

**Review Report**

To the Board of Directors of  
Mahindra CIE Automotive Limited

1. We have reviewed the accompanying statement of the unaudited financial results of Mahindra CIE Automotive Limited ("the Company") for the quarter June 30, 2016 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus, provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the accounting standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and the Companies (Indian Accounting Standards Rules), 2015 (as amended) and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. We draw attention to Note 2 of the Statement and for the reasons detailed therein, we have relied on the representation of management of the Company that it does not perceive any diminution other than temporary in the value of the long term investment of Rs 73,605.63 lakhs in the wholly owned subsidiaries namely Mahindra Forgings Global Limited and Mahindra Forgings International Limited in view of the measures for improving financial performance being taken by the management.

Our opinion is not modified in respect of this matter.

For B. K. Khare & Co.  
Chartered Accountants



Padmini Khare Kaicker  
Partner  
Membership No. 044784



Place : Mumbai  
Date : July 26, 2016

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MAHINDRA CIE AUTOMOTIVE LIMITED

Regd. Office : Mahindra Towers, P.K. Kurne Chowk, Worli, Mumbai - 400 018.

CIN: L27100MH1999PLC121285

Tel: +91 2135 663300 Fax: +91 2135 663407

Website: www.mahindra-cie.com E-mail: mcie.investors@mahindra.com

STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER ENDED JUNE 30, 2016.

Rs. In Lakhs

Sr. No.	Part-I Particulars	Quarter Ended			Year to Date ( See Note 4)		Previous Year
		June 30, 2016	March 31, 2016	June 30, 2015	6Months June 30, 2016	3 Months June 30, 2015	9 Months ended December 31, 2015
		Un Audited	Un Audited	Un Audited	Un Audited	Un Audited	Un Audited
1	Income from operation						
	(a) Sales (Net of Excise duty)**	37,829.31	37,414.80	38,070.01	75,244.11	38,070.01	1,11,329.97
	(b) Other operating income	2,620.49	3,004.56	3,507.54	5,625.05	3,507.54	9,033.23
	Total Income from operation (net)	40,449.80	40,419.36	41,577.55	80,869.16	41,577.55	1,20,363.20
2	Expenses						
	(a) Cost of material consumed	20,626.84	20,299.86	22,358.92	40,926.70	22,358.92	62,670.70
	(b) Change of inventories of finished goods and work-in progress	(884.43)	407.09	(885.54)	(477.34)	(885.54)	314.23
	(c) Employee benefit expenses	5,907.77	5,289.14	5,046.43	11,196.91	5,046.43	15,049.24
	(d) Depreciation and amortisation expenses	1,719.37	1,832.60	1,676.94	3,551.97	1,676.94	5,382.55
	(e) Other Expenses	10,822.86	10,614.30	11,057.08	21,437.16	11,057.08	32,216.51
	Total expenses	38,192.41	38,442.99	39,253.83	76,635.40	39,253.83	1,15,633.23
3	Profit from operations before other income, finance cost and exceptional items (1 - 2)	2,257.39	1,976.37	2,323.72	4,233.76	2,323.72	4,729.97
4	Other Income	494.63	403.85	227.50	898.48	227.50	508.21
5	Profit from ordinary activities before finance cost and exceptional items (3 +4)	2,752.02	2,380.22	2,551.22	5,132.24	2,551.22	5,238.18
6	Finance cost	82.92	65.28	99.10	148.20	99.10	229.35
7	Profit from ordinary activities after finance cost but before exceptional items (5-6)	2,669.10	2,314.94	2,452.12	4,984.04	2,452.12	5,008.83
8	Exceptional items (Refer Note 7)	901.75	-	-	901.75	-	-
9	Profit from ordinary activities before tax (7-8)	1,767.35	2,314.94	2,452.12	4,082.29	2,452.12	5,008.83
10	Tax expense	637.36	787.03	829.85	1,424.39	829.85	1,867.51
11	Net Profit/(Loss) from ordinary activities after tax(9-10)	1,129.99	1,527.91	1,622.27	2,657.90	1,622.27	3,141.32
12	Other comprehensive income	-	-	-	-	-	59.14
12	Total Comprehensive Income (11-12)	1,129.99	1,527.91	1,622.27	2,657.90	1,622.27	3,082.18
13	Paid -Up equity share capital (face value of Rs. 10 per equity share )	32,357.03	32,352.15	32,311.48	32,357.03	32,311.48	32,333.60
14	Reserve excluding revaluation reserve as per balance sheet of previous accounting year under IND AS.						2,02,225.92
15	Earning per share ( after extraordinary items) (of Rs 10 /- each) (Not annualised)						
	(a) Basic Rs.	0.35	0.47	0.50	0.82	0.50	0.95
	(b) Diluted Rs.	0.35	0.47	0.50	0.82	0.50	0.95

\*\*Sales & Excise Details

Sales Including Excise Duty	42,208.13	41,772.70	42,420.85	83,980.83	42,420.85	1,24,056.66
Excise Duty	4,378.81	4,357.90	4,350.84	8,736.71	4,350.84	12,726.69



Mahindra CIE Automotive Limited

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Rs. In Lakhs

Statement of Assets & Liabilities

Particulars		As at	
		June 30, 2016	Dec 31, 2015
		Un audited	Un audited
<b>A</b>	<b>ASSETS</b>		
1	<b>Non-current assets</b>		
	(a) Property, Plant and Equipment	51,547.22	51,862.11
	(b) Capital work-in-progress	1,922.42	2,211.47
	(c) Other Intangible assets (other than goodwill)	947.65	1,015.26
	(d) Financial Assets		
	(i) Investments in subsidiaries	1,55,712.29	1,55,461.10
	(ii) Investments in others	0.26	0.26
	(iii) Security deposits	3,082.62	3,074.95
	(e) Deferred tax assets (net)	-	-
	(f) Other non-current assets	4,537.32	5,126.62
	<b>Total Non - Current Assets</b>	<b>2,17,749.78</b>	<b>2,18,751.77</b>
2	<b>Current assets</b>		
	(a) Inventories	16,941.12	15,130.67
	(b) Financial Assets		
	(i) Investments	11,128.74	6,628.30
	(ii) Trade receivables	25,781.43	23,027.33
	(iii) Cash and cash equivalents	2,226.96	1,312.35
	(iv) Bank balances other than (iii) above	216.94	1,254.33
	(c) Current Tax Assets (Net)	6,285.81	6,396.16
	(d) Other current assets	4,786.96	4,713.07
	<b>Total Current Assets</b>	<b>67,367.96</b>	<b>58,462.21</b>
	<b>Total Assets (1+2)</b>	<b>2,85,117.74</b>	<b>2,77,213.98</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
1	<b>Equity</b>		
	(a) Equity Share capital	32,357.03	32,333.60
	(b) Other Equity		
	(i) Share premium	50,072.28	49,869.68
	(ii) Other reserves	1,55,492.83	1,52,356.24
	<b>Total equity (I+II)</b>	<b>2,37,922.14</b>	<b>2,34,559.52</b>
	<b>LIABILITIES</b>		
2	<b>Non-current liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	569.45	1,071.25
	(b) Provisions	1,477.96	1,883.40
	(c) Deferred tax liabilities (Net)	2,793.48	2,600.65
	(f) Other non-current liabilities	2,622.81	2,622.81
	<b>Total Non - Current Liabilities</b>	<b>7,463.70</b>	<b>8,178.11</b>
3	<b>Current liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	3,339.88	1,127.30
	(ii) Trade payables	20,974.15	19,926.01
	(iii) Other financial liabilities (other than those specified in (b) below)	933.80	1,525.93
	(b) Provisions	770.99	695.46
	(c) Other current liabilities	13,713.08	11,201.65
	<b>Total Current Liabilities</b>	<b>39,731.90</b>	<b>34,476.35</b>
	<b>Total Equity and Liabilities (1+2+3)</b>	<b>2,85,117.74</b>	<b>2,77,213.98</b>

MAHINDRA CIE AUTOMOTIVE LIMITED (formerly known as MAHINDRA FORGINGS LIMITED)

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STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER ENDED JUNE 30, 2016.

Notes

- The above results are standalone results of Mahindra CIE Automotive Limited
- The Company has invested in Mahindra Forgings Europe AG (MFE AG), Germany through its wholly owned subsidiaries in Mauritius namely Mahindra Forgings International Limited (MFIL) and Mahindra Forgings Global Limited (MFGL). The net worth of these companies is eroded as at 31st December, 2015. The actions initiated by the management under guidance of CIE's European Technical Team have resulted in the improvement in operations. Accordingly, no provision for diminution in the value of investment in MFE in standalone accounts (Rs. 73606 Lakhs) has been made. The auditors while taking note of the actions initiated by the management, have mentioned this as a "matter of emphasis" in their report.
- The results of the company constitute a single business and geographical segment i.e. automotive components manufactured in India.
- The Company has obtained the permission for changing the Financial Year end from March 31 to December 31. In view of the change the results of the previous year are for the 9 months ended December 31, 2015 and the results of corresponding year to date results are for 3 months ended June 30, 2015 hence the figures are not entirely comparable with the current year to date results which are for 6 months.
- The Company has voluntarily adopted the Indian Accounting Standards (IND AS) with effect from January 1, 2016 and the results for the quarters ended June 30, 2016 and March 31, 2016 and for the year to date results for the period ended June 30, 2016 have been prepared as per the recognition and measurement principles of IND AS. As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR") issued by the Securities and Exchange Board of India ("the SEBI"), the results for the quarter ended June 30, 2016 and the comparative results for quarters ended Mar 31, 2016 and Jun 30, 2015 and the previous year from April 1, 2015 to December 31, 2015 have been prepared in accordance with the recognition and measurement principles of IND AS. Further a, as per the LODR and applicable circulars the Balance Sheet as at June 30, 2016 is as per the format applicable under IND AS. These figures have not been audited / reviewed by the statutory auditors. However the management has exercised necessary due diligence to ensure that the financial results provide for a true and fair view of its affairs.
- The reconciliation of all amounts required to be disclosed as per the LODR and applicable circulars issued by SEBI in this regard are summarised below:

Reconciliation of Statement of Profit and Loss:

Rs. In Lakhs

	Quarter ended Jun 30, 2015	9 months ended Dec 31, 2015
Net profit as per previously applicable Accounting standards	1,622.27	3,084.50
Provision for doubtful receivables( net of deferred tax)	-	2.31
Actuarial (gain)//loss for the employee defined benefit funds recognised under Other Comprehensive Income	-	59.14
Net profit for the period under IND AS	1,622.27	3,141.33
Other Compressive Income		(59.14)
Total Comprehensive Income under IND AS	1,622.27	3,082.19

Rs. In Lakhs

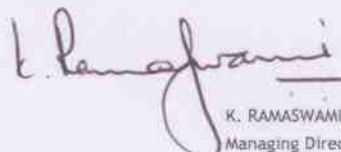
Reconciliation of Equity (other than equity share capital-no change)

As at

	Apr 1, 2015	Dec 31, 2015
Reserves and Surplus as per previously applicable accounting standards	198,555.30	202,289.24
Adjustment for restatement of Profit under Ind AS	61.01	63.32
Reserves & Surplus under IND AS	198,494.29	202,225.92

- Exceptional Item included in the results relates to Voluntary Retirement Scheme in the Magnetic plant of the Company.
- The results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on July 26, 2016.

For and on behalf of the Board of Directors,

  
K. RAMASWAMI  
Managing Director

Mumbai  
July 26, 2016

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STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER ENDED JUNE 30, 2016.

Rs. in Lakhs

Particulars	Quarter ended	Year to Date ended	Quarter ended
	Jun 30 2016	Jun 30, 2016	Jun 30 2015
	Un Audited	Un Audited	Un Audited
Total Income from Operation (Net)	40,449.80	80,869.16	41,577.55
Net Profit / (Loss) for the period (before Tax, Exceptional and / or Extraordinary Items)	2,669.10	4,984.04	2,452.12
Net Profit / (Loss) for the period before tax(after Exceptional and / or Extraordinary items)	1,767.35	4,082.29	2,452.12
Net Profit / (Loss) for the period after Tax( after Exceptional and / or Extraordinary items)	1,129.99	2,657.90	1,622.27
Total Comprehensive Income for the period [Comprising Profit/(loss) for the period (after tax) and Other Comprehensive Income(after tax)]	1,129.99	2,657.90	1,622.27
Equity Share Capital	32,357.03	32,357.03	32,311.48
Reserve (excluding revaluation reserve) as per balance sheet of previous accounting year under IND AS (9 months ended Dec 31, 2015*)			202,225.92
Earning Per Share (before extraordinary items) (of 10/- each)			
Basic	0.35	0.82	0.50
Diluted	0.35	0.82	0.50
Earning Per Share (after extraordinary items) (of 10/- each)			
Basic	0.35	0.82	0.50
Diluted	0.35	0.82	0.50

The reconciliation of all amounts required to be disclosed as per the LODR and applicable circulars issued by SEBI in this regard are summarised below:

Reconciliation of Statement of Profit and Loss:

Rs. in Lakhs

	Quarter ended Jun 30, 2015	9 months ended Dec 31, 2015
Net profit as per previously applicable Accounting standards	1,622.27	3,084.50
Provision for doubtful receivables( net of deferred tax)	-	2.31
Actuarial (gain)//loss for the employee defined benefit funds recognised under Other Comprehensive Income	-	59.14
Net profit for the period under IND AS	1,622.27	3,141.33
Other Compressive Income		-
Total Comprehensive Income under IND AS	1,622.27	3,141.33

Reconciliation of Equity (other than equity share capital-no change)

Rs. in Lakhs

	As at	
	Apr 1, 2015	Dec 31, 2015
Reserves and Surplus as per previously applicable accounting standards	198,555.30	202,289.24
Adjustment for restatement of Profit under Ind AS	61.01	63.32
Reserves & Surplus under IND AS	198,494.29	202,225.92

\*The Company had obtained the permission for changing the Financial Year end from March 31 to December 31. In view of the change the results of the previous year is for the 9 months period ended December 31, 2015.

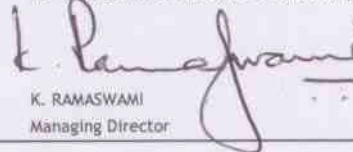
Note : The above is extract of detailed format of quarterly/Annual Financial Results filed with the stock exchange under regulation 33 of SEBI ( Listing and Other Disclosure Requirements) Regulations, 2015.

The full format of Quarterly/Annual results are available in the Company's website www.mahindracie.com and on the website of stock exchanges www.nseindia.com and bseindia.com

Date : July 26, 2016  
Place : Mumbai



For & on behalf of the Board of Directors,

  
K. RAMASWAMI  
Managing Director