



Samvardhana MotherSON International Limited

(formerly MotherSON Sumi Systems Limited)

Head Office: C-14 A & B, Sector 1, Noida – 201301 Distt. Gautam Budh Nagar, U.P. India

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July 7, 2023

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No. C/1, G-Block
Bandra-Kurla Complex
Bandra (E)
MUMBAI – 400051, India

BSE Limited
1st Floor, New Trading Ring
Rotunda Building
P.J. Towers, Dalal Street
Fort
MUMBAI – 400001, India

Scrip Code : MOTHERSON

Scrip Code : 517334

Subject: Intimation under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015

Dear Sir / Madam,

Samvardhana MotherSON International Limited (formerly MotherSON Sumi Systems Limited) ("**SAMIL**") has entered into an agreement to acquire 100% stake in Rollon Hydraulics Private Limited ("**Rollon**").

Rollon is engaged in manufacturing, assembly and supply of high precision turned parts, spools, and other machined components with critical engineering applications for the Agriculture and Off-Highway segment from its two facilities based out of Bengaluru (India). The target business will be housed under the Precision Metals and Modules division which is a part of Emerging Businesses division of SAMIL.

Subject to satisfactory completion of conditions precedent to closing, the transaction is expected to be closed in quarter 2 of FY 2023-24.

In this respect, details prescribed vide SEBI circular no. CIR/CFD/CMD/4/2015 dated September 09, 2015 along with press release to be issued by the Company are respectively enclosed herewith as **Annexure – 'A'** and **'B'**.

The above is for your information and records.

Thanking you,


Yours truly,

For Samvardhana MotherSON International Limited
(formerly MotherSON Sumi Systems Limited)

Alok Goel
Company Secretary

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Bandra Kurla Complex, Bandra East
Mumbai – 400051, Maharashtra (India)
Tel: 022-61354800, Fax: 022-61354801
CIN No.: L34300MH1986PLC284510
Email: investorrelations@motherSON.com

Acquisition (including agreement to acquire)

Sr. No.	Details of Events that need to be provided	Information about such events
a	Name of target entity, details in brief such as size, turnover etc.	<p>1) <u>Name of the Target:</u> Rollon Hydraulics Private Limited (“RHPL” or “Target” or “Company”)</p> <p>2) <u>Business of the Target:</u> Target is, inter alia, engaged in manufacture, sub-assembly and supply of high precision turned parts, spools, and other machined components with critical engineering applications. The Target business will be housed under the Precision Metals and Modules division which is a part of Emerging Businesses division of SAMIL.</p> <p>3) <u>FY23 Reported Turnover:</u> INR 60.3 crore</p> <p>4) <u>FY23 EBITDA*:</u> INR 15.3 crore</p>  <p style="text-align: right;"><i>After considering Director's Payout</i></p>
b	Whether the acquisition would fall within related party transaction(s) and whether the promoter/promoter group/group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at arms length	No
c	Industry to which the entity being acquired belongs	Off-highway industry like Construction Equipment, Agriculture Equipment & Material Handling.
d	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the Company);	<ul style="list-style-type: none"> Strengthening our existing Precision Metals & Modules division, by foraying into construction equipment, agriculture equipment & material handling markets via complex ‘Spools & turned parts’ for hydraulic valve applications. Access to a pedigreed customer base such as Husco, Walvoil, Parker, Eaton etc., across the off-highway industry along with specialised machining, surface treatment, and sub-assembly capabilities. This transaction will also support growth of our existing India & Mexico machining footprint.

Sr. No.	Details of Events that need to be provided	Information about such events								
		<ul style="list-style-type: none"> • Access to growing export market of Spools for Hydraulic Valve applications. 								
e	Brief details of any governmental or regulatory approvals required for the acquisitions	No governmental or regulatory approvals required for this acquisition.								
f	Indicative time period for completion of the acquisition	Subject to satisfactory completion of conditions precedent to closing, the transaction is expected to be closed in Q2 FY24.								
g	Nature of consideration – whether cash consideration or share swap and details of the same	Cash transaction.								
h	Cost of acquisition or the price at which the shares are acquired	<p>Enterprise Value - INR 76.5 crore determined basis locked box accounts as on 31st March 23</p> <p>Equity Value (i.e., Purchase consideration) of ~INR 103 crore for acquisition of 100% of Target</p>								
i	Percentage of shareholding / control acquired and / or number of shares acquired	SAMIL to acquire 100% shares of the Target and post completion of the transaction, target will become wholly owned subsidiary of SAMIL.								
j	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and other significant information (in brief)	<p>1) <u>Main line of business:</u> Target is, inter alia, engaged in manufacture, sub-assembly and supply of high precision turned parts, spools, and other machined components with critical engineering applications.</p> <p>2) <u>Date of incorporation of the Target:</u> 10th March 1994.</p> <p>3) <u>Turnover of last three financial years:</u></p> <table border="1" data-bbox="730 1451 1385 1630"> <thead> <tr> <th>Particular (INR cr)</th> <th>FY 2021</th> <th>FY 2022</th> <th>FY 2023</th> </tr> </thead> <tbody> <tr> <td>Turnover</td> <td>45.6</td> <td>64.0</td> <td>60.3</td> </tr> </tbody> </table> <p><u>Presence:</u> The Target has two manufacturing facilities in Bangalore, India.</p>	Particular (INR cr)	FY 2021	FY 2022	FY 2023	Turnover	45.6	64.0	60.3
Particular (INR cr)	FY 2021	FY 2022	FY 2023							
Turnover	45.6	64.0	60.3							

Motherson strengthens its machining business in India, acquires Rollon Hydraulics

Noida (India), 07th July 2023

Samvardhana Motherson International Limited (SAMIL) has entered into an agreement to acquire 100% stake in Rollon Hydraulics Private Limited (“Rollon”). Rollon is engaged in manufacturing, assembly and supply of high precision turned parts, spools, and other machined components with critical engineering applications for the Agriculture and Off-Highway segment from its two facilities based out of Bengaluru (India).

Rollon is engaged in high-precision machining and sub-assembly of highly complex components for the off-highway segment and has a vertically integrated unit engaged in surface treatment of machined parts. The company reported revenues of ~INR 60 crores for FY23, with a healthy profitability.

Motherson through its Precision Metals & Modules business division is a leading supplier to the automotive and non-automotive industry. Its manufacturing facilities across India and Mexico for precision machining are equipped with state-of-the-art CNC machines and highly customised special purpose machines, supported by surface treatment and metrological measuring facilities. The company has specialised technology and expertise for precision machining parts with capabilities like turning, drilling, grinding, milling tools and machining etc.

Following the industry trends of supplier consolidation, coupled with global footprint of Motherson, this acquisition will create further organic growth opportunities through increase of global share of business with existing and new customers.

The transaction will also provide Motherson, access to a pedigreed customer base across the off-highway industry along with specialised machining, plating, surface treatment and sub-assembly capabilities. The proposed transaction will contribute towards the growth of Precision Metals & Modules division.

Commenting of the deal, Mr Vivek Chaand Sehgal, Chairman, Motherson said,

“Our focus on being a solutions provider to our customers has been a driving force for this acquisition. We are getting access to a new industry segment of construction and material handling for our precision metal business. We believe this business is highly synergistic with Motherson’s existing business and offers ample opportunities to grow this business in India, Mexico & other geographies. This is our fifth acquisition in India in the past 12 months, reaffirming India’s importance in our future plans.”

About Rollon Hydraulics Private Limited

Rollon Hydraulics was established in 1994 by Mr. Sanjeev Shah in Bengaluru, India. The company is engaged in manufacturing of precision turned components and high precision spools for hydraulics applications. RHPL caters to off-highway industry like Construction Equipment, Tractors, Material Handling Equipment etc. with 2 facilities across Bengaluru and employs over ~240 personnel.

About Samvardhana MotherSON International Limited (SAMIL)

(Formerly MotherSON Sumi Systems Limited.)

Samvardhana MotherSON International Limited (SAMIL) is a diversified global manufacturing specialist and one of the world's largest and fastest-growing automotive suppliers for OEMs. MotherSON supports its customers from more than 300 facilities across 41 countries, with a team of over 168,000 dedicated professionals. The company recorded revenues of USD 12.7 Bn for FY23 and is among the top 25 largest automotive suppliers worldwide. To know more about MotherSON please visit www.motherSON.com (CIN - L34300MH1986PLC284510).

For more details on this transaction, you may please contact

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