

MSIL: COS: NSE&BSE: 2023/10_11

17th October, 2023

To,

Vice President
National Stock Exchange of India Limited
“Exchange Plaza”, Bandra-Kurla Complex,
Bandra (East),
Mumbai - 400051

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

Subject: Outcome of the Board Meeting

Dear Sir(s),

Further to our intimation to the stock exchanges dated 12th October, 2023 and pursuant to Regulation 30(6) read with Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), we wish to inform that the Board of Directors of the Company, at its meeting held on 17th October, 2023, approved the acquisition of 12,84,11,07,500 equity shares of INR 10/- each representing 100% paid-up equity share capital (“**Purchase Shares**”) of Suzuki Motor Gujarat Private Limited (“**SMG**”), owned by Suzuki Motor Corporation, Japan (“**SMC**”), for a total purchase consideration of INR 12,841.1 Crores (“**Purchase Consideration**”). The Purchase Consideration payable by the Company for such purchase of 100% of SMG’s equity shares shall be discharged by way of issue and allotment of 1,23,22,514 equity shares of the Company having face value of INR 5/- each to SMC, at a price of INR 10,420.85/- per equity share, on a preferential basis. The proposed transaction is being done at “arm's length”, taking into account the valuation report issued by RBSA Valuation Advisors LLP, Independent Registered Valuer, in accordance with the applicable laws.

The acquisition of Purchase Shares shall be subject to such regulatory/ statutory approvals as may be required under applicable laws including the approval of the minority shareholders of the Company by way of postal ballot.

MARUTI SUZUKI INDIA LIMITED

Head Office:
Maruti Suzuki India Limited,
1, Nelson Mandela Road, Vasant Kunj,
New Delhi - 110070, India.
Tel: 011- 46781000, Fax: 011-46150275/46150276
E-mail id: contact@maruti.co.in, 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

The disclosure as required under Regulation 30 of the Listing Regulations read with SEBI Circular on Disclosure of material events/information (SEBI Circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023), concerning the above acquisition is enclosed as **Annexure-A**.

The Board Meeting commenced at 09:30 and concluded at 09:45 am.

Thanking you,

Yours sincerely,

For **Maruti Suzuki India Limited**

Sanjeev Grover
Executive Vice President
& Company Secretary

MARUTI SUZUKI INDIA LIMITED

Head Office:

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

Tel: 011- 46781000, Fax: 011-46150275/46150276

E-mail id: contact@maruti.co.in, 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

Disclosures in terms of Regulation 30 of the Listing Regulations read with SEBI Circular on disclosure of material events/information

S.NO.	PARTICULARS	
1.	Name of the target entity, details in brief such as size, turnover etc.	Suzuki Motor Gujarat Private Limited (SMG) is a company incorporated under the Companies Act, 2013 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, Japan (SMC) which is a body corporate incorporated in Japan. The turnover of SMG in the last financial year ended on 31 st March 2023 was INR 318,525 million.
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”	Presently, SMC holds 100% equity capital of SMG. The acquisition of 100% equity capital of SMG by Maruti Suzuki India Limited (MSIL) from SMC is a related party transaction and shall be done according to the prevalent laws and regulations. The transaction is being done at “arm's length”.
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)	With the growth of the Indian car market and export potential, 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 dated 17 th December, 2015 executed with SMG and the purchase of 100% of SMG's equity shares owned by SMC, and discharge the consideration for such purchase of 100% of SMG's equity shares by way of issue of the Company's equity shares to SMC on a preferential basis for consideration other than cash, subject to all legal and regulatory compliances including minority shareholders' approval. 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 continue to be supplied as before.
5.	Brief details of any governmental or regulatory approvals required for the acquisition.	The transaction shall be completed after taking the requisite approvals of the stock exchanges, as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other Government approvals under Foreign Exchange Management Act, 1999 as may be applicable.
6.	Indicative time period for completion of the acquisition	Before 31 st March, 2024



7.	Consideration - whether cash consideration or share swap or any other form and details of the same	The consideration by the Company for the purchase of 100% of the SMG's equity shares shall be discharged by way of issue and allotment of 1,23,22,514 equity shares of the Company having face value of INR 5/- each to SMC, at a price of INR 10,420.85/- per equity share, on a preferential basis.						
8.	Cost of acquisition and/or the price at which the shares are acquired	The Board approved the acquisition of 12,84,11,07,500 equity shares having face value of INR 10/- each representing 100% paid-up equity share capital of SMG owned by SMC for a total purchase consideration of INR 12,841.1 Crores.						
9.	Percentage of shareholding/ control acquired and/ or number of shares acquired	The Board approved to acquire 100% equity shares of SMG owned by 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>Product/ Line of Business: Automobile manufacturing</p> <p>Date of Incorporation: 31st March 2014</p> <p>Last 3 years turnover: (Amount in Million)</p> <table data-bbox="794 1272 1197 1413"> <tr> <td>FY2022-23</td> <td>INR 318,525</td> </tr> <tr> <td>FY2021-22</td> <td>INR 244,404</td> </tr> <tr> <td>FY2020-21</td> <td>INR 158,502</td> </tr> </table> <p>Other Significant information: In terms of the Contract Manufacturing Agreement dated December 17, 2015 executed between MSIL and SMG, the latter sells its production exclusively to MSIL.</p>	FY2022-23	INR 318,525	FY2021-22	INR 244,404	FY2020-21	INR 158,502
FY2022-23	INR 318,525							
FY2021-22	INR 244,404							
FY2020-21	INR 158,502							

