

MSIL: COS: NSE&BSE: 2023/07\_13

Date: 31<sup>st</sup> July, 2023

To,

Vice President  
**National Stock Exchange of India Limited**  
“Exchange Plaza”, Bandra – Kurla  
Complex Bandra (E),  
Mumbai – 400 051

General Manager  
Department of Corporate Services  
**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai – 400 001

**Subject: Maruti Suzuki Board approves acquiring shares of SMG from SMC**

Dear Sir,

You are kindly informed that the Board, in its meeting held today, approved termination of the contract manufacturing agreement with Suzuki Motor Gujarat Private Limited (SMG) and exercising the option to acquire the shares of SMG from Suzuki Motor Corporation (SMC) subject to all legal and regulatory compliances including minority shareholders’ approval.

The details under Para A of Schedule III of Regulation 30 of the Listing Regulations are attached as Annexure A.

The board meeting commenced at 11:55 a.m. and concluded at 03:45 p.m.

Kindly take the same on record.

Thanking you,

Yours faithfully,

*For* **Maruti Suzuki India Limited**

Sanjeev Grover  
Executive Vice President  
& Company Secretary

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**MARUTI SUZUKI INDIA LIMITED**

**Head Office:**

Maruti Suzuki India Limited,  
1, Nelson Mandela Road, Vasant Kunj,  
New Delhi - 110070, India.

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E-mail id: [contact@maruti.co.in](mailto:contact@maruti.co.in), [www.marutisuzuki.com](http://www.marutisuzuki.com)

**Gurgaon Plant:**

Maruti Suzuki India Limited,  
Old Palam Gurgaon Road,  
Gurgaon - 122015, Haryana, India.

Tel: 0124-2346721, Fax: 0124-2341304

**Manesar Plant:**

Maruti Suzuki India Limited,  
Plot No.1, Phase - 3A, IMT Manesar,  
Gurgaon - 122051, Haryana, India.

Tel: 0124-4884000, Fax: 0124-4884199

**Annexure A**

| <b>S.NO.</b> | <b>PARTICULARS</b>   | <b>DETAILS</b>  |
|--------------|--|---|
| 1.           | Name of the target entity, details in brief such as size, turnover etc.  | <p>Suzuki Motor Gujarat Private Limited (SMG) is a company incorporated under the Companies Act and having its registered office at Block no. 334 and 335, Hansalpur, near village Becharaji, Mandal Hansalpur, Ahmedabad Gujarat 382130 and is a wholly owned subsidiary of Suzuki Motor Corporation (SMC) which is a body corporate incorporated in Japan.</p> <p>The turnover of the SMG in the last financial year ended on 31<sup>st</sup> March 2023 was INR 318,525 million.</p> |
| 2.           | 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 “arm’s length” | <p>Presently, SMC holds 100% equity capital of SMG. The acquisition of 100% equity capital by Maruti Suzuki India Limited (MSIL) from SMC is a related party transaction and shall be done according to the prevalent law and regulations.</p>  |
| 3.           | Industry to which the entity being acquired belongs  | Automobile  |
| 4.           | Objects and impact 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 listed entity)  | Please refer to the attached press release.   |

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|-----|--|---|
| 5.  | Brief details of any governmental or regulatory approvals required for the acquisition   | The transaction shall be completed after taking all the Government approvals, as required, under Foreign Exchange Management Act.   |
| 6.  | Indicative time period for completion of the acquisition   | Before 31 <sup>st</sup> March, 2024   |
| 7.  | Consideration - whether cash consideration or share swap or any other form and details of the same   | The mode of acquisition including consideration to be paid to SMC shall be decided in a subsequent Board Meeting.   |
| 8.  | Cost of acquisition and/or the price at which the shares are acquired  | The mode of acquisition including consideration to be paid to SMC shall be decided in a subsequent Board Meeting.   |
| 9.  | Percentage of shareholding / control acquired and / or number of shares acquired   | The Board approved exercising the option to acquire 100% shares of SMG from SMC, subject to all legal and regulatory compliances including minority shareholders' approval.   |
| 10. | 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 any other significant information (in brief) | <p><b>Product / Line of Business:</b> Automobile manufacturing</p> <p><b>Date of Incorporation:</b> 31<sup>st</sup> March 2014</p> <p><b>Last 3 years turnover:</b></p> <p style="text-align: center;"><u>(Amount in Million)</u></p> <p>FY2022-23    INR 318,525</p> <p>FY2021-22    INR 244,404</p> <p>FY2020-21    INR 158,502</p> <p><b>Other Significant information:</b></p> <p>In terms of the Contract Manufacturing Agreement between MSIL and SMG, the latter sells its production exclusively to MSIL.</p> |

## Press Release

### Maruti Suzuki Board approves acquiring shares of SMG from SMC

**New Delhi, July 31, 2023:** With the growth of the Indian car market and export potential, Maruti Suzuki India Ltd (MSIL) would need to increase its production capacity to about 4 million cars per annum by 2030-31, almost double from current levels. This would happen over several locations, some of which are known and some being studied. On the other hand, given the carbon neutrality requirements, several powertrain technologies like EVs, Hybrids, CNG, Ethanol etc. will co-exist for a reasonably long period of time. Managing this scale and complexity of production with multiple powertrains, under different managements, would pose several challenges.

The Board of Directors considered this and decided that for the purpose of efficiency in production and supply chain, it is best to bring all production related activities under MSIL. Accordingly, the Board approved termination of the contract manufacturing agreement and exercising the option to acquire the shares of Suzuki Motor Gujarat Pvt Ltd (SMG) from Suzuki Motor Corporation (SMC) subject to all legal and regulatory compliances including minority shareholders' approval.

The mode of acquisition including consideration to be paid to SMC shall be decided in a subsequent Board meeting.

In terms of actual production, logistics, sales and the cost thereof, there will be no change as the cars earlier supplied by SMG as a contract manufacturer, will now continue to be supplied as before.