

MG India's statement for MCA Notice

Gurugram, October 31, 2022:

We have been sent a notice seeking clarifications primarily on why we have operational losses basis our annual report for the first year of operations 2019-2020.

MG Motor India is a law-abiding, professionally managed company that adheres to the highest standards of compliance and governance and is committed to transparency. We fully cooperate with the Govt authorities on all issues and are in process of providing the desired records and information to the Registrar of Companies within the stipulated time frame.

At the same time, we would also like to state that it is impossible for any automobile company to be profitable in the very first year of its operations. This is because of the huge Capex investment required and the long gestation period in a highly competitive market such as India where many multinationals have struggled for decades and have accumulated losses. We are a global multinational, and our books are maintained as per Indian accounting standards and audited by reputed audit firms.

About MG Motor India

Founded in the UK in 1924, Morris Garages vehicles were world-famous for their sports cars, roadsters, and cabriolet series. MG vehicles were much sought after by many celebrities, including the British Prime Ministers and even the British Royal Family, for their styling, elegance, and spirited performance. The MG Car Club, set up in 1930 at Abingdon in the UK, has thousands of loyal fans, making it one of the world's largest clubs for a car brand. MG has evolved into a modern, futuristic, and innovative brand over the last 98 years. Its state-of-the-art manufacturing facility in Halol, Gujarat, has an annual production capacity of 80,000 vehicles and employs nearly 2,500 workers. Driven by its vision of CASE (Connected, Autonomous, Shared, and Electric) mobility, the cutting-edge automaker has augmented across-the-board 'experiences' within the automobile segment today. It has introduced several 'firsts' in India, including India's first Internet SUV – MG Hector, India's first Pure Electric Internet SUV – MG ZS EV, India's first Autonomous (Level 1) Premium SUV – MG Gloster and MG Astor- India's first SUV with personal AI assistant and Autonomous (Level 2) technology.