased by 7.20% to ₹17,662.26 million in Fiscal 2023 from ₹16,476.38 million in Fiscal 2022 primarily due an increase in our employee base to 5,327 as of March 31, 2023, from 5,307 as of March 31, 2022. There was also an increase in salaries, wage and bonus by 7.99% to ₹14,461.33 million in Fiscal 2023 from ₹13,390.80 million in Fiscal 2022, and an increase in contributions to provident and other funds by 33.28% to ₹1,144.30 million in Fiscal 2023 from ₹858.56 million for Fiscal 2022.

Finance costs

Our finance costs increased by 7.95% to ₹1,424.01 million in Fiscal 2023 from ₹1,319.13 million in Fiscal 2022, primarily due to an increase in interest expense on working capital facilities from banks that we avail for our operations by 965.13% to ₹113.33 million in Fiscal 2023 from ₹10.64 million in Fiscal 2022. The increased interest on working capital facilities, which comprise discounting export receivables as a hedging strategy and pre-shipment packaging credit loan to avail interest subsidy scheme from Government of India, was primarily due to the increase in global interest rates in Fiscal 2023.

Depreciation and amortisation expense

Our depreciation and amortisation expense increased by 0.93% to ₹21,898.66 million in Fiscal 2023 from ₹21,695.86 million in Fiscal 2022, primarily due to an increase in the depreciation of property, plant and equipment. This increase was primarily due to our acquisition of new assets for our operations during Fiscal 2023.

Other expenses

Our other expenses increased by 35.36% to ₹60,098.70 million in Fiscal 2023 compared to ₹44,397.74 million in Fiscal 2022, primarily due to an increase in the following expenses:

- *Freight*: our freight expenses increased by 40.92% to ₹21,389.67 million in Fiscal 2023 from ₹15,178.67 million in Fiscal 2022 due to an increase in our sales volumes in Fiscal 2023. Our freight expenses also increased with an increase in shipping costs driven by an increase in exports to Latin America during Fiscal 2023 for which we incur higher freight charges.

- *Royalty*: our royalty expenses increased by 30.69% to ₹14,386.98 million in Fiscal 2023 from ₹11,008.13 million in Fiscal 2022 primarily due to an increase in our sales volumes. Our royalty expenses also increased with a change in our passenger vehicle mix for which we pay a higher royalty to HMC as royalty rates vary for each model.

- *Advertisement and sales promotion expenses*: our advertisement and sales expenses increased 37.66% to ₹6,771.25 million in Fiscal 2023 from ₹4,918.91 million in Fiscal 2022, primarily due to an increase in sales campaigns for new and existing models, including hosting automobile exhibitions and passenger vehicle launches.

- *Power and fuel*: our power and fuel expenses increased by 13.58% to ₹3,010.66 million in Fiscal 2023 from ₹2,650.78 million in Fiscal 2022 primarily due to an increase in production volumes during Fiscal 2023 causing an increase in the consumption of electricity, propane and other fuel for our manufacturing process.

- *Distribution Fees*: we incurred insurance policy distribution fee of ₹1,160.34 million for the first time during Fiscal 2023 in connection with the insurance broking business. This represents the portion of fees our subsidiary, Hyundai India Insurance Broking Private Limited, received from the insurance companies for insurance policies sold to customers at the time of purchasing passenger vehicles and was subsequently paid to the dealers.

Cost of materials consumed for own use.

Our cost of materials consumed for own use increased by 134.24% to ₹472.26 million in Fiscal 2023 compared to ₹201.61 million in Fiscal 2022, primarily due to an increase in the capitalised value of passenger vehicles that we use for our operations such as testing, R&D and employees use.

Tax Expense

Our tax expense increased by 87.95% to ₹16,363.25 million in Fiscal 2023 compared to ₹8,706.15 million in Fiscal 2022, primarily due to an increase in our current tax expense which increased by 77.44% to ₹18,414.53 million in Fiscal 2023 from ₹10,377.87 million in Fiscal 2022. Our current tax expense increased due to an increase in profit before tax by 68.22% to ₹63,455.75 million in Fiscal 2023 from ₹37,722.06 million in Fiscal 2022, and a lower tax related adjustments in Fiscal 2023 on previous year income compared to the adjustments accounted for in Fiscal 2022.

Profit for the Year

As a result of the foregoing factors, our profit for the year in Fiscal 2023 increased by 62.30% to ₹47,092.50 million from a profit for the year of ₹29,015.91 million in Fiscal 2022.

Fiscal 2022 Compared to Fiscal 2021

Income

Our total income increased by 15.85% to ₹479,660.48 million in Fiscal 2022 from ₹414,046.50 million in Fiscal 2021, primarily due to an increase in our revenue from operations by 15.64% to ₹473,784.32 million in Fiscal 2022 from ₹409,722.51 million in Fiscal 2021. The increase in our revenue from operations was largely due to increase in revenue from the sale of vehicles, parts and services, in India and outside India.

- *Revenue from sale of products - vehicles*: Our revenue from sale of products - vehicles increased by 14.35% to ₹408,876.52 million in Fiscal 2022 from ₹357,577.34 million in Fiscal 2021 primarily due to an increase in our passenger vehicle sales volumes by 6.06% to 610,760 units in Fiscal 2022 from 575,877 units in Fiscal 2021 as our operations recovered from impact of the COVID-19 during Fiscal 2022. Our revenue from sale of products - vehicles also increased with an increase in the ASP of our passenger vehicles by 7.82% to ₹669,455.30 in Fiscal 2022 from ₹620,926.59 in Fiscal 2021 in line with our premiumisation strategy. In particular, there was an increase by 16.93% in the sales of our SUVs to 250,430 units in Fiscal 2022 from 214,167 units in Fiscal 2021 in India. In addition, revenue from sale of products - vehicles increased with an increase by 23.88% in export sales volumes to 129,260 units in Fiscal 2022 from 104,342 units in Fiscal 2021 primarily due to an increase in sales in Latin America and Africa, with an increase in demand for these countries and in line with our strategies.

- *Revenue from sale of products - parts:* Our revenue from sale of product - parts increased by 16.87% to ₹33,735.18 million in Fiscal 2022 from ₹28,866.07 million in Fiscal 2021, primarily due to an increase in the exports of our parts to Turkey to meet the additional demand from Hyundai Motor Group's Turkey plant.

- *Revenue from sale of services*: Our revenue from sale of services increased by 27.90% to ₹21,996.90 million in Fiscal 2022 from ₹17,199.13 million in Fiscal 2021, primarily due to:

    - an increase in transportation income by 31.59% to ₹17,606.17 million in Fiscal 2022 from ₹13,380.00 million in Fiscal 2021 as we adopted an equalised freight structure in August 2021 where we charged a standardised freight for similar transport services, which in turn led to an increase in revenues. Transportation income also increased with an increase in exports, particularly exports to Latin America in Fiscal 2022.

    - an increase in income from engineering services – export provided to the Hyundai Motor Group by 12.11% to ₹3,258.78 million in Fiscal 2022 from ₹2,906.85 million in Fiscal 2021 as our operations recovered from impact of the COVID-19 during Fiscal 2022.

- *Other operating revenues*: Our other operating revenue increased by 50.92% to ₹9,175.72 million in Fiscal 2022 from ₹6,079.97 million in Fiscal 2021 primarily due to an:

- increase in sale of scrap by 46.03% to ₹2,188.61 million in Fiscal 2022 from ₹1,498.76 million in Fiscal 2021 which was driven by an increase in sale of scrap in Fiscal 2022 as production at our manufacturing plants were suspended from early April 2021 to early May 2021 due to lock downs in response to the COVID-19 outbreak, which resulted in low scrap generation and sale in Fiscal 2021.

- increase in other incentives from government by 34.84% to ₹2,542.06 million in Fiscal 2022 from ₹1,885.24 million in Fiscal 2021 which was attributable to increase in subsidies received from the Government of Tamil Nadu with an increase in passenger vehicle sales in the state of Tamil Nadu in Fiscal 2022.

- Increase in duty drawback by 46.92% to ₹3,474.36 million in Fiscal 2022 from ₹2,364.84 million in Fiscal 2021 and RoDTEP received by 193.14% to ₹970.69 million in Fiscal 2022 from ₹331.13 million in Fiscal 2021, both of which were attributable to the increase in exports sales in Fiscal 2022.

Our other income increased by 35.90% to ₹5,876.16 million in Fiscal 2022 from ₹4,323.99 million in Fiscal 2021 primarily due to an increase in interest income from bank deposits by 27.15% to ₹3,933.76 million in Fiscal 2022 from ₹3,093.86 million in Fiscal 2021. Our other income also increased with an increase in gain on foreign currency transactions and translation (net) by ₹413.50 million in Fiscal 2022 from ₹3.05 million in Fiscal 2021 as a result of an increased foreign exchange rate of Indian Rupees against other foreign currencies.

Expenses

Our total expenses increased by 13.71% to ₹441,938.42 million in Fiscal 2022 from ₹388,644.02 million in Fiscal 2021, primarily due to an increase in cost of materials consumed, other expenses and depreciation and amortisation expense. As a percentage of total income, our total expenses decreased to 92.14% in Fiscal 2022 compared to 93.86% in Fiscal 2021.

Cost of materials consumed.

Our cost of materials consumed increased by 15.63% to ₹352,308.08 million in Fiscal 2022 from ₹304,696.79 million in Fiscal 2021, primarily due to an increase in our consumption of parts and materials used for our operations in line with an increase in our revenue from sale of vehicles and parts. Our cost of materials consumed also increased with an increase in raw material prices and logistic cost associated with imported goods in Fiscal 2022. As a percentage of sales value, cost of materials consumed decreased to 73.45% in Fiscal 2022 from 73.59% in Fiscal 2021 primarily due to an increase in the sale of passenger vehicles with higher ASP in line with our premiumisation strategy, and certain cost reduction initiatives that we have implemented.

Purchases of stock-in-trade

Our purchases of stock-in-trade decreased by 13.09% to ₹6,564.05 million in Fiscal 2022 from ₹7,553.02 million in Fiscal 2021, due to a decrease in the orders of parts from our customers.

Changes in inventories of finished goods, work-in-progress and stock-in-trade

Our changes in inventories of finished goods, work-in-progress and stock-in-trade were a net increase of ₹621.20 million in Fiscal 2022 compared to a net decrease of ₹1,048.06 million in Fiscal 2021 primarily due to the relatively high inventories of work-in progress and the relatively low inventories of finished goods at the end of Fiscal 2022 compared to Fiscal 2021, both of which were attributable to the electronic component shortage in Fiscal 2022 caused by the COVID-19 pandemic.

Employee benefits expense

Our employee benefits expense increased by 12.48% to ₹16,476.38 million in Fiscal 2022 from ₹14,648.58 million in Fiscal 2021 primarily due to an increase in salaries, wage and bonus and staff welfare expenses by 11.61% and 17.96% to ₹13,390.80 million and ₹2,227.02 million in Fiscal 2022 from ₹11,997.82 million and ₹1,887.94 million in Fiscal 2021, respectively. The increase in salaries, wage and bonus and staff welfare expenses was primarily because we increased the average salaries, wage and bonus and welfare benefits of our employees.

Finance costs

Our finance costs decreased by 19.88% to ₹1,319.13 million in Fiscal 2022 from ₹1,646.47 million in Fiscal 2021, primarily due to a decrease in other finance costs by 95.78% to ₹7.55 million in Fiscal 2022 from ₹179.08 million in Fiscal 2021 as a result of payment of interest on differential custom duty in relation to the alleged misclassification of goods including charger assembly, valve inlet and exhaust, sunroof assembly, clutch actuator, gasoline engine parts imposed by Directorate of Revenue Intelligence ("**DRI**") amounting to ₹176.30 million that is under protest paid during Fiscal 2021. Our finance costs also decreased with unwinding of discounts on warranty provisions by 19.07% to ₹398.35 million in Fiscal 2022 from ₹492.21 million in Fiscal 2021 in relation to the warranty we provide for the passenger vehicles sold as a result of the lower unwinding discount rate of 6.06% that we applied in Fiscal 2022 compared to 7.75% in Fiscal 2021 in accordance with IndAS.

Depreciation and amortisation expense

Our depreciation and amortisation expense increased by 9.95% to ₹21,695.86 million in Fiscal 2022 from ₹19,731.65 million in Fiscal 2021, primarily due to an increase in the depreciation of property and plant during Fiscal 2022 by 12.11% to ₹20,112.52 million in Fiscal 2022 from ₹17,940.05 million in Fiscal 2021. The increase in the depreciation of property, plant and equipment was primarily due to our acquisition of new assets for our operations during Fiscal 2022.

Other expenses

Our other expenses increased by 12.24% to ₹44,397.74 million in Fiscal 2022 compared to ₹39,556.26 million in Fiscal 2021, primarily due to an increase in the following expenses:

- *Freight*: our freight expenses increased by 17.21% to ₹15,178.67 million in Fiscal 2022 from ₹12,950.00 million in Fiscal 2021 primarily due to an increase in our sales volumes in Fiscal 2022. Our freight expenses also increased with an increase in shipping costs driven by an increase in exports to Latin America during Fiscal 2022.

- *Royalty*: our royalty expenses increased by 7.65% to ₹11,008.13 million in Fiscal 2022 from ₹10,225.86 million in Fiscal 2021, primarily due to an increase in our sales volumes. Our royalty expenses also increased with a change in our passenger vehicle mix for which we pay a higher royalty to HMC as royalty rates vary for each model.

- *Advertisement and sales promotion expenses*: our advertisement and sales expenses increased by 5.99% to ₹4,918.91 million in Fiscal 2022 from ₹4,640.70 million in Fiscal 2021, primarily due to an increase in sales campaigns for new and existing passenger vehicle models.

- *Power and fuel*: our power and fuel expenses increased by 19.39% to ₹2,650.78 million in Fiscal 2022 from ₹2,220.29 million in Fiscal 2021, primarily due to an increase in production volumes during Fiscal 2022 causing an increase in the consumption of electricity, propane and other fuel for our manufacturing process.

Cost of materials consumed for own use.

Our cost of materials consumed for own use decreased by 14.86% to ₹201.61 million in Fiscal 2022 from ₹236.81 million in Fiscal 2021, primarily due to a decrease in the capitalised value of passenger vehicles that we use for our operations such as testing, R&D and employees use and consumption of parts for manufacturing pilot passenger vehicles for testing.

Tax expense

Our tax expense increased by 32.09% to ₹8,706.15 million in Fiscal 2022 compared to ₹6,590.92 million in Fiscal 2021, primarily due to an increase in our current tax expense by 24.15% to ₹10,377.87 million in Fiscal 2022 from ₹8,359.03 million in Fiscal 2021. Our current tax expense increased due to an increase in profit before tax by 48.50% to ₹37,722.06 million in Fiscal 2022 compared to ₹ 25,402.48 million in Fiscal 2021, and a lower tax related adjustments in Fiscal 2022 on previous year income compared to the adjustments accounted for in Fiscal 2021.

Profit for the Year

As a result of the foregoing factors, our profit for the year in Fiscal 2022 increased by 54.25% to ₹29,015.91 million from a profit for the year of ₹18,811.56 million in Fiscal 2021.

Non- GAAP Financial Measures

In addition to our results determined in accordance with Ind AS, we believe the following non-GAAP measures are useful to investors in evaluating our operating performance. We use the following non-GAAP financial information to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe that non-GAAP financial information, when taken collectively with financial measures prepared in accordance with IndAS, may be helpful to investors because it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance. However, our management does not consider these non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with Ind AS.

Non-GAAP financial information is presented for supplemental informational purposes only, has limitations as an analytical tool and should not be considered in isolation or as a substitute for financial information presented in accordance with Ind AS. Non-GAAP financial information may be different from similarly titled non-GAAP measures used by other companies. The principal limitation of these non-GAAP financial measures is that they exclude significant expenses and income that are required by Ind AS to be recorded in our financial statements, as further detailed below. In addition, they are subject to inherent limitations as they reflect the exercise of judgment by management about which expenses and income are excluded or included in determining these Non-Ind AS financial measures. A reconciliation is provided below for each non-GAAP financial measure to the most directly comparable financial measure prepared in accordance with Ind AS. Investors are encouraged to review the related Ind AS financial measures and the reconciliation of non-GAAP financial measures to their most directly able Ind AS financial measures included below and to not rely on any single financial measure to evaluate our business.

Profit For The Period/Year Margin, EBIT, EBIT (Excluding Other Income), EBITDA (Excluding Other Income), EBIT Margin (Excluding Other Income) and EBITDA Margin (Excluding Other Income)

The following table reconciles Profit For The Period/Year Margin, EBIT, EBIT (Excluding Other Income), EBITDA (Excluding Other Income), EBIT Margin (Excluding Other Oncome) and EBITDA Margin (Excluding Other Income) to profit for the period/year.

- Profit for the Period/Year Margin is defined as profit for the Period/Year as a percentage of total income
- EBIT is calculated as profit for the period / year plus total Tax expense plus Finance costs.
- EBIT (Excluding Other Income) is calculated as profit for the period / year plus total tax expense plus finance costs less other income.
- EBITDA (Excluding Other Income) is calculated as profit for the period / year plus total tax expense plus finance costs plus depreciation and amortisation expense less other income.
- EBIT Margin (Excluding Other Income) is calculated as EBIT (Excluding Other Income) as a percentage of revenue from operations.
- EBITDA Margin (Excluding Other Income) is calculated as EBITDA (Excluding Other Income) as a percentage of revenue from operations.

The table below reconciles Profit For The Period/Year Margin, EBIT (Excluding Other Income), EBITDA (Excluding Other Income), EBIT Margin (Excluding Other Income) and EBITDA Margin (Excluding Other Income) to profit for the period/year.

	For the nine months ended December 31, 2023(1)		**Fiscal**	
		2023	**2022**	**2021**
	(₹ millions except %)			
Total income	532,980.88	614,366.42	479,660.48	414,046.50
Revenue from operations	521,579.11	603,075.80	473,784.32	409,722.51
Profit for the period / year	43,828.71	47,092.50	29,015.91	18,811.56
Add: Total tax expense	15,973.88	16,363.25	8,706.15	6,590.92
Profit before tax	**59,802.59**	**63,455.75**	**37,722.06**	**25,402.48**
Add: Finance costs	1,206.03	1,424.01	1,319.13	1,646.47
EBIT	**61,008.62**	**64,879.76**	**39,041.19**	**27,048.95**
Less: Other income	11,401.77	11,290.62	5,876.16	4,323.99
EBIT (Excluding Other Income)	**49,606.85**	**53,589.14**	**33,165.03**	**22,724.96**

	For the nine months ended December 31, 2023[1]		Fiscal	
		2023	2022	2021
			(₹ millions except %)	
Add: Depreciation and amortisation expense	16,500.89	21,898.66	21,695.86	19,731.65
EBITDA (Excluding Other Income)	**66,107.74**	**75,487.80**	**54,860.89**	**42,456.61**
Profit For The Period/Year Margin *(Profit for the period / year as a % of Total Income)*	**8.22%**	**7.67%**	**6.05%**	**4.54%**
EBIT Margin (Excluding Other Income) (*EBIT (Excluding Other Income) as a % of revenue from operations*)	**9.51%**	**8.89%**	**7.00%**	**5.55%**
EBITDA Margin (Excluding Other Income) (*EBITDA (Excluding Other Income) as a % of revenue from operations*)	**12.67%**	**12.52%**	**11.58%**	**10.36%**

(1) *Not annualised*

Capital Employed and Return On Capital Employed

Capital Employed is calculated as Total equity plus total Non-current liabilities. Return On Capital Employed is defined as EBIT as a percentage of Capital Employed. The table below reconciles Capital Employed and Return On Capital Employed to Total equity and Profit for the period / year for the periods indicated:

	For the nine months ended December 31, 2023[1]		Fiscal	
		2023	2022	2021
			(₹ millions except %)	
Total equity	197,779.17	200,548.18	168,562.55	153,113.43
Add: Total non-current liabilities	26,578.24	25,130.09	23,095.66	22,770.05
Capital Employed	**224,357.41**	**225,678.27**	**191,658.21**	**175,883.48**
Profit for the period / year	**43,828.71**	**47,092.50**	**29,015.91**	**18,811.56**
Add: Total tax expense	15,973.88	16,363.25	8,706.15	6,590.92
Profit before tax	**59,802.59**	**63,455.75**	**37,722.06**	**25,402.48**
Add: Finance costs	1,206.03	1,424.01	1,319.13	1,646.47
EBIT	61,008.62	64,879.76	39,041.19	27,048.95
Return On Capital Employed (*EBIT as a % of Capital Employed*)	**27.19%**	**28.75%**	**20.37%**	**15.38%**

(1) *Not annualised*

Net Worth and Return On Net Worth

Net Worth is defined as total equity, which is equity share capital plus general reserve and retained earnings. Return On Net Worth is calculated as profit for the period / year as a percentage of Net Worth. The table below reconciles Net Worth and Return On Net Worth:

	For the nine months ended December 31, 2023[1]		Fiscal	
		2023	2022	2021
			(₹ millions except %)	
Equity share capital	8,125.41	8,125.41	8,125.41	8,125.41
General reserve	4,963.91	4,963.91	4,963.91	4,963.91
Retained earnings	184,689.85	187,458.86	155,473.23	140,024.11
Net Worth	**197,779.17**	**200,548.18**	**168,562.55**	**153,113.43**
Profit for the period/ year	43,828.71	47,092.50	29,015.91	18,811.56

	For the nine months ended December 31, 2023[1]	Fiscal		
		2023	2022	2021
		(₹ millions except %)		
Return On Net Worth (*Profit for the period / year as a % of Net Worth*)	**22.16%**	**23.48%**	**17.21%**	**12.29%**

(1) Not annualised

Net Asset Value Per Equity Share

Net Asset Value Per Equity Share is defined as total equity divided by number of equity used in calculating earnings per shares. The table below reconciles Net Asset Value Per Equity Share to total equity:

	For the nine months ended December 31, 2023[2]	Fiscal		
		2023	2022	2021
Total equity *(₹ millions)*	197,779.17	200,548.18	168,562.55	153,113.43
Number of equity shares used in calculating earnings per shares [1]	812,541,100	812,541,100	812,541,100	812,541,100
Net Asset Value Per Equity Share *(₹)*	**243.41**	**246.82**	**207.45**	**188.44**

(1) Pursuant to resolutions passed by our Board and our Shareholders in their respective meetings held on May 17, 2024, the authorised share capital of our Company was sub-divided from 14,000,000 equity shares of face value of ₹ 1,000 each into 1,400,000,000 Equity Shares of face value of ₹10 each. Accordingly, the issued, subscribed and paid-up equity share capital of our Company was sub-divided from 8,125,411 equity shares of face value of ₹ 1,000 per equity share to 812,541,100 Equity Shares of face value of ₹ 10 per Equity Share. Sub-division of shares has been retrospectively considered for the computation of EPS in accordance with Ind AS 33 for all Fiscals/ periods presented

(2) Not annualised

Liquidity and Capital Resources

Historically, our primary liquidity requirements have been to finance our working capital needs for our operations and expansion plans as well as special dividends paid to our Promoter. We have met these requirements through cash flows from operations and borrowings. As of December 31, 2023, we had ₹33,978.31 million in cash and cash equivalents, ₹118,564.52 million in bank balance other than cash and cash equivalents and ₹1,401.48 million in current borrowings.

We believe that, after considering the expected cash to be generated from operations and our borrowings, we will have sufficient liquidity for our present requirements and anticipated requirements for capital expenditure and working capital.

Our future capital requirements will depend on many factors, including, but not limited to our growth, our ability to attract and retain customers, retain our dealer network, increase exports, leverage the R&D and other services provided by the Hyundai Motor Group, vehicle model improvement and related services, address customer preferences quickly, and manage competition. We may be required to seek additional equity or debt financing. In the event that additional financing is required from outside sources, we may not be able to raise it on terms acceptable to us or at all. If we are unable to raise additional capital when desired, our business, financial condition, and results of operations could be adversely affected. See "***Risk Factors – Internal Risks – We require significant capital to support our growth strategies. Any failure to raise additional financing could have an adverse effect on our business, results of operations, financial condition and cash flows***" on page 51.

Cash Flows

The table below summarises the statement of cash flows, as per our restated consolidated cash flow statements, for the years indicated:

	For the nine months ended December 31, 2023	Fiscal 2023	2022	2021
		(₹ millions)		
Operating profit before working capital/other changes	67,632.95	77,132.40	55,748.47	43,329.22
Net cash generated from operating activities	45,576.72	65,642.56	51,384.09	54,225.23
Net cash used in investing activities	(138,024.10)	(14,116.24)	(9,052.93)	(21,968.06)
Net cash flows (used in) / generated from financing activities	(51,019.69)	(15,792.34)	(16,620.39)	1,434.47
Cash and cash equivalents at the end of period / year	33,978.31	177,411.47	141,388.42	115,676.31

Operating Activities

Our net cash generated from operating activities for the nine months ended December 31, 2023 was ₹45,576.72 million, while our operating profit before working capital / other changes was ₹67,632.95 million. Such difference was primarily attributable to income tax paid (net of refunds) of ₹17,028.55 million, a decrease in trade payables of ₹8,102.42 million, a decrease in other liabilities (current and non-current) of ₹6,017.01 million and an increase in other assets (current and non-current) of ₹1,582.89 million, which was partially offset by a decrease in trade receivables of ₹4,919.75 million, a decrease in other financial assets (current and non-current) of ₹3,998.60 million and an increase in other financial liabilities (current) of ₹1,222.23 million.

Our net cash generated from operating activities for Fiscal 2023 was ₹65,642.56 million, while our operating profit before working capital/other changes was ₹77,132.40 million. Such difference was primarily attributable to income tax paid (net of refunds) of ₹21,327.80 million, an increase in trade receivables of ₹7,221.78 million, an increase in inventories of ₹5,412.89 million, an increase in other assets (current and non-current) of ₹2,241.04 million and an increase in other financial assets (current and non-current) of ₹1,079.10 million, which was partially offset by an increase in trade payables of ₹20,315.50 million as a result of increased stock which is in line of the increased sales and increase in royalty payments, an increase in other liabilities (current and non-current) of ₹4,577.23 million and an increase in other financial liabilities (current) of ₹1,243.36 million.

Our net cash generated from operating activities for Fiscal 2022 was ₹51,384.09 million, while our operating cash flow before working capital/other changes was ₹55,748.47 million. Such difference was primarily attributable to income tax paid (net of refunds) of ₹7,667.73 million, a decrease in trade payables of ₹6,563.50 million and an increase in inventories of ₹3,178.00 million, which was partially offset primarily by an increase in other liabilities (current and non-current) of ₹10,038.26 million and a decrease in trade receivables of ₹2,858.09 million.

Our net cash generated from operating activities for Fiscal 2021 was ₹54,225.23 million, while our operating cash flow before working capital changes was ₹43,329.22 million. Such difference was primarily attributable to an increase in trade payables of ₹14,398.12 million and an increase in other liabilities (current and non-current) of ₹6,697.31 million, a decrease in other assets (current and non-current) of ₹3,361.68 million, a decrease in other financial assets (current and non-current) of ₹3,016.04 million and a decrease in inventories of ₹2,066.64 million, which was partially offset primarily by an increase in trade receivables of ₹9,689.97 million and income tax paid (net of refunds) of ₹9,233.27 million.

Investing Activities

Our net cash used in investing activities for the nine months ended December 31, 2023 was ₹138,024.10 million, which primarily consisted of deposits with banks with original maturity of more than three months but less than twelve months of ₹208,484.52 million and payment for acquisition of property, plant and equipment and intangible assets of ₹27,354.42 million, partially offset by maturity of deposits with banks with original maturity of more than three months but less than twelve months of ₹89,920.00 million and interest received on bank deposits of ₹7,787.58 million.

Our net cash used in investing activities for Fiscal 2023 was ₹14,116.24 million, which consisted of payment for acquisition of property plant and equipment and intangible assets of ₹22,609.82 million, partially offset by interest received on bank deposits of ₹8,377.53 million.

Our net cash used in investing activities for Fiscal 2022 was ₹9,052.93 million, which primarily consisted of payment for acquisition of property plant and equipment and intangible assets of ₹12,649.79 million, partially offset by interest received on bank deposits of ₹3,482.43 million.

Our net cash used in investing activities for Fiscal 2021 was ₹21,968.06 million, which consisted of payment for acquisition of property plant and equipment and intangible assets of ₹25,828.88 million, partially offset primarily by interest received on bank deposits of ₹3,816.67 million.

Financing Activities

Our net cash flows used in financing activities for the nine months ended December 31, 2023 were ₹51,019.69 million, and primarily included dividend paid (including withholding tax) of ₹46,534.23 million and repayment of short term borrowings of ₹8,825.43 million, partially offset by proceeds from short term borrowings of ₹5,537.98 million.

Our net cash flows used in financing activities for Fiscal 2023 were ₹15,792.34 million and primarily comprised repayment of short-term borrowings of ₹15,785.16 million, dividend paid (including withholding tax) of ₹14,934.51 million and repayment of sales tax / VAT deferral loan of ₹1,177.10 million, partially offset primarily by proceeds from short term borrowings of ₹16,531.53 million.

Our net cash flows used in financing activities for Fiscal 2022 were ₹16,620.39 million and primarily included dividend paid (including withholding tax) of ₹13,593.81 million, repayment of short term borrowings of ₹12,083.47 million, which comprise discounting export receivables and pre-shipment packaging credit loan, repayment of sales tax / VAT deferral loan of ₹1,087.00 million, partially offset by proceeds from short term borrowings of ₹10,462.86 million.

Our net cash flows generated from financing activities for Fiscal 2021 were ₹1,434.47 million and comprised repayment of short term borrowings of ₹11,451.25 million and repayment of sales tax / VAT deferral loan of ₹1,141.76 million, partially offset by proceeds from short term borrowings of ₹14,403.50 million.

Indebtedness

As of December 31, 2023, we had current borrowings of ₹1,401.48 million and non-current borrowings of ₹6,443.30 million. Our non-current borrowings include the following:

- *VAT / CST deferral loan (unsecured)*: Pursuant to the Memorandum of Understanding with the Government of Tamil Nadu dated July 18, 1996, we availed a sales tax (including VAT and CST) deferral loan on passenger vehicle sales from the Government of Tamil Nadu. The loan is interest free and is repayable in equal quarterly instalments over five years after the deferment period of 14 years. As of December 31, 2023, there are 25 quarterly instalments outstanding with an outstanding gross amount of ₹5,578.25 million.

- *CST soft loan (secured)*: Pursuant to the Memorandum of Understanding with the Government of Tamil Nadu dated January 22, 2008, we availed infrastructure, labour and other support as fiscal incentives from the Government of Tamil Nadu upon meeting certain specified milestones, which was recorded as a CST soft loan. The loan carries a 0.1% interest and is repayable in equal quarterly instalments over five years after the deferment period of 14 years. The principal repayment commences in June 2024 and interests are paid quarterly. As of December 31, 2023, there are 56 quarterly instalments outstanding, with an outstanding gross amount of ₹5,936.68 million. The loan is secured by a charge against specified fixed assets (other plant and equipment) of the Company of ₹6,000 million as December 31, 2023.

See also "***Financial Indebtedness***" on page 326.

Contractual Obligations

The table below sets forth our contractual obligations with definitive payment terms as of December 31, 2023. These obligations primarily relate to trade payables. The amounts are gross and undiscounted and include contractual interest payments. The contractual maturity is based on the earliest date on which we may be required to pay.

	Less than one year	1-3 years	3-5 years	More than five years	Total
			(₹ millions)		
Non-interest bearing					
VAT/CST deferral loan	1,328.40	1,657.13	1,848.26	744.45	5,578.24
Trade payables	66,343.16	-	-	-	66,343.16
Lease liabilities	114.35	215.00	179.08	175.50	683.93
Other financial liabilities	5,557.64	-	-	-	5,557.64
Variable interest rate instruments					
Deposits received from customers	1,326.33	-	-	-	1,326.33
Fixed interest rate instruments					
CST soft loan	5.94	200.41	588.57	5,197.47	5,992.39
Working capital facilities from banks	-	-	-	-	-

Contingent Liabilities

The following table sets forth the principal components of our contingent liabilities (to the extent not specifically provided for) as of December 31, 2023, and as of March 31, 2023, 2022 and 2021.

		As of December 31, 2023	As of March 31, 2023	2022	2021
			(₹ millions)		
(a)	Claims against the us not acknowledged as debt				
	(i) Customs duty	6,374.39	6,374.39	6,656.70	6,061.07
	(ii) Anti-dumping duty	154.74	154.74	154.74	154.74
	(iii) Excise duty and service tax	7,607.56	7,607.85	7,613.48	344.97
	(iv) Maharashtra Value Added Tax	-	0.85	0.21	0.21
	(v) Tamil Nadu VAT	6.88	287.09	280.21	613.34
	(vi) Goods and Service Tax	8,710.78	903.08	27.01	-
	(vii) Income tax	4,617.21	4,938.43	5,269.33	6,733.82
	(viii) Penalty levied by Competition Commission of India	4,202.61	4,202.61	4,202.61	4,202.61
	(ix) Others	68.07	68.07	2,308.53	789.28
(b)	Decided in favour of the Company against which department has gone on appeal				
	(i) Income Tax	5,035.84	5,035.84	4,070.40	305.67
	(ii) Competition Commission of India	870.00	870.00	870.00	870.00
(c)	Guarantees	6,000.00	6,000.00	6,000.00	6,000.00

For details regarding our contingent liabilities, see Note 35.1 to the Restated Consolidated Financial Information. See "***Restated Consolidated Financial Information – Note 35.1 – Contingent liabilities (to the extent not specifically provided for)***" on page 265.

Capital Expenditures

Our historical capital expenditures were, and we expect our future capital expenditures to be, primarily for acquisition of plant, property and equipment and intangible assets in relation to new passenger vehicle model launches. In the nine months ended December 31, 2023, and in Fiscals 2023, 2022 and 2021, our payment for acquisition of property, plant and equipment and intangible assets were ₹27,354.42 million, ₹22,609.82 million, ₹12,649.79 million and ₹25,828.88 million, respectively. We entered into four memoranda of understanding with the Government of Tamil Nadu for our Chennai Manufacturing Plant and offer letters with the Government of Maharashtra for our Talegaon Manufacturing Plant, all of which involved investment commitments, aggregating to approximately ₹320,000 million. See "***Risk Factors – Internal Risks - We require significant capital and may need to seek additional financing to support our growth strategies. Any failure to raise additional financing could have an adverse effect on our business, results of operations, financial condition and cash flows***" on page 51 for more details.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements, derivative instruments or other relationships with other entities that would have been established for the purpose of facilitating off-balance sheet arrangements.

Related Party Transactions

We enter into various transactions with related parties. For further information, see "***Other Financial Information – Related Party Transactions***" on page 292.

Significant Economic Changes

Other than as described in "***Our Business***" on page 150, to the knowledge of our management, there are no other significant economic changes that materially affect or are likely to affect income from continuing operations.

Unusual or Infrequent Events of Transactions

Except as described in this Draft Red Herring Prospectus, there have been no other events or transactions that, to our knowledge, may be described as "unusual" or "infrequent".

Known Trends or Uncertainties

Our business has been affected and we expect will continue to be affected by the trends identified above "– ***Principal Factors Affecting our Financial Condition and Results of Operations***" on page 297 and the uncertainties described in "***Risk Factors***" on page 28. To our knowledge, except as described or anticipated in this Draft Red Herring Prospectus, there are no known factors which we expect will have a material adverse impact on our revenues or income from continuing operations.

Seasonality of Business

The sales volumes and prices of our passenger vehicles are influenced by the cyclicality and seasonality of demand for vehicles in the countries in which we operate. For further details, see "***– Principal Factors Affecting Our Financial Condition and Results of Operations – Seasonality***", "***Risk Factors – Internal Risks – Our business is seasonal in nature and a decrease in our sales during some quarters could have an adverse impact on our financial performance***" on pages 301 and 49, respectively.

Competitive Conditions

We face intense competition from domestic and multinational automobile manufacturers in India and outside India. Our existing and future competitors may have significantly greater financial resources that can be devoted to design, development, manufacturing, marketing, sales and support of their passenger vehicles. They may also have technical and manufacturing capabilities and/or marketing, distribution and service network and brand recognition that is comparable to, or more developed than, our own. For further details, see "***Risk Factors – Internal Risks – We may not be able to compete successfully in the highly competitive and fast evolving automotive market***" on page 37.

New Products or Business Segments Expected

Except as disclosed in "***Our Business***" on page 150, and products that we announce in the ordinary course of business, we have not announced and do not expect to announce in the near future any new products or business segments.

Significant Dependence on Single or Few Customers or Suppliers

We depend on a limited number of suppliers for parts and materials. For further details, see "***Risk Factors – Internal Risks – We depend on a limited number of suppliers for parts and materials. Any interruption in the availability of parts and materials could adversely impact our operations***" on page 29. We do not depend on a limited number of customers for our revenues and operations.

Future Relationship Between Cost and Income

Other than as described elsewhere in this Draft Red Herring Prospectus, to the knowledge of our management, there are no known factors that might affect the future relationship between costs and revenues.

Auditor Observations

Our auditors have observed in the audited financial statements for March 31, 2023, that the back-up of the books of account and other relevant books and papers with respect to one of our subsidiaries, Hyundai Motor India Engineering Private Limited, in electronic mode, has not been kept on servers physically located in India daily. Please also see "***Risk Factors – Internal Risks - Our Statutory Auditors' report for March 31, 2023, includes an observation with respect to proper maintenance of accounts by one of our Subsidiaries.***" on page 60. Our auditors have also noted that the Company has opted not to present comparatives in the Special Purpose Consolidated Interim Financial Statements prepared by the Company for the purpose of preparation of the Restated Consolidated Financial Information.

Quantitative and Qualitative Disclosures about Market Risks

We have exposure to credit risk, liquidity risk and market risk from its use of financial instruments.

Our treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse the exposure by degree and magnitude of risks. The treasury function reports periodically to the Board of Directors of the Company. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities. A full description of our financial risks is provided in Note 41.3 to our Restated Consolidated Financial Information. See "***Restated Consolidated Financial Information – Note 41.3 – Financial risk management***" on page 279.

Credit risk

Credit risk is the risk of financial loss to us if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from our trade receivables, treasury operations and government receivables.

Trade and other receivables

Our exposure to credit risk is influenced mainly by the individual characteristics of each customer. Management considers that the demographics of our customer base, including the default risk of the industry and country in which customers operate, has less of an influence on credit risk. We are not exposed to concentration of credit risk to any one single customer since the products are sold to and services are provided to customers who are spread over a vast spectrum and hence, the concentration of risk with respect to trade receivables is low.

The credit worthiness of the customers is assessed through our strong credit risk assessment policy. Our domestic sales operate primarily on a cash and carry / advance model and do not carry significant credit risk. Our credit period on export sales varies on case to case basis based on market conditions and are normally backed by a letter of credit to cover the risk.

Cash and cash equivalents and other investments

In the area of treasury operations, we are presently exposed to counter-party risks relating to liquid funds and short term and medium term deposits placed with public/private sector banks. The credit risk is limited considering that the counterparties are banks with high credit ratings and repute.

Government receivables

The credit risk on receivables from government agencies/authorities is nil considering the sovereign nature of the receivables.

Liquidity risk

Liquidity risk is the risk that we will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Our approach to managing liquidity is to ensure, as far as possible, that we will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation. Typically, we ensure that we have sufficient cash on demand to meet expected operational expenses and servicing of financial obligations. In addition, we have concluded arrangements with well reputed banks, and have unused lines of credit that could be drawn upon, should there be a need. We invest our surplus funds in bank fixed deposits.

Market risk

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including cash and cash equivalents, foreign currency receivables and payables. We are exposed to market risk primarily related to foreign exchange rate risk (currency risk), interest rate risk and the market value of its investments. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

Currency risk - Exposure to foreign currency

Our exposure in USD, Korean Won and other foreign currency denominated transactions mainly on import of parts, royalty payments and export of vehicles gives rise to exchange rate fluctuation risk. We adopt natural hedge strategy and discounting of export bills to minimise currency fluctuation risk. The appropriateness / adequacy of the natural hedging principle is reviewed periodically with reference to our approved foreign currency risk management policy.

Currency risk - Sensitivity analysis

We are mainly exposed to the currencies of USD, EUR, KRW and JPY.

The following table details our sensitivity to a 5% increase in the INR against the relevant foreign currencies. This analysis assumes that all other variables, in particular interest rates, remain constant.

(₹ millions)

	December 31, 2023		**March 31, 2023**		**March 31, 2022**		**March 31, 2021**	
	Profit or loss	**Equity, net of tax**	**Profit or loss**	**Equity, net of tax**	**Profit or loss**	**Equity, net of tax**	**Profit or loss**	**Equity, net of tax**
USD	684.40	512.15	355.87	266.31	589.16	440.88	328.84	246.08
EUR	9.46	7.08	16.02	11.99	22.14	16.56	13.39	10.02
KRW	(46.96)	(35.14)	(67.65)	(50.62)	(46.09)	(34.49)	(31.43)	(23.52)
JPY	(4.34)	(3.25)	(1.79)	(1.34)	(3.64)	(2.73)	(1.73)	(1.29)

A 5% decrease in the rupee against the above currencies as of December 31, 2023 and as of March 31, 2023, 2022 and 2021 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest rate risk

Interest rate risk is the risk that an upward movement in interest rates would adversely affect the borrowing costs of the Company.

Profile

At the reporting date the interest rate profile of our interest bearing financial instruments were as follows

	Carrying amount			
	December 31, 2023	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
	(₹ millions)			
Fixed rate instruments				
Financial assets				
- **Details of bank deposits**				
Deposits with original maturity of three months or less	25,387.96	98,318.27	53,452.50	37,972.14
Deposits with banks with original maturity of more than three	118,564.52	71,871.13	81,352.89	72,774.00

	Carrying amount			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
	(₹ millions)			
months but less than twelve months				
Total balances with banks in deposit accounts	**143,952.48**	**170,189.40**	**134,805.39**	**110,746.14**
Financial liabilities				
- Borrowing from others (CST Soft loan @ 0.01%)	3,036.35	2,936.41	2,725.21	2,529.20
- Working capital facilities from banks	-	3,267.96	2,556.25	4,172.06

Fair value sensitivity for fixed rate instruments

We do not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Critical Accounting Policies and Use of Judgements and Estimates

A full description of our material accounting policies adopted in the preparation of our Restated Consolidated Financial Information is provided in Note 2 to our Restated Consolidated Financial Information. See "***Restated Consolidated Financial Information – Note – 2 Material accounting policies***" on page 237. The critical accounting policies that our management believes to be the most significant are summarised below.

Basis of measurement

The restated consolidated financial information has been prepared under the historical cost basis, except for defined benefit obligation which are measured at fair values at the end of each reporting period, as explained in accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Use of judgements and estimates

In the application of our accounting policies, our management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if revision affects both current and future periods.

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the restated consolidated financial information is included in the following notes:

Judgements

- Lease term: whether the Company is reasonably certain to exercise extension options.

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

Estimates

- Useful lives of Property, plant and equipment and intangible assets; see "***Restated Consolidated Financial Information – Note 2.9 – Property, plant and equipment ('PPE')***" and "***Restated Consolidated Financial Information – Note 2.10 – Intangible assets***" on pages 238 and 239, respectively.
- Measurement of defined benefit obligation; key actuarial assumptions; see "***Restated Consolidated Financial Information – Note 2.15 – Employee benefits***" on page 241.

- Provision for taxation; see "***Restated Consolidated Financial Information – Note 2.18 – Taxation***" on page 243.
- Provision for warranty; see "***Restated Consolidated Financial Information – Note 2.21 – Provisions and contingencies***" on page 244.
- Provision for disputed matters; see "***Restated Consolidated Financial Information – Note 2.21 – Provisions and contingencies***" on page 244.
- Measurement of Lease liabilities and Right of Use Asset; see "***Restated Consolidated Financial Information – Note 2.16 – Leases***" on page 242.

Inventories

Inventories are valued at the lower of cost and net realisable value.

The cost of raw materials, parts, consumable stores and spare parts and stock-in-trade are determined on a weighted average basis. Cost includes freight, taxes and duties and other charges incurred for bringing the goods to the present location and condition and is net of credit under the central value added tax (CENVAT) scheme, VAT and GST where applicable.

The valuation of manufactured finished goods and work-in-progress includes the combined cost of material, labour and manufacturing overheads incurred in bringing the goods to the present location and condition.

Due allowance is estimated and made by the management for slow moving / non-moving items of inventory, wherever necessary, based on the past experience and such allowances are adjusted against the carrying inventory value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished goods. Raw materials, parts and other supplies held for use in the production of finished products are not written down below cost except in cases when a decline in the price of materials indicates that the cost of the finished products shall exceed the net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

Revenue recognition

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold, and services rendered is net of variable consideration on account of various discounts and schemes offered by us and any taxes or duties collected on behalf of the government. Revenue is recognised when recovery of consideration is probable.

Sale of products

Revenues are recognised on unconditional appropriation of goods from factory / stockyard and delivery of goods from port for domestic and export sales respectively which is when the control of goods is transferred to the customer as per the terms of sale / understanding with the customers.

Sale of services

Income from sale of maintenance services and extended warranties are recognised as income over the relevant period of service or extended warranty. When we sell products that are bundled with additional service or extended period of warranty, such services are treated as a separate performance obligation only if the service or warranty is optional to the customer or includes an additional service component. In such cases, the transaction price allocated towards such additional service or extended period of warranty is recognised as a contract liability until the service obligation has been met.

We earn brokerage from insurance companies on placement of insurance policies and revenue is recognised at the date of commencement of risk undertaken by the insurance companies and the ultimate collection thereof is reasonably certain.

Income from service activities such as transportation income and engineering services are recognised at the time of satisfaction of performance obligation towards rendering of such services in accordance with the terms of arrangement.

The consideration received in respect of transport arrangements made for delivery of vehicles to the dealers are shown as revenue and the corresponding cost is shown separately as part of expenses.

The contract liabilities primarily relate to the advance consideration received from customers towards services, for which revenue is recognised over the relevant period of service.

Property, plant and equipment ("PPE")

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is measured at cost and is not depreciated.

Cost includes purchase price, taxes and duties, labour cost and direct overheads for self-constructed assets and other direct costs incurred up to the date the asset is ready for its intended use and for qualifying assets, borrowing costs are capitalised in accordance with our accounting policy.

Any parts or components of PPE which are separately identifiable and expected to have a useful life which is different from that of the main assets are capitalised separately, based on the technical assessment of the management.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

Internally manufactured vehicles are capitalised at cost including an appropriate share of relevant overheads.

Government grants and export benefits

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the balance sheet and transferred to the statement of profit and loss on a systematic and rational basis.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in the statement of profit and loss in the period in which they became receivable.

The benefit of a government loan at a below-market rate interest is treated as a government grant, measured as the difference between the proceeds received and the fair value of the loan based on prevailing market interest rates has been disclosed as "Other non-operating income" under "Other income".

Export benefits in the nature of duty drawback are recognised in the statement of profit and loss in the year of exports based on eligibility / expected eligibility duly considering the entitlements as per the policy, industry specific developments, interpretations arising out of judicial / regulatory proceedings where applicable, management assessment etc. and when there is no uncertainty in receiving the same.

Export benefits in the nature of RoDTEP and Merchandise Exports from India Scheme under Foreign Trade Policy are recognised in the statement of profit and loss when there is no uncertainty in receiving / utilising the same, taking into consideration the prevailing regulations.

Adjustments, if any, to the amounts recognised in accordance with the accounting policy, based on final determination by the authorities, are dealt with appropriately in the year of final determination and acceptance.

Capital work-in-progress.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss.

Depreciation

Depreciation on property, plant and equipment is provided using the straight-line method, pro-rata from the month of capitalisation over the useful lives of the assets, assessed as below:

Particulars	Management's estimate of useful lives	Useful life as per schedule II
Buildings	5-30 years	30-60 years
Plant and equipment		
- Modes	4 years	8-20 years
- Others	4-20 years	8-20 years
Furniture and fittings	3-5 years	10 years
Office and other equipment	3-5 years	5 years
Data processing equipment	3-5 years	3-6 years
Test vehicles	3 years	6 years
Other vehicles	5 years	6 years
Leasehold improvement	Amortised over the lease period or 5 years whichever is less	Not applicable

Individual PPE costing less than ₹5,000 each are depreciated in the year of purchase considering the type and usage pattern of these assets.

The useful lives mentioned above are different from the useful lives specified for these assets as per Schedule II of the Companies Act, 2013, where applicable. The useful lives followed in respect of these assets are based on management's assessment, based on technical advice, considering factors such as the nature of the assets, the estimated usage pattern of the assets, the operating conditions, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support etc.

Depreciation is accelerated on PPE, based on their condition, usability, etc. as per the technical estimates of the management, wherever necessary.

Impairment of PPE and intangible assets

At the end of each reporting period, we review the carrying amounts of our PPE and intangible assets or cash generating units to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, we estimate the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, or whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Provisions and contingencies

Provisions are recognised when we have a present obligation (legal / constructive) as a result of past event, it is probable that we will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of receivable can be measured reliably.

Product warranty cost:

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise, being typically up to three years.

Expected recoveries towards warranty cost from the vendors are estimated and accounted for as receivable by the management in the year in which the related provision for warranty is created and when it is certain that such recoveries will be received if the Company incurs the warranty cost. The estimates used for accounting of warranty liability / recoveries are reviewed periodically and revisions are made as required.

Contingent liability:

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within our control or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets:

Contingent assets are not recognised in the Restated Consolidated Financial Information since this may result in the recognition of income that may never be realised.

Basis of consolidation

(i) Subsidiaries

The consolidated financial statement includes Hyundai Motor India Limited, its wholly owned subsidiaries namely, Hyundai Motor India Engineering Private Limited ("**subsidiary company**") and Hyundai India Insurance Broking Private Limited ("**Other subsidiary**").

Subsidiaries are entities controlled by the us. We control an entity when we are exposed to, or have rights to, variable returns from our involvement with the entity and have the ability to effect those returns through our power over the entity.

The financial statement of subsidiaries is included in the Restated Consolidated Financial Information from the date on which control commences until the date on which control ceases. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with our accounting policies.

(ii) Transactions eliminated on consolidation

Intra group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of our interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Recent Accounting Pronouncements

Ministry of Corporate Affairs notified new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. There is no such notification which would have been applicable from January 1, 2024.

Significant Developments after December 31, 2023 that may affect our future results of operations.

Except as stated in this Draft Red Herring Prospectus, including with respect to the Royalty Agreement, the share split, divided distribution, and the following year-to-date sales data, to our knowledge, no circumstances have arisen since the date of the Restated Consolidated Financial Information as disclosed in this Draft Red Herring Prospectus which materially and adversely affect or are likely to affect our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next twelve months.

Passenger Vehicle Sales Volumes (units)	Year to date (January to May 2024)	Year to date (January to May 2023)	% Growth
Domestic	259,669	2,46,009	5.55%
Exports	61,300	53,420	14.75%
Total	320,969	2,99,429	7.19%

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation, derived from our Restated Consolidated Financial Information as at December 31, 2023, and as adjusted for the Offer. This table below should be read in conjunction with the sections titled "***Risk Factors***", "***Restated Consolidated Financial Information***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***", beginning on pages 28, 228 and 293, respectively.

(₹ in million, except ratios)

Particulars	Pre-Offer as at December 31, 2023	As adjusted for the proposed Offer#
Total Borrowings		
Non-current borrowings* (A)	6,443.30	
Current borrowings (including current maturities of long term borrowings)* (B)	1,401.48	
Total borrowings (C) = (A+B)	7,844.78	
Total Equity		Refer notes below.
Equity share capital* (D)	8,125.41	
Other equity* (E)	189,653.76	
Total equity (F) = (D+E)	197,779.17	
Non-current borrowings/Total equity (G) = (A/F)	0.03	
Total borrowings/Total equity (H) = (C/F)	0.04	

* *These terms shall carry the meaning as per Schedule III of the Companies Act (as amended).*

\# *There will be no change in capital structure post the Offer since it is an initial public offering by way of an Offer for Sale by the Promoter Selling Shareholder.*

Pursuant to resolutions passed by our Board and our Shareholders in their respective meetings held on May 17, 2024, the authorised share capital of our Company was sub-divided from 14,000,000 equity shares of face value of ₹ 1,000 each into 1,400,000,000 Equity Shares of face value of ₹10 each. Number of equity shares considered are after considering impact of share sub-division.

FINANCIAL INDEBTEDNESS

Our Company and Subsidiaries have availed certain credit facilities in its ordinary course of business, for exports, payment of taxes and deposits, meeting performance and financial guarantees, discounting, meeting its working capital requirements and other business requirements. Our Board is empowered to borrow monies as may be required for the purpose of the business of our Company, in accordance with Section 179 and Section 180 of the Companies Act and our Articles of Association. For details regarding the borrowing powers of our Board, see "***Our Management – Borrowing Powers of our Board***" on page 204.

The details of our aggregate indebtedness as on May 31, 2024 is provided below:

(*in ₹ million*)

Category of borrowing	Sanctioned amount	Principal amount outstanding as on May 31, 2024*
Unsecured		
Fund Based		
Working Capital Facilities	36,811.37	2,648.29
Term Loans	13,079.70	5,265.76
Total Fund Based (A)	**49,891.07**	**7,914.05**
Non Fund Based		
Letter of Credit	18,663.39	32.42
Bank Guarantees	12,713.42	2,346.13
Total Non Fund Based (B)	**31,376.81**	**2,378.55**
Total Unsecured* (C) = (A)+(B)**	**49,891.07**	**10,292.60**
Secured		
Fund Based		
Working Capital Facilities	-	-
Term Loans**	5,936.68	5,936.68
TN SIPCOT Loan	5,936.68	5,936.68
Total Fund Based (D)	**5,936.68**	**5,936.68**
Non Fund Based		
Letter of Credit	-	-
Bank Guarantees	-	-
Total Non Fund Based (E)	**-**	**-**
Total Secured (F) = (D)+(E)	**5,936.68**	**5,936.68**
Total (G) = (C)+(F)	**55,827.75**	**16,229.28**

**As certified by Manian & Rao, Chartered Accountants, by way of their certificate dated June 14, 2024.*
Note:
** This term loan relates to the TNGST/VAT CST payable by the Company, deferred by 14 years based on the MOU entered by the Company with the Government of Tamil Nadu.*
***This term loan relates to the CST soft loan received on various dates by the Company from SIPCOT, based on the MOU entered by the Company with the Government of Tamil Nadu.*
****Excludes sanction limit of ₹ 31,376.81 million, which is a sub limit of the fund-based facilities.*

Key terms of the borrowings availed by our Company and Subsidiaries:

Tenor: The tenor of the facilities availed by our Company typically ranges from 1 day to 14 years and from one month to three years for our Subsidiaries.

Interest: The applicable rate of interest for the working capital facilities availed by our Company and Subsidiaries are typically linked to benchmark rates, such as the marginal cost of lending rate (MCLR), a repo rate or a 3M/6M BSBY LIBOR, over a specific period of time and spread per annum which is reset at periodic intervals, and are generally as may be mutually agreed between the relevant lenders and our Company and our Subsidiaries as applicable. Further, the applicable rate of interest for our Company's secured term loan *i.e.*, the central sales tax soft loan issued by SIPCOT (the "**SIPCOT Facility II**") is 0.1%.

Security: The SIPCOT Facility II is secured by (a) an exclusive charge by way of hypothecation on the plant, machinery and equipment installed in the Chennai Manufacturing Plant; and (b) a corporate guarantee provided by our Company to SIPCOT.

Prepayment: Facilities availed by our Company and Subsidiaries typically have pre-payment provisions which allow for pre-payment of the outstanding loan amount, by serving a prior written notice to the relevant lender or on receiving prior approval from the relevant lender, and in certain case, subject to such pre-payment penalties as may be decided mutually at the time of such prepayment, or as set out in the facility agreements.

Repayment: Other than some of the working capital loans and other credit facilities, which are repayable on demand, our Company and Subsidiaries are required to repay our borrowings on the maturity date or on such dates and/ or in such instalments as stipulated in the relevant loan documents. Further, the deferred sales tax incentive obtained by our Company by the Government of Tamil Nadu ("**SIPCOT Facility I**") is repayable on the completion of the period in which our Company has availed the subsidy up to the limit as set out in the SIPCOT Facility I documents, or 21 years, whichever is earlier. The SIPCOT Facility I is repayable in five equal instalments over a period of four years starting from the completion of 14 years from the first year of deferral. Further, the amount repayable in each year is required to be repaid in quarterly instalments. Additionally, the SIPCOT Facility II is payable on a monthly or quarterly basis in accordance with the repayment schedule fixed by SIPCOT.

Restrictive covenants: Borrowing arrangements entered into by our Company and Subsidiaries typically contain various restrictive conditions and covenants mandating either the prior written consent and/or an intimation to our lenders in respect of certain corporate actions. An indicative list of such covenants is set forth below.

(a) change in the capital structure of our Company;

(b) change in the shareholding, structure, members, ownership and control of our Company;

(c) amendments to the memorandum of association and articles of association of our Company;

(d) changes in the management/ operating structure or composition of the board of directors and the key managerial personnel of our Company; and

(e) undertaking a new scheme of expansion of any current business or taking up an allied line of business.

Events of Default: In terms of the borrowing arrangements entered into by our Company and one of our Subsidiaries, the occurrence of any of the following, *inter alia*, constitutes an event of default:

(a) non-payment or default in payment of principal and/or interest due on the loan obligations;

(b) entering into an arrangement or composition with its creditors or commission of an act of bankruptcy or filing of an application in relation to insolvency or bankruptcy or filing of an application for winding up by any person or if any such order is made;

(c) occurrence or existence of such events or circumstances, which in the opinion of the lender, could have a material adverse effect;

(d) change in control;

(e) change in the purpose of utilization of credit facility other than sanctioned;

(f) cross-default;

(g) cessation of business operations temporarily or permanently;

Consequences of events of default: In terms of the borrowing arrangements of our Company and one of our Subsidiaries, the following, inter alia, are the consequences of occurrence of events of default, including:

(a) termination/ cancellation of the sanctioned facilities;

(b) application of any amount re-paid to the lender towards settlement and discharge of liabilities;

(c) levy of an additional interest rate;

(d) termination of the lender's obligations;

(e) amendment or modification of its constitutional documents.

This is an indicative list and there may be additional terms that may require the consent of the relevant lender, the breach of which may amount to an event of default under various borrowing arrangements entered into by our Company and Subsidiaries with its respective lenders, and the same may lead to consequences other than those stated above.

We have obtained the necessary consents required under the relevant loan documentation for undertaking activities in relation to the Offer. For further details of financial and other covenants required to be complied with in relation to our borrowings, see "***Risk Factors - If we are unable to comply with repayment and other covenants in our financing agreements, our business, financial condition, cash flows and credit rating could be adversely affected.***" on page 59.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated below, as on the date of this Draft Red Herring Prospectus, there are no outstanding (i) criminal proceedings, (ii) actions taken by statutory or regulatory authorities, (iii) claims related to direct or indirect tax matters, and (iv) litigation proceedings that are otherwise material, in each case, involving our Company, our Promoter, our Subsidiaries and our Directors ("**Relevant Parties**"). There are no outstanding litigation proceedings involving our Group Companies that have a material impact on our Company.*

*For the purpose of identification of material litigation in (iv) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigation involving the Relevant Parties to be disclosed by our Company in this Draft Red Herring Prospectus pursuant to resolution dated June 12, 2024 of our Board ("**Materiality Policy**"). Accordingly, disclosures of the following types of litigation involving the Relevant Parties have been included:*

All outstanding litigation proceedings, including any litigation involving the Relevant Parties (other than criminal proceedings, actions taken by statutory or regulatory authorities, and direct or indirect tax claims) shall be disclosed:

a. *as regards our Company, Subsidiaries and the Directors, the monetary amount of claim by or against the entity or person in any such pending proceeding is individually in excess of 5.00% of the average of the absolute value of the profit/loss after tax of our Company as per the Restated Consolidated Financial Information for the last three Fiscals, in this case being ₹1,582.00* million *("**Materiality Amount**");*

b. *as regards our Promoter, the following civil proceedings shall be considered material ("**HMC Materiality**" and together with the Materiality Amount, the "**Materiality Threshold**"):*

   (i) *such lawsuits exceeding 2.50% or more of the equity capital of large size corporations as required to be disclosed under Article 7, Paragraph 3(c) of the KOSPI Market Disclosure Regulations formulated on January 21, 2005, as amended; and*

   (ii) *such proceedings as disclosed by our Promoter pursuant to paragraph 1 of Article 1-1-3 of the Standards for Corporate Disclosure Form enacted by the Financial Supervisory Service (Korea); or*

c. *the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation may not exceed the Materiality Threshold; or*

d. *the monetary liability is not quantifiable for any other outstanding litigation, or the amount does not exceed the Materiality Threshold in an individual litigation, the outcome of which may have a material bearing on the business, operations, performance, prospects, financial position or reputation of our Company.*

For the above purposes, pre-litigation notices received by the Relevant Parties from third parties (excluding notices from statutory, regulatory or tax authorities or notices threatening criminal action) shall not be evaluated for materiality until such persons are impleaded as defendants or respondents in proceedings before any judicial/arbitral forum or is notified by any governmental, statutory, or regulatory authority of any such proceeding that may be commenced.

Except as stated in this section, there are no outstanding material dues to creditors of our Company. Further, pursuant to a Board resolution dated June 12, 2024, our Board has considered and adopted the following Materiality Policy for the purpose of disclosure of material creditors in this Draft Red Herring Prospectus according to which all creditors of our Company to whom the amount due from our Company exceeds 5.00% of the total trade payables of our Company as per the Restated Consolidated Financial Information are material creditors (i.e., 5% of ₹ 66,343.16 million which is ₹ 3,317.16 million based on the Restated Consolidated Financial Information as at and for the nine month period ended December 31, 2023).

For outstanding dues to any micro, small or medium enterprise, the disclosure shall be based on information available with our Company regarding the status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as amended, read with the rules and notification thereunder.

Unless otherwise specified, the terms defined in the description of a particular litigation matter pertain to such matter only.

I. Litigation involving our Company

(a) Criminal proceedings against our Company

1. Sumit Saurabh (the "**Complainant**") has filed a complaint dated January 9, 2018 before the Chief Judicial Magistrate, Patna Court against one of our employees (acting on behalf of our Company) and the director of one of our dealers for offences of cheating under the Indian Penal Code, 1860 ("**IPC**"), alleging that our Company sold a vehicle with manufacturing defects to the Complainant, resulting in injuries suffered due to non-deployment of airbags in an accident involving the Complainant.

2. Pursuant to a complaint filed by Rajesh Kumar ("**Complainant**") against, among others, the erstwhile managing director of our Company (acting on behalf of our Company) ("**Respondents**"), before the District and Sessions Court, Ghaziabad for the offence of cheating under the IPC, an order dated March 3, 2022 ("**Order**") had been passed by the Court of Additional Civil Judge, Ghaziabad dismissing the matter, stating that the matter is of a civil nature. Accordingly, a revision petition has been filed by the Complainant before the Court of District and Sessions Judge Ghaziabad to (a) set aside the Order; and (b) issue summons to the Respondents. The matter is currently pending.

3. Pursuant to a first information report dated October 30, 2019 ("**FIR**") filed by Vinay Kumar Jain ("**Complainant 2**") with the Sarita Vihar Police Station, Delhi against, among others, our Company, pursuant to which a complaint had been filed by the State of NCT of Delhi ("**Complainant 1**") and Complainant 2 before the Metropolitan Magistrate, South East District ("**Magistrate**") against our Company. alleging an offence of cheating under the IPC. Under the Complaint, it is alleged that (a) our Company abused its dominant position by refusing to provide warranty on installation of a CNG tank in the Complainant's car in the event such tank was not obtained from our Company instead of through government-approved retro-fitment centres, thereby forcing Complainant 2 to purchase the vehicle from our Company; and (b) our Company misrepresented to Complainant 2 that the CNG tank in his vehicle would be installed by our Company, whereas our Company had carried out the installation through its authorised fitment centre. For further details, see "- ***Litigation involving our Company - Criminal proceedings against our Company***" on page 330 below.

4. A complaint dated June 7, 2017 ("**Complaint**") has been filed by Karumuri Koti Reddy ("**Complainant**") before the Second Additional Junior First Class Magistrate, Khammam ("**Magistrate**"), against the managing director of one of our dealers (acting on behalf of the dealer) ("**Dealer**") and the general manager – sales ("**General Manager**") under the Code of Criminal Procedure, 1973 ("**CrPC**"), alleging the offence of cheating under the IPC. The Complainant has alleged that the Dealer has sold a defective vehicle manufactured by our Company with a malafide intention to cheat. For further details, see "- ***Litigation involving our Company - Criminal proceedings against our Company***" on page 330 below.

5. One of our former employees had filed a petition dated November 22, 2023 ("**Petition**") before the Judicial Magistrate, Sriperumbudur ("**Court**") praying for removal of his name from a criminal complaint filed by our Company against the employee for the offence of theft. Pursuant to an order of the Court dated January 5, 2024 dismissing the Petition, the employee has filed a criminal revision petition dated January 18, 2024 before the High Court of Judicature at Madras, challenging the Order. The matter is currently pending. For further details of the complaint filed by our Company in the matter, see "- ***Litigation involving our Company - Criminal proceedings against our Company***" on page 330 below.

(b) Criminal proceedings by our Company

1. A complaint dated April 20, 2023 has been filed by our Company before the Metropolitan Magistrate (Fast Track Court) at Magisterial Level IV, at Georgetown, Chennai against Vijay Khanna ("**Defendant**") under the Negotiable Instruments Act, 1881 in relation to dishonour of a cheque amounting to ₹0.5 million made by the Defendant to our Company towards partial payment for purchase of used cars from our Company. Our Company has also filed a suit for recovery and

specific performance of indemnity against the Defendant in January, 2024 before the Additional District Judge, Southwest District, Dwarka Courts, Delhi in relation to the matter.

2. A first information report dated October 30, 2021 ("**FIR**") has been filed by our Company before the Sriperumbudur Police Station, Kancheepuram against certain of our former employees alleging the offence of theft in respect of the property of the employer, under the IPC ("**FIR**"). Our Company had dismissed the employees for committing the misconduct of theft of certain spare parts. Our Company has also filed two petitions under the CrPC praying for (a) further investigation into the matter due to failure of the police to investigate; and (b) assistance to the prosecution due to omission of the prosecution to examine material witnesses. In response to the FIR, one of the employees has also filed a criminal revision petition in the matter. For further details, see "- ***Litigation involving our Company - Criminal proceedings against our Company***" on page 330 above.

3. The Hyundai Motor India Employees Union ("**HMIEU**") issued a notice to our Company, which had been signed by certain employees of our Company, in December, 2023 stating that it held majority membership of the workmen employed in our Company and accordingly would require our Company to hold an election in a secret ballot vote to decide the majority status of the various unions where our employees have enrolled as members ("**Election**"). Subsequently, HMIEU also filed a writ petition dated January 11, 2024 ("**Writ Petition**") before the High Court of Madras ("**High Court**") praying for a writ of mandamus directing our Company to hold the Election under its supervision. Under the Writ Petition, HMIEU also submitted an affidavit in this regard, claiming that HMIEU held a majority membership of the employees of our Company, along with copies of the voter list containing signatures of the members of HMIEU. Pursuant to review of the voter list, our Company was informed by one of our registered trade unions that the voter list submitted by HMIEU under the Writ Petition was inaccurate and signatures of certain employees of our Company had been forged in the voter list. Our Company has accordingly filed a complaint dated March 16, 2024 against HMIEU before the Metropolitan Magistrate – VII, Georgetown, alleging the offence of giving false evidence under the IPC. The matter is currently pending.

4. Our Company has filed a complaint in April, 2024 under Section 138 of the Negotiable Instruments Act, 1881 before the Fast Track Court, Saidapet seeking initiation of proceedings against M/s Ravina Hospital ("**Ravina**") in relation to failure of payment by Ravina of an amount of ₹0.5 million extended by our Company to Ravina for the purpose of expansion of its business. The matter is currently pending.

5. A general manager – sales (acting on behalf of our Company) ("**General Manager**") has filed a petition under the CrPC before the Magistrate praying to quash a complaint filed by Karumuri Koti Reddy against the General Manager alleging the offence of cheating under the IPC. The matter is currently pending. For further details, see "- ***Litigation involving our Company - Criminal proceedings against our Company***" on page 330 above.

6. Our Company has filed a writ petition dated November 5, 2019 before the High Court of Delhi at New Delhi against the order dated October 22, 2019 passed by the Magistrate for registering the FIR filed by Vinay Kumar Jain, and the matter is currently pending. For further details, see "- ***Litigation involving our Company - Criminal proceedings against our Company***" on page [•] above

Actions by statutory and regulatory authorities involving our Company

1. Pursuant to certain information filed by Shamsher Kataria (the "**Informant**") with the Competition Commission of India ("**CCI**") and a subsequent investigation initiated by CCI, an order was passed initiating action against our Company and certain other OEMs (the "**Respondents**") for contravention of Sections 3 and 4 of the Competition Act. The CCI, through the Informant, has alleged that the Respondents have engaged in anti-competitive practices through (a) restrictive arrangements entered into with the manufacturers of such spare parts of the vehicles produced by the Respondents for exclusive supply of spare parts to its authorised dealers; and (b) excessive pricing of such spare parts in the market. The CCI subsequently passed an order dated July 27, 2015 (the "**Order**") imposing a penalty of ₹4,202.61 million on our Company, in addition to certain other

directions to be complied with by the Respondents, including to cease and desist from indulging in conduct found to be in contravention of the provisions of the Competition Act, putting in place effective systems to ensure that spare parts and diagnostic tools are easily available through an efficient network, host information regarding the spare parts and their maximum resale prices on their websites; and (b) development and operation of systems to train independent garages and facilitate ease of availability of diagnostic tools. Our Company has filed an appeal against the Order ("**Appeal**") before the National Company Law Tribunal, Delhi ("**NCLT**"). Further, while the matter is under adjudication, the NCLT passed an interim order dated October 29, 2018 ("**Interim Order**") directing our Company to pay 10% of the penalty. Our Company subsequently filed an appeal before the Supreme Court of India ("**Supreme Court**") against the Interim Order. The Supreme Court has, pursuant to (a) an order dated November 16, 2018, granted an interim stay on the operation of the Order; and (b) directed the NCLT to dispose of the Appeal. The Appeal is currently pending before the NCLT.

2. Pursuant to certain information filed by Fx Enterprises and St. Antony's Cars Private Limited (the "**Informants**") and a subsequent investigation initiated by CCI, an order was passed initiating action against our Company for contravention of the Competition Act, through practices such as exclusive supply agreements and tie-in arrangements for after-sales services and spare parts with its dealers (including the Informants). The Order provided, among others, that our Company has contravened (a) Section 3(4)(e) read with Section 3(1) of the Competition Act through arrangements which resulted in resale price maintenance and included monitoring of the maximum permissible discount levels through a discount control mechanism; (b) Section 3(4)(a) of the CCI Act by mandating its dealers to use recommended lubricant / oils and penalising its dealers for use of non-recommended lubricants/ oils. The CCI subsequently passed an order dated June 14, 2017 ("**Order**") imposing a penalty of ₹870.00 million on our Company (which was subsequently paid by our Company), in addition to certain other directions to be complied with by our Company. Pursuant to an appeal filed by our Company before the NCLT, the Order was set aside by the NCLT, awarding reimbursement of any penalty paid by our Company. The CCI has filed an appeal before the Supreme Court, challenging the order passed by the NCLT, and the matter is currently pending.

(a) Material civil litigation against our Company

As of the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings initiated against our Company other than as disclosed below:

In the ordinary course of business, proceedings have been initiated by consumers against our Company under the provisions of the Consumer Protection Act, 1982 and are pending at different stages of adjudication before various fora in connection with alleged manufacturing defects in our vehicles, failure to provide sale documents and delay in delivery of purchased vehicles, among others. In addition to a monetary compensation and interest thereon, certain consumers have also prayed for replacement of the alleged defective vehicle or defective parts of our vehicles, as applicable. While our Company has filed appeals in relation to certain of these cases, these matters are currently pending.

1. As of the Date of this Draft Red Herring Prospectus, there are 964 consumer proceedings against our Company and the aggregate amount involved in such matters is ₹950.44 million.

2. Certain of our former dealers have initiated proceedings against our Company, pending at different stages of adjudication before various fora, on account of alleged losses suffered by the respective dealer due to failure to reimburse security deposit or wrongful termination of the dealership arrangement entered into with such dealers by our Company (which had been terminated by our Company for reasons including, among others, the dealer's inability to achieve its sales targets, loss of business and poor performance by the dealers). As of the date of this Draft Red Herring Prospectus, there are six proceedings involving our Company and the aggregate amount involved in such matters is ₹1,616.90 million.

   Further, our Company is also subject to certain proceedings which are pending at different stages of adjudication before various fora (a) under the Motor Vehicles Act, 1988 which have been initiated by customers and certain former employees for injury or death in accidents occurred while driving vehicles manufactured by our Company; and (b) labour disputes initiated under the Industrial

Disputes Act, 1947, by certain of our former employees claiming compensation for, among other reasons, wrongful termination of employment by our Company.

(b) *Material civil litigation by our Company*

As of the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings initiated by our Company.

II. Litigation involving our Subsidiaries

(a) *Criminal proceedings against our Subsidiaries*

As of the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against our Subsidiaries.

(b) *Criminal proceedings by our Subsidiaries*

As of the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by any of our Subsidiaries**.**

(c) *Actions by statutory and regulatory authorities involving our Subsidiaries*

As of the date of this Draft Red Herring Prospectus, there are no outstanding actions or proceedings initiated by statutory/regulatory authorities involving our Subsidiaries.

(d) *Material civil litigation against our Subsidiaries*

As of the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings initiated against any of our Subsidiaries.

(e) *Material civil litigation by our Subsidiaries*

As of the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings initiated by any of our Subsidiaries.

III. Litigation involving our Directors

(a) *Criminal proceedings against our Directors*

As of the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against our Directors.

(b) *Criminal proceedings by our Directors*

As of the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by any of our Directors.

(c) *Actions by statutory/regulatory authorities involving our Directors*

As of the date of this Draft Red Herring Prospectus, there are no outstanding actions or proceedings initiated by statutory/regulatory authorities involving any of our Directors.

(d) *Material civil litigation against our Directors*

As of the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings initiated against our Directors.

(e) Material civil litigation by our Directors

As of the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings initiated by our Directors.

IV. Litigation involving our Promoter

(a) Criminal proceedings against our Promoter

As of the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against our Promoter, other than as disclosed below:

1. Asan/Cheonan City filed a complaint against, among others, our Promoter alleging violation of Article 15-1 of the 'Water Environment Conservation Act' of Korea ("**Complaint**"). Under the Complaint, it is alleged that the Asan Factory run by our Promoter unlawfully discharged cutting oil into the Gok-gyo stream on two separate occasions, specifically on January 17, 2018 and February 28, 2018. Subsequently, our Promoter was sanctioned with a fine amounting to KRW 5 million during the first trial. The appeal was dismissed, and said case is currently undergoing review by the assigned presiding justice before the Supreme Court of Korea.

2. The Seoul Central District Prosecutor's Office filed charges against, among others, our Promoter for violating the 'Motor Vehicle Management Act' of Korea by failing to comply with voluntary recall between 2012 and 2015 for issues related to seven different parts including the Theta II GDI con-rod bearing. According to current legislation, manufacturers are required to voluntarily initiate recalls within 30 days after identifying defects that may impede the safe operation of their vehicles. Our Promoter argued that this obligation lacks clarity and violates the principal of void for vagueness and proportionality as protected by the Korean Constitution. The lower court acknowledged the argument and hence is currently consolidating a date for the hearing on the constitutional appeal in the Constitutional Court of Korea.

(b) Criminal proceedings by our Promoter

As of the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by our Promoter, other than as disclosed below:

1. A complaint has been filed by our Promoter before the Jeonju District Court against a youtuber known as "Inssa K," legally identified as Seung-On Kim ("**Defendant**"), for engaging in copyright and author's moral rights infringement through unauthorized use of our Promoter's advertising materials and videos. The case is currently pending in Jeonju District Court.

2. Two separate complaints have been filed by our Promoter against the Defendant for (a) alleging defamation by the Defendant for disseminating false statements through video uploads concerning vehicles sold by our Promoter, specifically the Tuscon, G80 and EQ900 model, its steering wheels and incident of car fires; and (b) alleging defamation by the Defendant for charges of identical nature to (a). Currently, both matters have been consolidated and involve charges of identical nature, outlining separate incidents with distinct videos. The consolidated cases are currently pending before the Jeonju District Court.

(c) Actions by statutory/regulatory authorities involving our Promoter

Our Promoter, in relation to its business and operations, from time to time, receives pre-notices from and is subject to actions by various regulatory and statutory authorities ("**Actions**"). Pursuant to such Actions, our Promoter may be required to pay a fine or comply with a sanction or order issued by the relevant authority under such Actions. Such Actions are thereafter complied with by our Promoter in due course, subject to any objections by our Promoter. To the extent such Actions have been objected to by our Promoter and are pending as on the date hereof, the details of such Actions have been provided below:

1. Seoul Central District Court imposed a fine of KRW 100.00 million (on March 13, 2024) against our Promoter for the alleged violation of duty to directly employ temporary agency workers under certain

circumstances specified in Article 6-2-1 of the ‘Act on the Protection of Temporary Agency Workers’ of Korea. Initially, the fine was imposed by the Ulsan branch of the Busan Regional Ministry of Employment and Labor, against which our Promoter had filed an objection. The initial fine was thereafter repealed, and the Seoul Central District Court subsequently issued a summary order on March 13, 2024 which is currently pending. The Seoul Central District Court acknowledged that our Promoter’s alleged violation was against a lesser number of employees compared to the initial alleged violation accused by the Ulsan branch of the Busan Regional Ministry of Employment and Labor, but still acknowledged a violation against 41 employees. Our Promoter has filed an objection against the Seoul Central District’s order and after one hearing, the argument has closed and our Promoter is currently awaiting the court’s decision.

(d) *Material civil litigation against our Promoter*

As of the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings initiated against our Promoter.

(e) *Material civil litigation by our Promoter*

As of the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings initiated by our Promoter.

(f) *Disciplinary actions including penalties imposed by SEBI or stock exchanges in the last five financial years preceding the date of this Draft Red Herring Prospectus including outstanding actions:*

As on the date of this Draft Red Herring Prospectus, there are no disciplinary actions including penalties imposed by SEBI or stock exchanges in the last five financial years preceding the date of this Draft Red Herring Prospectus, including outstanding actions.

(g) *Tax claims by our Promoter*

As of the date of this Draft Red Herring Prospectus, there are no outstanding tax claims initiated by our Promoter, other than as stated below:

Nature of the claim#	**Number of claims**	**Amount involved (KRW million)**
Direct tax (A)	5	64,251.37
Indirect tax (B)	4	5,192.38
Total (A+B)	**9**	**69,443.75^**

**To the extent quantifiable*
^ Equivalent to ₹4,461.07 million, as of December 31, 2023

(h) ***Tax claims against our Promoter***

As of the date of this Draft Red Herring Prospectus, there are no outstanding tax claims initiated against our Promoter.

V. Tax claims involving our Company, Subsidiaries and Directors

Details of outstanding tax claims involving our Company, Subsidiaries and Directors as of the date of this Draft Red Herring Prospectus are disclosed below:

Nature of the claim#	**Number of claims**	**Amount involved (₹ million)*^**
Direct Tax		
Company	16	12,175.58
Subsidiaries	2	10.05
Directors	Nil	Nil
Sub-Total (A)	18	12,185.64
Indirect Tax		
Company	112	39,951.89
Subsidiaries	Nil	Nil

Nature of the claim#	Number of claims	Amount involved (₹ million)*^
Directors	Nil	Nil
Sub-Total (B)	**112**	**39,951.89**

**To the extent quantifiable*

^Includes amounts paid by our Company to the relevant authorities in protest.

#Set out below are the details in relation to the tax claims involving our Company (included in the table above as well) which exceed the Materiality Amount:

1. Our Company had filed an appeal before the Income Tax Appellate Tribunal ("**ITAT**") challenging the final assessment order dated April 30, 2021 passed by the Assistant Commissioner of Income Tax ("**IT Department**") for the assessment year 2016-17 in relation to an alleged variation of income due to disallowance of, among others, (a) deduction of a performance reward; (b) deduction of an incentive received under the Focus Market Scheme, which had been treated as income chargeable to tax. Pursuant to an order passed by the ITAT dated December 22, 2021, our appeal was partially allowed, partially disallowed and partially re-directed to the assessing officer ("**Order**"). Accordingly, the Order has been (a) partially challenged by the IT Department before the High Court of Judicature at Madras ("**High Court**") through an appeal dated April 12, 2022, and (b) partially challenged by our Company before the High Court through an appeal dated February 18, 2022. Further, pursuant to the order dated March 11, 2022 passed by the assessing officer enforcing our tax liability to the extent it was re-directed, our Company has filed an appeal dated March 6, 2024 before the ITAT. The aggregate tax liability of our Company is ₹1,771.02 million (of which ₹949.04 million has been re-adjusted or paid in protest), and the matter is currently pending.

2. Our Company had filed an appeal before the Income Tax Appellate Tribunal ("**ITAT**") challenging the final assessment order dated September 26, 2018 passed by the Assistant Commissioner of Income Tax ("**IT Department**") for the assessment year 2014-2015 in relation to an alleged variation of income due to disallowance of, among others, (a) transfer pricing in connection with an international transaction entered into by our Company; and (b) a subsidy obtained from SIPCOT as capital revenue, which had been treated as income chargeable to tax. Pursuant to an order passed by the ITAT dated March 16, 2022, our appeal was partially allowed, partially disallowed and partially re-directed to the assessing officer ("**Order**"). Accordingly, the Order has been (a) partially challenged by the IT Department before the High Court of Judicature at Madras ("**High Court**") through an appeal dated July 13, 2022, and (b) partially challenged by our Company before the High Court through an appeal dated July 12, 2022. Further, pursuant to the order dated July 5, 2022 passed by the assessing officer enforcing our tax liability to the extent it was re-directed, our Company has filed an appeal dated February 19, 2024 before the ITAT. The aggregate tax liability of our Company is ₹2,392.77 million (of which ₹1,681.82 million has been re-adjusted or paid in protest), and the matter is currently pending.

3. Our Company has filed a writ petition in March, 2024 before the High Court against an order dated December 23, 2023 passed by the Additional Commissioner, Office of Commissioner of GST & Central Excise (Chennai - Outer) ("**Order**") in relation to a show-cause cum demand notice dated September 28, 2023 ("**SCN**") issued by the Directorate General of GST, Intelligence, Gurugram Zonal Unit, in connection with an investigation conducted for demand of integrated goods and services tax of ₹1,666.77 million under the reverse charge mechanism on secondment/ deployment of employees by our Company. Under the SCN, it was alleged that the secondment of employees to our Company is a form of supply of manpower service from an overseas supplier and thus constitutes a "supply" in terms of Section 7 of the Central Goods and Services Act, 2017. While the matter is currently pending, the High has issued an interim stay on the Order.

4. Our Company has filed an appeal dated August 16, 2023 before the Commissioner (Appeal) GST & Central Excise, Appeal-II Commissionerate, against an order dated March 31, 2023 of the Commissioner of GST & Central Excise imposing a differential compensation cess of ₹2,586.76 million along with equivalent penalty, in relation to an alleged incorrect assessment of cess payable on the engines purchased by our Company for certain of our vehicles. The matter is currently pending.

5. Our Company has filed a writ petition dated December 17, 2021 before the High Court against an order of the Additional Director General (Adjudication), Directorate General of GST Intelligence,

imposing a differential duty of ₹3,574.10 million as applicable due to re-classification of certain vehicles manufactured by our Company. The matter is currently pending.

6. A show cause notice dated October 14, 2013 ("**SCN**") had been issued by the Directorate of Revenue Intelligence (Department of Revenue) ("**DRI**") under the Customs Act, 1962 alleging that our Company has evaded payment of applicable customs duty by declaring different prices on goods imported from our Promoter in comparison to the prices declared on goods imported from other suppliers, in violation of the Customs Act, 1962. Our Company has filed an appeal against the order dated July 23, 2015 passed by the DRI pursuant to the SCN imposing a differential duty of ₹5,829.77 million against our Company. The matter is currently pending.

7. In 2014, pursuant to the preliminary findings of certain proceedings initiated by authorities in relation to import of cast aluminium alloy wheels and alloy road wheels (used in motor vehicles) by our Company, a preliminary notification dated April 11, 2014 was issued by the Ministry of Finance (Department of Revenue) ("**MoF**") imposing an anti-dumping duty on such goods which were imported from specified countries, including China, Thailand and Korea for a period of six months commencing from April 11, 2014 ("**Preliminary Notification**"). Our Company had filed four writ petitions before the High Court challenging the proceedings, which were dismissed by the High Court of Madras pursuant to an order dated December 12, 2014. Pursuant to a writ appeal filed by our Company in the matter, the High Court, by way of an order dated February 27, 2015 allowed our appeal and directed the Central Government to not issue the Preliminary Notification ("**Order**"). Pursuant to the issue of the Preliminary Notification, our Company filed a writ appeal before the High Court, alleging that the Preliminary Notification was in contravention of the Order ("**Writ Appeal**"). Further, our Company has filed a petition before the Supreme Court to transfer the Writ Appeal to the Supreme Court. The MoF further issued a final notification dated May 22, 2015 imposing anti-dumping duty on all such goods imported with retrospective effect from April 11, 2014 for a period of five years which has currently been extended. While the Writ Appeal is currently pending, our Company has paid the applicable anti-dumping duty aggregating to ₹6,978.14 million in protest.

VI. Outstanding Dues to Creditors

In accordance with the SEBI ICDR Regulations, our Company, pursuant to the Materiality Policy, considers all creditors to whom the amount due by our Company exceeds 5% of the total trade payables as per the latest period of the Restated Consolidated Financial Information (*i.e.*, 5% of ₹ 66,343.16 million which is ₹3,317.16 million as at nine months ended December 31, 2023). Details of outstanding dues owed to material creditors, MSME creditors and other creditors of our Company based on such determination are disclosed below:

Types of Creditors	Number of Creditors	Amount (₹ million)
MSME creditors	425	1,371.37
Material creditors	2	13,235.59
Other creditors*	2,269	51,736.20
Total	**2,696**	**66,343.16**

**Includes provision to the extent of ₹ 16,694.19 million towards unconfirmed payables, advertisement expenses, other expenses, materials, incentives, etc.*

As of December 31, 2023, there are no outstanding overdues to material creditors.

VII. Material Developments since the Last Balance Sheet

Other than as disclosed in "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on page 293, in the opinion of our Board, no circumstances have arisen since the date of our last balance sheet as disclosed in this Draft Red Herring Prospectus which materially and adversely affect, or are likely to affect, our operations or profitability, or the value of our assets, or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

*Our business requires various approvals, licenses, registrations, and permits issued by relevant regulatory authorities under various rules and regulations. Set out below is an indicative list of all consents, approvals, licenses, registrations, and permits obtained by our Company, which are considered material and necessary for undertaking the business and operations of our Company ("**Material Approvals**"). Additionally, unless otherwise stated, these Material Approvals are valid as on the date of this Draft Red Herring Prospectus. Further, certain of the Material Approvals may have lapsed or expired or may lapse or expire in the ordinary course of business, from time to time and our Company has either already made an application to the appropriate authorities for renewal of such Material Approvals or is in the process of making such renewal applications, in accordance with applicable requirements and procedures.*

*For details of risk associated with not obtaining or delay in obtaining the requisite approvals, see "**Risk Factors – We require certain approvals and licences in the ordinary course of business, and the failure to obtain or retain them in a timely manner may adversely affect our operations.**" on page 41. For further details in connection with the regulatory and legal framework within which we operate, see "**Key Regulations and Policies**" on page 178.*

I. Authorisation in relation to the Offer

For details regarding the corporate authorisation obtained in relation to the Offer, see "***Other Regulatory and Statutory Disclosures – Authority for the Offer***" on page 340.

II. Incorporation details of our Company

For details of the incorporation of our Company, see "***History and Certain Corporate Matters***" beginning on page 188.

III. Material Approvals in relation to the business and operations of our Company

In order to operate our business and operations, our Company requires approvals and/or licenses under various state and central laws, rules, and regulations. These approvals and/or licenses, among other things, include (a) registration and license under the Factories Act, and rules made thereunder, (b) approvals from the central and state pollution control board under the Air (Prevention and Control of Pollution) Act, 1981, as amended, Water (Prevention and Control of Pollution) Act, 1974, as amended, Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, Battery Waste Management Rules, 2022 and Bio-Medical Waste Management Rules, 2016, (c) license to store petroleum under the Petroleum Act, 1934, and rules made thereunder, (d) licence to store petroleum and compressed gas under the Explosives Act, 1884, (e) fire no objection certificates and approvals for installations from regional authorities, (f) registrations of establishments for registered and corporate offices under the Shops and Commercial Establishments Act, 1961, (g) certificate for use of boiler under the Indian Boilers Act, 1923, (h) certificate of acknowledgment for industrial entrepreneur memoranda submitted by our Company for manufacturing of passenger cars, engines and parts and accessories of motor vehicles, etc. and (i) various trade licences issued by state municipal corporations.

We currently manufacture our vehicles and other parts only at our Chennai Manufacturing Facility and our recently acquired Talegaon Manufacturing Plant is still under construction and is not operational as of the date of this Draft Red Herring Prospectus.

IV. Tax related approvals

1. The permanent account number of our Company is AAACH2364M.

2. The tax deduction account number of our Company is CHEH02069E.

3. The Importer Exporter Code of our Company is 0496003836 dated May 26, 1998, issued by the Office of the Joint Director General of Foreign Trade at Chennai, Ministry of Commerce, Government of India.

4. Goods and services tax registrations under various central and state goods and services tax legislations.

5. Professional tax registrations under applicable state professional tax legislations.

6. Certificate of registration as an employer issued under the applicable state professions, trades, callings and employments legislations.

V. Labour and employee related approvals

1. Registration under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952, as amended.

2. Certificate of registration issued under the Employees' State Insurance Act, 1948.

3. Registrations under the Contract Labour (Regulation and Abolition) Act, 1970, issued by:

   - Office of the Labour Commissioner and Registering Officer, Government of Haryana;
   - Office of the Assistant Labour Commissioner and Registering Officer, Government of West Bengal;
   - Office of the Registering Officer, Government of National Capital Territory of Delhi; and
   - Office of the Registering Officer, Directorate of Industrial Safety and Health, Government of Tamil Nadu.

VI. Pending Material Approvals

A. Material Approvals or renewals for which applications are currently pending

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no other Material Approvals for which fresh/renewal applications have been made:

S. No.	Description	Authority	Date of Application
1.	Corporation licence	Kochin Municipal Corporation, Kerala	March 13, 2024

B. Material Approvals which have expired and renewal is yet to be applied for

Nil

C. Material Approvals required but not obtained or applied for

Nil

VII. Intellectual Property

Trademarks

As on the date of this Draft Red Herring Prospectus, we have 77 registered trademarks in India, including ave applied for five trademarks which are pending at various stages in India.

Patents

As on the date of this Draft Red Herring Prospectus, we have two granted patents in India and have applied for one patent in India which is pending.

For further details, see "***Our Business – Intellectual Property***" on page 174.

Further, pursuant to the Royalty Agreement, our Promoter has granted us a non-exclusive right to use our Promoter's trademarks in connection with our Company's manufacturing of vehicles/ spare parts and selling activities. For details, see "***History and Certain Corporate Matters - Key terms of other subsisting material agreements***" on page 192.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorised by our Board pursuant to a resolution passed at its meeting dated May 17, 2024. Our IPO Committee has taken on record the consent of the Promoter Selling Shareholder to participate in the Offer for Sale pursuant to a resolution passed at its meeting held on June 14, 2024. Further, our Board has approved this Draft Red Herring Prospectus pursuant to a resolution passed at its meeting held on June 12, 2024. Resolution of our IPO Committee dated June 14, 2024 approving this Draft Red Herring Prospectus.

The Promoter Selling Shareholder has confirmed and approved its participation in the Offer for Sale in relation to its Offered Shares, as disclosed in "***The Offer***" beginning on page 71.

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

Prohibition by SEBI, RBI or other Governmental Authorities

Our Company, Promoter Selling Shareholder (including persons in control of our Promoter Selling Shareholder), members of our Promoter Group and Directors are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Our Company, Promoter or Directors have neither been declared as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters and fraudulent borrowers issued by the RBI.

Our Company or our Promoter, members of the Promoter Group or Directors are not declared as 'Fraudulent Borrowers' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 1, 2016 and the SEBI ICDR Regulations.

Directors associated with securities market

None of our Directors are, in any manner, associated with the securities market and there is no outstanding action initiated by the SEBI against the Directors of our Company in the past five years preceding the date of this Draft Red Herring Prospectus.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoter Selling Shareholder, our Directors and members of Promoter Group, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible to undertake the Offer in accordance with the eligibility criteria provided in Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- our Company has net tangible assets of at least ₹30.00 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each);
- our Company has an average operating profit of at least ₹150.00 million, calculated on a restated and consolidated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;
- our Company has a net worth of at least ₹10.00 million in each of the three preceding full years (of 12 months each), calculated on a restated and consolidated basis; and
- there has been no change of name of our Company at any time during the one year immediately preceding the date of filing of this Draft Red Herring Prospectus.

Set forth below are our Company's restated net tangible assets, restated operating profit and net worth, derived from our Restated Consolidated Financial Information included in this Draft Red Herring Prospectus.

(*₹ in million, unless otherwise stated*)

Particulars	Financial year ended as on		
	March 31, 2023	March 31, 2022	March 31, 2021
Net tangible assets[(1)]	197,277.86	164,803.93	147,959.23
Operating profit for the year[(2)]	53,589.14	33,165.03	22,724.97
Net Worth[(3)]	200,548.18	168,562.55	153,113.43

Notes:

1. *The net tangible assets, as restated are defined as sum of total assets excluding intangible assets, intangible assets under development deducted by sum of total non-current liabilities and total current liabilities as per the Restated Consolidated Financial Information of the Company as at the respective year end.*
2. *The operating profit has been calculated as restated and consolidated net profit before tax excluding other income and finance cost each on a restated and consolidated basis.*
3. *Net Worth is defined as total equity, which is equity share capital plus general reserve and retained earnings.*

The average of operating profit for Fiscal 2023, Fiscal 2022 and Fiscal 2021 of our Company was ₹36,493.04 million. For further details, see "***Other Financial Information***" on page 292.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000, failing which the entire application monies shall be refunded forthwith in accordance with the SEBI ICDR Regulations and other applicable laws.

Our Company is in compliance with the following conditions specified in Regulation 5 of the SEBI ICDR Regulations:

- none of our Company, the Promoter Selling Shareholder, Directors and members of our Promoter Group are debarred from accessing the capital markets by SEBI;
- neither our Promoter Selling Shareholder nor any of our Directors are promoters or directors of companies which are debarred from accessing the capital markets by SEBI;
- none of our Company, Promoter Selling Shareholder or Directors have been declared as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters and fraudulent borrowers issued by the RBI;
- none of our Directors has been declared a fugitive economic offender (in accordance with Section 12 of the Fugitive Economic Offenders Act, 2018); and
- as on the date of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares.
- The Equity Shares of our Company held by our Promoter Selling Shareholder are in dematerialised form;
- All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus; and
- There is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance.

The Promoter Selling Shareholder has confirmed that it has held the Offered Shares for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus and that it is in compliance with Regulation 8 of the SEBI ICDR Regulations and are eligible for being offered in the Offer for Sale.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, KOTAK MAHINDRA CAPITAL COMPANY LIMITED, CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED, HSBC SECURITIES AND CAPITAL MARKETS (INDIA) PRIVATE LIMITED, J.P. MORGAN INDIA PRIVATE LIMITED AND MORGAN STANLEY INDIA COMPANY PRIVATE LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS AND THE PROMOTER SELLING SHAREHOLDER WILL BE RESPONSIBLE FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF OR ITS OFFERED SHARES, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE PROMOTER SELLING SHAREHOLDER DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO THE SEBI, A DUE DILIGENCE CERTIFICATE DATED JUNE 14, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V (FORM A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. THE SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to this Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC including in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Offer will be complied with at the time of filing of the Prospectus with the RoC including in terms of Sections 26, 32, 33(1) and 33(2) of the Companies Act.

Disclaimer from our Company, our Promoter Selling Shareholder, Directors and Book Running Lead Managers

Our Company, our Promoter Selling Shareholder, Directors and the Book Running Lead Managers accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.hyundai.com/in/en, or the website of any affiliate of our Company, would be doing so at their own risk. The Promoter Selling Shareholder, their directors, affiliates, associates, and officers accept no responsibility for any statements made in this Draft Red Herring Prospectus, other than those specifically made or confirmed by the Promoter Selling Shareholder in relation to themselves as a Promoter Selling Shareholder and the Offered Shares.

The Book Running Lead Managers accept no responsibility, save to the limited extent as provided in the Offer Agreement and as will be provided for in the Underwriting Agreement to be entered into between the Underwriters, the Promoter Selling Shareholder and our Company.

All information shall be made available by our Company, and the Book Running Lead Managers to the Bidders and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Promoter Selling Shareholder and their directors, officers, agents, affiliates, and representatives, Underwriters, the Book Running Lead Managers and their respective directors, partners, designated partners, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Underwriters, the Book Running Lead Managers and their respective directors, partners, designated partners, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The Book Running Lead Managers and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, our Promoter, members of the Promoter Group and their directors and officers, group companies, affiliates or associates or third parties (as applicable) in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, its Directors, our Promoter, officers, agents, group companies, affiliates, associates or third parties, (as applicable) for which they have received, and may in the future receive, compensation. As used herein, the term 'affiliate' means any person or entity that controls or is controlled by or is under common control with another person or entity.

Disclaimer in respect of Jurisdiction

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in New Delhi, India only.

The Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), systemically important non-banking financial companies or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, state industrial development corporations, permitted insurance companies registered with IRDAI, public financial institutions as specified in Section 2(72) of the Companies Act, permitted provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds (registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable laws, with minimum corpus of ₹ 250 million), National Investment Fund, insurance funds set up and managed by the army and navy or air force of Union of India and insurance funds set up and managed by the Department of Posts, India registered with the Insurance Regulatory and Development Authority of India, systemically important NBFCs registered with the RBI and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares. This Draft Red Herring Prospectus does not constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions.

Neither the delivery of this Draft Red Herring Prospectus nor the offer of the Offered Shares shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date of this Draft Red Herring Prospectus or that the information contained herein is correct as of any time subsequent to this date.

Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India. **No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.**

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with the SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction.

Eligibility and Transfer Restrictions

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Draft Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved. The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States, and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only (a) to persons in the United States that are "qualified institutional buyers" (as defined in Rule 144A) and referred to in this Draft Red Herring Prospectus as "U.S. QIBs" and, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs") in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act in reliance on Rule 144A and (b) outside the United States in "offshore transactions" (as defined in Regulation S) in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Until the expiry of 40 days after the commencement of the Offer, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in the Offer) may violate the registration requirements of the U.S. Securities Act unless made pursuant to Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act and in accordance with applicable state securities laws in the United States.

Eligible Investors

The Equity Shares are being offered:

(i) in the United States to investors that are U.S. QIBs in reliance on Rule 144A, in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act; and

(ii) outside the United States in "offshore transactions" as defined in, and in reliance on, Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

Equity Shares Offered Pursuant to the Offer Within the United States

Each purchaser that is acquiring the Equity Shares offered pursuant to the Offer within the United States, by its acceptance of this Draft Red Herring Prospectus and of the Equity Shares, will be deemed to have acknowledged, represented and warranted to and agreed with our Company, the Promoter Selling Shareholder and the Book Running Lead Managers that it has received a copy of this Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorised to consummate the purchase of the Equity Shares offered pursuant to the Offer in compliance with all applicable laws and regulations;

2. the purchaser acknowledges that the Equity Shares offered pursuant to the Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and accordingly, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

3. the purchaser (i) is a U.S. QIB, (ii) is aware that the sale to it is being made in a transaction exempt from or not subject to the registration requirements of the U.S. Securities Act in reliance on Rule 144A, and (iii) is acquiring such Equity Shares for its own account or for the account of one or more U.S. QIBs with respect to which it exercises sole investment discretion;

4. the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;

5. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred, only (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A under the U.S. Securities Act, or (ii) in an "offshore transaction" complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act; and (B) in accordance with all applicable laws, including the state securities laws in the United States. The purchaser understands that the transfer restrictions will remain in effect until our Company determines, in its sole discretion, to remove them;

6. the Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 under the U.S. Securities Act for resales of any such Equity Shares;

7. the purchaser will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act;

8. the purchaser agrees that neither the purchaser, nor any of its affiliates (as defined in Rule 405 of the U.S. Securities Act), nor any person acting on behalf of the purchaser or any of its affiliates (as defined in Rule 405 of the U.S. Securities Act), will make any "directed selling efforts" (as that term is defined in Regulation S under the U.S. Securities Act) in the United States with respect to the Equity Shares or any form of "general solicitation" or "general advertising" (as defined in Regulation D under the U.S. Securities Act) in connection with any offer or sale of the Equity Shares;

9. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless our Company determines otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

   "THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAW. ACCORDINGLY, THE EQUITY SHARES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED (1) WITHIN THE UNITED STATES, SOLELY TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF AND IN RELIANCE ON RULE 144A UNDER THE U.S. SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE U.S. SECURITIES ACT OR ANOTHER EXEMPTION FROM, OR TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT, OR (2) OUTSIDE THE UNITED STATES IN AN "OFFSHORE TRANSACTION" AS DEFINED IN AND IN COMPLIANCE WITH REGULATION S UNDER THE U.S. SECURITIES ACT, AND THE APPLICABLE LAWS OF THE JURISDICTIONS WHERE THOSE OFFERS AND SALES OCCUR."

10. our Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and

11. the purchaser acknowledges that our Company, the Promoter Selling Shareholder, the Book Running Lead Managers, their respective affiliates and others will rely upon the truth and accuracy of the

foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company, the Promoter Selling Shareholder and the Book Running Lead Managers, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

All Other Equity Shares Offered and Sold in the Offer

Each purchaser that is acquiring the Equity Shares offered pursuant to the Offer outside the United States, by its acceptance of this Draft Red Herring Prospectus and of the Equity Shares offered pursuant to the Offer, will be deemed to have acknowledged, represented and warranted to and agreed with our Company, the Promoter Selling Shareholder and the Book Running Lead Managers that it has received a copy of this Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorised to consummate the purchase of the Equity Shares offered pursuant to the Offer in compliance with all applicable laws and regulations;

2. the purchaser acknowledges that the Equity Shares offered pursuant to the Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of or other jurisdiction of the United States and accordingly, may not be offered, resold, pledged or transferred within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

3. the purchaser is purchasing the Equity Shares offered pursuant to the Offer in an offshore transaction meeting the requirements of Rule 903 of Regulation S under the U.S. Securities Act;

4. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares offered pursuant to the Offer, was located outside the United States at the time (i) the offer for such Equity Shares was made to it and (ii) when the buy order for such Equity Shares was originated and continues to be located outside the United States and has not purchased such Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any person in the United States;

5. the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;

6. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A, or (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act and (B) in accordance with all applicable laws, including the securities laws of the States of the United States. The purchaser understands that the transfer restrictions will remain in effect until our Company determines, in its sole discretion, to remove them;

7. neither the purchaser nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, is acquiring the Equity Shares as a result of any "directed selling efforts" as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares;

8. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless our Company determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

   "THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT IN A TRANSACTION MEETING THE

REQUIREMENTS OF RULE 144A UNDER THE U.S. SECURITIES ACT, OR (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES."

9. our Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and

10. the purchaser acknowledges that our Company, the Promoter Selling Shareholder, the Book Running Lead Managers, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company, the Promoter Selling Shareholder and the Book Running Lead Managers, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any offshore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer clause of BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Disclaimer clause of NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Listing

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Application will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges are taken within three Working Days from the Bid/ Offer Closing Date or within such other period as may be prescribed.

If our Company does not Allot the Equity Shares within two Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, all amounts received in the Public Offer Accounts will be transferred to the Refund Account and it shall be utilised to repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders as prescribed under applicable law.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. If such money is not repaid within the prescribed time, then our Company and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law. Any expense incurred by our Company on behalf of the Promoter Selling Shareholder with regard to interest on such refunds will be reimbursed by the Promoter Selling Shareholder in proportion to its respective portion of the Offered Shares. For the avoidance of doubt, subject to applicable law, a Promoter Selling Shareholder shall not be responsible to pay and/or reimburse any expenses towards refund or any interest thereon for any delay, unless such failure or default or delay, as the case may be, is by, and is directly attributable to, an act or omission, of the Promoter Selling Shareholder and such liability shall be limited to the extent of its respective portion of the Offered Shares.

Consents

Consents in writing of: (a) our Directors, our Company Secretary and Compliance Officer, Promoter Selling Shareholder, Banker(s) to the Company, legal counsels appointed for the Offer, the Book Running Lead Managers, the Registrar to the Offer, Statutory Auditor, the Independent Chartered Accountant, CRISIL MI&A, in their respective capacities, have been obtained; (b) consents of the Syndicate Members, the Banker(s) to the Offer/ Public Offer Account Bank(s)/ Escrow Collection Bank(s)/ Refund Bank(s), Sponsor Banks, to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act, and such consents, which have been obtained, have not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Experts to the Offer

Except as stated below, our Company has not obtained any expert opinions:

(i) Our Company has received written consent dated June 12, 2024 from B S R & Co. LLP, Chartered Accountants, to include their name as required under section 26(5) of the Companies Act read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act to the extent and in their capacity as independent statutory auditors, and in respect of (i) their examination report dated June 12, 2024 on our Restated Consolidated Financial Information; and (ii) their report dated June 12, 2024 on the statement of possible special tax benefits available to the Company and its Shareholders included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

(ii) Our Company has received written consent dated June 14, 2024 from Manian & Rao, Chartered Accountants, to include their name as required under section 26(5) of the Companies Act read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act and in their capacity as the independent chartered accountant, in respect of their certificates in connection with the Offer and details derived therefrom as included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

(iii) Our Company has received a written consent dated June 14, 2024 from M/s. RBSA Advisors LLP, to include their name as an “expert” as defined under section 2(38) and 26(5) of the Companies Act to the extent and in their capacity as the independent chartered engineer and in respect of the certificate issued by them and included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

The above-mentioned consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

Particulars regarding public or rights issues by our Company during the last five years

Our Company has not made any public or rights issue during the last five years, preceding the date of this Draft Red Herring Prospectus.

Commission and brokerage paid on previous issues of the Equity Shares in the last five years

Since this is the initial public offering of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

Particulars regarding capital issues by our Company, listed Group Companies, Subsidiaries or associates during the last three years

Our Company has not made any capital issues during the three years preceding the date of this Draft Red Herring Prospectus. Further, our Company does not have any listed subsidiaries or any associates.

Except for Kia Corporation, Hyundai Engineering and Construction Co., Ltd, Hyundai Wia Corporation, Hyundai Rotem Company, Hyundai Autoever Corp, as on the date of this Draft Red Herring Prospectus, our Company does not have any listed group companies.

Further, except as stated below, none of our Group Companies have undertaken any capital issues during the last three years:

Particulars	**Details of issue**
PT Hyundai Motor Manufacturing Indonesia	
Year of issue	2021
Type of issue (public/ rights/ composite)	Public
Amount of issue (USD)	USD 300,000,000
Issue price (USD)	USD 298,800,000 (99.6% of issue amount)
Current market price	USD 279,978,000 (93.326% of issue amount)
Date of closure of issue	April 22, 2021
Date of allotment and credit of securities to dematerialised account of investors	May 6, 2021
Date of completion of the project, where object of the issue was financing the project	The first half of 2021 (Mass production at the Company factory was in January 2022)
Rate of dividend paid	1.75%

Particulars	**Details of issue**	**Details of issue**
PT Hyundai Motors Indonesia		
Year of issue	2021	2023
Type of issue (public/ rights/ composite)	Right issue	Right issue
Amount of issue (USD)	USD 60.000.000	USD 49.999.000
Issue price (USD)	USD 100	USD 100
Current market price	USD 100	USD 100
Date of closure of issue	August 24, 2021	August 11, 2023
Date of allotment and credit of securities to dematerialised account of investors	August 24, 2021	August 11, 2023
Date of completion of the project, where object of the issue was financing the project	N/A	N/A
Rate of dividend paid	N/A	N/A

Performance vis-à-vis objects – Public/ rights issue of our Company

Our Company has not undertaken a public or rights issue in the five years preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis objects – Public/ rights issue of the listed Subsidiaries/listed Promoter of our Company

Our Promoter is listed on the Korea Stock Exchange and has not undertaken a public or a rights issue during the last five years.

As on the date of this Draft Red Herring Prospectus, our Company does not have any listed subsidiaries.

Price information of past issues handled by the Book Running Lead Managers

Kotak Mahindra Capital Company Limited

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Kotak Mahindra Capital Company Limited*

S. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Aadhar Housing Finance Limited	30,000.00	3151	May 15,2024	315	+25.56%, [+5.40%]	Not applicable	Not applicable
2.	Indegene Limited	18,417.59	4522	May 13,2024	655	+24.28%, [+5.25%]	Not applicable	Not applicable
3.	India Shelter Finance Corporation Limited	12,000.00	493	December 20, 2023	620.00	+17.64%, [+1.48%]	+10.50%, [+4.28%]	Not Applicable
4.	Honasa Consumer Limited	17,014.40	3243	November 7, 2023	330.00	+17.58%, [+7.89%]	+34.77%, [+12.61%]	+29.68%, [+15.81%]
5.	Cello World Limited	19,000	6484	November 6, 2023	829.00	+21.92%, [+7.44%]	+32.99%, [+12.58%]	+40.57%, [+15.78%]
6.	Blue Jet Healthcare Limited	8,402.67	346	November 1, 2023	380.00	+4.08%, [+6.02%]	+10.10%, [+14.47%]	+11.16%, [+18.07%]
7.	JSW Infrastructure Limited	28,000.00	119	October 3, 2023	143.00	+41.34%, [-2.93%]	+75.04%, [+10.27%]	+106.30%, [+12.42%]
8.	Signatureglobal (India) Limited	7,300.00	385	September 27, 2023	444.00	+35.79%, [-4.36%]	+112.43%, [+8.28%]	+244.65%, [+12.07%]
9.	SAMHI Hotels Limited	13,701.00	126	September 22, 2023	130.55	+15.16%, [-0.93%]	+ 27.94%, [+ 6.81%]	+62.98%, [+9.09%]
10.	Concord Biotech Limited	15,505.21	7415	August 18, 2023	900.05	+36.82%, [+4.57%]	+ 83.91%, [+ 1.89%]	+88.78%, [+12.60%]

Source: www.nseindia.com; www.bseindia.com

Notes:

1. *In Aadhar Housing Finance Limited, the issue price to eligible employees was ₹ 292 after a discount of ₹ 23 per equity share*
2. *In Indegene Limited, the issue price to eligible employees was ₹ 422 after a discount of ₹ 30 per equity share*
3. *In Honasa Consumer Limited, the issue price to eligible employees was ₹ 294 after a discount of ₹ 30 per equity share*
4. *In Cello World Limited, the issue price to eligible employees was ₹ 587 after a discount of ₹ 61 per equity share*
5. *In Concord Biotech Limited, the issue price to eligible employees was ₹ 671 after a discount of ₹ 70 per equity share*
6. *In the event any day falls on a holiday, the price/index of the immediately preceding trading day has been considered.*
7. *The 30th, 90th, 180th calendar days from listed day have been taken as listing day plus 29, 89 and 179 calendar days.*
8. *Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information.*
9. *Restricted to last 10 equity initial public issues.*

2. *Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Kotak Mahindra Capital Company Limited.*

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2024-25	2	48,417.59	-	-	-	-	-	-	-	-	-	-	-	-
2023-24	11	179,436.83	-	-	-	2	4	5	-	-	-	7	2	1
2022-23	10	367,209.37	-	1	2	-	3	4	-	2	1	2	3	2

Notes:

1. *The information is as on the date of this Draft Red Herring Prospectus.*
2. *The information for each of the financial years is based on issues listed during such financial year.*

Citigroup Global Markets India Private Limited

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Citigroup Global Markets India Private Limited*

Sr. No.	Issue Name	Issue Size (₹ million)	Issue Price (₹)	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Aadhar Housing Finance Limited	30,000.00	315.00	May 15, 2024	315.00	+25.56% [+5.40%]	NA	NA
2.	Indegene Limited	18,417.59	452.00	May 13, 2024	655.00	+24.28% [+5.25%]	NA	NA
3.	India Shelter Finance Corporation Limited	12,000.00	493.00	December 20, 2023	620.00	+17.64% [+1.48%]	+10.50% [+4.28%]	NA
4.	Tata Technologies Limited	30,425.14	500.00	November 30, 2023	1,200.00	+136.03% [+7.94%]	+115.15% [+10.26%]	+118.17%[+13.90%]
5.	Honasa Consumer Limited	17,014.40	324.00	November 7, 2023	330.00	+17.58% [+7.89%]	34.77% [+12.61%]	+29.68% [+15.81%]
6.	R. R. Kabel Limited	19,640.10	1,035.00	September 20, 2023	1,179.00	+34.45% [-1.75%]	+64.44% [+6.76%]	+36.24% [+8.75%]
7.	Concord Biotech Limited	15,505.21	741.00	August 18, 2023	900.05	+36.82% [+4.57%]	+83.91% [+1.89%]	+88.78% [+12.60%]
8.	Delhivery Limited	52,350.0	487.00	May 24, 2022	495.20	+3.49% [-4.41%]	+17.00% [+10.13%]	-27.99% [+13.53%]
9.	Life Insurance Corporation of India	205,572.3	949.00	May 17, 2022	872.00	-27.24% [-3.27%]	-28.12% [+9.47%]	-33.82% [+13.76%]

Notes:

1. *Benchmark index basis designated stock exchange.*
2. *% of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs. Issue Price. % change in closing benchmark index is calculated based on closing index on listing day vs. closing index on 30th / 90th / 180th calendar day from listing day.*
3. *30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case closing price on designated stock exchange of a trading day immediately prior to the 30th / 90th / 180th day, is considered.*

2. *Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Citigroup Global Markets India Private Limited.*

Financial Year	Total no. of IPOs	Total amount of funds raised (₹mn.)	No. of IPOs trading at discount – 30th calendar days from listing			No. of IPOs trading at premium – 30th calendar days from listing			No. of IPOs trading at discount – 180th calendar days from listing			No. of IPOs trading at premium – 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2024-25	2	48,417.59	-	-	-	-	1	1	-	-	-	-	-	-
2023-24	5	94,584.85	-	-	-	1	2	2	-	-	-	1	2	-
2022-23	2	257,922.30	-	1	-	-	-	1	-	2	-	-	-	-

Source: www.nseindia.com

Notes:

1. The information is as on the date of the document.

2. The information for each of the Financial Years is based on issues listed during such Financial Year.

3. Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

HSBC Securities and Capital Markets (India) Private Limited

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by HSBC Securities and Capital Markets (India) Private Limited*

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	JSW Infrastructure Limited#	28,000.00	119.00	October 3, 2023	143.00	+41.34%, [-2.93%]	+75.04%, [+10.27%]	+106.30%, [+12.42%]
2.	R R Kabel Limited #5	19,640.10	1,035.00	September 20, 2023	1,179.00	+34.45%, [-1.75%]	+64.44%, [+6.76%]	36.24%, [+8.75%]
3.	Nuvoco Vistas Corporation Limited #	50,000.00	570.00	August 23, 2021	471.00	-5.83%, [+6.21%]	-9.74%, [+7.34%]	-32.76%, [+4.10%]

Source: www.nseindia.com for price information and prospectus/basis of allotment for issue details.

 # BSE as designated stock exchange

** NSE as designated stock exchange*

Notes:

1. Issue size derived from prospectus/final post issue reports, as available.

2. Nifty index and sensex is considered as the benchmark index as per the designated stock exchange (NSE or BSE).

3. Price on designated stock exchange (NSE or BSE) as disclosed by the respective issuer at the time of issue has been considered for all of the above calculations.

4. In case 30th/90th/180th day is not a trading day, closing price on designated stock exchange (NSE or BSE) of the previous trading day has been considered.

5. Discount of ₹ 98 per equity share was offered to eligible employees bidding in the employee reservation portion.

2. *Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by HSBC Securities and Capital Markets (India) Private Limited.*

Fiscal Year*	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2024-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2023-24	2	47,640.10	-	-	-	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes:
1. *The information is as on the date of this Draft Red Herring Prospectus.*
2. *The information for each of the financial years is based on issues listed during such financial year.*

J.P. Morgan India Private Limited

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by J.P. Morgan India Private Limited*

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Indegene Ltd. (b)	18,417.59	452[1]	May 13, 2024	655.00	+24.3%, [+5.3%]	NA	NA
2	Honasa Consumer Ltd.(b)	17,014.40	324	November 07, 2023	330.00	+17.6%, [+7.9%]	+34.8%, [+12.6%]	+29.7%. [+15.8%]
3	Blue Jet Healthcare Ltd.(b)	8,402.67	346	November 01, 2023	380.00	+4.1%. [+6.0%]	+10.1%, [+14.5%]	+11.2%, [+18.1%]
4	TVS Supply Chain Solutions Ltd.(b)	8,800.00	197	August 23, 2023	207.05	+8.7%, [+1.5%]	+6.6%, [+1.3%]	(7.5%), [+13.4%]
5	Mankind Pharma Ltd(b)	43,263.55	1,080	May 09, 2023	1,300.00	+37.6%, [+2.5%]	+74.1%, [+6.8%]	+64.4%, [+5.3%]
6	KFin Technologies Ltd(b)	15,000.00	366	December 29, 2022	367.00	(13.6%), [-3.2%]	(24.6%), [-6.8%]	(4.5%), [+2.5%]
7	Life Insurance Corporation of India(a)	205,572.31	949[2]	May 17, 2022	867.20	(27.2%), [-3.3%]	(28.1%), [+9.5%]	(33.8%), [+13.8%]
8	Rainbow Children's Medicare(b)	15,808.49	542[3]	May 10, 2022	510.00	(13.8%), [+0.7%]	(12.8%) , [+7.1%]	+49.2%, [+11.6%]

Source: SEBI, Source: www.nseindia.com

1. *Price on the designated stock exchange is considered for all of the above calculation for individual stocks.*
(a) BSE as the designated stock exchange; (b)NSE as the designated stock exchange.
2. *In case 30th/90th/180th day is not a trading day, closing price on the stock exchange of the previous trading day has been considered.*
3. *Closing price of 30th, 90th, 180th calendar day from listing day has been taken as listing day plus 29, 89 and 179 calendar days respectively.*
4. *Pricing performance is calculated based on the issue price.*
5. *Variation in the offer price for certain category of investors are:*
   [1] Discount of ₹30.0 per equity share offered to eligible employee bidders. All calculation are based on issue price of ₹452 per equity share.

[2] Discount of ₹45.0 per equity share offered to individual retail bidders and eligible employee(s); with discount of INR 60.0 per equity share offered to policyholder bidders respectively. All calculation are based on issue price of ₹949 per equity share.
[3] Discount of ₹20.0 per equity share offered to eligible employee bidders. All calculation are based on issue price of ₹542 per equity share.

6. *Pricing performance for the benchmark index is calculated as per the close on the day of the listing date.*
7. *Benchmark index considered is NIFTY 50/S&P BSE Sensex basis designated stock exchange for each issue.*
8. *Issue size as per the basis of allotment.*

2. *Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by J.P. Morgan India Private Limited.*

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2024-2025YTD	1	18,418	NA	NA	NA	NA	NA	1	NA	NA	NA	NA	NA	NA
2023-2024	4	77,481	NA	NA	NA	NA	1	3	NA	NA	1	1	1	1
2022-2023	3	2,36,381	NA	1	2	NA	NA	NA	NA	1	1	NA	1	NA

Note: In the event that any day falls on a holiday, the price/ index of the previous trading day has been considered. The information for each of the financial years is based on issues listed during such financial year.

<u>Morgan Stanley India Company Private Limited</u>

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Morgan Stanley India Company Private Limited.*

S. No.	Issue name	Issue size (in ₹ million)	Issue Price (in ₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/ % change in closing benchmark]- 180th calendar days from listing
1.	Delhivery Limited	52,350	487	May 24, 2022	495.2	+ 3.5%[- 4.9%]	+17.0%[+ 9.5%]	-28.0% [+ 12.9%]
2.	Go Digit Insurance Limited	26,146	272	May 23, 2024	286.0	-	-	-

Source: www.nseindia.com; for price information and prospectus/ basis of allotment for issue details.
Notes:

1. *Issue size is as per the prospectus filed with SEBI with the figures rounded off to the nearest decimal point.*
2. *Benchmark index considered is NIFTY50.*
3. *If the 30th/90th/180th day falls on a trading holiday then pricing information on the preceding trading day has been considered.*
4. *Pricing performance for the company is calculated as per the final offer price.*
5. *Pricing performance for the benchmark index is calculated as per the close on the day prior to the listing date*
6. *Go Digit Insurance Limited has not completed 30 calendar days since listing, hence the % price change has not been calculated for 30 / 60 / 90 day periods.*

2. *Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Morgan Stanley India Company Private Limited.*

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ in million)	No. of IPOs trading at discount as on 30th calendar day from listing date			No. of IPOs trading at premium as on 30th calendar day from listing date			No. of IPOs trading at discount as on 180th calendar day from listing date			No. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2024-25	1	26,146	-	-	-	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2022-23	1	52,350	-	-	-	-	-	1	-	1	-	-	-	-

Source: www.nseindia.com

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the websites of the BRLMs, as set forth in the table below:

S. No	Name of the BRLM	Website
1.	Kotak Mahindra Capital Company Limited	https://investmentbank.kotak.com/
2.	Citigroup Global Markets India Private Limited	www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm
3.	HSBC Securities and Capital Markets (India) Private Limited	https://www.business.hsbc.co.in/en-gb/regulations/hsbc-securities-and-capital-market
4.	J.P. Morgan India Private Limited	www.jpmipl.com
5.	Morgan Stanley India Company Private Limited	www.morganstanley.com

Stock Market Data of Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for a longer period, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, UPI ID, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder. Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs where the Bid cum Application Form was submitted by the Anchor Investor.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Book Running Lead Managers and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. Investors can contact our Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to the SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI Master Circular and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications, for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the BRLMs shall compensate the investors at the rate higher of ₹100 or 15% per annum of the application amount for the period of such delay. Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and the SEBI Master Circular.

Disposal of Investor Grievances by our Company

Our Company has submitted the application to obtain authentication on the SEBI SCORES platform in compliance with the SEBI Circular SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023, in relation to redressal of investor grievances through SCORES.

Our Company has not received any investor grievances in the last three Financial Years prior to the filing of this Draft Red Herring Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of filing of this Draft Red Herring Prospectus. Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 7-10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Divya Venkat, as the Company Secretary and Compliance Officer for the Offer and she may be contacted in case of any pre-Offer or post-Offer related problems. For details, see "***General Information***" beginning on page 77.

Our Company has also constituted a Stakeholders' Relationship Committee comprising of Ajay Tyagi, Gopalakrishnan Chathapuram Sivaramakrishnan and Tarun Garg as members, to review and redress shareholder and investor grievances. For details, see "***Our Management – Committees of the Board – Stakeholders' Relationship Committee***" on page 208.

Exemption from complying with any provisions of securities laws, if any, granted by the SEBI

Our Company has not received any exemption from the SEBI from complying with any provisions of securities laws, as on the date of this Draft Red Herring Prospectus.

Other confirmations

No person connected with the Offer shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the Offer, except for fees or commission for services rendered in relation to the Offer.

SECTION VII: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered and Allotted and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SCRA, the SCRR, the MoA, the AoA, the SEBI Listing Regulations, the terms of the Red Herring Prospectus and the Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital, offer for sale and listing and trading of securities, issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RoC, the RBI and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the Government of India, the Stock Exchanges, the RoC, the RBI and/or any other governmental, statutory or regulatory authorities while granting approval for the Offer.

The Offer

The Offer comprises of an Offer for Sale by the Promoter Selling Shareholder. Expenses for the Offer shall be shared amongst our Company and the Promoter Selling Shareholder in the manner specified in "***Objects of the Offer – Offer Expenses***" on page 94.

Ranking of the Equity Shares

The Equity Shares being offered and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act SEBI ICDR Regulations, SCRA, SCRR, MoA and AoA, and will rank *pari passu* in all respects with the existing Equity Shares of our Company, including in respect of rights to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with applicable laws. For further details, see "***Main Provisions of Articles of Association***" beginning on page 391.

Mode of payment of dividend

Our Company shall pay dividends, if declared, to the Shareholders, as per the provisions of the Companies Act, our MoA, AoA, the SEBI Listing Regulations and other applicable laws including guidelines or directives that may be issued by the GoI in this respect. All dividends, declared by our Company after the date of Allotment (including pursuant to the transfer of Equity Shares in the Offer for Sale) in this Offer, will be payable to the Allottees, who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable law. For further details in relation to dividends, see "***Dividend Policy***" and "***Main Provisions of Articles of Association***" beginning on pages 227 and 391, respectively.

Face Value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹10 and the Offer Price at the lower end of Price Band is ₹[●] per Equity Share and at the higher end of the Price Band is ₹[●] per Equity Share. The Anchor Investor Offer Price is ₹[●] per Equity Share.

The Price Band and the minimum Bid Lot size will be decided by our Company, in consultation with the BRLMs, and will be advertised, at least two Working Days prior to the Bid/ Offer Opening Date, in all editions of [●] (a widely circulated English national daily newspaper) and all editions of [●] (a widely circulated Hindi national daily newspaper) and all editions of [●] (a widely circulated Tamil daily newspaper, Tamil being the regional language of Tamil Nadu, where our Registered Office is located) and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges. The Offer Price shall be determined by our Company, in consultation with the BRLMs, after the Bid/ Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of the Book Building Process.

At any given point in time, there will be only one denomination for the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

The Offer

Rights of the Shareholders

Subject to applicable laws, rules, regulations and guidelines and the AoA, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable laws; and
- Such other rights, as may be available to a Shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations, the MoA, the AoA and other applicable laws.

For a detailed description of the main provisions of the AoA of our Company relating to voting rights, dividend, forfeiture, lien, transfer, transmission, consolidation or sub-division, see "***Main Provisions of Articles of Association***" beginning on page 391.

Allotment only in dematerialised form

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations and the SEBI Listing Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges.

In this context, two agreements have been entered into amongst our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite agreement dated April 16, 2024 amongst our Company, NSDL and the Registrar to the Offer; and
- Tripartite agreement dated April 1, 2024 amongst our Company, CDSL and the Registrar to the Offer.

Market lot and trading lot

Since trading of the Equity Shares on the Stock Exchanges is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Offer will be only in dematerialised form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares. For further details of the method of Basis of Allotment, see "***Offer Procedure***" beginning on page 369.

Jurisdiction

Exclusive jurisdiction for the purpose of the Offer is with the competent courts/authorities in New Delhi, India.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States absent registration under the U.S. Securities Act or except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and only (a) to persons in the United States that are "qualified institutional buyers" (as defined in and in reliance on Rule 144A) and referred to in this Draft Red Herring Prospectus as "U.S. QIBs" and, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian

regulations and referred to in this Draft Red Herring Prospectus as "QIBs") in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and (b) outside the United States in "offshore transactions" (as defined in Regulation S) in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made, by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Joint holders

Subject to the provisions of the Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

Nomination facility to Bidders

In accordance with Section 72 of the Companies Act, read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest, to the exclusion of all other persons, unless the nomination is modified or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the holder of such Equity Share(s). A nomination may be cancelled or modified by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form. Fresh nomination can be made only on the prescribed form available on request at our Registered and Corporate Office or at the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon the production of such evidence as may be required by the Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or

b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, interests, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialised form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder would prevail. If Bidders want to change their nomination, they are advised to inform their respective Depository Participant.

Bid/ Offer Period

BID/ OFFER OPENS ON(1)	[●]
BID/ OFFER CLOSES ON(2)(3)	[●]

(1) Our Company in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Opening Date will be one Working Day prior to the Bid/Offer Opening Date.
(2) Our Company, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.
(3) UPI mandate end time and date shall be at 5:00 pm on Bid/Offer Closing Date.

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid/ Offer Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]

Event	Indicative Date
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about [●]
Credit of Equity Shares to depository accounts	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

*****In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, the Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable.*

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation or liability on our Company, or the Promoter Selling Shareholder or the BRLMs.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within three Working days of Bid/ Offer Closing Date or such period as may be prescribed by SEBI, with reasonable support and co-operation of the Promoter Selling Shareholder, as may be required in respect of its respective portion of the Offered Shares, the timetable may be subject to change due to various factors, such as extension of the Bid/ Offer Period by our Company in consultation with the BRLMs, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges and delay in respect of final certificates from SCSBs. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Promoter Selling Shareholder confirms that it shall extend reasonable support and co-operation to the Company, as may be required in relation to their respective Offered Shares, in accordance with applicable law, to facilitate the completion of listing and commencement of trading of Equity Shares on the Stock Exchanges within three Working Days from the Bid/Offer Closing Date or such time as prescribed by SEBI.

SEBI vide circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the post issue timeline for initial public offerings ("**IPO**"). The revised timeline of T+3 days has been made applicable in two phases, i.e., voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Accordingly, the Offer will be made under UPI Phase III on mandatory basis, subject to the timing of the Offer and any circulars, clarification or notification issued by the SEBI from time to time, including with respect to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/ Offer Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in changes to the abovementioned timelines. Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)

Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. IST
Bid/Offer Closing Date	
Submission of electronic applications (online ASBA through 3-in-1 accounts) for RIBs	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of electronic application (bank ASBA through online channels like internet banking, mobile banking and syndicate ASBA applications through UPI as a payment mechanism where Bid Amount is up to ₹0.50 million)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of electronic applications (syndicate non-retail, non-individual applications of QIBs and NIIs)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of physical applications (syndicate non-retail, non-individual applications where Bid Amount is more than ₹0.50 million)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Revision/cancelled of Bids	
Upward Revision of Bids by QIBs and Non-Institutional Bidders categories#	Only between 10.00 a.m. and up to 4.00 p.m. IST on Bid/ Offer Closing Date
Upward or downward Revision of Bids or cancellation of Bids by RIBs	Only between 10.00 a.m. and up to 5.00 p.m. IST

[*] UPI mandate end time shall be 5:00 p.m. on the Bid/ Offer Closing Date
#QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

On the Bid/ Offer Closing Date, the Bids shall be uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs.

On the Bid/ Offer Closing Date, extension of time will be granted by the Stock Exchanges only for uploading Bids received by RIBs, after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Forms as stated herein and as reported by the BRLMs to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining such information from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLMs and the registrar and share transfer agents on a daily basis, as per the format prescribed in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

It is clarified that Bids shall be processed only after the application monies are blocked in the ASBA Account and Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/ Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid / Offer Closing Date and in any case no later than 1.00 p.m. IST on the Bid/Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids will be accepted on the Stock Exchange platform only during Working Days, during the Bid/ Offer Period and revisions shall not be accepted on Saturdays and public holidays. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5.00 pm on the Bid/Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing. Further, as per letter no. list/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE, respectively, Bids and any revision in Bids shall not be accepted on Saturdays, Sundays and public/bank holidays as declared by the Stock Exchanges.

Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

Our Company, in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/ Offer Period, in accordance with the SEBI ICDR Regulations, provided that the Cap Price will be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price and the Floor Price will not be less than the face value of the Equity Shares. Subject to compliance with the foregoing, the Floor Price may move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of any revision to the Price Band, the Bid/ Offer Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/ Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company, in consultation with the BRLMs, may for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of one Working Day, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of revision of price band, the Bid lot shall remain the same.

In case of discrepancy in data entered in the electronic book vis-à-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment. The Floor Price shall not be less than the face value of the Equity Shares.

Minimum subscription

The requirement of minimum subscription is not applicable to the Offer in accordance with the SEBI ICDR Regulations. In the event our Company does not receive the minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including devolvement of Underwriters, our Company shall within four days from the closure of the Offer, refund the entire subscription amount received. If there is a delay beyond four days, interest at the rate of 15% per annum shall be paid by our Company and each of our Directors, in accordance SEBI circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, including the SEBI circular bearing no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and the SEBI ICDR Master Circular.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000, failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) within such timeline as prescribed under applicable laws, our Company and the Promoter Selling Shareholder shall be liable to pay interest on the application money in accordance with applicable laws.

New financial instruments

Our Company is not issuing any new financial instruments through this Offer.

Arrangements for disposal of odd lots

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only, and the market lot for our Equity Shares will be one Equity Share.

Restrictions, if any, on transfer and transmission of Equity Shares and on their consolidation or splitting

Except for lock-in of the pre-Offer Equity Share capital of our Company, lock-in of the Promoter's contribution and the Anchor Investor lock-in as provided in "***Capital Structure***" beginning on page 86 and provided under the AoA detailed in "***Main Provisions of Articles of Association***" beginning on page 391, there are no restrictions on transfer and transmission of the Equity Shares, and on their consolidation or splitting.

Withdrawal of the Offer

Our Company in consultation with the BRLMs, reserve the right not to proceed with the entire or portion of the

Offer for any reason at any time after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank(s), in case of UPI Bidders using the UPI Mechanism, to unblock the bank accounts of the ASBA Bidders and the BRLMs shall notify the Escrow Collection Bank to release the Bid Amounts to the Anchor Investors, within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed simultaneously.

Notwithstanding the foregoing, the Offer is also subject to (i) filing of the Prospectus by our Company with the RoC; and (ii) obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within three Working Days of the Bid/Offer Closing Date or such other time period as prescribed under Applicable Law and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. If our Company withdraws the Offer at any stage, including after the Bid/Offer Closing Date and thereafter determines that it will proceed with an issue or offer for sale of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI and the Stock Exchanges. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared, and the Stock Exchanges will also be informed promptly.

OFFER STRUCTURE

The Offer is of up to 142,194,700 Equity Shares of face value of ₹ 10 each, for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] million comprising an Offer for Sale by the Promoter Selling Shareholder. The Offer shall constitute 17.50% of the post Offer paid-up Equity Share capital of our Company.

In terms of Rule 19(2)(b) of the SCRR, the Offer is being made through the Book Building Process, in compliance with Regulation 6(1) and 31 of the SEBI ICDR Regulations.

Particulars	QIBs(1)	Non-Institutional Bidders(1)	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation*(2)	Not more than 71,097,350 Equity Shares of face value of ₹ 10 each	Not less than 21,329,205 Equity Shares of face value of ₹ 10 each available for allocation or Offer less allocation to QIB Bidders and RIBs.	Not less than 49,768,145 Equity Shares of face value of ₹ 10 each available for allocation or Offer less allocation to QIB Bidders and NIBs.
Percentage of Offer size available for Allotment/ allocation	Not more than 50% of the Offer shall be available for allocation to QIBs. However, up to 5% of the Net QIB Portion shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining Net QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to the other QIBs.	Not less than 15% of the Offer or the Offer less allocation to QIBs and RIBs, subject to the following: (a) one-third of the portion available to NIBs shall be reserved for bidders with an application size of more than ₹0.20 million and up to ₹1.00 million; and (b) two-third of the portion available to NIBs shall be reserved for bidders with application size of more than ₹1.00 million. provided that the unsubscribed portion in either of the sub-categories specified above may be allocated to Bidders in the other sub-category of NIBs.	Not less than 35% of the Offer or Offer less allocation to QIBs and NIBs will be available for allocation.
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): (a) up to 1,421,947 Equity Shares of face value of ₹ 10 each shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) up to 27,016,993 Equity Shares of face value of ₹ 10 each shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. (c) up to 60% of the QIB Portion (of up to 42,658,410 Equity Shares of	The Equity Shares available for allocation to Bidders in the Non-Institutional Portion shall be subject to the following: (a) One-third of the Non-Institutional Portion shall be available for allocation to Bidders with an application size more than ₹0.20 million upto ₹1.00 million; and (b) Two-thirds of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹1.00 million. Provided that the unsubscribed portion in either of these two sub-categories of Non-Institutional Portion may be allocated to the Bidders in the other sub-category of Non-Institutional Portion in accordance with SEBI ICDR Regulations. The allotment to each NIB shall not be less than the Minimum NIB	Allotment to each RIB shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For further details see, "***Offer Procedure***" on page 369.

Particulars	QIBs[(1)]	Non-Institutional Bidders[(1)]	Retail Individual Bidders
	face value of ₹ 10 each) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to domestic Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.	Bid Size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis, in accordance with SEBI ICDR Regulations.	
Minimum Bid	Such number of Equity Shares and in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹0.20 million	Such number of Equity Shares and in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹0.20 million	[●] Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the size of the Offer, excluding the Anchor Portion, subject to applicable limits to each Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the size of the Offer (excluding the QIB Portion), subject to applicable limits to each Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹0.20 million
Mode of Allotment	Compulsory in dematerialized form		
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Allotment Lot	A minimum of [●] Equity Shares and thereafter in multiples of one Equity Share for QIBs and RIBs. The Allotment to NIBs shall not be less than the minimum non-institutional application size (i.e., ₹0.20 million)		
Trading Lot	One Equity Share		
Who can apply[(3)(5)(6)]	Public financial institutions (as specified in Section 2(72) of the Companies Act), scheduled commercial banks, multilateral and bilateral development financial institutions, mutual funds registered with SEBI, FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹250.00 million, pension fund with minimum corpus of ₹250.00 million registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions, societies, trusts and FPIs who are individuals, corporate bodies, and family offices which are re- categorised as Category II FPIs (as defined in the SEBI FPI Regulations) and registered with SEBI	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the Karta)

Particulars	QIBs[1]	Non-Institutional Bidders[1]	Retail Individual Bidders
	of the Pension Fund Regulatory and Development Authority Act, 2013, National Investment Fund set up by the GoI, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs		
Terms of Payment	**In case of Anchor Investors**: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids[4] **In case of all other Bidders**: Full Bid Amount shall be blocked in the bank account of the ASBA Bidder (other than Anchor Investors), or by the Sponsor Bank(s) through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form		
Mode of Bidding^	Through ASBA process only (excluding the UPI Mechanism) (except in case of Anchor Investors)	Through ASBA process only (including the UPI Mechanism for Bids up to ₹0.50 million)	Through ASBA process only (including the UPI Mechanism)

**Assuming full subscription in the Offer.*

^Anchor Investors are not permitted to use the ASBA process. Further, pursuant to circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, the SEBI has mandated that ASBA applications in the Offer will be processed only after the Bid Amounts are blocked in the bank accounts of the Anchor Investors. Accordingly, Stock Exchanges shall, for all categories of investors viz. QIBs, NIBs and RIBs and all modes through which the Bid cum Application Forms are processed, accept ASBA Forms in their electronic book building platform only with a mandatory confirmation on the Bid Amounts blocked.

1) *Subject to valid Bids being received at or above the Offer Price. Our Company and the Promoter Selling Shareholder, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with SEBI ICDR Regulations. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than the Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than the Anchor Investors) in proportion to their Bids. For further details, see "**Offer Procedure**" on page 369. Further, not less than 15% of the Offer shall be available for allocation to NIBs and not less than 35% of the Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. The Equity Shares available for allocation to NIBs under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to NIBs shall be reserved for Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million, and (ii) two-third of the portion available to NIBs shall be reserved for Bidders with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to Bidders in the other sub-category of NIBs.*

2) *Subject to valid Bids being received at or above the Offer Price. This Offer is being made in accordance with Rule 19(2)(b) of the SCRR and Regulation 6(1) of the SEBI ICDR Regulations.*

3) *In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids, except as otherwise permitted, in any or all categories.*

4) *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-in Date as indicated in the CAN.*

5) *Bids by FPIs with certain structures as described under "**Offer Procedure - Bids by Foreign Portfolio Investors**" on page 376 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.*

6) *Bidders will be required to confirm and will be deemed to have represented to our Company, the Promoter Selling Shareholder, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.*

Bidders will be required to confirm and will be deemed to have represented to our Company, the Promoter Selling Shareholder, the members of the Syndicate, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire/ subscribe to our Equity Shares.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill- over from any other category or combination of categories, as applicable, on a proportionate basis at the discretion of our Company in consultation with the BRLMs, and the Designated Stock Exchange, subject to applicable law. Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see "***Terms of the Offer***" beginning on page 358.

OFFER PROCEDURE

All Bidders should read the General Information Document which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) Designated Date; (viii) disposal of applications and electronic registration of Bids; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of the Companies Act, relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

*SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism with the ASBA for applications by Retail Individual Bidders through intermediaries from January 1, 2019. The UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the prior process and timeline of T+6 days ("**UPI Phase I**"). The UPI Phase I was effective until June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the prior process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds was discontinued and only the UPI Mechanism for such Bids with a timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever was later ("**UPI Phase II**"). Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI has increased the UPI limit from ₹ 2,00,000 to ₹ 5,00,000 for all the individual investors applying in public issues. All individual Bidders in initial public offerings whose application sizes are up to ₹0.50 million shall use the UPI Mechanism. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. Pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3 Circular**"), the final reduced timeline of T+3 days using the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**") was made voluntary for public issues opening on or after September 1, 2023, and has been made mandatory for public issues opening on or after December 1, 2023. This Offer will be undertaken pursuant to the processes and procedures under UPI Phase III on mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, had introduced certain additional measures for streamlining the process of initial public issues and redressing investor grievances. Subsequently, the SEBI RTA Master Circular consolidated the aforementioned circulars (excluding SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023) and rescinded these circulars to the extent relevant for the RTAs. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories).In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in T+3 Circular shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process. Further, our Company, the Promoter Selling Shareholder and the Members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Offer.*

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended by the T+3 Circular, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus. The BRLMs shall be the nodal entity for any issues arising out of public issuance process.

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations, through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation, on a proportionate basis, to QIBs, provided that our Company in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from such them at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill over from the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders in accordance with the SEBI ICDR Regulations, out of which (a) one third of such portion shall be reserved for applicants with application size of more than ₹200,000 and up to ₹1,000,000; and (b) two-third of such portion shall be reserved for applicants with application size of more than ₹1,000,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders; and not less than 35% of the Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLMs, and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes ("CBDT") notification dated February 13, 2020, read with press release dated June 25, 2021 and September 17, 2021, CBDT circular no.7 of 2022, dated March 30, 2022 and March 28, 2023, and any subsequent press releases in this regard.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID (for UPI Bidders), as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Phased implementation of Unified Payments Interface ("UPI")

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, *inter alia*, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by UPI Bidders through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. The SEBI in its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, has reduced the time period for listing of equity shares pursuant to a public issue from six Working Days to three Working Days. The timeline was applicable on a voluntary basis for public issues opening on or after September 1, 2023 and has been made applicable on a mandatory basis for public issues opening on or after December 1, 2023. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase became applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever was later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds was discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase.

SEBI through its circular SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, prescribed that all individual bidders applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹500,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹200,000 million and up to ₹500,000 million, using the UPI Mechanism, shall provide their UPI ID in the Bid cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3 Notification"**). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The processing fees for applications made by UPI Bidders may be released to the SCSBs only after such banks provide a written confirmation, in compliance with the SEBI RTA Master Circular in a format as prescribed by SEBI, from time to time, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as the Sponsor Bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders.

Pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**UPI Streamlining Circular**"), SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streamlining Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 NPCI vide circular reference no. NPCI/UPI/OC No. 127/ 2021-22 dated December 09, 2021, inter alia, has enhanced the per transaction limit in UPI from more than ₹200,000 million to ₹500,000 million for UPI based ASBA in initial public offerings.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post – Offer BRLM will be required to compensate the concerned investor.

Electronic registration of Bids

a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer, subject to applicable laws.
b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids until such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.
c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given until 5:00 pm IST on the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.
d) QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com) at least one day prior to the Bid/ Offer Opening Date. UPI Bidders may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI. Copies of the Anchor Investor Application Form will be available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process, which shall include the UPI Mechanism in case of UPI Bidders. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

UPI Bidders must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain the UPI ID are liable to be rejected.

ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in their respective ASBA Accounts, or (ii) the UPI ID, as applicable in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The ASBA Bidders, including UPI Bidders, shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA

Forms not bearing such specified stamp are liable to be rejected. UPI Bidders, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs (except UPI Bidders).

Anchor Investors are not permitted to participate in the Offer through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. For all initial public offerings opening on or after September 1, 2022, as specified in SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. This circular shall be applicable for all categories of investors, i.e. RIB, QIB, NIB and other reserved categories and also for all modes through which the applications are processed. Since the Offer is made under Phase III of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

(i) RIBs and NIBs (other than NIBs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
(ii) UPI Bidders may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
(iii) QIBs and NIBs (not using the UPI Mechanism) may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.
(iv) ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked including details as prescribed in Annexure II of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

For all IPOs opening on or after September 1, 2022, as specified in SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, all the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. The circular shall be applicable for all categories of investors viz. RIB, QIB and NIB and also for all modes through which the applications are processed.

For Anchor Investors, the Anchor Investor Application Form will be available at the offices of the BRLMs.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Bidders, each resident in India and Eligible NRIs applying on a non-repatriation basis.(1)	[●]
Non-Residents including Eligible NRIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals under the QIB Portion), FPIs or FVCIs registered multilateral and bilateral development financial institutions applying on a repatriation basis.	[●]
Anchor Investors(2)	[●]

* *Excluding electronic Bid cum Application Forms*

Notes:

(1) Electronic Bid cum Application forms and the Abridged Prospectus will also be available for download on the websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com).

(2) Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLMs.

In case of ASBA forms (except ASBA forms submitted by UPI Bidders), the relevant Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Form to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. Further, SCSBs shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges and the Stock Exchanges validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. The Stock Exchanges shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on application monies blocked. For UPI Bidders, the Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded. The Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders for blocking of funds.

For UPI Bidders, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis through API integration to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders for blocking of funds.The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate the UPI Bidders in case of failed transactions shall be with the concerned entity (*i.e*., the Sponsor Bank(s), NPCI or the Bankers to the Offer) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Offer shall provide the audit trail to the Book Running Lead Managers for analysing the same and fixing liability.

The Sponsor Bank(s) will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the Book Running Lead Managers in the format and within the timelines as specified under the SEBI UPI Circulars. Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022. For all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm IST on the Bid/Offer Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. Further, modification/cancellation of Bids (if any) shall be allowed in parallel during the Bid/Offer Period until the Cut-Off Time.

The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid/ Offer Opening Date until the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

The processing fees for applications made by the UPI Bidders may be released to the SCSBs only after such SCSBs provide a written confirmation in compliance with the SEBI RTA Master Circular, in a format prescribed by SEBI or applicable law.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States absent registration under the U.S. Securities Act or, and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only (a) to persons in the United States that are "qualified institutional buyers" (as defined in and in reliance on Rule 144A and referred to in this Draft Red Herring Prospectus as "U.S. QIBs" and, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIB"s) in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and (b) outside the United States in "offshore transactions" (as defined in Regulation S) in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Participation by Promoter and Promoter Group of the Company, the BRLMs and the Syndicate Members and persons related to Promoter/Promoter Group/the BRLMs

The BRLMs and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis or in any other manner as introduced under applicable laws and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the BRLMs or any associates of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs other than individuals, corporate bodies and family offices which are associates of the BRLMs) or pension fund sponsored by entities which are associate of the BRLMs nor; (ii) any person related to the Promoter or Promoter Group shall apply in the Offer under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a "person related to the Promoter or Promoter Group": (a) rights under a shareholders' agreement or voting agreement entered into with the Promoter or Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor shall be deemed to be an associate of the BRLMs, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLMs.

The Promoter Selling Shareholder, except to the extent of its Offered Shares, and the other members of the Promoter Group will not participate in the Offer. Further, persons related to our Promoter and Promoter Group shall not apply in the Offer under the Anchor Investor Portion

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the Book Running Lead Managers, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible Non-Resident Indians ("NRIs")

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident forms should authorize their respective SCSB or confirm or accept the UPI Mandate Request (in case of RIBs Bidding through the UPI Mechanism) to block their Non- Resident External ("**NRE**") accounts (including UPI ID, if activated), or FCNR Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their respective SCSB to block their Non- Resident Ordinary ("**NRO**") accounts or confirm or accept the UPI mandate request (in case of UPI Bidders) for the full Bid Amount, at the time of the submission of the Bid cum Application Form. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour).

NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/ NRO accounts.

For further details of restrictions on investment by NRIs, see "***Restrictions on Foreign Ownership of Indian Securities***" on page 389.

Participation of Eligible NRIs in the Offer shall be subject to the FEMA NDI Rules. Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment.

Bids by Hindu Undivided Families ("HUFs")

Bids by Hindu Undivided Families or HUFs should be made, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals.

Bids by Foreign Portfolio Investors ("FPIs")

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our total paid-up Equity Share capital on a fully diluted basis. Further, in terms of the FEMA NDI Rules, the total holding by each FPI (or a group) shall be less than 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate limit for FPI investments shall be sectoral caps applicable to our Company, which is 100% of the total paid-up Equity Share capital of our Company on a fully diluted basis.

In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%).

In terms of the FEMA NDI Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. Bids by FPIs which utilize the multi investment manager structure, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs may not be treated as multiple Bids. FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to *inter alia* the following conditions:

(a) such offshore derivative instruments are transferred only to persons in accordance with Regulation 21(1) of the SEBI FPI Regulations; and
(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Participation of FPIs in the Offer shall be subject to the FEMA NDI Rules.

The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents. Bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations (such structure referred to as "**MIM Structure**"), provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.

Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

Further, in the following cases, Bids by FPIs shall not be treated as multiple Bids:

- FPIs which utilize the MIM structure, indicating the name of their respective investment managers in such confirmation;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager;
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN). In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Depository participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids shall be rejected.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance finds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million and pension funds with a minimum corpus of ₹ 250 million, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013 (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable must be lodged along with the Bid cum

Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

Our Company, in consultation with the BRLMs, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

Bids by SEBI registered Venture Capital Funds, Alternative Investment Funds and Foreign Venture Capital Investors

The SEBI FVCI Regulations as amended, *inter alia*, prescribe the investment restrictions on VCFs, and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, subject to FEMA NDI Rules, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offerings.

Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in an investee company directly or through investment in the units of other AIF. A Category III AIFs cannot invest more than 10% of the investible funds in an investee company directly or through investment in the units of other AIF. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Pursuant to the repeal of the SEBI VCF Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. Our Company, the Promoter Selling Shareholder, severally and not jointly, and the Book Running Lead Managers will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of VCFs, AIFs or FVCIs in the Offer shall be subject to the FEMA NDI Rules.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, whichever is lower. Further, the aggregate equity investments in subsidiaries and other entities engaged in financial and non-financial services, including overseas investments, cannot exceed 20% of the bank's paid -up share capital and reserves. However, a banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI, provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or the additional acquisition is through restructuring of debt, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (iii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended ("**IRDAI Investment Regulations**"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates.

Insurance companies participating in the Offer are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Provident Funds/Pension Funds

In case of Bids made by provident funds/pension funds with minimum corpus of ₹250 million, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid, without assigning any reason thereof.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditor, and (iv) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs ("**NBFC-SI**") shall be as prescribed by RBI from time to time.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section, the key terms for participation by Anchor Investors are provided below.

1. Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the Book Running Lead Managers.
2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100 million.
3. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
4. Bidding for Anchor Investors will open one Working Day before the Bid/Offer Opening Date, and will be completed on the same day.

5. Our Company, in consultation with the BRLMs, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than: (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100 million; (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and (c) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million, subject to minimum allotment of ₹ 50 million per Anchor Investor.
6. Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, will be made available in the public domain by the Book Running Lead Managers before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.
7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
8. If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, *i.e*., the Anchor Investor Offer Price.
9. 50% Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining 50% shall be locked-in for a period of 30 days from the date of Allotment.
10. Neither the (a) Book Running Lead Managers (s) or any associate of the Book Running Lead Managers (other than mutual funds sponsored by entities which are associate of the Book Running Lead Managers or insurance companies promoted by entities which are associate of the Book Running Lead Managers or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the Book Running Lead Managers or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the Book Running Lead Managers) or pension fund sponsored by entities which are associate of the Book Running Lead Managers nor (b) the Promoter, Promoter Group or any person related to the Promoter or members of the Promoter Group shall apply under the Anchor Investors category.
11. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

    For more information, please read the General Information Document.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Offer.

The information set out above is given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholder, severally and not jointly and the Book Running Lead Managers are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulations, or as will be specified in the Red Herring Prospectus and the Prospectus.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder’s responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Promoter Selling Shareholder and/or the Book Running Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

General Instructions

QIBs and Non-Institutional Bidders are not allowed to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. RIBs can revise their Bids during the Bid/ Offer Period and withdraw their Bids until Bid/ Offer Closing Date.

***Do's*:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that you (other than in the case of Anchor Investors) have mentioned the correct details of ASBA Account (*i.e*., bank account number) in the Bid cum Application Form if you are not an UPI Bidder in the Bid cum Application Form and if you are an UPI Bidder ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. UPI Bidders through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;
6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the GID;
7. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs;
8. Ensure that you mandatorily have funds equal to or higher than the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;
9. If the First Bidder is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have an account with an SCSB and have mentioned the correct bank account number in the Bid cum Application Form (for all ASBA Bidders other than UPI Bidders);
10. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
11. Ensure that you request for and receive a stamped acknowledgement counterfoil or acknowledgment specifying the application number as a proof of having accepted Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
12. The ASBA bidders shall ensure that bids above ₹ 500,000, are uploaded only by the SCSBs;
13. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
14. UPI Bidders Bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
15. Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs or the relevant Designated Intermediary, as applicable;
16. UPI Bidders in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID which is UPI 2.0 certified by NPCI to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
17. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

18. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Banks, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer, ensure that you authorise the UPI Mandate Request, including in case of any revision of Bids, raised by the Sponsor Banks for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
19. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular no. MRD/Dop/Cir-20/2008 dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular no. MRD/DoP/SE/Cir- 8 /2006 dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficial owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
20. Ensure that the Demographic Details are updated, true and correct in all respects;
21. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
22. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
23. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;
24. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
25. UPI Bidders who wish to Bid should submit Bid with the Designated Intermediaries, pursuant to which the UPI Bidder should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in the UPI Bidder's ASBA Account;
26. Since the Allotment will be in demat form only, ensure that the Bidder's depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
27. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Banks to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;
28. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 5:00 p.m. IST on the Bid/ Offer Closing Date;
29. Anchor Investors should submit the Anchor Investor Application Forms to the BRLMs;
30. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
31. Bids by Eligible NRIs for a Bid Amount of less than ₹200,000 would be considered under the retail category for the purposes of allocation and Bids for a Bid Amount exceeding ₹200,000 would be considered under the non-institutional category for allocation in the Offer;
32. UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, an UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Banks to block the Bid Amount mentioned in the Bid Cum Application Form;

33. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in);
34. Bidders (except UPI Bidders) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of RIBs, once the Sponsor Bank(s) issues the Mandate Request, the RIBs would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner; and
35. UPI Bidders who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI Mandate Request generated by the Sponsor Bank(s) to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;
3. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
4. Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centres;
5. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms;
6. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
10. Do not submit the Bid for an amount more than funds available in your ASBA account;
11. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
12. In case of ASBA Bidders, do not submit more than one ASBA Form from an ASBA Account;
13. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of UPI Bidders, in the UPI linked bank account where funds for making the Bid are available;
14. If you are an UPI Bidder, do not submit more than one Bid cum Application Form for each UPI ID;
15. Anchor Investors should not Bid through the ASBA process;
16. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
17. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
18. Do not submit the General Index Register (GIR) number instead of the PAN;
19. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
20. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
21. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
22. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;

23. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
24. Do not Bid on another Bid cum Application Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
25. Do not Bid for Equity Shares more than what is specified for each category;
26. If you are a QIB, do not submit your Bid after 3 p.m. IST on the QIB Bid/Offer Closing Date (for online applications) and after 12:00 p.m. on the Bid/ Offer Closing Date (for Physical Applications);
27. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;
28. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. RIBs can revise or withdraw their Bids on or before the Bid/ Offer Closing Date;
29. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres. If you are UPI Bidder, do not submit the ASBA Form directly with SCSBs;
30. If you are an UPI Bidder which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third party linked bank account UPI ID;
31. Do not Bid if you are an OCB;
32. UPI Bidders using the incorrect UPI handle or using a bank account of an SCSB and/ or mobile applications which is not mentioned in the list provided on the SEBI website is liable to be rejected;
33. Do not submit the Bid cum Application Forms to any non-SCSB bank;
34. Do not submit a Bid cum Application Form with third party ASBA Bank Account or UPI ID (in case of Bids submitted by UPI Bidder);
35. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by Retail Individual Bidders);
36. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders; and
37. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹500,000

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Grounds for technical rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

(a) Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
(b) Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
(c) Bids submitted on a plain paper;
(d) Bids submitted by UPI Bidders through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
(e) Bids under the UPI Mechanism submitted by UPI Bidders using third-party bank accounts or using a third-party linked bank account UPI ID (subject to availability of information regarding third-party account from Sponsor Bank(s));
(f) Anchor Investors should submit Anchor Investor Application Form only to the Book Running Lead Managers;
(g) Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;
(h) ASBA Form by the UPI Bidders using third party bank accounts or using third party linked bank account UPI IDs;
(i) ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
(j) Bids submitted without the signature of the First Bidder or Sole Bidder;
(k) The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
(l) Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
(m) GIR number furnished instead of PAN;
(n) Bids by RIBs with Bid Amount of a value of more than ₹200,000;

(o) Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
(p) Bids accompanied by stock invest, money order, postal order, or cash; and
(q) Bids uploaded by QIBs and by Non-Institutional Bidders after 4.00 pm on the Bid/Offer Closing Date and Bids by RIBs uploaded after 5.00 p.m. on the Bid/Offer Closing Date, unless extended by the Stock Exchanges. On Bid/Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received RIBs, after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

Further, in case of any pre-Offer or post -Offer related issues regarding share certificates/ demat credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For further details of the Company Secretary and Compliance Officer, see "***General Information***" and "***Our Management***" on pages 77 and 196, respectively.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Managers shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the Book Running Lead Managers and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any Allotment in excess of the Equity Shares offered through the Offer except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the Offer to public may be made for the purpose of making Allotment in minimum lots.

The Allotment of Equity Shares to Bidders other than to the RIIs, NIIs and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities Allotted shall be rounded off to the nearest integer, subject to minimum Allotment being equal to the minimum application size as determined and disclosed. The Allotment of Equity Shares to Anchor Investors shall be on a discretionary basis.

The Allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to the availability of shares in Retail Category, and the remaining available shares, if any, shall be allotted on a proportionate basis. Not less than 15% of the Offer shall be available for allocation to Non-Institutional Investors. The Equity Shares available for allocation to Non-Institutional Investors under the Non-Institutional Category, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Investors shall be reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-third of the portion available to Non-Institutional Investors shall be reserved for applicants with an application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders. The allotment to each Non-Institutional Investors shall not be less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non-Institutional Category, and the remaining Equity Shares.

The Allotment of Equity Shares to each RII shall not be less than the minimum Bid lot, subject to the availability of shares in RII category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

Payment into Anchor Investor Escrow Accounts

Our Company, in consultation with the BRLMs, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which, the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Accounts. For Anchor Investors, the payment instruments for payment into the Anchor Investor Escrow Account should be drawn in favour of:

(a) In case of resident Anchor Investors: "[●]"

(b) In case of Non-Resident Anchor Investors: "[●]"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Promoter Selling Shareholder, the Syndicate, the Escrow Banks and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of [●] (a widely circulated English national daily newspaper) and all editions of [●] (a widely circulated Hindi national daily newspaper) and all editions of [●] (a widely circulated Tamil daily newspaper, Tamil being the regional language of Tamil Nadu, where our Registered Office is located).

In the pre-Offer advertisement, we shall state the Bid/ Offer Opening Date and the Bid/ Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Allotment advertisement

Our Company, the Book Running Lead Managers and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and all editions of [●] (a widely circulated Tamil daily newspaper, Tamil being the regional language of Tamil Nadu, where our Registered Office is located).

The allotment advertisement shall be uploaded on the websites of our Company, the BRLMs and the Registrar to the Offer, before 9:00 p.m. IST, on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the Equity Shares are proposed to be listed, provided such final listing and trading approval from all the Stock Exchanges is received prior to 9:00 p.m. IST on that day. In an event, if final listing and trading approval from all the Stock Exchanges is received post 9:00 p.m. IST on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the Equity Shares are proposed to be listed, then the allotment advertisement shall be uploaded on the websites of our Company, the BRLMs and the Registrar to the Offer, following the receipt of final listing and trading approval from all the Stock Exchanges.

The information set out above is given for the benefit of the Bidders/applicants. Our Company, the Promoter Selling Shareholder, severally and not jointly and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Signing of the Underwriting Agreement and Filing with the RoC

(a) Our Company, the Promoter Selling Shareholder and the Underwriters intend to enter into an Underwriting Agreement after the finalisation of the Offer Price, but prior to filing of the Prospectus.

(b) After signing the Underwriting Agreement, a Prospectus will be filed with the RoC in accordance with applicable law. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, the Offer size, and underwriting arrangements and will be complete in all material respects.

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (*i.e.*, not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). For more information, see "***Terms of the Offer***" on page 358.

Undertakings by our Company

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders;
- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges shall be taken within such time period as prescribed under applicable law ;
- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed in this Draft Red Herring Prospectus shall be made available to the Registrar to the Offer by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the unsuccessful Bidder within time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- Promoter's contribution shall be brought in advance before the Bid/ Offer Opening Date; and
- that if our Company does not proceed with the Offer after the Bid/ Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/ Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges shall be informed promptly;
- that if the Offer is withdrawn including after the Bid/ Offer Closing Date, our Company shall be required to file a fresh offer document with SEBI; and
- There shall be no further issue or offer of securities of our Company, whether by way of a bonus issue, preferential allotment, rights issue or in any other manner, during the period commencing from the date of filing this Draft Red Herring Prospectus with the SEBI until the Equity Shares proposed to be transferred pursuant to the Offer have been listed and have commenced trading or until the Bid monies are refunded on account of, *inter alia*, failure to obtain listing approvals in relation to the Offer.

Undertakings by the Promoter Selling Shareholder

The Promoter Selling Shareholder undertakes that:

- its Offered Shares are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations;
- it shall provide reasonable cooperation to our Company in relation to the Offered Shares, (a) for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges, and/ or (b) refund orders (if applicable);
- that it shall provide such reasonable assistance to our Company and the BRLMs in redressal of such investor grievances that pertain to the Offered Shares;
- it shall deposit the Offered Shares in an escrow demat account in accordance with the Share Escrow Agreement;
- it is the legal and beneficial owner of the Offered Shares and such Offered Shares shall be transferred in the Offer free from lien, charge and encumbrance; and
- it shall not have recourse to the proceeds of the Offer, which shall be held in escrow in its favour, until the final approval for listing and trading of the Equity Shares from the Stock Exchanges where listing is sought has been received.

Utilisation of Offer Proceeds

Our Company and the Promoter Selling Shareholder, severally and not jointly, specifically confirm that all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act which is reproduced below:

"*Any person who –*

(a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*

(b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*

(c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447*."

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least ₹1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1.00 million or 1% of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5.00 million or with both.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. The RBI and the concerned ministries/ departments are responsible for granting approval for foreign investment.

The Government of India makes policy announcements on FDI through press notes and press releases. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India ("**DPIIT**") issued the Consolidated FDI Policy Circular dated October 15, 2020, with effect from October 15, 2020 (the "**FDI Policy**"), which consolidates and supersedes all previous press note, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Offer shall be on the basis of the FEMA rules. Further in terms of Press Note 3 of 2020, dated April 17, 2020 ("**Press Note**"), issued by the DPIIT, the FDI Policy and the FEMA NDI Rules has been amended to state that all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. Further, in accordance with the amendment to the Companies (Share Capital and Debentures) Rules, 2014 vide notification dated May 4, 2022 issued by Ministry of Corporate Affairs, a declaration shall be inserted in the share transfer form stipulating whether government approval shall be required to be obtained under Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to transfer of shares, as applicable. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period.

In accordance with the FEMA Non-debt Instruments Rules and FDI Policy read with Press Note, 100% foreign direct investment is permitted under the automatic route for companies in the "manufacturing" sector. Further, transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

For details of the aggregate limit for investments by NRIs and FPIs in our Company, see "***Offer Procedure – Bids by Eligible Non-Resident Indians***" and "***Offer Procedure – Bids by Foreign Portfolio Investors***" on pages 375 and 376, respectively.

In accordance with the existing policy of the Government of India, OCBs cannot participate in this Offer.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States, and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only (a) to persons in the United States that are "qualified institutional buyers" (as defined in and in reliance on Rule 144A) and referred to in this Draft Red Herring Prospectus as "U.S. QIBs" and, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring

Prospectus as "QIBs") in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and (b) outside the United States in "offshore transactions" (as defined in Regulation S) in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations, seek independent legal advice about its ability to participate in the Offer and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013

(A Company limited by shares)

(Incorporated under the Companies Act, 1956)

All material clauses of our Articles of Association having a bearing on the Offer have been disclosed in this Draft Red Herring Prospectus.

1. *Articles of Association have been substituted in entirety vide special resolution passed at the extraordinary general meeting held on October 23, 2020.*

2. *These articles adopted as the Articles of Association of the Company with alterations, substitutions and exclusions of the clauses and subsequent renumbering of clauses thereof, vide special resolution passed by the shareholders of the Company in the extraordinary general meeting held on May 17, 2024.*

Table F	1	(a)	The regulations contained in Table F in Schedule I to the Companies Act, 2013, as amended from time to time, shall apply to the Company and constitute its regulations to the extent that they are applicable to public companies save and except in so far as they are inconsistent or specifically excluded hereunder or modified or altered by these Articles of Association.
Company to be governed by these articles		(b)	The regulations for the management of the Company and for the observance of the Members thereof and their representatives shall be such as are contained in these Articles of Association subject, however, to the exercise of the statutory powers of the Company in respect of deletion or alteration of or addition to its regulations by resolution as prescribed by the Companies Act, 2013, as amended from time to time.
			DEFINITIONS
Interpretation clause	2		In the interpretation of these Articles, the following words and expressions shall have the meanings unless repugnant to the subject or context:
'the Act'		(a)	means the Companies Act, 2013, as amended or substituted from time to time and including any rules enacted, regulations, notifications, circulars, instruments or orders, made under the Act to the extent notified and in force, statutory modifications or re--enactment thereof in force for the time being.
‘Affiliate’		(b)	means and includes holding, subsidiaries (including fellow subsidiaries) and associate companies and their respective nominees.
'Annual General Meeting'		(c)	means the Annual General Meeting of the Members of the Company held in accordance with the provisions of the Act.
‘Articles of Association’ or ‘Articles’		(d)	means these Articles of Association of the Company, as amended from time to time in accordance with the Act.
'Board' or 'Board of Directors'		(e)	means the board of directors of the Company as constituted at applicable times, in accordance with applicable law and the provisions of these Articles.
‘Board Meeting’		(f)	any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with law and the provisions of these Articles.
'Capital'		(g)	means the share capital for the time being raised or authorised to be raised, for the purpose of the Company.
‘Chairperson’		(h)	means the chairperson of the Board of the Company, as appointed from time to time.
‘Committee’		(i)	means a Committee constituted in accordance with the Act and/or Article 120 of these Articles.

‘Company’	(j)	means Hyundai Motor India Limited.
‘Debentures’	(k)	includes debenture-stock.
‘Depository’	(l)	shall mean a Depository as defined in the Depositories Act, 1996.
'Director(s)’	(m)	director of the Company and includes any person occupying the position of a director by whatever name called as defined under section 2(34) of the Act and appointed in accordance with these Articles.
'Gender'	(n)	Words importing the masculine gender also include the feminine gender.
‘Extraordinary General Meeting’	(o)	means an Extraordinary General Meeting of the Company convened and held in accordance with the Act.
'Member'	(p)	means the duly registered holder from time to time of the shares of the Company and includes the subscribers to the Memorandum of Association and in case of shares held in a Depository, the beneficial owners whose names are recorded with such Depository.
‘Memorandum’ or ‘Memorandum of Association’	(q)	means the memorandum of association of the Company (as from time to time amended, modified or supplemented).
'Month'	(r)	means a calendar month
'Marginal Notes'	(s)	the marginal notes used in these Articles shall not affect the construction hereof.
‘Office'	(t)	means the registered office for the time being of the Company
‘Officer’	(u)	shall mean officer as defined under the Act
'Ordinary Resolution or Special Resolution’	(v)	means an ordinary resolution, or as the case may be, a special resolution as defined in the Act.
‘Paid up'	(w)	includes credited as paid--up
‘Persons'	(x)	shall mean any natural person, sole proprietorship, partnership, company, body corporate, joint venture, trust, association or other entity (whether registered or not)
‘Register of Member’	(y)	means Register of Members mentioned in the Act including the Register of Beneficial Owner maintained by the depositories for shares held in demat mode.
‘Secretary’ or 'Company Secretary'	(z)	means a company secretary as defined in the Company Secretaries Act, 1980 (56 of 1980) who is appointed by a Company to perform the functions of a company secretary under this Act.
‘Share'	(aa)	means issued, subscribed and fully paid up equity shares of the Company having a face value of such amount as prescribed under the Memorandum
‘Written' and 'in writing'	(bb)	include printing and other modes of representing or reproducing words in a visible form.
‘Year' and 'Financial Year'	(cc)	means the calendar year and 'Financial Year' shall have the meaning assigned thereto by the provisions Act.
‘seal’	(dd)	means the common seal for the time being of the Company
‘Singular number'	(ee)	Words importing the singular number include where the context admits or requires, the plural number and vice versa.
Save as aforesaid, any words or expression defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.		

SHARE CAPITAL		
Authorized share capital	3	The authorised share capital of the Company shall be such amounts as provided under Clause V of the Memorandum of the Company from time to time.
Increase of capital	4	The Company in General Meeting may from time to time increase the Capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution s h all prescribe. Subject to the provisions of the Act any shares of the original or

			increased Capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct, and if no direction be given, as the Directors shall determine, and in particular such shares may be issued with a preferential, qualified or variable right to dividends, distribution of assets and/ or voting rights at General Meetings of the Company in conformity with the provisions of the Act.
Further issue of shares issue or warrants and demat of shares	5	a.	Where at any time the Board or the Company, as the case may be, propose to increase the subscribed capital by the issue of further shares then such shares shall be offered, subject to the provisions of section 62 of the Act, and the rules made thereunder.
		b.	The Company may Issue shares to employees under a scheme of employees' stock option, subject to special resolution passed by the shareholders of the Company and subject to such other conditions, as may be prescribed under applicable law; or
		c.	To any persons, if authorised by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b) either for cash or for a consideration other than cash if the price of such shares is determined by the valuation report of a registered valuer, subject to the compliance with the applicable provisions of Chapter III of the Act and any other conditions as may be prescribed in the Act and the rules thereunder.
		d.	The notice referred to in sub-clause (a) of article 5 shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least 3 (three) days before the opening of the issue. Nothing in sub-clause (d) of clause 5 shall be deemed: (i) To extend the time within which the offer should be accepted; or (ii) To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares compromised in the renunciation. Nothing in this article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debentures issued or loan raised by the Company to convert such debentures or loans into Shares in the Company Provided that the terms of issue of such debentures or the terms of such loans containing such option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in a general meeting.
		e.	The Company may issue share warrants subject to, and in accordance with provisions of the Act. The Board may, in its discretion, with respect to any share which is fully paid up on application in writing signed by the person registered as the holder of the share, and authenticated by such evidence (if any) as the Board may from time to time require as to the identity of the person signing the application, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require having been paid, issue a warrant.
		f.	Subject to the provisions of the Act, either the Company or the investor may exercise an option to issue (in case of the Company only), deal in, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event, the rights and obligations of the parties concerned and matters connected

		therewith or incidental thereof shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification(s) thereto or re-enactment thereof, the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and other Applicable Law.
	g.	The Board may, from time to time, make rules as to the terms on which it shall think fit, a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.
	h.	The Company shall recognize interest in dematerialised securities under the Depositories Act, 1996. Every person subscribing to the Shares offered by the Company shall receive such Shares in dematerialized form. Such a person who is the beneficial owner of the Shares can at any time opt out of a Depository, if permitted by the Law, in respect of any Shares in the manner provided by the Depositories Act 1996 as amended or re-enactment thereof, the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and other applicable law and the Company shall in the manner and within the time prescribed, issue to the beneficial owner the required certificate of Shares.
	i.	Notwithstanding anything to the contrary or inconsistent contained in these Articles, the Company shall be entitled to dematerialise its existing securities, re -materialise its securities held in Depositories and/or offer its fresh securities in the dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.
	j.	All securities held by a Depository shall be dematerialized and held in electronic form. No certificate shall be issued for the securities held by the Depository.
	k.	Except as ordered by a court of competent jurisdiction or by applicable law required and subject to the provisions of the Act, the Company shall be entitled to treat the person whose name appears on the applicable register as the holder of any security or whose name appears as the beneficial owner of any security in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claims to or interest in respect of such securities or (except only as by these Articles otherwise expressly provided) any right in respect of a security other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any security in the joint names of any two or more persons or the survivor or survivors of them
	l.	The Company shall cause to be kept a register and index of members with details of securities held in materialised and dematerialised forms in any media as may be permitted by law including any form of electronic media in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996. The register and index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members, resident in that state or country.
	m.	Notwithstanding anything contained herein, in the case of transfer of shares or other securities where the Company has not issued any certificates and where such shares or other securities are being held in an electronic and fungible form, provisions of the

			Depositories Act, 1996 shall apply. Further, the provisions relating to progressive numbering shall not apply to the shares of the Company which have been dematerialised
		n.	Except as otherwise provided by the conditions of issue or by these presents, any Capital raised by the creation of new shares shall be considered as part of the existing Capital and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer, and transmission, voting and otherwise.
Preference shares	6		Subject to the provisions of the Act, the Company shall have the power to issue any kind of preference shares with a right to vary, modify and alter thereafter, on such terms and conditions and be redeemed in such manner including by conversion into shares, as provided under the Act
Reduction of Capital	7		The Company may (subject to the provisions of the Act) from time to time reduce its share capital or any capital redemption reserve account or any Securities premium account in any manner for the time being authorised by Law and, in particular, Capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate any power, that the Company would have, but for this Article. The Company shall also have the power to utilize the general and such other reserves permitted by the Act, at the time of reduction of Capital, in such manner as it deems fit.
Subdivision, Consolidation, reclassification and cancellation Of shares	8		Subject to the provisions of the Act, the Company in General Meeting, may from time to time, sub-divide or consolidate or reclassify its Shares or any of them, convert all or any of its fully paid----up Shares into stock, and reconvert that stock into fully paid----up Shares of any denomination, and the resolution whereby any Share is subdivided may determine that, as between the holders of the Shares resulting from such sub-division one or more of such Shares shall have some preference or special advantage as regards dividend, Capital or otherwise over or as compared with others or other, subject as aforesaid, the Company in General Meeting may also cancel Shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the Shares so cancelled.
Modification of rights	9		Whenever the Capital is divided into different classes of Shares, all or any of the rights and privileges attached to each class may be modified, commuted, effected or abrogated or dealt with, in accordance with the provisions of the Act.
Issue of ADRs or GDRs	10		The Company shall, subject to the applicable provisions of the Act and in compliance with all the applicable Laws and consent of the shareholder/Board, have the power to issue American Depository Receipts (ADRs) or Global Depository Receipts (GDRs) on such terms and in such manner as the Board deems fit including their conversion and repayment. Such terms may include at the discretion of the Board, limitations on voting by holders of ADRs or GDRs, including without limitation, exercise of voting rights in accordance with the directions of the Board and applicable Laws.
SHARES AND CERTIFICATES			
Shares to be numbered Progressively	11		The Shares in the Share capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned, every forfeited or surrendered Share shall continue to bear the number by which the same was originally distinguished.
Further issue of securities	12	(a)	Where at any time, the Company has proposed to increase the subscribed Capital by allotment of further Shares, whether out of unissued share capital, or out of increased share capital, then such further Shares, shall be offered in compliance with the provisions of the Act and any other Law for the time being in force.

		(b)		The Company shall, subject to the applicable provisions of the Act, compliance with applicable provisions of other Laws for the time being in force and with the consent of the shareholders/Board, as the case may be, have the power to issue securities on such terms and in such manner as the shareholders/Board deems fit
		(c)		Notwithstanding anything contained in sub-clauses(a) & (b) of Article above, but subject, however, to the provisions of the Act, the Company may increase its subscribed capital on exercise of an option attached to the debentures or loans raised by the Company to convert such debentures or loans into shares or to subscribe for shares in the Company.
Shares under control of directors	13			Subject to the provisions of the Act and these Articles, the Shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose off the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to the compliance with Section 53 of the Act), and at such time as they may from time to time think fit and proper and with the sanction of the Company in a general meeting. The Company may give to any person or persons the option or right to call for any Shares either at par or at a premium during such time and for such consideration as the Directors think fit, and may also issue and allot Shares in the capital of the Company on payment in full or part payment of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may be so allotted may be issued as fully paid up Shares and if so issued shall be deemed to be fully paid up Shares, provided that the option or right to call of Shares shall not be given to any person or persons without the sanction of the Company in a general meeting.
Acceptance of Shares	14			Any application signed by or on behalf of an applicant for Shares in the Company, followed by an allotment of any Share therein, shall be an acceptance of Shares within the meaning of these Articles and every person who thus or otherwise accepts any Shares and whose name is on the Register of Members shall, for the purpose of these Article, be a Member.
Share certificate	15			Subject to the restriction on issue /holding/transfer of Shares in physical form by Securities Exchange Board of India ("SEBI") or any other regulator or any other Law for the time being in force, every Member or allottee of Shares shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided.
		(a)		one or more certificates in marketable lots for all the Shares of each class or denomination registered in their name without payment of any charges;; or
		(b)	(i)	several certificates, if the Board so approves (upon paying such fee as the Board so determines, subject to a maximum of twenty rupees for each certificate after the first), each for one or more of his shares, and the Company shall complete and have ready for delivery such certificates, unless prohibited by any provision of law or any order of court, tribunal or other authority having jurisdiction within 2 (two) months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within 1 (one) month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be or within such other period as

			any other legislation for time being in force may provide or within a period of six (6) months from the date of allotment in the case of any allotment of debenture or within such other period as any other legislation for time being in force may provide.
		(ii)	Any two or more joint allottee of Share shall, for the purpose of this Article, be treated as single Member, and the certificate of any Share, which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them.
		(c)	A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.
	16		If any Share certificate is worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment as prescribed under the Act for each certificate. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of Shares. Notwithstanding the foregoing provisions of this Article, the Board shall comply with applicable laws including the rules or regulations or requirements of any stock exchange, or the rules made under the Securities Contracts (Regulation) Act, 1956, or any statutory modification or re-enactment thereof, for the time being in force.
	17		The provisions of Articles 15 and 16 shall mutatis mutandis apply to debentures of the Company.
Renewal of share certificate	18		Subject to the restriction on issue /holding/transfer of Shares in physical form by SEBI or any other regulator or any other Law for the time being in force
		(a)	No certificate of any Shares shall be issued either in exchange for those which are sub--divided or consolidated into marketable lots or in replacement of those which are defaced, torn or old, decrepit, worn out, or whether the cages on the reverse for recording transfers have been fully utilised unless the certificate in lieu of which it is issued is surrendered to the Company.
			When a new share certificate is issued in pursuance of clause (a) of this Article, it shall state on the face of it and against the stub or counterfoil that it is issued in lieu of shares certificate no.___ sub-divided / replaced / or consolidation of Shares.
		(b)	If a share certificate is lost or destroyed, a new certificate in lieu thereof shall be issued only with the prior consent of the Board and on such terms, if any, as to evidence and indemnity as to the payment of out-of-pocket expenses incurred by the Company in investigating evidence, as the Board thinks fit, and on payment of a fee of twenty rupees for each of such certificates.
		(c)	When a new share certificate is issued in pursuance of clause (c) of this Article, it shall state on the face of it and against the stub or counterfoil that it is a duplicate issued in lieu of share certificate no. . The word 'Duplicate' shall be stamped or punched in bold letters across the face of the share certificate.
		(d)	Where a new share certificate is issued pursuance of clause (a) or

			clause (c) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates indicating against the names of the persons to whom the certificate is issued the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross reference in the 'Remarks' column.
		(e)	All blank forms to be issued for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may appoint for the purpose; and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.
		(f)	The Company Secretary or a Director specifically authorised for this purpose shall be responsible for maintaining all books and documents relating to the issue of share certificates including blank forms as referred to in sub--clause (f) above.
		(g)	All books referred to in sub--clause (g) shall be preserved in line with the requirement of the Act.
The first named of Joint holders Deemed sole holder	19		If any Share stands in the names of two or more persons, the person first named shall as regards receipts of dividends or bonus or service of notices and all or any other matter connected with the Company, except for transfer of the Shares, be deemed the sole holder thereof, but the joint holders of a Share shall severally as well as jointly, be liable for the payment of all instalments and calls due in respect of such Shares and for all incidents thereof according to the companies regulations in these Articles.
Company not bound to recognize any interest in share Other than that of registered holder	20		Except as ordered by a court of competent jurisdiction, or as required by Law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons or the survivor or survivors of them.
	21		The Company may sub-divide or consolidate the share certificates in accordance with applicable.
BUY BACK OF SHARES			
Buy-back of shares	22	(a)	The Company may buy--back its own Shares or other specified securities subject to the approval of the shareholders in a General Meeting by a Special Resolution and in accordance with the provisions of the Act and the regulations framed in this regard by the SEBI, and in accordance with any other applicable Law or regulation for the time being in force
		(b)	The Shares or other specified securities so bought shall be dealt with in such manner as may be decided by the Board, subject to the regulations made by SEBl or such other regulatory authorities.
UNDERWRITING AND BROKERAGE			
Payment of Commission	23		Subject to the provisions of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any securities of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any securities of the Company.

Brokerage	24			The Company may pay a reasonable sum for brokerage as may be determined by the Board.
				CALLS
Power to make calls	25	(a)	(i)	The Board may, from time to time, make calls upon the Members in respect of any monies unpaid on their Shares (whether on account of the nominal value of the Shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times: Provided that the call money and intervals between calls shall be at the discretion of the Board or a Committee of the Board.
			(ii)	Each Member shall, subject to receiving at least fourteen days' notice specifying the time, place and mode of payment, pay to the Company, as specified, the amount called on his Shares
			(iii)	A call may be revoked or postponed at the discretion of the Board.
		(b)		A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.
		(c)		The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.
		(d)	(i)	If a sum called in respect of a Share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof, to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.
			(ii)	The Board shall be at liberty to waive payment of any such interest wholly or in part.
		(e)	(i)	Any sum which by the terms of issue of a Share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
			(ii)	In case of non--payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
		(f)		The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the monies uncalled and unpaid upon any Shares held by him.
		(g)		The Board may if it thinks fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same, whole or any part of the monies due upon the Shares held by him beyond the sums actually called for and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the Shares in respect of which such advance has been made, the Company may pay interest at such rate as determined by the Board and the member paying such sum in advance agree upon, not exceeding such rate prescribed under the Act, unless the members in a general meeting direct otherwise, provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Board may at any time repay the amount so advanced. The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable. The provisions of these Articles shall mutatis mutandis apply to any calls on debentures of the Company.
				LIEN
Company to have lien	26			The Company shall have a first and paramount lien upon every

on shares		Share/ debenture (not being a fully paid Share/ debenture) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/ debentures and no equitable interest in any Shares shall be created except upon the footing and upon the condition that Article 18 hereof is to have full effect. Any such lien shall extend to all dividends from time to time declared in respect of such Shares. Unless otherwise agreed, the registration of transfer of shares / debentures shall operate as a waiver of the Company's lien, if any, on such shares / debentures. The Board may, however, at any time, declare any Share to be exempt, wholly or partially from the provisions of this Article.
	27	Fully paid-up Shares shall be free from all Liens and in case of partly paid-up Shares, the Company's Lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.
As to enforcing lien by sale	28	For the purpose of enforcing such lien, the Board may sell the Share in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such Shares and may authorize one of their member to execute a transfer thereof on behalf of and in the name of such Member. No sale shall be made until such period as aforesaid shall have arrived, and until notice in writing of the intention to sell shall have been served on such Member or his representatives and default shall have been made by him or them in payment, fulfilment or discharge of such debts, liabilities or engagements for fourteen days after such notice.
Application of proceeds of sale	29	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the Shares before the sale) be paid to persons entitled to the Shares at the date of the sale.
FORFEITURE OF SHARES		
If money payable on shares not paid notice to be given to member	30	If any Member fails to pay any call, or instalment of a call on the day appointed for the payment thereof, the Board may, at any time thereafter, during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
Form of notice	31	The notice shall name a day (not being less than fourteen days from the date of the notice), and a place or places, on, and at which such call or instalment, and such interest thereon at such rate as the Directors shall determine from the day on which, such call or instalment ought to have been paid and expenses aforesaid is to be paid. The notice shall also state that, in the event of the non - payment at or before the time and at the place appointed, the Shares in respect of which the call was made or instalment is payable, will be liable to be forfeited.
In default of payment shares to be forfeited	32	If the requirements of any such notice as aforesaid shall not be complied with, every or any Share in respect of which such notice has been given, may at any time thereafter before payment of all calls or instalments, interests and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited Share and not actually paid before the forfeiture.
Notice of forfeiture to a member	33	When any Share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture,

		with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.
Forfeited share to be property of the company and maybe sold etc.	34	Any Share so forfeited shall be deemed to be the property of the Company, and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board shall think fit.
Member still liable to pay money owing at the time of Forfeiture and Interest	35	Any Member whose Shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand, all calls, instalments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment at such rate as the Board may determine, and the Board may enforce the payment thereof, as it thinks fit.
Effect of forfeiture	36	The forfeiture of a Share shall involve extinction, at the time of the forfeiture, of all interest in, and all claims and demands against the Company, in respect of the Share and all other rights incidental to the Share.
Evidence of forfeiture	37	A declaration in writing that the declarant is a or Secretary of the Company and that a Share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.
Validity of sale under articles 24 and 30	38	Upon any sale after forfeiture, or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute any instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Member in respect of the Shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Member in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
Cancellation of share certificates in respect of forfeited shares	39	Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative Shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said Shares to the person or persons entitled thereto.
Power to annul forfeiture	40	The Board may at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.
TRANSFER AND TRANSMISSION OF SHARES		
Transfer books and register of members when closed	41	Pursuant to provisions of the Act, the Board shall have the power, after giving not less than seven day's previous notice by advertisement in the principal vernacular language in a vernacular newspaper and in English language in atleast one English newspaper circulating in the district in which the Office of the Company is situated, to close the Register of Members or Register of Debenture holders or Register of Security holder at such times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty five days in each year.
	42	A common form of transfer shall be used in case of transfer of Shares. The instrument of transfer shall be in writing and shall be

		executed by or on behalf of both the transferor and the transferee and shall be in conformity with all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being and applicable SEBI Regulations shall be duly complied with in respect of all transfers of Shares and the registration thereof. In case of transfer of Shares, where the Company has not issued any certificates and where the Shares are held in dematerialized form, the provisions of the Depositories Act, 1996 shall apply.
	43	The Board may, subject to the right of appeal conferred by section 58 of the Act, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge the transfer of a Share, not being a fully paid Share, to a person of whom they do not approve and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within 30 (thirty) days from the date on which the instrument of transfer was lodged with the Company or such other period prescribed under applicable laws, send to the transferee and transferor, notice of the refusal to register such transfer provided that registration or transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the Shares. Transfer of Shares/debentures, in whatever lot, shall not be refused.
	44	The Board may decline to recognise any instrument of transfer unless— (i) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56 of the Act; (ii) the instrument of transfer is accompanied by the certificate of the Shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and (iii) the instrument of transfer shall be in writing and is in respect of only one class of shares.
Death of one or more joint holders of shares	45	In the case of the death of any one or more of the joint holders of any Share, the survivor or survivors shall be the only persons recognised by the Company as having any title to or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him jointly with any other person.
Title of shares of deceased members	46	In case where nominee is not appointed by a Member under the provisions of the Act, then the executors or administrators or holders of a succession certificate or the legal representatives of a deceased Member (not being one or two or more joint holders) shall be the only persons recognised by the Company as having any title to the Shares registered in the name of such Member, and the Company shall not be bound to recognise such executors or administrators or holders of a succession certificate or the legal representatives unless such executors or administrators or legal representatives shall have first obtained probate or letters of administration or succession certificate, as the case may be from a duly constituted Court in the Union of India;
Registration of persons entitled to shares otherwise than by transfer	47	Subject to the provisions of the Act and the provisions of this Articles, any person becoming entitled to Shares in consequence of the death, lunacy or insolvency of any Member, or by any lawful means other than by a transfer in accordance with these Articles, may upon such evidence being produced as may from

			time to time properly be required by the Board and subject as hereinafter provided, elect either,
		(a)	To be registered himself as a holder of the Share;; or
		(b)	To make such transfer of the Share as the deceased, lunatic or insolvent Member could have made.
	48		The Board shall, in either case, have the same right to decline or suspend registration as it would have had if the deceased, lunatic or insolvent Member had transferred the Share before his death, lunacy or insolvency.
Persons entitled may receive dividends without being registered as Member	49		A person entitled to a Share by transmission shall, subject to the right of the Board to retain such dividends or money, be entitled to receive, and may give discharge for, any dividends or other monies payable in respect of the Shares.
Fee on transfer, transmission etc.	50		No fee shall be charged by the Company for the following:
		(a)	for registration of transfers of Shares and Debentures, or for transmission of Shares and Debentures;;
		(b)	for sub-division and consolidation of Shares and Debenture certificates, and for sub-division of letters of allotment, split, consolidation, renewal and transfer receipts into denominations corresponding to the market units of trading;;
		(c)	for sub--division of renounceable letters of right;;
		(d)	for registration of any power of attorney, probate, certificate of death or marriage, succession certificate and letters of administration or other legal representation or similar other document.
BORROWING POWERS			
Power to borrow	51		Subject to all the applicable provisions of the Act, the Board may, from time to time, at its discretion, by a resolution passed at a meeting of the Board, accept deposits from Members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company. Provided, where the money to be borrowed together with the money already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the Paid-up Capital of the Company and its free reserves (not being reserves set apart for any specific purpose), securities premium, the Board shall not borrow such money without the consent of the Company in General Meeting.
Payment or repayment of moneys borrowed	52		Subject to the provisions of the Article 52 hereof, the payment or re-payment of money borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the resolution shall prescribe, including by the issue of Debentures, Debenture-stock and other securities of the Company charged upon all or any part of the property of the Company (both present and future), including its uncalled Capital for the time--being, and Debentures, Debenture--stock and other securities may be made assignable, free from any equities between the Company and the person to whom the same may be issued.
Form of issue of debentures	53		Subject to the provisions of the Act, and subject to approval of the shareholders by way of necessary resolution, any Debentures, Debenture-stock or other securities may be issued, by the Company at a discount, premium or otherwise, and may be issued on the condition that they shall be convertible into Shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawings, allotment of Shares and attending (but not voting) at general meetings the appointment of Directors, and otherwise.

CONVERSION OF SHARES INTO STOCK AND RECONVERSION		
Share may be converted into stock	54	The Company, in General Meeting may convert any Paid--up Shares into stock, and when any Shares shall have been converted into stock, the several holders of such stock may thenceforth transfer their respective interest therein, or any part of such interest, in the same manner, and subject to the same regulations as, and subject to which Shares from which the stock arise might have been transferred, if no such conversion had taken place, or as near thereto as circumstances will admit. The Company may at any time reconvert any stock into Paid--up Shares of any denomination.
Rights of stock-holders	55	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the Shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets of winding--up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred that privilege or advantage.
MEETINGS OF MEMBERS		
Annual general meeting	56	The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings. The Annual General Meeting of the Company shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall apply in case the registrar extends the time period for holding the Annual General Meeting under the Act.
Extra-ordinary General meeting	57	The Board may, whenever it thinks fit, call an Extraordinary General Meeting, or it shall do so upon a requisition in writing by any Member or Members holding in the aggregate not less than one-tenth of the Paid--Up Capital as at that date, carries the right of voting in regard to the matter in respect of which the requisition has been made.
Requisition of members to state object of meeting	58	Any valid requisition so made by Members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitions and be deposited at the Office, provided that such requisition may consist of several documents in like form, each signed by the requisitionists.
On receipt of requisition directors to call meeting, and in default requisitionists may do so	59	Upon the receipt of any such requisition, the Board shall forthwith call an Extraordinary General Meeting, and if they do not proceed within twenty-one days from the date of the valid requisition being deposited at the Office to cause a meeting to be called on a day not later than forty--five days from the date of deposit of the requisition, the requisitionists, may themselves call the meeting in accordance with the Act, and the meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.
Meeting called by requisitionists	60	Any meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board. The meeting called by requisitionists cannot be held on a national holiday.
Twenty-one days' notice of meetings to be given	61	General meeting of a Company may be called by giving not less than twenty--one days' notice either in writing, or through electronic mode, in accordance with the provisions of the Act. Provided that a General Meeting may also be called by giving

				shorter notice if the consent of the Members, either in writing or in electronic mode, is obtained as per the provisions of the Act.
Omission to give notice not to invalidate a resolution passed	62			The accidental omission to give any such notice as aforesaid to any of the Members, or the non--receipt thereof, shall not invalidate any resolution passed at any such meeting.
Meeting not to transact business not mentioned in Notice	63			No General Meeting, Annual or Extraordinary, shall be competent to discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened.
Quorum at general meeting	64			The quorum for any of the General Meetings shall be as specified in the Act.
Body corporate deemed to be Personally present	65			A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with the provisions of the Act.
If quorum not Present, meeting to be dissolved or adjourned	66			If the requisite quorum in conformity with Article 64 is not present within half an hour from the time appointed for holding a meeting of the Company, then:
		(a)	(i)	the meeting shall stand adjourned to the same day next week at the same time and same place, or to such other date and such other time and place as the board may determine;; or
			(ii)	the meeting if called by the requisitionists shall stand cancelled.
		(b)		If at the adjourned meeting also, the quorum is not present within half an hour from the time appointed for holding meeting, then the Members present shall be the quorum for the purpose of conducting the meeting.
Chairman of General meeting	67			The Chairman (if any) of the Board shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board, or if at any meeting he is not be present within fifteen minutes
				of the time appointed for holding such meeting, or if he shall be unable or unwilling to take the chair, then the Managing Director/ Whole--Time Director shall be entitled to take the chair, and failing him the Directors present may choose one of their Member to be the Chairman of the Meeting. If no Director is present, or if all the Directors present decline to take the chair, then the Members present shall elect one of their members to be the Chairman by way of a show of hands/poll (in compliance with the relevant provisions of the Act) as the case may be.
Business confined to election of chairman while chair vacant	68			No business shall be discussed at any General Meeting except the election of a chairman while the chair is vacant.
Chairman with consent may adjourn meeting	69			The Chairman with the consent of the Members may adjourn any meeting from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
Questions at general meeting how decided	70			The resolutions proposed to the Members for their approval will be voted upon as per the provisions prescribed for voting under the Act. Election of the Chairman at the meeting or adjournment of t h e meeting as allowed in the Act, shall be voted upon as per the provisions of the Act.
Chairman's casting vote	71			Chairman’s vote, if he is also a Member, shall be construed as casting a vote, in case of equality of votes in respect of any business transacted at a General Meeting, as per the provisions of the Act.

VOTE OF MEMBERS		
Members in arrears not to vote	72	No Member shall be entitled to vote, either personally or by proxy, at any General Meeting of a class of shareholders (including remote e-voting), in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.
Electronic voting	73	The Company shall provide electronic voting facility for the shareholders in terms of the Act and rules, with respect to all the General Meetings and voting by postal ballot. A Member may exercise his vote at a meeting by electronic means in accordance with applicable provisions of the Act.
Number of votes to which member entitled	74	Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions on voting for the time being attached to any class of Shares for the time being forming part of the Capital of
		Member, not disqualified by Article 72 shall be entitled to be present in person and the voting right of every Member present in person or by proxy shall be in proportion to his share of the Paid--Up equity share capital of the Company which is each share shall carry one vote.
Casting of votes by a member entitled to more than one vote	75	A Member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes, or cast in the same way all the votes he uses. The right to exercise such voting shall be subject to the facility of the e-voting agency (that the company appoints for the General Meeting) providing the facility for electronic voting.
Votes of joint members	76	If there be joint registered holders of any Shares, any one of such persons may vote at any meeting or may appoint another person (whether a Member or not) as his proxy in respect of such Shares, as if he were solely Entitled thereto, and, if more than one of such joint holders be present at any meeting, or appointing any proxy, that one of the said persons so present/appointing any proxy, whose name stands higher on the Register of Member shall alone, be entitled to speak and to vote, or to appoint a proxy, in respect of such Shares, but the other or others of the joint holders shall be entitled to be present at the meeting. In the case of the appointment of a Proxy, if the person whose name stands higher on the Register of Members does not appoint a proxy, then the proxy appointed by the second joint holder will be considered. Several executors or administrators of a deceased Member in whose name the Shares stand shall for the purpose of these Articles be deemed joint holders thereof.
Voting in person or by proxy	77	Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy, or by a representative duly authorised in accordance with the provisions of the Act, and such representative shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual Member.
Appointment of proxy	78	Every proxy (whether a Member or not) shall be appointed in writing under the hand of the appointer, or be signed by an Officer or any attorney duly authorised by it, and any committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the meetings.
Proxy either for specified meeting or for a period	79	An instrument of proxy may appoint a proxy either for the purpose of a particular meeting specified in the instrument and any adjournment thereof, or it may appoint for the purpose of every meeting of the Company, or of every meeting to be held

				before a date specified in the instrument and every adjournment of any such meeting.
Proxy to vote as per act	80			A Member present by proxy shall be entitled to vote as allowed under the relevant provisions of the Act.
Deposit of instrument of appointment	81			The instrument appointing a proxy, the power of attorney or other authority (if any) under which it is signed or a notarised copy of that power or authority, shall be deposited at the Office not less than forty-eight hours before the time for holding the meeting or the adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument or proxy shall not be treated as valid.
Form of proxy	82			Every instrument appointing a proxy shall be in such form as prescribed in the Act.
Validity of votes given by proxy Notwithstanding death of member	83			A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal, or a revocation of the proxy or any authority under which the proxy was executed, or a transfer of Shares in respect of which the proxy is given.
Time for objections of votes	84			No objection shall be made to the validity of any vote, except at any meeting at which such vote shall be tendered and every vote whether given personally or by proxy, not disallowed at such meeting shall be deemed 9valid for all purposes of such meeting whatsoever.
Minutes of general meeting and inspection thereof by members	85	(a)		The Company shall cause minutes of all proceedings of every General Meeting to be kept in accordance with the provisions of the Act.
		(b)		Any such minutes shall be evidence of the proceedings recorded therein.
		(c)		The book containing the minutes of proceedings of General Meetings shall be kept at the Office of the Company and can be inspected as per the provisions of the Act.
REGISTERS AND RECORDS				
Registers and Records	86			In compliance with the provisions of the Act, the Company shall keep and maintain all statutory registers/records at its Office or at such places as approved by the board.
Inspection	87			The records and registers shall be allowed for inspection by any Member or any other persons, only if and to the extent permitted under the Act. The inspection of registers/records will be subject to such amount of inspection fee as may be prescribed by the Board wherever the Act provides for such inspection fee
			(i)	Wherever the Act provides that the time and manner of inspection of registers/ records shall be subject to conditions as may be specified by the Company, such conditions may be prescribed by the Board.
			(ii)	In all other cases, the registers/records can be inspected as per the provisions of the Act.
Extracts and Copies	88	(a)	(i)	Any person permitted by the Act may take extract of registers and records during inspection, to the extent so permitted and subject to the terms and conditions as specified under the Act or by the Board, wherever the Act permits the Company to specify such terms and conditions, and subject to such fees as may be prescribed by the Board, wherever such fees can be specified by the Company under the Act.
			(ii)	Extracts may also be requested by any person permitted by the Act of such registers and records, wherever it is permitted, to the extent so permitted, and subject to the terms and conditions as specified under the Act or by the Board, wherever the Act permits

				the Company to specify such terms and conditions, and subject to such fees as may be prescribed by the Board, wherever such fees can be specified by the Company under the Act.
			(iii)	Copies of such registers and records may be taken during inspection, or requested in writing by any Member, as permitted by the Act, and to the extent permitted by the Act, subject to such fees as may be prescribed by the Board, wherever such fees can be specified by the Company under the Act.
		(b)		On a request made in writing by any Member for an additional copy of the annual report, the same will be provided on payment of such fees as may be prescribed by the Board.
Copies of Memorandum etc.	89			Copies of the Memorandum and Articles of Association of the Company and other documents referred to in the Act shall be sent by the Company to every Member at his request within seven days of the request on payment of such fees as may be prescribed by the Board.
Format of registers and records	90			Registers/records of the Company may be maintained in the formats prescribed under the Act and rules made thereunder in physical or electronic form as the Board of Directors of the Company may think fit.
DIRECTORS				
Number of Directors	91	(a)		The number of Directors (including the Managing Director, Nominated Director and Nominee Director but excluding Debenture and Alternate Directors) shall not be less than three, and not more than fifteen.
		(b)		The first directors of the company shall be: i. Mr. Y S KIM (Managing Director) ii. Mr. D C SHIN (Director) iii. Mr. J D BAE (Director)
		(c)		Subject to the provisions of the Act and Article above, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles. Any such additional director shall hold office only up to the date of the upcoming Annual General Meeting.
Appointment of Nominee director	92	(a)		The Board may appoint any individual as a Director nominated by any institution in pursuance of the provisions of any Law for the time being in force, or of any agreement, or by the Central Government or State Government by virtue of its shareholding in the Company. Such nominee Director shall not be liable to retirement by rotation, and shall hold office so long as the conditions specified in the agreement remain in force. Notwithstanding anything to the contrary contained in these Articles, so long as any money remain owing by the Company to any financial institution out of any loans, Debenture, assistance granted by them to the Company, or so long as the financial institution holds or continues to hold Debentures / Shares in the Company as a result of underwriting, or by direct subscription or private placement, or so long as any liability of the Company arising out of any guarantee furnished by the financial institution on behalf of the Company remains outstanding, the financial institution shall have a right to appoint from time to time, any person or persons as a Director or Directors, whole-time, or non-whole-time, which Director or Directors is/are hereinafter referred to as "Nominee Director(s)" on the Board of Company, and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place(s).

		(b)	The Board of Directors of the Company shall have no power to remove from office the nominee Director(s). At the option of the financial institution such nominee Director(s) shall not be required to hold any share qualification in the Company. Also, at the option of the financial institution such nominee Director(s) shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the nominee Director(s) shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.
		(c)	The nominee Director(s) so appointed shall hold the said office only so long as any moneys remain owing by the Company to the financial institution or so long as the financial institution holds or continues to hold Debenture/Shares in the Company as a result of underwriting, or by direct subscription or private placement, or the liability of the Company arising out of the guarantee is outstanding, and the nominee Director(s) so appointed in exercise of the said power, shall ipso facto vacate such office immediately upon the moneys owing by the Company to the financial institution are paid off, or on the financial institution ceasing to hold Debentures / Shares in the Company, or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the financial institution.
		(d)	The nominee Director(s) appointed under this Article shall be entitled to receive all notices of and attend all, General Meetings, Board Meetings, and Meetings of the Committee of which the nominee director(s) is/are member(s), as also the minutes of such meetings. The financial institution shall also be entitled to receive all such notice and minutes.
		(e)	The Company shall pay to the nominee Director(s) sitting fees and expenses to which such Directors of the Company are entitled, but if any other fees, commission, monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such nominee Director(s) shall accrue to the financial institution and the same shall accordingly be paid by the Company directly to the financial institution. Any expenses that may be incurred by the financial institution or such nominee Director(s) in connection with their appointment of directorship shall also be paid or reimbursed by the Company to the financial institution or, as the case may be, to such nominee Director(s).
		(f)	Provided that any such nominee Director(s) is an officer of the financial institution the sitting fees, in relation to such nominee Director(s) shall also accrue to the financial institution, and the same shall accordingly be paid by the Company directly to the financial institution.
		(g)	Provided also that in the event of the nominee Directors being appointed as whole-time Directors, such nominee Directors shall exercise such powers and duties as may be approved by the financial institution, and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of the Company. Such whole time Director(s) shall be entitled to receive such remuneration, fees, commission, and monies as may be approved by the financial institution
Debenture Directors	93		If it is provided by the trust deed, securing or otherwise in connection with any issue of Debentures of the Company, that any person or persons shall have power to nominate a Director of the Company, then in the case of any and every such issue of Debentures, the person or persons having such power may exercise such power from time to time, and appoint a Director accordingly. Any Director so appointed is herein referred to as

			Debenture Director. A Debenture Director may be removed from office at any time by the person or persons in whom for the time being, is vested with the power under which he was appointed, and another Director may be appointed in his place. A Debenture Director shall not be liable to retire by rotation.
Appointment of alternate director	94		The Board may, subject to the provisions of the Act, appoint a person (not being a person holding any alternate directorship for any other Director in the Company), to act as an Alternate Director for the Original Director during his absence for a period of not less than three Months from India.
Directors' power to add to the board	95		Subject to the provisions of the Act, the Board shall have power, at any time, to appoint any qualified person to be an additional Director, but so that the total number of Directors shall not at any time exceed the maximum fixed under these Articles. Any such additional Director shall hold office only up to the date of the immediately ensuing Annual General Meeting.
Directors' power to fill casual vacancy	96		Subject to the provisions of the Act, the Board shall have power at any time to appoint any other qualified person to be a Director to fill a casual vacancy. Any person so appointed shall hold office only up to the date to which the Director in whose place he is appointed would have held office if it had not been vacated by him.
Independent director	97		The Company shall have such number of Independent Directors on the Board, as may be required in terms of, and in compliance with the provisions of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, as may be applicable.
Qualification shares of directors	98		A Director shall not be required to hold any qualification of shares.
Remuneration of directors, manager etc.	99	(a)	Subject to the provisions of the Act, a Managing Director or a Whole Time Director or a Manager of the Company may be paid remuneration either by way of a monthly payment, or at a specified percentage of the net profits of the Company, or partly by one way and partly by the other.
		(b)	Subject to the provisions of the Act, a Director, who is neither a Whole Time Director nor a Managing Director may be paid remuneration either by way of Monthly, quarterly or annual payment or by way of commission.
		(c)	The fee payable to a Director for attending a meeting of a Board or a Committee thereof, shall be fixed by the Board of Directors within the maximum permissible amount under the Act.
Travelling Expenses incurred by director	100		The Board may allow and pay to any Director, who is not a resident of the place where the meetings of the Board are ordinarily held, and who shall come to such place for the purposes of attending any meeting, such sum as the Board may consider fair compensation, or for travelling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as specified, and if any Director be called upon to go or reside out of the ordinary place of his residence for the Company's business, he shall be entitled to be repaid and reimbursed any travelling or other expenses incurred in connection with the business of the Company.
Special remuneration for extra services rendered by a director	101		Pursuant to provisions of the Act, and subject to necessary approvals, if any Director is called upon to render extra services or undertake special efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Directors for such special remuneration for such extra services or special efforts, either by a fixed sum or otherwise as may be determined by the

			Board and the said remuneration may be either in addition to or in substitution of the remuneration otherwise provided.
Director may act notwithstanding any vacancy	102		The continuing Directors may act notwithstanding any vacancy in the Board, but if and so long as their number is reduced below the minimum number required for quorum thereof, the continuing Directors, may act for the purpose of increasing the number of Directors to that number, or of summoning a General Meeting but for no other purpose.
When the office of a director becomes vacant	103		The office of a Director shall become vacant as per the provisions of the Act.
Disclosure of interest	104		A Director of the Company shall make disclosure of concern or interest, as specified under the Act, at the first meeting of the Board in which he participates as a Director, and thereafter at the first meeting of the Board in every financial year, or whenever there is any change in the disclosures already made, then at the first Board meeting held after such change. A Director, who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contract or arrangement entered into or to be entered into, shall give declaration of interest specific to a contract or arrangement in accordance with the provisions of the Act.
Interested directors Participation or voting in board proceedings	105		Participation and voting by any interested Director in any meeting of Board or Committee or through circular resolutions shall be in compliance with the provisions of the Act.
Retirement and rotation of directors	106		At every Annual General Meeting of the Company, one – third of such Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, the number nearest to one third shall retire from office and they will be eligible for re-election.
Ascertainment of directors retiring by rotation and filling of vacancies	107		Subject to the provisions of the Act, the Directors to retire by rotation under the Articles at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire, shall, in default of and subject to any agreement among themselves, be determined by lot.
Eligibility of re-election	108		Subject to the provisions of the Act and these Articles, a retiring Director shall be eligible for re-election
Company to fill vacancy in board	109		Subject to the provisions of the Act, the Company at the General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing a person thereto.
Provision in default of appointment	110		If the place of the retiring Director is not so filled up, and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned until the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday, at the same time and place. If at the adjourned meeting also, the place of the retiring Director is not filled up, and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting unless :
		(a)	at the meeting or at the previous meeting, the resolution for the reappointment of such Director has been put to the meeting and lost;; or
		(b)	the retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be so reappointed;; or

		(c)	he is not qualified or disqualified for appointment;; or
		(d)	a resolution, whether special or ordinary, is required for the appointment or reappointment by virtue of any provisions of the Act;; or
		(e)	Section 162 is applicable to the case.
Mode of Appointment and removal of directors	111		Save as expressly provided under the Act, every Director shall be appointed by the shareholders in a General Meeting. The Company may, subject to the provisions of the Act, remove any Director before the expiration of his period of office and appoint another qualified person in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.
Notice of candidate for office of director except in certain cases	112		Subject to the provisions of the Act, any person, not being a Director liable to retire by rotation, can be proposed for appointment as Director by himself or by any Member, and such candidate shall give his consent to act as Director. Every person (other than a Director retiring by rotation or otherwise, or a person who has left at the office of the Company a notice as required under the relevant provisions of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director, shall sign and file with the Company, the consent in writing to act as a Director, if appointed.
General authority	113		Wherever in the Act it has been provided that the Company shall have any right privilege or authority, or that the Company could carry out any transaction only if the Company is so authorised by its Articles, then and in that case, this regulation hereby authorises and empowers the Company to have such right, privilege or authority and to carry out such transactions as have been permitted by the Act without there being any specific Article in that behalf herein provided.
Signing of Documents	114		All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments paid to the Company shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
MANAGING DIRECTOR/ WHOLE--TIME DIRECTOR/ MANAGER			
Managing director/ whole-time director/ manager	115		Subject to the applicable provisions of the Act:
		(a)	the Board may from time to time, based on the recommendation by the Nomination and Remuneration Committee, appoint any one or more of their body to be Managing/Whole- time Director(s) of the Company for such period not exceeding five years at a time and upon such terms and conditions as they may deem fit to manage the affairs and business of the Company and may from time to time (subject to the provisions of any contract between him or them and the Company) and, in the event of any vacancy arising in the office of the Managing Director or Whole-Time Director, based on the recommendation by the Nomination and Remuneration Committee, the vacancy shall be filled by the Board and the Managing Director or Whole-Time Director so appointed shall hold the office for such period as the Board of Directors may fix.
		(b)	A Managing Director or Whole Time Director or Manager shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Company in General Meeting may from time to time determine.
		(c)	The Managing Director shall be entitled to exercise all such powers, other than those powers which are exercisable only by the Board or Shareholders under the Act, subject to the

			superintendence and control of the Board. Such powers may also be conferred on the Whole Time Director or Manager by the Board from time to time. Further, the Managing Director or Whole-Time Director or Manager, as the case may be, may exercise all such powers that may be delegated by the Board, subject to such terms and conditions as may be specified by the Board.
		(d)	The re-appointment of a Managing Director/Whole-Time Director consequent to determination of their office by retirement by rotation shall not affect their current tenure of appointment and will not be treated as break in their respective office. The Company shall not appoint or employ at the same time the following categories of the managerial personnel, namely: a) Managing Director;; and b) Manager.
		(e)	Notwithstanding anything contrary contained in the Articles of Association, the Board of Directors shall have the power to appoint the same individual to hold and occupy both the positions of the Chairman and Managing Director or Chief Executive Officer (CEO) or such equivalent managerial position thereof, in the Company at the same time
Certain persons not to be appointed managing director /whole-time director/manager	116		Subject to the provisions of the Act, the Company shall not appoint, or continue the employment of any person as Managing Director, Whole-Time Director or Manager who:
		(a)	is an undischarged insolvent, or has at any time been adjudged an insolvent;;
		(b)	suspends, or has at any time suspended payment to his creditors, or makes, or has at any time made, a composition with them;; or
		(c)	is, or has at any time been convicted by a court of an offence involving moral turpitude;;
		(d)	is below the age of twenty--one years, or has attained the age of seventy years. Provided that appointment of a person who has attained the age of seventy years may be made by passing a Special Resolution, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person.
PROCEEDINGS OF THE BOARD OF DIRECTORS			
Meetings of Directors	117		The Directors may meet together as a Board for the dispatch of business from time to time, and at least four such meetings shall be held in every year in such manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. The Directors may adjourn and otherwise regulate their meetings as they think fit.
Notice of meeting	118		Notice of the Board meeting shall be sent at least seven (7) days in advance of the date of board meeting. Agenda and the notes on agenda shall be sent as per the provisions of the Act. A meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least one independent director, if any, shall be present at the meeting: Provided further that in case of absence of independent directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one independent director, if any.
Quorum	119		Quorum for the meeting of the Board of Directors shall be as per the provisions of the Act, and regulations prescribed by SEBI

			from time to time. The participation of the Directors by video conferencing or by other audio--visual means shall also be counted for the purpose of quorum.
Adjournment of meeting for want of quorum	120		If a meeting of the Board is not held for want of quorum, then the meeting shall automatically stand adjourned to such other date and time, (if any) as may be fixed by the Board. The adjourned meeting cannot be held on a national holiday.
When meeting to be convened	121		A Director may, at any time, and/or the Secretary shall, as and when directed by the Directors to do so, convene a meeting of the Board by giving notice in writing to every Director at his address registered with the Company. Such notice can be sent by hand delivery or by post or by electronic means.
Chairman of the board	122	(a)	The Chairman of the Board of Directors shall be a Managing Director of the Company. The Chairman shall be paid such remuneration as the Company in General Meeting may determine.
		(b)	The Chairman of the Board shall be entitled to occupy the chair at every meeting of the Board. If no Chairman is appointed in pursuance of this Article, or if at any meeting of the Board, he shall not be present within 30 (thirty) minutes of the time appointed for holding such a meeting or if he shall be unable or unwilling to take the chair, then the Directors present may choose one amongst themselves to be the Chairman of the meeting.
Chairman emeritus/ mentor	123	(a)	The Board shall have the power to appoint any Director as Chairman Emeritus/ Mentor to guide the Board.
		(b)	The terms and conditions of appointment may be as determined by the Board. The Board may decide to remunerate the Chairman Emeritus in such manner as it deems fit, considering the nature of services and guidance rendered by the Chairman Emeritus/ Mentor.
		(c)	Chairman Emeritus/ Mentor shall be entitled to exercise all the powers as a Director till he occupies the position of Director on the Board.
Questions at board meetings, how decided	124		Questions arising at any meeting of the Board shall be decided by a majority of votes, and in the case of an equality of votes, the Chairman shall have a second or casting vote.
Powers of board meeting	125		A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions, which by or under the Act, or the Articles of the Company, are for the time being vested in, or exercisable by the Board generally.
Directors may appoint committees	126		Subject to the restrictions contained in Section 179 of the Act, the Board may delegate any of their powers to Committees of the Board consisting of such member or members of its body as it thinks fit, and it may from time to time, revoke, modify, or alter the powers, or composition of the Committees, but every Committee shall in the exercise of the power so delegated, confirm to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board, in conformity with such regulations and in fulfilment of the purposes of their appointment, but not otherwise, shall have like force and effect as if done by the Board.
Meeting of committee, how to be governed	127		The Meetings and proceedings of any Committees of the Board shall be governed by the provisions of the Act, regulation prescribed by SEBI, applicable clauses contained in these Articles and any other terms prescribed by the Board.
Resolution by circulation	128		No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary

			papers, if any, to all the Directors, or to all the members of the Committee, at their addresses registered with the Company in India by hand delivery, or by post, or by courier, or through electronic means, and has been approved by a majority of the Directors or members, who are entitled to vote on the resolution.
Minutes of proceedings of the meetings of the board	129	(a)	The Company shall cause minutes of all proceedings of every meeting of the Board and Committees thereof to be kept in accordance with the Act.
		(b)	Minutes of the meeting kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.
Powers of Directors	130		The Board shall exercise generally all powers, other than those which may be exercised only by the Company in the General Meeting, to carry on and manage the business of the Company. The Board may also delegate any of its powers for the time being vested in the Board, to any Director(s), Officers, employee(s), or other person(s), other than those specifically prohibited by the Act, and any such delegation may be made on such terms, and subject to such conditions as the Board may think fit, and the Board may annul any such delegation at any time.
			SEAL
Seal	131		The Seal, its custody and use
		a	The Board may provide a Seal for the purposes of the Company, and shall have power from time to time to destroy the same, and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a committee of the Board previously given.
		b	The Company shall also be at liberty to have an official Seal in accordance with the relevant provisions of the Act, for use in any territory, district or place outside India.
			Deeds & documents how executed
		a	Every deed shall be executed on behalf of the Company by its duly constituted attorney(s) by way of a general or specific authorisation under a resolution of the Board, which shall be authenticated by two Directors or by a Director and Company Secretary.
		b	Where the Board provides for a Seal, any deed that requires affixation of the Seal, shall be executed by any person(s) authorised under the Seal as Company's attorney(s), either generally or in respect of any specific matters. Any deed signed by such duly constituted attorney(s) under his seal shall be deemed to have been signed under the Seal of the Company. The Seal shall not be affixed on any instrument authorising such person(s) to be Company's duly constituted attorney(s), except under the authority of a resolution of the Board and such instrument of authorisation shall be signed in the presence of two Directors, or a Director and the Company Secretary.
		c	All other documents, contracts etc. shall be executed as per the provisions of the Act.
			DIVIDENDS
Division of profits	132		The profits of the Company, subject to any special rights relating thereto, created or authorised to be created by these Articles, and subject to the provisions of these Articles, shall be divisible among the Members in proportion to the amount of Capital Paid--up or credited as Paid--up on the Shares held by them respectively.
The company in general meeting may declare a dividend	133		Subject to the provisions of the Act, the Company may, in General Meeting, declare dividend out of the profits for the year, and/or previous years, and/or out of free reserves in case of

			inadequacy of profits.
Interim dividend	134		The Board may from time to time, pay the Members such interim dividend as in their judgement the position of the Company justifies.
Capital paid up in advance at interest not to earn dividend	135		Where Capital is paid in advance of calls, such Capital may carry interest, but shall not in respect thereof confer a right to dividend or to participate in profits.
Dividends IN proportion to amount paid-up	136		All dividends shall be apportioned, and paid proportionately to the amounts paid or credited as paid on the Shares, during any portion or portions of the period in respect of which the dividend is paid; but if any Share is issued on terms providing that it shall rank for dividend as from a particular date, it shall rank for dividend accordingly.
Retention of dividends	137		Subject to the provisions of the Act, the Board shall have the power to retain the dividends under the circumstances mentioned in the Act.
Right to rights shares and bonus shares to be held in abeyance pending registration of transfer of shares	138		Where any instrument of transfer of Shares has been delivered to the Company for registration, and the transfer of such Shares has not been registered by the Company, it shall—
		(a)	transfer the dividend in relation to such Shares to the unpaid dividend account as referred to in the Act, unless the Company is authorised by the registered holder of such Shares in writing to pay such dividend to the transferee specified in such instrument of transfer;; and
		(b)	keep in abeyance in relation to such Shares, any offer of rights Shares under the relevant provisions of the Act, and any issue of fully paid--up bonus shares.
Dividend how remitted	139		Dividends shall be remitted in accordance with the provisions of the Act/ Regulations made by SEBI.
Unclaimed dividend	140		Dividends unclaimed will be dealt with within the provisions of the Act as may be applicable from time to time.
	141		The Company shall comply with the provisions of the Act in respect of any dividend remaining unpaid or unclaimed with the Company. Where the Company has declared a dividend but which has not been paid or claimed within 30 (thirty) days from the date of declaration, the Company shall, within 7 (seven) days from the date of expiry of the 30 (thirty) day period, transfer the total amount of dividend which remains so unpaid or unclaimed, to a special account to be opened by the Company in that behalf in any scheduled bank. Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years or such other period as prescribed under applicable laws from the date of such transfer, shall be transferred by the Company along with interest accrued, if any, thereon to the Investor Education and Protection Fund established under Section 125 of the Act. No unclaimed or unpaid dividend shall be forfeited by the Board before claim on such dividend becomes barred by applicable laws.
No interest on dividend	142		Subject to the provisions of the Act, no unpaid dividend shall bear interest as against the Company.
Dividend and call together	143		Any General Meeting declaring a dividend may, on the recommendation of the Directors, make a call on the Members, of such amount as the meeting fixes, but so that the call on each Member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend;; and the dividend may, if so arranged between the Company and the Members, be set off against the calls.

CAPITALISATION				
Capitalisation	144	(a)		The Company in General Meeting may upon the recommendation of the Board, resolve:
			(i)	that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution;; and
			(ii)	that such sum be accordingly set free for distribution in the manner specified in this Article amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportion.
		(b)		The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in the Articles, either in or towards—
			(i)	paying up any amounts for the time being unpaid on any Shares held by such Members respectively;;
			(ii)	paying up in full, unissued Shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid;;
			(iii)	partly in the way specified in sub--clause (i) and partly in that specified in sub--clause (ii);;
				Securities premium account and Capital Redemption Reserve account may, for the purposes of this regulation, be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus shares;;
		(c)		A General Meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company, or any investment representing the same, or any other undistributed profits of the Company, not subject to charge for income--tax, to be distributed among the Members on the footing that they receive the same as Capital.
		(d)		Whenever such a resolution as aforesaid shall have been passed, the Board shall—
			(i)	make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid Shares if any, and
		(e)	(ii)	generally, do all acts and things required to give effect thereto. The Board shall have power—
			(i)	to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of Shares becoming distributable in fractions;; and
			(ii)	to authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully Paid--up, of any further Shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing Shares;;
		(f)		Any agreement made under such authority shall be effective and binding on such Members.

ACCOUNTS				
Directors to keep true accounts	145	(a)		Subject to the provisions of the Act, the books of accounts of the Company shall be maintained at the Office of the Company, or at such other place as the Board may determine.
		(b)		The books of account shall give a true and fair view of the state of the affairs of the Company, or branch office, as the case may

			be, and explain its transactions. The books of accounts, and other books and papers shall be open to inspection by any Directors during business hours.
As to inspection of books of accounts	146		The books of accounts of the Company may be inspected by a Director in person as per the provisions of the Act.
DOCUMENTS AND NOTICES			
Service of documents or notices to members	147	(a)	Save as otherwise provided, service of documents will be made in compliance with the provisions of the Act. The documents can also be served by way of a Uniform Resource Locator (URL) in the e--mail and document posted in the said URL.
		(b)	Where a Member desires to receive documents through a particular mode as permitted under the Act, he shall give a prior intimation to the Company regarding the same. The Company may serve such document in such mode subject to such sum as may be fixed by the Board to defray the expenses of doing so and such sum to be paid upfront before effecting such mode of service.
Advertisement	148		A document or notice advertised in a newspaper circulating in the district of the Office shall be deemed to be duly served or sent on the day on which the advertisement appears on, or to every Member who has no registered address in India and has not supplied to the Company an address within India, or an e--mail address for the serving of documents for sending of notices to him.
On joint holders	149		A document or notice, may be served or given by the Company, on or to the joint holders of a Share, by serving or giving the document or notice, on or to the joint holders named first in the Register of Members, in respect of the Shares.
To whom documents or notices to be served or given	150		Documents or notices of every General Meeting shall be served or given in the same manner herein before authorised, on or to, (a) every Member, (b) every person entitled to a Share in consequence of the death or lunacy or insolvency of a Member, and (c) the Auditor or auditors for the time being of the Company, and such other persons as entitled to receive the same as per the provisions of the Act.
Members bound by documents given, to be served on or given to previous holders	151		Every person who, by operation of Law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which previously to his name and address being entered on the Register of Members, shall have been duly served on or given to the person from whom he derives his title to such Shares.
Document or notice by company and signature thereto	152		Any document or notice to be served, or given by the Company, may be signed by a Director or some person duly authorised by the Board for such purpose, and the signature thereto may be written, printed or lithographed.
Service of documents or notices by members	153		A document may be served on a Company or an Officer thereof, by sending it to the Company, or the Officer at the Office of the Company, by registered post, by speed post, by courier service, or by leaving it at its registered Office (by hand delivery), or by means of such electronic or other mode as may be prescribed under the Act.
WINDING UP			
Liquidator may divide assets in specie	154		Subject to the provisions of the Act and rules made thereunder—
		(a)	If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the Members, in space or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

	(b)	For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid, and may determine how such division shall be carried out as between the Members, or different classes of Members.
	(c)	The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no Member shall be compelled to accept any Shares or other securities whereon there is any liability.
INDEMNITY AND RESPONSIBILITY		
Directors' and others' right of indemnity	155	The Company shall indemnify every officer out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in connection with the discharge of his duties as an Officer, except if such liability is caused due to his negligence or wilful contravention of any provisions of the Act. The Company may take and maintain any insurance as the Board may think fit on behalf of the aforesaid persons for indemnifying against any liability for their acts in relation to the Company for which they may be liable, subject to such terms and conditions as the Board may specify.
SECRECY CLAUSE		
Secrecy clause	156	Every Officer, auditor, trustee, agent, or other persons employed, or engaged for the business of the Company, shall, if so required, by the Directors, before entering upon duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties, except when required to do so by the Directors, or by Law, or by the person to whom such matters relate, except so far as may be necessary in order to comply with any of the provisions in these presents contained.
	157	No Member shall be entitled to visit any works of the Company without permission of the Directors, or to require discovery of, or any information respecting details of the Company's trading, or any matter which is, or may be in the nature of a trade secret, mystery of trade, secret process, or any other matter which may relate to the conduct of the business of the Company, and which in the opinion of the Directors, it would be in expedient in the interests of the Company to disclose.
GENERAL POWER		
General power	158	Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.
	159	At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the Act, or any other applicable laws, the provisions of such Applicable Laws shall prevail over the Articles to such extent and the Company shall discharge all of its obligations as prescribed under the Applicable Laws, from time to time. Upon listing of the Equity Shares on a recognized stock exchange, if the Articles are or become contrary to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), as

	amended, the provisions of the SEBI Listing Regulations shall prevail over the Articles to such extent and the Company shall discharge all of its obligations as prescribed under the SEBI Listing Regulations.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and subsisting contracts (not being contracts entered into in the ordinary course of business carried on by our Company and includes contracts entered into until the date of this Draft Red Herring Prospectus), which have been entered or are to be entered into by our Company which are, or may be, deemed material, will be attached to the copy of the Red Herring Prospectus and the Prospectus, as applicable, which will be delivered to the RoC for filing. Copies of the abovementioned documents (including the Red Herring Prospectus) and contracts, and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10:00 a.m. and 5:00 p.m. on all Working Days from date of filing of the Red Herring Prospectus until the Bid/ Offer Closing Date and will be available on the website of our Company at https://www.hyundai.com/in/en/investor-relations/investor-information/material-documents.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time, if so required, in the interest of our Company, or if required by the other parties, without reference to the Shareholders, subject to compliance with the provisions of the Companies Act and other applicable law.

A. Material Contracts for the Offer

1. Offer Agreement dated June 14, 2024 among our Company, the Promoter Selling Shareholder and the BRLMs.

2. Registrar Agreement dated June 14, 2024 among our Company, the Promoter Selling Shareholder and the Registrar to the Offer.

3. Cash Escrow and Sponsor Bank(s) Agreement dated [●] by and among our Company, the Promoter Selling Shareholder, the Registrar to the Offer, the BRLMs, the Syndicate Members, the Escrow Collection Bank(s), Sponsor Bank(s), Public Offer Bank and the Refund Bank(s).

4. Share Escrow Agreement dated [●] among our Company, the Promoter Selling Shareholder and the Share Escrow Agent.

5. Syndicate Agreement dated [●] among our Company, the Promoter Selling Shareholder, the BRLMs and the Syndicate Members.

6. Underwriting Agreement dated [●] among our Company, the Promoter Selling Shareholder and the Underwriters.

B. Material Documents

1. Certified copies of our Memorandum of Association and Articles of Association, as amended from time to time.

2. Certificate of incorporation dated May 6, 1996, and certificate for commencement of business dated May 10, 1996, issued by the Registrar of Companies, Tamil Nadu

3. Resolution of the Board dated May 17, 2024, approving the Offer and other related matters.

4. Resolution of our Board dated June 12, 2024 approving this Draft Red Herring Prospectus.

5. Resolution of our IPO Committee dated June 14, 2024 approving this Draft Red Herring Prospectus.

6. Resolution of our IPO Committee dated June 14, 2024, taking on record the consent of the Promoter Selling Shareholder to participate in the Offer for Sale.

7. Consent letter dated June 14, 2024 from the Promoter Selling Shareholder authorising its participation in the Offer.

8. Copies of the annual reports of our Company for the Financial Years ended March 31, 2023, 2022 and

2021.

9. The examination report dated June 12, 2024 of the Statutory Auditor, on our Restated Consolidated Financial Information, included in this Draft Red Herring Prospectus.

10. The statement of possible special tax benefits dated June 12, 2024 issued by the Statutory Auditor.

11. Written consent of the Directors, Company Secretary and Compliance Officer, Promoter, the BRLMs, the Syndicate Members, legal counsel to our Company as to Indian law, international legal counsel to the Company, Registrar to the Offer, Independent Chartered Accountant, Escrow Collection Bank(s), Public Offer Bank(s), Refund Bank(s), Sponsor Bank, Bankers to our Company, as referred to in their specific capacities.

12. Certificate dated June 14, 2024 issued by Manian & Rao, Independent Chartered Accountant, certifying the KPIs of the Company.

13. Written consent dated June 12, 2024 from B S R & Co. LLP, Chartered Accountants, to include its name as required under section 26 of the Companies Act read with SEBI ICDR Regulations, in this DRHP, and as an "expert" as defined under section 2(38) of the Companies Act to the extent and in their capacity as independent statutory auditor, and in respect of their (i) examination report, dated June 12, 2024 on our Restated Consolidated Financial Information; and (ii) their report dated June 12, 2024 on the Statement of Possible Special Tax Benefits in this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.". This specific request considering there is 144 A component in the offer.

14. Written consent dated June 14, 2024 from Manian & Rao, Independent Chartered Accountant, to include its name as an "expert" as defined under Section 2(38) of the Companies Act.

15. Written consent dated June 14, 2024 from M/s. RBSA Advisors LLP, Independent Chartered Engineer, to include its name as an "expert" as defined under Section 2(38) of the Companies Act.

16. Consent letter dated June 14, 2024 from CRISIL, for the industry report titled *"Industry Report on the Passenger Vehicle Industry in India"*.

17. The report titled "*Industry Report on the Passenger Vehicle Industry in India*" dated June 2024 prepared and issued by CRISIL, commissioned by and paid for by our Company pursuant to an engagement letter with CRISIL dated April 10, 2024, exclusively for the purposes of the Offer.

18. Royalty agreement dated June 10, 2024 entered into between our Company and our Promoter.

19. Framework agreement dated June 13, 2024 entered into between our Company and our Promoter.

20. Asset Purchase Agreement dated August 16, 2023 ("**Agreement**") entered into between our Company and General Motors India Private Limited, read with the amendment to the Agreement dated October 17, 2023, second amendment to the Agreement dated October 31, 2023, third amendment to the Agreement dated December 5, 2023, fourth amendment to the Agreement dated December 18, 2023 and the deed of guarantee dated December 5, 2023 entered into by and among our Company, our Promoter and General Motors Holdings LLC.

21. Due diligence certificate dated June 14, 2024, addressed to SEBI from the BRLMs.

22. Appointment letter dated December 20, 2021 and the employment agreement dated December 20, 2021 entered into between our Company and Unsoo Kim.

23. Board resolution dated January 25, 2022 and an ordinary resolution of our Shareholders passed at their meeting dated March 30, 2022 revising the remuneration payable to Unsoo Kim.

24. Board resolution dated July 5, 2022 and an ordinary resolution of our Shareholders passed at their meeting dated August 8, 2022 revising the remuneration payable to Unsoo Kim.

25. Board resolution dated May 17, 2024 and an ordinary resolution of our Shareholders passed at their meeting dated May 17, 2024 revising the remuneration payable to Unsoo Kim.

26. Board resolution dated March 7, 2022 and an ordinary resolution of our Shareholders passed at their meeting dated March 30, 2022 revising the remuneration payable to Tarun Garg.

27. Board resolution dated July 28, 2022 and an ordinary resolution of our Shareholders passed at their meeting dated August 22, 2022 revising the remuneration payable to Tarun Garg.

28. Board resolution dated March 17, 2024 and an ordinary resolution of our Shareholders passed at their meeting dated May 17, 2024 revising the remuneration payable to Tarun Garg.

29. Board resolution dated July 28, 2022 and an ordinary resolution of our Shareholders passed at their meeting dated August 22, 2022 approving the remuneration payable to Gopalakrishnan Chathapuram Sivaramakrishnan.

30. Board resolutions, each dated September 15, 2022 and May 30, 2023 and an ordinary resolution of our Shareholders passed at their meeting dated August 7, 2023 revising the remuneration payable to Gopalakrishnan Chathapuram Sivaramakrishnan.

31. Board resolution dated May 17, 2024 and an ordinary resolution of our Shareholders passed at their meeting dated May 17, 2024 revising the remuneration payable to Gopalakrishnan Chathapuram Sivaramakrishnan.

32. In – principle approvals dated [●] and [●] issued by BSE and NSE, respectively.

33. Tripartite agreement dated April 16, 2024 between our Company, NSDL and the Registrar to the Company.

34. Tripartite agreement dated April 1, 2024 between our Company, CDSL and the Registrar to the Company.

35. SEBI observation letter bearing reference number [●] and dated [●].

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Unsoo Kim
Managing Director

Place: Gurugram
Date: June 14, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Tarun Garg
Whole-time Director and Chief Operating Officer

Place: Gurugram
Date: June 14, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Gopalakrishnan Chathapuram Sivaramakrishnan
Whole-time Director and Chief Manufacturing Officer

Place: Chennai
Date: June 14, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Ajay Tyagi
Independent Director

Place: New Delhi
Date: June 14, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Shalini Puchalapalli
Independent Director

Place: Bangalore
Date: June 14, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Sree Kirat Patel
Independent Director

Place: Mumbai
Date: June 14, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

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Wangdo Hur
Chief Financial Officer

Place: Gurugram
Date: June 14, 2024

DECLARATION

The undersigned Promoter Selling Shareholder hereby confirms that all statements and undertakings specifically made by it in this Draft Red Herring Prospectus about or in relation to itself and its Offered Shares, are true and correct. The Promoter Selling Shareholder assumes no responsibility for any other statements, disclosures or undertakings including, any of the statements, disclosures and undertakings made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

SIGNED FOR AND ON BEHALF OF HYUNDAI MOTOR COMPANY

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Authorised Signatory

Name: Seungjo Lee
Designation: Chief Financial Officer

Place: Seoul, South Korea
Date: June 14, 2024