



## 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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October 20, 2023

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

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

**Scrip Code: 517334**

**Symbol: MOTHERSON**

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

Dear Sir / Madam,

The Board of Directors of Samvardhana Motherson International Limited (the “Company”) at their meeting held on October 20, 2023 approved to acquire 100% stake of Samvardhana Motherson Adsys Tech Limited from Motherson Auto Limited, subject to satisfactory completion of conditions precedent. Post completion of the transaction, Samvardhana Motherson Adsys Tech Limited will become wholly owned subsidiary of the Company.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with SEBI circular SEBI/HO/CFDPoD-1/P/CIR/2023/123 dated July 13, 2023, details of acquisition of the Company are enclosed herewith as **Annexure**.

The Board Meeting of the Company commenced at 1300 Hours (IST) and concluded at 1518 Hours (IST).

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)

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**ANNEXURE**  
**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> Samvardhana Motherson Adsys Tech Limited (“<b>SMAST</b>” or “<b>Target</b>”).</p> <p>2) <u>Business of Target:</u> Target is inter-alia, engaged in the business of manufacturing and sale of Electric Wiring and Interconnect Systems (EWIS) for customers engaged in aerospace and advance systems.  The Target business will be housed under the Aerospace which is a part of Emerging Businesses division of SAMIL.</p> <p>3) <u>FY 23 Reported Turnover:</u> INR 6.9 Crore.</p>
b)	<p>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?</p> <p>If yes, nature of interest and details thereof and whether the same is done at arms-length</p>	<p>SMAST is a Wholly Owned Subsidiary (WOS) of Motherson Auto Limited (“MAL”), a promoter group entity.</p> <p>Yes. The transaction will be done at on arms-length basis.</p> <p>The proposed one-time related party transaction was, <i>inter-alia</i>, considered, approved and recommended by audit committee of the Company based on an independent valuation report. Only independent directors of the audit committee participated during approval of the related party transaction.</p> <p>Mr. V. C. Sehgal, Chairman and Mr. L. V. Sehgal, Director are promoter of the Company and holds directly and indirectly 99.98% equity shares of MAL along with holding directorship on the Board of MAL. Except as mentioned hereinabove, no other director or key managerial personnel are interested in the proposed transaction.</p>
c)	Industry to which the entity being acquired belongs	Aerospace and Advance Systems
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);	<p>SMAST is engaged in the manufacturing of Electrical Wiring Harness and Inter-connect Systems (EWIS) and trading of various products for aerospace and advance system applications. SMAST has extensively done business development since its inception and is now ready to reap benefits deep customer connects that is has been able to create.</p> <p>SMAST capabilities complement core business of CIRMA SAS, a French entity acquired by SAMIL recently. Both businesses are engaged in manufacturing of Electrical Wiring Harness and Inter-connect systems (EWIS). Combining these two entities under SAMIL will;</p> <p>(a) Simplify group structure and consolidate the Electrical Wiring and Interconnect Systems (EWIS) for aerospace and advance systems;</p>

Sr. no.	Details of Events that need to be provided	Information about such events
		<p>(b) Provide access to trained and experienced management and operations team;</p> <p>(c) Add a facility in India certified on OEM specific process for manufacturing of Electric Wiring and Interconnect Systems (EWIS);</p> <p>(d) Increase the aerospace booked business by ~INR 1,000 Mn;</p> <p>(e) Gain on account of established Tier customer relationships with marquee OEMs and Tier-1s in aerospace and advance systems space with potential to grow significantly and providing an opportunity to cross-sell SAMILs existing product portfolio;</p> <p>(f) Create a strong value proposition for customers with near shore (CIRMA) and best cost (SMASST) sourcing footprint; and</p> <p>(g) Acquisition to contribute to the revenues and is an ordinary course of business for increasing revenue through merger(s) and acquisition(s) as per defined goals.</p> <p>The proposed transaction will be subject to customary conditional precedents and contractual non-compete obligations on MAL for a period of five (5) years.</p>
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 Q3 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>Valuation of the Target has been done by an independent valuer.</p> <p>Cash consideration of ~INR 219 Mn for acquisition 100% shares of Target. In addition SAMIL would be taking over debt of ~INR 379 Mn.</p> <p>The entire consideration will be paid simultaneously upon closing.</p> <p>The annual consolidated turnover of the Company for the financial year 2023 was INR 789,557 million and the proposed one-time transaction is less than 0.1% to its said turnover.</p>
i)	Percentage of shareholding / control acquired and / or number of shares	SAMIL to acquire 100% shares of the Target and post-completion of the transaction, target will become wholly

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	acquired	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 the business of manufacturing and sale of Electric Wiring and Interconnect Systems (EWIS) for customers engaged in aerospace and advance systems.</p> <p>2) <u>Date of incorporation of the Target:</u> August 18, 2017</p> <p>3) <u>Turnover of last three financial years:</u></p> <table border="1" data-bbox="724 638 1370 808"> <thead> <tr> <th data-bbox="724 638 876 739">Particulars (INR Mn)</th> <th data-bbox="876 638 984 739">FY 2021</th> <th data-bbox="984 638 1093 739">FY 2022</th> <th data-bbox="1093 638 1201 739">FY 2023</th> <th data-bbox="1201 638 1370 739">FY 2024 H1</th> </tr> </thead> <tbody> <tr> <td data-bbox="724 739 876 808">Turnover</td> <td data-bbox="876 739 984 808">9.7</td> <td data-bbox="984 739 1093 808">54.9</td> <td data-bbox="1093 739 1201 808">68.6</td> <td data-bbox="1201 739 1370 808">50.8</td> </tr> </tbody> </table> <p>4) <u>Presence:</u> The Target has one manufacturing facility in Noida, India.</p>	Particulars (INR Mn)	FY 2021	FY 2022	FY 2023	FY 2024 H1	Turnover	9.7	54.9	68.6	50.8
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