



## Motherson Sumi Systems Limited

Head Office: C-14, A & B, Sector 1, Noida – 201301 Distt. Gautam Budh Nagar, U.P. India  
Tel: +91-120-6752100, 6752278, Fax: +91-120-2521866, 2521966, Website: www.motherson.com

March 27, 2021

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  
P.J. Towers,  
Dalal Street, Fort  
MUMBAI - 400001, India

**Scrip Code : MOTHERSUMI**

**Scrip Code : 517334**

**Subject: Notice of the Extra-ordinary General Meeting of the Equity Shareholders of Motherson Sumi Systems Limited (“Company”).**

Dear Sir (s)/ Madam(s),

The Board of Directors of the Company in its meeting held on March 25, 2021, *inter-alia*, approved to convene an Extra-ordinary General Meeting of the Equity Shareholders of the Company to be held on **April 29, 2021 at 10:15 hours (IST)** through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”), to consider the item(s) stated in the Notice to the Members of the Company. In this respect, please find enclosed a copy of the Notice dated March 25, 2021 convening the Extra-ordinary General Meeting along with the Explanatory Statement for your information and records. The Notice is being sent through electronic means to the Equity Shareholders of the Company on March 27, 2021.

The Meeting is being conducted through VC/ OAVM, in compliance with the operating procedures issued from time to time, referred to in General Circular No. 14/2020 dated April 8, 2020 read with General Circular No. 17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020 and General Circular No. 39/2020 dated December 31, 2020 issued by the Ministry of Corporate Affairs, Government of India, (“MCA Circulars”) and circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India (“SEBI Circular”).

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended) (“SEBI LODR Regulations”), the MCA Circulars and the SEBI Circular, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the Meeting. For this purpose, the Company has appointed National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency, as well to enable the eligible Equity Shareholders to attend and participate in the Meeting through VC/ OAVM.

Regd Office:  
Unit – 705, C Wing, ONE BKC  
G Block Bandra Kurla Complex  
Bandra East Mumbai – 400051  
Maharashtra (India)  
Email: investorrelations@motherson.com  
CIN No.: L34300MH1986PLC284510

The voting period for remote e-voting shall commence on **Monday, April 26, 2021 at 09:00 Hours (IST)** and ends on **Wednesday, April 28, 2021 at 17:00 Hours (IST)**. The voting rights of Equity Shareholders shall be in proportion to their share in the paid-up share capital as on April 22, 2021, being the Cut-off Date. The detailed instructions for joining the Meeting through VC/ OAVM, manner of casting vote through e-voting are provided in the enclosed Notice.

The above announcement are also being made available on the website of the Company [www.motherson.com](http://www.motherson.com).

This disclosure is being made in compliance with Regulation 30 of SEBI LODR Regulations.

We request you to take the above information on record.

Yours truly,  
For Motherson Sumi Systems Limited

Alok Goel  
Company Secretary



**MOTHERSON SUMI SYSTEMS LIMITED**

**CIN:** L34300MH1986PLC284510

**Registered Office:** Unit 705, C Wing, One BKC, G Block

Bandra Kurla Complex, Bandra East Mumbai 400 051, Maharashtra

**Tel No.:** + 91 22 40555940; **Fax No.:** + 91 22 40555940

**Corporate Office:** Plot No. 1, Sector 127, Noida – 201301 (Uttar Pradesh)

**Tel No.:** + 91 120 6679500; **Fax No.:** + 91 120 2521866

**Email:** [investorrelations@motherson.com](mailto:investorrelations@motherson.com); **Website:** www.motherson.com

Investor Relations Tel No.: + 91 120 6679500

**NOTICE**

**NOTICE** is hereby given that an Extra Ordinary General Meeting of Motherson Sumi Systems Limited (“**MSSL**” or “**Company**”) is scheduled to held on **April 29, 2021 (Thursday)** at **10:15 Hours (IST)** through Video Conferencing (“**VC**”) / Other Audio Visual Means (“**OAVM**”) following the operating procedures (with requisite modifications as may be required) referred to in General Circular No. 14/2020 dated April 8, 2020 read with General Circular No. 17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020 and General Circular No. 39/2020 dated December 31, 2020 issued by the Ministry of Corporate Affairs, Government of India, (“**MCA Circulars**”) and circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India (“**SEBI Circular**”), to transact the following business:

**SPECIAL BUSINESS:**

**Item No. 1:**

**Approval of Related Party Transactions to be undertaken by Motherson Sumi Wiring India Limited with the Company, Sumitomo Wiring Systems Limited (“SWS”) and other related parties as specified in the Explanatory Statement**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 (“**Act**”) read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act, and the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), and other applicable provisions of the Listing Regulations, if any, approval of the members of the Company, being the holding company of Motherson Sumi Wiring India Limited (“**MSWIL**”), be and is hereby accorded to the Board of Directors of MSWIL to enter into contract(s)/agreements(s)/arrangement(s)/ transaction(s) in relation to the following, with respect to the Domestic Wiring Harness business (“**DWH Business**”) being demerged from the Company to MSWIL, pursuant to the composite Scheme of Amalgamation and Arrangement being undertaken amongst Motherson Sumi Systems Limited (“**the Company**” or “**MSSL**”), Samvardhana Motherson International Limited, MSWIL and their respective shareholders and creditors (“**Scheme**”):

- (a) purchase of components by MSWIL, such as wires, rubber parts, tools, jig, fixtures, connectors, and other components, required to manufacture/ assemble wiring harness and certain capital items, as required for the DWH Business, from MSSL and its subsidiaries and joint ventures (including subsidiaries and joint ventures of Samvardhana Motherson International Limited (“**SAMIL**”) which will become subsidiaries and joint ventures of MSSL pursuant to the Scheme. The entity so formed after the effectiveness of SAMIL’s amalgamating, by absorption, into MSSL shall be referred to as “**Post Reorganization MSSL**”) and SWS and its respective subsidiaries and joint venture.

- (b) supply of wiring harness and other parts and/or components thereof by MSWIL to Post Reorganization MSSL, SWS and their respective subsidiaries and joint ventures.
- (c) taking on lease, sub-lease, license or sub-license from MSSL, properties on which the manufacturing units and other office premises in relation to the DWH Business are situated.
- (d) availing various functional support services by MSWIL from Post Reorganization MSSL, its subsidiaries and joint ventures such as design and development services, engineering services, finance, procurement, logistics, human resource, information technology support, travel management, infrastructure support etc.
- (e) availing services by MSWIL from SWS, for technical assistance and know-how in relation to the manufacture and sale of domestic wiring harness and its components.
- (f) availing various management services by MSWIL from Post Reorganization MSSL, including management support and advice, local relationships and ground level assistance; and
- (g) availing car leasing services by MSWIL from Motherson Lease Solution Limited (“**MLS**”), for use by its employees and for other corporate purposes.

up to such extent and on such terms and conditions as specified in the Explanatory Statement annexed to this Notice, subject to such transactions being undertaken on an arm’s length basis and in the ordinary course of business.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to approve, in the capacity of a shareholder of MSWIL, holding 100% of the beneficial shareholding in MSWIL, the aforementioned related party transactions to be undertaken by MSWIL, at a duly convened shareholders meeting of MSWIL, in compliance with the provisions of Section 188 of the Act read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act and provisions of any other applicable laws.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised, in the capacity of a shareholder of MSWIL, holding 100% of the beneficial shareholding in MSWIL, to authorise the Board of Directors, the Audit Committee of the Board or any other relevant committee of the Board of MSWIL, as may be constituted from time to time, to execute, deliver and perform such agreements, contracts, deeds and other documents on an ongoing basis and deal with any matters, take necessary steps in the matter as they may in their absolute discretion deem necessary or expedient and to do or cause to be done all such acts, deeds and things, settle any queries, difficulties, doubts that may arise with regard to any transaction(s) to be undertaken by MSWIL, and make such changes to the terms and conditions as may be considered necessary, expedient or desirable and execute such addendum agreements, documents and writings and to make such filings as may be necessary or desirable, in order to give effect to this Resolution.”

**By the orders of the Board of Directors**

**Place: Noida**  
**Date: March 25, 2021**

**Registered Office:**  
Unit 705, C Wing, ONE BKC  
G Block, Bandra Kurla Complex,  
Bandra East, Mumbai – 400 051.

**Sd/-**  
**Alok Goel**  
**Company Secretary**  
**Membership Number – FCS 4383**

## **NOTES**

1. A statement under Section 102 of the Companies Act, 2013 and/or as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed hereto.
2. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the General Circular No. 14/2020 dated April 8, 2020 read with General Circular No. 17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020 and General Circular No. 39/2020 dated December 31, 2020 issued by the Ministry of Corporate Affairs, Government of India ("**MCA Circulars**") and circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India ("**SEBI Circular**"), physical attendance of the Members to the EGM venue is not required and that the general meeting shall be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM through VC/OAVM and thus the attendance slip is not attached to this notice.
3. Pursuant to the MCA Circulars and SEBI Circular, the facility to appoint proxy to attend and cast vote for and on behalf of the members is not available for this EGM and hence the Proxy Form is not annexed to this Notice. However, the Body Corporates are entitled to appoint authorized representatives to attend the EGM through VC/OAVM and participate thereat and cast their votes through e-voting.
4. In case of joint holders attending the meeting, the Members whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
5. The Members can join the EGM through the VC/OAVM mode, 15 (fifteen) minutes before and after the scheduled time of the commencement of the Meeting, by following the procedure mentioned in the Notice. The facility of participation at the EGM through VC/OAVM will be made available for 1000 members on first-come first-served basis. This will not include large Shareholders (Shareholders holding 2% or more of the shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM without restriction on account of first-come first-served basis.
6. The attendance of the Members attending the EGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the MCA Circulars and SEBI Circular, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the EGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited ("**NSDL**") for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as e-voting during the EGM will be provided by NSDL.
8. In line with the MCA Circulars, the Notice calling the EGM has been uploaded on the website of the Company at [www.motherson.com](http://www.motherson.com). The Notice can also be accessed from the website of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the Notice is also available on the website of NSDL (agency for providing the remote e-voting and e-voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

9. In compliance with the aforesaid MCA Circulars and SEBI Circular, the Notice of the EGM is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories.
10. Mr. D.P. Gupta, Practicing Company Secretary of M/s. SGS Associates (FCS No. 2411, CP No. 1509) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall, after the conclusion of voting at the general meeting, will first count the votes cast at meeting and thereafter unblock the votes cast through remote e-voting in presence of at least two witnesses not in employment of the Company and shall make, within 48 hours from the conclusion of the EGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the results of the voting forthwith.
11. The result of the voting shall be announced on or before May 1, 2021, upon receipt of Scrutinizer's report and same shall be displayed on the website of the Company at [www.motherson.com](http://www.motherson.com) and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) besides being sent to BSE Limited and National Stock Exchange of India Limited.
12. EGM has been convened through VC/OAVM in compliance with MCA Circulars and SEBI Circular. Since EGM is being held through VC/OAVM, the route map of the venue of EGM is not annexed herewith and the venue of EGM shall be deemed to be the Registered Office of the Company. The recorded transcript of the meeting shall also be made available on the web-site of the Company.

**I. THE INSTRUCTIONS FOR MEMBERS FOR USING REMOTE E-VOTING FACILITY ARE AS UNDER :-**

Voting rights shall be reckoned on the paid-up value of the shares registered in the name(s) of the equity shareholders as on the Cut-off Date, i.e., April 22, 2021. Persons who are not equity shareholders of the Company, as on the Cut-off Date should treat this Notice for information purposes only.

**The remote e-voting period begins on April 26, 2021 at 09:00 Hours (IST) and ends on April 28, 2021 at 17:00 Hours (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter.**

**How do I vote electronically using NSDL e-voting system?**

*The way to vote electronically on NSDL e-voting system consists of "Two Steps" which are mentioned below:*

**Step 1: Log-in to NSDL e-voting system at <https://www.evoting.nsdl.com/>**

**Step 2: Cast your vote electronically on NSDL e-voting system.**

**Details on Step 1 is mentioned below:**

**How to Log-in to NSDL e-voting website?**

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon "**Login**" which is available under the 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in Demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in Demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-voting, then you can use your existing password to log in and cast your vote.
- b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow the steps mentioned below in the **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on the "Login" button.

9. After you click on the "Login" button, Home page of e-voting will open.

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-voting system?**

1. After a successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Corporate / Institutional shareholders (i.e., other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to support@dpgupta.com with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take the utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll-free no.: 1800 1020 990 / 1800 22 44 30 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or contact Ms. Pallavi Mhatre, Manager or Ms. Soni Singh, Asst. Manager, National Securities Depository Limited, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, at the designated email id – [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in) or [SoniS@nsdl.co.in](mailto:SoniS@nsdl.co.in), who will also address the grievances connected with the voting by electronic means.
4. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and holding shares as of the Cut-Off Date i.e. April 22, 2021, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or to the Company at [investorrelations@motherson.com](mailto:investorrelations@motherson.com).

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode, please provide Folio No., Name of the shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [investorrelations@motherson.com](mailto:investorrelations@motherson.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [investorrelations@motherson.com](mailto:investorrelations@motherson.com).



## **II. THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM ARE AS UNDER: -**

1. The procedure for e-voting on the day of the EGM is the same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM through VC/OAVM facility and have not cast their vote on the Resolution(s) through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the EGM.
3. Members who have voted through Remote e-voting will be eligible to attend the EGM and their presence would be counted for the purposes of quorum. However, they will not be eligible to vote at the EGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the EGM shall be the same person mentioned for Remote e-voting. Accordingly, in case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll-free no.: 1800 1020 990 / 1800 22 44 30 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or contact Ms. Pallavi Mhatre, Manager or Ms. Soni Singh, Asst. Manager, National Securities Depository Limited, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, at the designated email id – [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in) or [SoniS@nsdl.co.in](mailto:SoniS@nsdl.co.in), who will also address the grievances connected with the voting by electronic means.

## **III. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM THROUGH VC/OAVM ARE AS UNDER:**

1. Members will be provided with a facility to attend the EGM through VC/OAVM through the NSDL e-voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last-minute rush. Further members can also use the OTP based login for logging into the e-voting system of NSDL.
2. Members are encouraged to join the meeting through laptops for a better experience.
3. Further Members will be required to allow camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that members/ shareholders connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, Demat account number/folio number, email id, mobile number at [investorrelations@motherson.com](mailto:investorrelations@motherson.com). Such shareholders must register their request at least three (3) days in advance of the Meeting, i.e., till April 26, 2021 with the Company.

6. Members who would like to express their views/have questions may send their questions in advance mentioning their name Demat account number/folio number, email id, mobile number at investorrelations@motherson.com. The same will be replied to by the company suitably.
7. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 1

The Board of Directors of the Company, at their meeting held on July 2, 2020 have, subject to the approval of Hon'ble National Company Law Tribunal, Mumbai Bench, shareholders of the Company, stock exchanges where the shares of the Company are listed and other relevant authorities, approved the Composite Scheme of Amalgamation and Arrangement between Motherson Sumi Systems Limited (having CIN: L34300MH1986PLC284510; hereinafter referred to as the "**Company**"), Samvardhana Motherson International Limited (having CIN: U74900MH2004PLC287011; hereinafter referred to as the "**SAMIL**") and Motherson Sumi Wiring India Limited (having CIN: U29306MH2020PLC341326; hereinafter referred to as the "**MSWIL**") and their respective shareholders and creditors ("**the Scheme**"). Whereas MSWIL was incorporated on July 2, 2020 as a wholly-owned subsidiary of the Company. The Board of Directors of MSWIL approved the Scheme on July 17, 2020.

The Scheme, among other things, provides for, **(a)** demerger and transfer of the Domestic Wiring Harness Undertaking or DWH Undertaking (*as defined in the Scheme*), being the domestic wiring harness business of the Company ("**DWH Business**"), into MSWIL, and **(b)** merger of SAMIL, by absorption, into the Company (after completion of step (a)). The resultant Company formed after the merger of SAMIL into MSSL will be renamed as "Samvardhana Motherson International Limited" or such other name as may be decided by the Board of Directors of the amalgamated Company and approved by the National Company Law Tribunal, Mumbai Bench ("**NCLT**") and the jurisdictional Registrar of Companies.

Under the Scheme, the appointed date for the demerger of the DWH Business is April 1, 2021 (or such subsequent date (if any) as may be decided by the Board of Directors of your Company and MSWIL or such other date as the NCLT may direct) and accordingly, on the Scheme becoming effective, the demerger shall be deemed to have taken effect from such appointed date.

As on date, MSWIL is a wholly-owned subsidiary of your Company. Pursuant to the demerger becoming effective as per the terms of the Scheme, and in consideration for the transfer of the DWH Business from the Company to MSWIL, MSWIL will issue shares, in the ratio of 1:1, to the shareholders of your Company as of Record Date 1 (*as defined in the Scheme*). Accordingly, on the demerger becoming effective, the shareholding of MSWIL will be a mirror-image of your Company. Further, the equity shares of MSWIL, issued to the shareholders of your Company as of Record Date 1 pursuant to the Scheme, will be listed on BSE Limited and the National Stock Exchange of India Limited, as per the Scheme and applicable law.

As provided in Clause 4 of Section I of the Scheme, as on date, the DWH Business is being carried on as a part of the business of the Company and will continue to be carried on as such till the Scheme becomes effective. The DWH Business, as on date, has various inter-dependencies with *inter alia* the remaining business of the Company. The DWH Business sources various goods or materials, including wires, various tools, jigs, fixtures, rubber parts, connectors and certain other components which are used to manufacture/assemble wiring harnesses along with procurement of certain capital items as required for the DWH Business. The Company (either directly or through its subsidiaries or joint ventures) has, over the years, developed an in-house value chain of these products through various backward integration initiatives which give it a distinct cost advantage. Similarly, the Company leverages DWH Business' world-class technology and vast experience in cost-efficient manufacturing and procures wiring harness and other parts and/or components thereof which is used as child parts in the manufacture of other components. Further, the Company (either directly or through its subsidiaries or joint ventures) has a central team for some of the key functions in the areas of design and development services, finance, procurement engineering services, human resource, travel management, infrastructure support etc., the services of which are availed by each of the businesses of the Company including DWH Business. To ensure that, post the demerger, the benefit of the in-house value chain continues to be available to all the businesses, certain related party transactions are proposed between MSWIL and the Company (including its subsidiaries and joint venture companies).

Similarly, as on date, there are certain transactions between the Company and SAMIL (either directly or through its subsidiaries and joint ventures) in relation to the DWH Business, such as sourcing of various

goods or materials, as required for the DWH Business and sale of wiring harness and/or components thereof by the DWH Business. Further, SAMIL (either directly or through its subsidiaries and joint ventures) renders certain services to the DWH Business such as information technology support, logistics, travel management etc. to the Company, the benefit of which is also availed by the DWH Business. Such contracts and/or arrangements shall stand novated/ assigned to MSWIL pursuant to the Scheme and be carried on by MSSL (either directly or through its then subsidiaries and joint ventures), consequent to the amalgamation of SAMIL, by absorption, with MSSL pursuant to the effectiveness of the Scheme (the entity so formed after the effectiveness of SAMIL's amalgamating, by absorption, into MSSL shall be referred to as "**Post Reorganization MSSL**").

Further, as on date, Motherson Lease Solution Limited (CIN: U63090DL2009PLC190729; hereinafter referred to as "**MLSL**"), extends car leasing services to MSSL and other entities under the Motherson group, for use by the employees of such companies and for other corporate purposes. This gives such entities availing services from MLSL a distinct cost advantage. The car leasing services shall continue to be extended to MSWIL, post the Scheme becoming effective.

In addition to the above-mentioned transactions proposed to be entered into by MSWIL with the Post Reorganization MSSL (including its subsidiaries and joint ventures) and MLSL, there are various subsisting agreements and arrangements between the Company and Sumitomo Wiring Systems Limited, Japan ("**SWS**"), which include arrangements in relation, (a) purchase of components, such as wiring harness component and child parts, from SWS, as required for the DWH Business, (b) sale of wiring harness, and (c) know-how and technical assistance to be provided by SWS, in relation to the manufacture and sale of domestic wiring harness and its components. Such agreements and arrangements existing between the Company and SWS will stand transferred to MSWIL, as a part of the DWH Business, pursuant to the Scheme. SWS is a shareholder of your Company holding 25.10% of the share capital of your Company as on date. Further, H.K. Wiring Systems Limited, a subsidiary of SWS, holds 0.24% of the share capital of your Company. Accordingly, SWS and H.K. Wiring Systems Limited collectively hold 25.34% of the share capital of your Company.

The aforementioned related party transactions to be undertaken by MSWIL will come into effect on the Scheme becoming effective. With effect from the effective date of the Scheme, the Post Reorganization MSSL, MLSL, SWS and their respective subsidiaries and joint venture will become related parties of MSWIL under the existing provisions of the Companies Act, 2013 ("**Act**"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**Listing Regulations**") and other applicable law(s).

Pursuant to the provisions of Regulation 23 of the Listing Regulations, a transaction with a related party is considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the entity. Such material transactions require shareholders' approval.

The related party transactions to be undertaken by MSWIL with the Post Reorganization MSSL, MLSL, SWS and their respective subsidiaries and joint ventures, as detailed in this explanatory statement, will exceed 10% of the annual consolidated turnover of MSWIL, pursuant to the demerger becoming effective and MSWIL becoming a listed company, pursuant to the Scheme.

As per Regulation 23(5) of the Listing Regulations, the requirement of a shareholders' approval will not be applicable for transactions entered into between a holding company and its wholly-owned subsidiary. MSWIL is currently a wholly-owned subsidiary of the Company. Therefore, as on date, the transactions being entered into between MSWIL and the Company do not require the approval of the shareholders of the Company under the Listing Regulations. However, given that the proposed transactions with MSWIL will come into effect on the demerger of the DWH Business into MSWIL coming into effect as per the terms of the Scheme, your Company is nonetheless seeking your approval for the proposed transactions with MSWIL by way of an ordinary resolution for purposes of the Listing Regulations, as a matter of abundant caution and good corporate governance.

Furthermore, Section 188 of the Act exempts requiring approval of the shareholder for transactions in the ordinary course and on arm's-length terms or transactions entered into between a holding company and its wholly-owned subsidiary. The transactions being entered into between MSWIL and the related parties Company are in the ordinary course and on arm's-length terms and therefore, do not require the approval of the shareholders of the Company under the Act and the relevant rules framed there under.

It is clarified that these transactions, as detailed below, are transactions arising out of the Scheme, as also provided for in Clause 4 of Section I of the Scheme. As mentioned above, the transactions to be undertaken by MSWIL, on the one hand, and among others, the Post Reorganization MSSL, MLSL, SWS and their respective subsidiaries and joint ventures, on the other hand, on the Scheme becoming effective, are vital to the functioning of the DWH Business and *vice-versa*. Therefore, given the criticality of the transactions to be undertaken by MSWIL with such related parties, to the functioning of the DWH Business and to ensure smooth functioning of the DWH Business of MSWIL on the Scheme becoming effective, as a good governance practice, your Company is seeking your approval for the proposed transactions, on behalf of MSWIL. As explained above, the shareholding of MSWIL will be a mirror-image of your Company on the demerger becoming effective and accordingly, once the said related party transactions are approved by the shareholders of the Company, being the ultimate shareholders of MSWIL, prior to the Scheme becoming effective, it will be deemed to be an approval obtained by MSWIL as per the requirements of the Listing Regulations.

Further, in terms of Regulation 23(7) of the Listing Regulations, all entities falling within the definition of related parties under the Listing Regulations shall not vote to approve the relevant transactions irrespective of whether such entities are a party to the particular transaction or not. Accordingly, given that your Company has decided to obtain prior approval of the shareholders for the proposed transactions to be undertaken by MSWIL, as a related party transaction, related parties of the Company (as defined under Regulation 2(1)(zb) of the Listing Regulations) shall not vote to approve the aforesaid resolution(s).

Brief particulars of the material related party contracts entered / to be entered into by MSWIL with different related parties involved and corresponding approval required are as under. For the removal of doubt, all monetary values set out below exclude any taxes that may be payable under applicable laws.

#### A. Purchase of components and capital goods by MSWIL

Particulars	Information
<b>Name of the Related Party</b>	(a) Motherson Sumi Systems Limited (" <b>Company</b> ") (including Post Reorganization MSSL) its subsidiaries including Motherson Electrical Wires Lanka Private Limited, Sri Lanka; MSSL (GB) Limited, United Kingdom; MSSL Mideast (FZE), UAE; MSSL Tooling (FZE), UAE; MSSL Japan Limited, Japan; MSSL México S.A. De C.V., Mexico; MSSL WH System (Thailand) Co. Limited, Thailand; SMR Automotive Systems India Limited (CIN: U51100DL1995PLC074884); MSSL Wiring System Inc, USA; PKC Group Poland Holding Sp. z.o.o., Poland; PKC Eesti AS, Estonia; PKC Vehicle Technology (Suzhou) Co. Ltd., China; PK Cables do Brasil Indústria e Comercio Ltda, Brasil; AEES Inc. USA; PKC SEGU Systemelektrik GmbH, Germany; MothersonSumi Infotech and Designs Limited (CIN: U67120DL1985PLC020695); Valeo Motherson Thermal Commercial Vehicles India Limited (CIN: U74899DL2004PLC131101), Matsui Technologies India Limited (CIN: U29199DL2006PLC156494), Anest Iwata Motherson Private Limited (CIN: U34107DL2000PTC108736), Motherson Invenzen XLab Private Limited (CIN: U72300DL2014PTC264533) and joint

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venture(s) including Kyungshin Industrial Motherson Private Limited (CIN: U55101DL1997PTC090104) and its' joint venture partner Kyungshin Corporation, Korea.

- (b) SWS and its subsidiaries, including material subsidiaries, *namely*, Sumitomo Wiring Systems (U.S.A.) Inc., USA; H.K. Wiring Systems, Ltd., Hong Kong; Sumitomo Electric Automotive Products Singapore Pte. Ltd., Singapore; SE Bordnetze Polska Sp.zo.o., Poland and SEWS-Components & Electronics Europe, KFT., Hungary.

The related parties identified hereinabove are as per existing arrangement(s) with respective related parties and/ or their subsidiaries, their joint venture and the description of related parties will include their respective subsidiaries and joint ventures.

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**Name of Director(s) or Key Managerial Personnel(s) who is related**

The promoter directors and/or their nominee(s) will be deemed to be related.

Upon effectiveness of the Scheme and prior to the listing of the equity shares of MSWIL, the Board of Directors of MSWIL will be reconstituted in compliance with the applicable provisions of the Listing Regulations. Also, the details of existing directors of MSWIL has been stated below in the explanatory statement.

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**Nature of Relationship**

- (a) Company (including Post Reorganization MSSL), its subsidiaries and joint ventures

Currently, your Company holds 100% of the equity share capital of MSWIL.

On the Scheme becoming effective, and in consideration for the demerger of the DWH Business (*as defined in the Scheme*) into MSWIL, MSWIL will issue one equity share of MSWIL to the shareholders of your Company for every one share held in the Company, as on Record Date 1 (*as defined in the Scheme*), and the equity shares issued by MSWIL will be listed on the stock exchanges, pursuant to the Scheme.

Accordingly, on the demerger becoming effective, and on the issuance of shares by MSWIL to the shareholders of your Company as per the Scheme, MSWIL will be an independent listed company, with mirror shareholding as that of your Company. On the Scheme becoming effective, and subsequent to the merger of SAMIL into the Company, your Company will hold 33.43% of the share capital of MSWIL.

Among subsidiaries of the Company, the key subsidiaries with whom related party transactions to be carried include, *viz.*, Motherson Electrical Wires Lanka Private Limited, Sri Lanka; MSSL (GB) Limited, United Kingdom, MSSL Mideast (FZE), UAE; MSSL Tooling (FZE), UAE; MSSL Japan Limited, Japan; MSSL México S.A. De C.V., Mexico; MSSL WH System (Thailand) Co. Limited, Thailand; SMR Automotive Systems India Limited, India; MSSL Wiring

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System Inc, USA; PKC Group Poland Holding Sp. z.o.o., Poland; PKC Eesti AS, Estonia; PKC Vehicle Technology (Suzhou) Co. Ltd., China; PK Cables do Brasil Indústria e Comercio Ltda, Brasil; AEES Inc. USA and PKC SEGU Systemelektrik GmbH, Germany and Kyungshin Industrial Motherson Private Limited is a joint venture of the Company. Kyungshin Corporation, Korea is a joint venture partner of the Company.

The subsidiaries and joint ventures of SAMIL include MothersonSumi INFotech and Designs Limited, Valeo Motherson Thermal Commercial Vehicles India Limited, Matsui Technologies India Limited, Anest Iwata Motherson Private Limited, Motherson Invenzen XLab Private Limited, all of which will, pursuant to the Scheme, become subsidiaries and joint ventures of Post Reorganization MSSL.

(b) SWS

SWS currently holds 25.1% of the share capital of the Company. On the Scheme becoming effective, and in consideration for the demerger of the DWH Business (*as defined in the Scheme*) into MSWIL, MSWIL will issue one equity share of MSWIL to the shareholders of your Company for every one share held in the Company, as on the Record Date 1 (*as defined in the Scheme*), and the equity shares issued by MSWIL will be listed on the stock exchanges, pursuant to the Scheme. Accordingly, on the Scheme becoming effective, SWS will hold 25.1% of the share capital of MSWIL.

Among subsidiaries of SWS, the key subsidiaries with whom related party transactions to be carried include, *viz.*, Sumitomo Wiring Systems (U.S.A.) Inc., USA; H.K. Wiring Systems, Ltd., Hong Kong; Sumitomo Electric Automotive Products Singapore Pte. Ltd., Singapore; SE Bordnetze Polska Sp.zo.o., Poland; SEWS-Components & Electronics Europe, KFT., Hungary.

Brief details of the subsidiaries and joint venture companies listed above are as provided below:

(i) Motherson Electrical Wires Lanka Private Limited, Sri Lanka

Motherson Electrical Wires Lanka Pvt. Ltd ("**MWL**") is a wholly-owned subsidiary of the Company incorporated in Sri Lanka. MWL specializes in the manufacturing of wires for automotive application and supplies wires to different manufacturing locations of the Motherson group.

(ii) MSSL (GB) Limited, United Kingdom

MSSL (GB) Ltd. is a wholly-owned subsidiary of the Company incorporated in the United Kingdom. MSSL

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(GB) Ltd. manufactures wiring harnesses, wiring assemblies and electronic control systems for automotive (truck & bus), heavy trailers and off-road vehicles.

(iii) MSSL Mideast (FZE), UAE

MSSL Mideast (FZE) is a wholly-owned subsidiary of the Company incorporated in the UAE. MSSL Mideast (FZE) specializes in manufacturing wiring harnesses for material handling equipment and off-road vehicles and supplies wiring harnesses to leading material handling equipment manufacturers in Europe.

(iv) MSSL Tooling (FZE), UAE

MSSL Tooling (FZE), is a subsidiary of the Company and is located in Sharjah (UAE). MSSL Tooling (FZE) is a complete solution provider from concept design to complete manufacturing of precision tools & components and supplies injection moulded components.

(v) MSSL Japan Limited, Japan

MSSL Japan Ltd. ("**MSSL Japan**") is an indirect wholly-owned subsidiary of the Company. MSSL Japan imports wire harnesses and moulded products produced by MSSL and delivers them to its customers according to the specified packing conditions. MSSL Japan undertakes functions of sales, design and development window, quality control, inspection, and prototype production as well as import and delivery work.

(vi) MSSL México S.A. De C.V., Mexico;

MSSL México S.A. De C.V., Mexico is an indirect wholly-owned subsidiary of the Company engaged in the business of manufacturing and supplying wiring harness to its customers in Mexico and the USA market.

(vii) MSSL WH System (Thailand) Co. Limited, Thailand

MSSL WH System (Thailand) Co. Limited, Thailand is an indirect wholly-owned subsidiary of the Company and is engaged in the business of manufacturing wiring harness for leading OEMs.

(viii) SMR Automotive Systems India Limited ("**SMR**"), India

SMR is a joint venture between the Company and SAMIL, as on date, and will become a wholly-owned subsidiary of Post Reorganization MSSL. SMR is engaged in the business of manufacturing mirrors for

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passenger cars and its product range includes exterior and interior mirrors, mirrors with integrated lighting and turn signals, warning detection systems, telescopic trailer tow mirrors etc.

(ix) MSSL Wiring System Inc, USA

MSSL Wiring System Inc. is an indirect wholly-owned subsidiary of the Company with its manufacturing facilities in Portland IN (USA), Warren, Ohio (USA), Chihuahua (Mexico), Saltillo (Mexico), Monclova (Mexico). MSSL Wiring System Inc manufactures wiring harnesses for the transportation segment. It supplies principally to the commercial vehicle, agricultural, material handling and off-highway vehicle segments in North America. It also assembles complete instrument and control panels for these vehicle markets that are configured specifically to the OEM customers' specifications.

(x) PKC Group Poland Holding Sp. z.o.o., Poland

PKC Group Poland Holding Sp. z.o.o., Poland is an indirect subsidiary of the Company and is primarily engaged in the design, development, manufacturing and sales of wiring harness, and other related components used for commercial vehicles and other transportation equipment

(xi) PKC Eesti AS, Estonia

PKC Eesti AS is an indirect subsidiary of the Company and manufactures electrical and electronic equipment for motor vehicles.

(xii) PKC Vehicle Technology (Suzhou) Co. Ltd., China

PKC Vehicle Technology (Suzhou) Co. Ltd. is an indirect subsidiary of the Company and is primarily engaged in the design, development, manufacturing and sales of wiring harness, electrical box, special cable and other related components used for commercial vehicles and other transportation equipment.

(xiii) PK Cables do Brasil Indústria e Comercio Ltda, Brasil

PK Cables do Brasil Indústria e Comercio Ltda is an indirect subsidiary of the Company and produces wiring systems (wiring harnesses) for trucks, buses, tractors, harvesters and passenger cars. Its environment is diverse and is constantly growing up and innovation.

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(xiv) AEES Inc. USA

AEES Inc. is an indirect subsidiary of the Company. AEES Inc. delivers high-quality, extensively tailored solutions for international customers, from design to the end-product. In addition to design and manufacturing services, AEES Inc.'s service concept includes professional product development and sourcing operations which aim to develop and find cost-efficient solutions for its customers. AEES Inc.'s production facilities are located in Brazil, China, Estonia, Finland, Ireland, Germany, Mexico, Poland, Russia, Ukraine and the USA.

(xv) PKC SEGU Systemelektrik GmbH, Germany

PKC SEGU Systemelektrik GmbH is an indirect subsidiary of the Company and is located in Barchfeld, Thuringia and is engaged in the business of manufacturing wiring harnesses as well as electronic and plastic components for commercial vehicle and automotive industries.

(xvi) MothersonSumi INFotech and Designs Limited:

MothersonSumi INFotech & Design Limited (“**MIND**”) is a subsidiary of SAMIL. MIND undertakes the provision of various information technology and engineering and design services including enterprise applications, software development, IT infrastructure and business process outsourcing services for the automotive industry, including from a supply chain management perspective.

(xvii) Valeo Motherson Thermal Commercial Vehicles India Limited

Valeo Motherson Thermal Commercial Vehicles India Limited is a joint venture of SAMIL with Valeo Thermal Commercial Vehicles Germany GmbH, Germany. It is engaged in the business of manufacturing HVAC systems for commercial vehicles, cabin air conditioning, heating systems, ventilation for buses, emergency exit hatches, special purpose hatches and exhaust fans and engine pre-heaters.

(xviii) Matsui Technologies India Limited

Matsui Technologies India Ltd. is a joint venture between SAMIL and Matsui Manufacturing Company Ltd., Japan. It provides auxiliary equipment for injection molding machines. The product range includes mold temperature controller, granulator, dehumidifying dryer, jet loader, hopper dryer, chiller, blender & cooling towers.

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(xix) Anest Iwata Motherson Private Limited

Anest Iwata Motherson Private Limited (“**AIM**”) is a joint venture between SAMIL and Anest Iwata Corporation, Japan. It is also marketing in India oil-free type scroll air compressor from Anest Iwata.

(xx) Motherson Invenzen XLab Private Limited

Motherson Invenzen XLab Private Limited (“**MI-XLAB**”) is a wholly-owned subsidiary of SAMIL. It designs and manufactures a comprehensive range of products including connected car infotainment systems, customized telematics units (TCU, SOS and OBD devices for OE-Fit & Aftermarket segments) and Industrial IoT equipment. MI-XLAB also provides services to group companies and to external customers for customized electronics product design and manufacturing.

(xxi) Kyungshin Industrial Motherson Private Limited

Kyungshin Industrial Motherson Private Limited (“**KIML**”) is a joint venture between the Company and Kyungshin Corporation (South Korea) with its headquarters in Chennai. KIML is an integrated wiring harnesses manufacturing company catering exclusively to the wiring harness requirements of Hyundai Motors, for its range of cars manufactured in India and also manufactures airbag wiring harness for Hyundai Motors. KIML has state-of-the-art manufacturing set-up with world-class facilities featuring lean manufacturing including automatic cutting, stripping and crimping machines.

(xxii) Kyungshin Corporation, Korea

Kyungshin Corporation, Korea is an associate company of SWS and a joint venture partner of the Company and is engaged in manufacturing vehicle piping and other automotive parts. It offers wiring harness, high voltage system, connectors, and electron junction block.

(xxiii) Sumitomo Wiring Systems (U.S.A.) Inc., USA

Sumitomo Wiring Systems (U.S.A.) Inc. is a subsidiary of SWS and manufactures and sells automotive electronics distribution systems. It offers automotive connectors such as terminals, housings, wiring systems and layouts, dummy plugs, and connector accessories and serves customers in the United States.

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(xxiv) H.K. Wiring Systems, Ltd., Hong Kong

H.K. Wiring Systems Limited, a subsidiary of SWS, and holds 0.24% of the share capital of the Company. Subsequent to the effectiveness of the Scheme, it will hold 0.24% of the share capital of MSWIL. H.K. Wiring Systems Limited is engaged in the business of wholesale distribution of electrical apparatus and equipment wiring supplies.

(xxv) Sumitomo Electric Automotive Products Singapore Pte. Ltd., Singapore

Sumitomo Electric Automotive Products Singapore Pte. Ltd. is a subsidiary of SWS and offers automotive electronics systems. It provides wiring harnesses and components such as sealed, unsealed, high frequency, and PCB connectors, as well as, many types of automobile cables.

(xxvi) SE Bordnetze Polska Sp.zo.o., Poland

SE Bordnetze Polska Sp.zo.o., Poland is a fellow subsidiary of SWS and is engaged in the business of manufacturing, processing and sales of wiring harnesses.

(xxvii) SEWS Components & Electronics Europe, KFT., Hungary

SEWS Components & Electronics Europe, KFT is a subsidiary of SWS and is a major supplier of quality electrical components to the European automotive industry. It provides tailor-made products and services for several car manufacturing companies.

The related parties identified hereinabove are as per existing arrangement(s) with respective related parties or their subsidiaries or their joint venture and the description of related parties will include their respective subsidiaries or affiliates.

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**Nature, material terms and particulars of the contract or arrangement**

The transactions are in relation to procuring various goods or materials, including various tools, jig, fixtures, wires, rubber parts, connectors, capital items and other components, which are used to manufacture/ assemble wiring harnesses, as required for the DWH Business.

The products will include current and future products, including, improvements, new designs, new development etc., *inter-alia*, to meet the customers' requirements.

The transactions will be at an arm's length basis and in the ordinary course of business.

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<b>Rationale for transaction</b>	<p><b>A. Transactions with the Company (including Post Reorganization MSSL), its subsidiaries and joint ventures</b></p> <p>The Company, SAMIL and their subsidiaries and joint venture entities over the years have developed an in house capability of manufacturing various products including certain child parts required in the manufacturing/assembly of wiring harness by way of various backward integration initiatives thereby giving it a distinct cost advantage. As on date, the DWH Business sources all such goods or materials, including wires, various tools, jigs, fixtures, connectors, rubber parts and certain other components (in-house value chain) which are required to manufacture/assemble the wiring harness product as required by the original equipment manufacturers (“OEMs”) from other divisions of the Company, SAMIL and their subsidiaries and joint venture entities. The DWH Business also procures certain capital items as required for the DWH Business from other divisions of the Company. The transactions with other division of the Company are currently not disclosed separately as they pertain to inter-division procurements.</p> <p>While the DWH Business is being demerged as a part of the Scheme, will continue to be one of the key business forming part of the Motherson group.</p> <p>These transactions are being entered in to ensure that, post the demerger, the benefit of this in-house value chain continues to be available to MSWIL as well.</p> <p>The objective of the proposed related party transactions is to (i) ensure the continuity of economies of scale thereby bringing efficiencies for the Company; and (ii) provide cost advantage and economic benefits to MSWIL while ensuring access to proven technology.</p> <p>These transactions will ensure continuity to existing operations and they are in the best interest of both, your Company (including Post Reorganization MSSL) as well as MSWIL.</p>
<b>Duration of the proposed transactions</b>	<p><b>B. Transactions with SWS, its subsidiaries and joint ventures</b></p> <p>The Company, currently, sources wiring harness components and certain child parts of components which are required to manufacture/assemble the wiring harness product in relation to the DWH Business, as required by the OEMs. On the Scheme becoming effective and the demerger of DWH Business into MSWIL, MSWIL will continue to source such parts from SWS.</p> <p>The arrangement will be for a period of 10 years from the Scheme becoming effective. However, the arrangement between the companies will be on a non-exclusive basis and therefore MSWIL would be free to enter into similar contracts with other parties if there is an associated cost-benefit.</p>

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The agreement will also contain termination provisions in line with long term commercial contracts of this nature.

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**Monetary value**

The purchase of components by MSWIL from the Company (including Post Reorganization MSSL), its subsidiaries and joint ventures shall not, in aggregate, exceed 34.5% of the annual revenues of MSWIL (i.e. the DWH Business).

The purchase of components by MSWIL from the SWS, its subsidiaries and joint ventures shall not, in aggregate, exceed 17.5% of the annual revenues of MSWIL (i.e. the DWH Business).

The aggregate thresholds prescribed have been arrived at after appropriately providing for fluctuations in the commodity pricing, changes in product mix and to allow for room for import content localisation, without requiring incremental approval of the shareholders for the entire duration of such agreements and therefore not resulting in any disruption in the day to day conduct of business.

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**Pricing and arrangements**

**financial**

**A. Transactions with the Company (including Post Reorganization MSSL), its subsidiaries and joint ventures**

Pricing for products will be based on an arm’s-length transfer price established by MSWIL. The purchase price is based on a mixture of fixed, variable and pass-through costs and benchmarked margins for different activities based on transfer pricing principles. Annual price revisions may be applicable based on the above framework.

Pricing of the products will also be driven by past practices adopted by the Company, SAMIL and its subsidiaries and joint ventures basis (i) negotiations based on comparable terms from third party supplier (wherever applicable), and (ii) Customer target price decided at the time of award of contract by OEMs, and/or

**B. Transactions with SWS, its subsidiaries and joint ventures**

Pricing of the products will be on an arm’s length basis and will be mutually decided basis the customer target price decided at the time of the receipt of the request for quotes (RFQs) which are based on negotiations and are on comparable terms from third party supplier (wherever applicable).

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**B. Sale of products by MSWIL**

Particulars	Information
<b>Name of the Related Party</b>	(a) Motherson Sumi Systems Limited (“ <b>Company</b> ”) (including Post Reorganization MSSL), its subsidiaries including SMR Automotive Systems India Limited (CIN: U51100DL1995PLC074884), SMRC Automotive Products

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India Limited (CIN: U34101TN2013FLC091389), Samvardhana Motherson Auto System Private Limited (CIN: U50300DL2014PTC273269), Motherson Invenzen XLab Private Limited (CIN: U72300DL2014PTC264533), and joint ventures including Calsonic Kansei Motherson Auto Products Private Limited (CIN: U34102DL2007PTC168779), Fritzmeier Motherson Cabin Engineering Private Limited (CIN: U31908DL2007PTC162125), Motherson Bergstrom HVAC Solutions Private Limited (CIN: U29292DL2010PTC211024), and Marelli Motherson Automotive Lighting India Private Limited (CIN: U31500DL2008PTC174123), Kyungshin Industrial Motherson Private Limited (CIN: U55101DL1997PTC090104) and Anest Iwata Motherson Private Limited (CIN: U34107DL2000PTC108736).

(b) SWS, its subsidiaries and joint ventures.

**Name of Director(s) or Key Managerial Personnel(s) who is related**

The promoter directors and/or their nominee(s) will be deemed to be related.

Upon effectiveness of the Scheme and prior to the listing of the equity shares of MSWIL, the Board of Directors of MSWIL will be reconstituted in compliance with the applicable provisions of the Listing Regulations. Also, the details of existing directors of MSWIL has been stated below in the explanatory statement.

**Nature of Relationship**

(a) The Company (including Post Reorganization MSSL), its subsidiaries and joint ventures

Currently your Company holds 100% of the equity share capital of MSWIL.

On the Scheme becoming effective, and in consideration for the demerger of the DWH Business (*as defined in the Scheme*) into MSWIL, MSWIL will issue one equity share of MSWIL to the shareholders of your Company for every one share held in the Company, as the Record Date 1 (*as defined in the Scheme*), and the shares issued by MSWIL will be listed on the stock exchanges, pursuant to the Scheme.

Accordingly, on the demerger becoming effective, and on the issuance of shares by MSWIL to the shareholders of your Company as per the Scheme, MSWIL will be an independent listed company, with mirror shareholding as that of your Company. On the Scheme becoming effective, and subsequent to the merger of SAMIL into your Company will hold 33.43% of the share capital of MSWIL.

SMRC Automotive Products India Limited is a subsidiary of the Company and Kyungshin Industrial Motherson Private Limited and Calsonic Kansei Motherson Auto Products Private Limited are joint venture companies of the Company.

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Further, Fritzmeier Motherson Cabin Engineering Private Limited; Motherson Bergstrom HVAC Solutions Private Limited; Marelli Motherson Automotive Lighting India Private Limited and Anest Iwata Motherson Private Limited are joint venture companies of SAMIL and Samvardhana Motherson Auto System Private Limited and Motherson Invenzen XLab Private Limited are subsidiaries of SAMIL.

Pursuant to the Scheme, Samvardhana Motherson Auto System Private Limited and Motherson Invenzen XLab Private Limited will become subsidiaries of Post Reorganization MSSL. Additionally, Fritzmeier Motherson Cabin Engineering Private Limited; Motherson Bergstrom HVACHVAC Solutions Private Limited; Marelli Motherson Automotive Lighting India Private Limited and Anest Iwata Motherson Private Limited, will, pursuant to the Scheme, become joint ventures of Post Reorganization MSSL.

(b) SWS, its subsidiaries and joint ventures

SWS currently holds approximately 25.10% of the share capital of the Company. On the Scheme becoming effective, SWS will hold approximately 25.10% of the share capital of MSWIL as the shareholding of MSWIL will be a mirror-image of the Company.

Brief details of the key subsidiaries and joint venture companies listed above with whom related party transactions to be carried include and are as provided below:

(i) SMR Automotive Systems India Limited, India (“**SMR**”)

SMR is a joint venture between the Company and SAMIL, as on date, and will become a wholly-owned subsidiary of Post Reorganization MSSL. SMR is engaged in the business of manufacturing mirrors for passenger cars and its product range includes exterior and interior mirrors, mirrors with integrated lighting and turn signals, warning detection systems, telescopic trailer tow mirrors etc.

(ii) SMRC Automotive Products India Limited

SMRC Automotive Products India Limited is an indirect wholly-owned indirect subsidiary of the Company and is engaged in the business of manufacturing and selling instrument panel, door trims and exteriors for passenger cars. It has manufacturing facilities in Pune and Chennai.

(iii) Samvardhana Motherson Auto System Private Limited

Samvardhana Motherson Auto System Private Limited (“**SMAS**”) is a wholly-owned subsidiary of SAMIL. It is the after-market arm of the Motherson Group and is engaged in the business of distributing and selling

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automotive and non-automotive products through its widespread network of 100 plus distributors across India and exports.

(iv) Motherson Invenzen XLab Private Limited

Motherson Invenzen XLab Private Limited (“**MI-XLAB**”) is a wholly-owned subsidiary of SAMIL. It designs and manufactures a comprehensive range of products including connected car infotainment systems, customized telematics units (TCU, SOS and OBD devices for OE-Fit & Aftermarket segments) and Industrial IoT equipment. MI-XLAB also provides services to group companies and to external customers for customized electronics product design and manufacturing.

(v) Calsonic Kansei Motherson Auto Products Private Limited

Calsonic Kansei Motherson Auto Products Private Limited is a joint venture between the Company and Calsonic Kansei, Japan and is engaged in the business of manufacturing climate control systems including HVAC modules, compressors, body control modules and meters clusters for the automotive industry.

(vi) Fritzmeier Motherson Cabin Engineering Private Limited

Fritzmeier Motherson Cabin Engineering Private Limited (“**FMCEL**”) is a joint venture between SAMIL and F Holding GmbH, Germany. FMCEL has been established to manufacture hi-end safety driver cabins for off-highway construction equipment, agricultural tractors, forklifts, tower cranes etc. in India and undertakes the sale of cabins and components in India & the SAARC region.

(vii) Motherson Bergstrom HVAC Solutions Private Limited

Motherson Bergstrom HVAC Solutions Private Limited (“**MBSL**”) is a subsidiary of SAMIL in collaboration with Bergstrom, Inc., USA. MBSL performs assembly of the combination air-conditioning and heating unit and conducts end-line testing of the product.

(viii) Marelli Motherson Automotive Lighting India Private Limited

Marelli Motherson Automotive Lighting India Private Limited (“**MMM**”) is a Joint Venture between SAMIL and Marelli Europe Holding S.p.A, Europe. MMM undertakes the business of developing, manufacturing, assembling and marketing automotive lighting

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products (head lamps and tail lamps), air-intake manifolds, fuel rail assemblies and pedal brake accelerator modules.

(ix) Kyungshin Industrial Motherson Private Limited

Kyungshin Industrial Motherson Private Limited (“KIML”) is a joint venture between the Company and Kyungshin Corporation (South Korea) with its headquarters in Chennai. KIML is an integrated wiring harnesses manufacturing company catering exclusively to the wiring harness requirements of Hyundai Motors, for its range of cars manufactured in India and also manufactures airbag wiring harness for Hyundai Motors. KIML has state-of-the-art manufacturing set-up with world-class facilities featuring lean manufacturing including automatic cutting, stripping and crimping machines.

(x) Anest Iwata Motherson Private Limited

Anest Iwata Motherson Private Limited (“AIM”) is a joint venture between SAMIL and Anest Iwata Corporation, Japan. It is also marketing in India oil-free type scroll air compressor from Anest Iwata.

The related parties identified hereinabove are as per existing arrangement(s) with respective related parties or their subsidiaries or their joint venture and the description of related parties will include their respective subsidiaries and joint ventures.

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**Nature, material terms and particulars of the contract or arrangement**

The transactions are in relation to the sale by MSWIL of various goods or materials, including the sale of components of wiring harness and wiring harness.

The products will include current and future products, including, improvements, new designs, new development etc., *inter-alia*, to meet the customers’ requirements.

The transactions will be at an arm’s length basis and in the ordinary course of business.

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**Rationale for transaction**

The DWH Business of the Company is presently the leading wiring harness supplier for the OEMs in India. It is a supplier of choice for several OEMs due to its superior quality and customer centricity.

Some of the other businesses of the Company, SAMIL and certain subsidiaries and joint ventures of the Company and SAMIL also require wiring harness as child parts for the manufacturing/assembly of the final product. Given the DWH Business’s world-class technology, vast experience and cost-efficient manufacturing, it currently supplies wiring harness to the other divisions of the Company, SAMIL its subsidiaries and joint

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ventures for the manufacture of internal/external mirror(s), headlight lamps etc. for defined models of OEMs.

The Company has also been supplying wiring harness to SWS as well.

Post the demerger of DWH Business into MSWIL, the Company, and its subsidiaries and joint ventures will continue to source wiring harnesses from MSWIL on an ongoing basis. This arrangement provides both MSWIL and the counterparties continuity of business.

The transactions will be at an arm's length basis and in the ordinary course of business.

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**Duration of the proposed transactions**

The arrangement will be for a period of 10 years from the Scheme becoming effective. However, the arrangement between the companies will be on a non-exclusive basis and therefore MSWIL and the counter-parties would be free to enter into similar contracts with other parties as well.

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**Monetary value**

The supply of components by MSWIL to the Company (including Post Reorganization MSSSL) and SWS, and their subsidiaries and joint ventures and its respective subsidiaries and joint ventures, shall not, in aggregate, exceed 2% of the annual revenues of MSWIL (i.e., the DWH Business).

The aggregate thresholds prescribed above factors in the future growth potential of the Company and its subsidiaries and joint ventures, which currently procure wiring harness from the DWH Business.

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**Pricing and financial arrangements**

With respect to the ongoing models/programs for the supply of wiring harness by DWH Business, the pricing and financial arrangements will be as per existing terms (which are on an arm's length basis / comparable terms)

In respect to the future business, the prices are to be mutually decided basis negotiations based on comparable terms from third party supplier and/or customer target price decided at the time of award of contract by OEMs.

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**C. Lease rentals**

<b>Particulars</b>	<b>Information</b>
<b>Name of the Related Party</b>	Motherson Sumi Systems Limited (" <b>Company</b> ")
<b>Name of Director(s) or Key Managerial Personnel(s) who is related</b>	<p>The promoter directors and/or their nominee(s) will be deemed to be related.</p> <p>Upon effectiveness of the Scheme and prior to the listing of the equity shares of MSWIL, the Board of Directors of MSWIL will be reconstituted in compliance with the applicable provisions of the Listing Regulations. Also, the details of existing directors of MSWIL has been stated below in the explanatory statement.</p>

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<b>Nature of Relationship</b>	<p>Currently your Company holds 100% of the equity share capital of MSWIL.</p> <p>On the Scheme becoming effective, and in consideration for the demerger of the DWH Business (<i>as defined in the Scheme</i>) into MSWIL, MSWIL will issue one equity share of MSWIL to the shareholders of your Company for every one share held in the Company, as on the Record Date 1 (<i>as defined in the Scheme</i>), and the shares issued by MSWIL will be listed on the stock exchanges, pursuant to the Scheme.</p> <p>Accordingly, on the demerger becoming effective, and on the issuance of shares by MSWIL to the shareholders of your Company as per the Scheme, MSWIL will be an independent listed company, with mirror shareholding as that of your Company. On the Scheme becoming effective, and subsequent to the merger of SAMIL into the Company, your Company will hold 33.43% of the share capital of MSWIL.</p>
<b>Nature, material terms and particulars of the contract or arrangement</b>	<p>The transaction involves leasing/ sub-leasing of various immovable property owned/leased by your Company, on which manufacturing units and offices pertaining to the DWH Business are situated, to MSWIL. Further, the area of the manufacturing unit may change in future considering the expansion and other business requirements.</p> <p>The transactions will be at an arm's length basis and in the ordinary course of business.</p>
<b>Rationale for transaction</b>	<p>The DWH Business being demerged by the Company into MSWIL, <i>inter alia</i>, consists of various manufacturing units and offices located in Uttar Pradesh, Maharashtra, Haryana, Gujrat, Madhya Pradesh, Karnataka, Uttarakhand and Tamil Nadu.</p> <p>The land and building of such manufacturing and offices units are originally owned and/or leased in name of the Company. Many of the factories pertaining to the DWH Business are on long term leases taken from government authorities / industrial parks. The process involved in the transfer of such properties would be time consuming and cost inefficient and can potentially impact the continuity of the business as a going concern.</p> <p>Therefore, it has been decided that, as part of the Scheme, the Company will continue to retain such immovable assets and MSWIL will work on an asset light model for DWH Business.</p> <p>Accordingly, all such manufacturing units and offices will be taken on lease / sub-leased to MSWIL by the Company, on the Scheme becoming effective.</p>
<b>Duration of the proposed transactions</b>	<p>The agreement for lease/ sub-lease will be for a period of 10 years from the Scheme becoming effective with a lock-in of 5 years during which, neither party shall be entitled to terminate the agreement.</p>

	The agreement will also contain termination provisions, applicable post the expiry of lock-in period, in line with long term commercial contracts of this nature.
<b>Monetary value</b>	<p>MSWIL will pay an aggregate monthly rent as per the respective lease / sub-lease agreements, subject to an escalation of 5% per annum.</p> <p>The monthly rents have been determined by way of independent reports prepared by Knight Frank. Further, in case of change in leased area, the rental will vary and such change in rental will be supported by an independent third-party report on an arm's length justification.</p> <p>The estimated lease rental, for the financial year 2021-2022, is expected to be approximately INR 60,00,00,000.</p>
<b>Pricing and financial arrangements</b>	<p>To ensure that the fair market values are evaluated in a transparent manner, Knight Frank was appointed to carry out independent studies and basis the same the lease rentals and annual escalations have been worked out in the respective lease agreements.</p> <p>Knight Frank followed the Market Rent approach as per the definition of Market Rent defined within Royal Institute of Chartered Surveyors (RICS) valuation standards which is as follows "<i>The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion</i>".</p>

#### D. Functional Support Services

Particulars	Information
<b>Name of the Related Party</b>	The Company (including Post Reorganization MSSSL), its subsidiaries including Motherson Consultancies Service Limited (CIN U29130DL2004PLC131100); Samvardhana Motherson Global Carriers Limited (CIN: U60232DL2018PLC339026), Samvardhana Motherson Auto System Private Limited (CIN: U50300DL2014PTC273269); Motherson Air Travel Agencies Limited (CIN: U74899DL1994PLC058171), Motherson Techno Tools Limited (CIN: U74999DL1992PLC049607), Motherson Invenzen Xlab Private Limited (CIN: U72300DL2014PTC264533), MothersonSumi Infotech and Designs Limited (CIN: U67120DL1985PLC020695) and joint ventures.
<b>Name of Director(s) or Key Managerial Personnel(s) who is related</b>	<p>The promoter directors and/or their nominee(s) will be deemed to be related.</p> <p>Upon effectiveness of the Scheme and prior to listing of the equity shares of MSWIL, the Board of Directors of MSWIL will be reconstituted in compliance with the applicable provisions of the</p>

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Listing Regulations. Also, the details of existing directors of MSWIL has been stated below in the explanatory statement.

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**Nature of Relationship**

(a) The Company (including Post Reorganization MSSL)

Currently your Company holds 100% of the equity share capital of MSWIL.

On the Scheme becoming effective, and in consideration for the demerger of the DWH Business (*as defined in the Scheme*) into MSWIL, MSWIL will issue one equity share of MSWIL to the shareholders of your Company for every one share held in the Company, as on the Record Date 1 (*as defined in the Scheme*), and the shares issued by MSWIL will be listed on the stock exchanges, pursuant to the Scheme.

Accordingly, on the demerger becoming effective, and on the issuance of shares by MSWIL to the shareholders of your Company as per the Scheme, MSWIL will be an independent listed company, with mirror shareholding as that of your Company. On the Scheme becoming effective, and subsequent to the merger of SAMIL into the Company your Company will hold 33.43% of the share capital of MSWIL.

Currently, Motherson Consultancies Service Limited, Samvardhana Motherson Global Carriers Limited, Samvardhana Motherson Auto System Private Limited, Motherson Air Travel Agencies Limited, Motherson Techno Tools Limited, Motherson Invenzen XLab Private Limited, MothersonSumi INFotech and Designs Limited are subsidiaries of SAMIL. On the Scheme becoming effective, and on the amalgamation, by absorption, of SAMIL with the Company, they will become subsidiaries of the Post Reorganization MSSL.

Brief details of the subsidiaries and joint venture companies listed above are as provided below:

(i) Motherson Consultancies Service Limited

Motherson Consultancies Service Limited is a wholly-owned subsidiary of SAMIL and provides consultancy services to Motherson Group companies for the purchase of all types of goods, machinery and equipment.

(ii) Samvardhana Motherson Global Carriers Limited

Samvardhana Motherson Global Carriers Limited ("**SMGCL**") is a wholly-owned subsidiary of SAMIL. SMGCL is focused on being a single window, technology empowering 4PL solution provider for all Motherson companies with zero service failure assurance. SMGCL is also actively investing in building and nurturing cutting edge 4th generation logistics products and technologies with emphasis on

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safety, efficiency, automation and business intelligence.

(iii) Samvardhana Motherson Auto System Private Limited

Samvardhana Motherson Auto System Private Limited (“**SMAS**”) is a wholly-owned subsidiary of SAMIL. It is the after-market arm of the Motherson Group and is engaged in the business of distributing and selling automotive and non-automotive products through its widespread network of 100 plus distributors across India and exports.

(iv) Motherson Air Travel Agencies Limited

Motherson Air Travel Agencies Limited (“**MATA**”) is a subsidiary of SAMIL engaged in the business of providing hospitality services, ticketing services for the group.

(v) Motherson Techno Tools Limited

Motherson Techno Tools Limited (“**MTTL**”) is a joint venture between subsidiary of SAMIL and Sumitomo Electric Industries Limited, Japan. MTTL specialises in manufacturing of CBN (Cubic Boron Nitride), PCD (Polycrystalline Diamond) cutting tools, PCD drills, PCD reamers, solid carbide drills.

(vi) Motherson Invenzen XLab Private Limited

Motherson Invenzen XLab Private Limited (“**MI-XLAB**”) is a wholly-owned subsidiary of SAMIL. It designs and manufactures a comprehensive range of products including connected car infotainment systems, customized telematics units (TCU, SOS and OBD devices for OE-Fit & Aftermarket segments) and Industrial IoT equipment. MI-XLAB also provides services to group companies and to external customers for customized electronics product design and manufacturing.

(vii) MothersonSumi INFotech and Designs Limited

MothersonSumi INFotech & Design Limited (“**MIND**”) is a subsidiary of SAMIL. MIND undertakes the provision of various information technology and engineering and design services including enterprise applications, software development, IT infrastructure and business process outsourcing services for the automotive industry, including from a supply chain management perspective.

The related parties identified hereinabove are as per existing arrangement(s) with respective related parties or their subsidiaries or their joint venture and the description of related

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	<p>parties will include their respective subsidiaries and joint ventures.</p>
<p><b>Nature, material terms and particulars of the contract or arrangement</b></p>	<p>The agreement includes availing of functional support in the areas of accounting, human resource, consulting, procurement services, design and development services for product and process, engineering services, finance, procurement, logistics, information technology support, travel management, infrastructure support and other professional and support services by MSWIL and sharing of manpower and resources with the MSWIL.</p> <p>The services will include current and future services.</p> <p>The transactions will be at an arm's length basis and in the ordinary course of business.</p>
<p><b>Rationale for transaction</b></p>	<p><b>A. Functional services to be availed from the Company (including Post Reorganization MSSL) and its subsidiaries and joint ventures</b></p> <p>As on date, the Company has a central team for the wiring harness business operating out of India (domestic and export business) for key functions across all the plants, such as:</p> <ul style="list-style-type: none"> <li>- Finance, procurement, logistics, human resource services and other common services.</li> <li>- Design and development teams.</li> <li>- Supplier qualification, quality assurance and validation of new parts etc.</li> <li>- Process and production engineering teams</li> </ul> <p>These services are currently being shared for wiring harness business in India i.e., the DWH Business and its export business.</p> <p>Post the Scheme becoming effective and the demerger of the DWH Business in MSWIL, such functional services will continue to be provided by the Company to MSWIL and the Company would allocate the costs incurred by it, based on revenues of the DWH Business and the export wiring harness business operating out of India.</p> <p>The key rationale for undertaking these arrangements is to avoid duplication of resources thus making both the businesses, i.e., the business of the Company and MSWIL, cost-efficient.</p> <p><b>B. Others</b></p> <p>There are some other shared services which the DWH Business currently avails from the other subsidiaries and joint ventures of the Company and subsidiaries and joint ventures of SAMIL, which post amalgamation of SAMIL, by absorption, into the Company</p>



	<p>will become subsidiaries and joint ventures of Post Reorganization MSSL. These services include:</p> <ul style="list-style-type: none"> <li>- Information technology services including procurement of hardware and software.</li> <li>- Travel management and guest houses services; and</li> <li>- Management consultancy services.</li> </ul>
<b>Duration of the proposed transactions</b>	<p>The arrangement with each entity will be for a period of 10 years from the Scheme becoming effective.</p> <p>However, these arrangements will be on a non-exclusive basis and therefore MSWIL would be free to enter into similar contracts with other parties if there is an associated cost-benefit.</p>
<b>Monetary value</b>	<p>The aggregate value of all functional support availed by MSWIL, shall not exceed 5% of the annual revenues of MSWIL (i.e., the DWH Business).</p> <p>This monetary threshold of 5% is aligned with historical levels i.e., the cost of the services availed by DWH Business and will also include any reimbursement of employee costs incurred by the company rendering the services.</p>
<b>Pricing and financial arrangements</b>	<p><b>A. Functional Services to be availed from the Company</b></p> <p>Costs of common resources shall be allocated between MSWIL and the Company's export wiring harness businesses operating out of India based on either</p> <ul style="list-style-type: none"> <li>- Revenues; or</li> <li>- Any other applicable metric as may be considered appropriate where revenue-based allocation may not be feasible.</li> </ul> <p><b>B. Others</b></p> <p>Pricing to be governed by the following principles:</p> <ul style="list-style-type: none"> <li>- In case of any trading activities, there will be a mark-up on an arm's length basis; or</li> <li>- In-house developed solutions / services will be priced at comparable levels to market prices.</li> </ul>

**E. Technical assistance agreements with Sumitomo Wiring Systems Limited, Japan**

Particulars	Information
<b>Name of the Related Party</b>	Sumitomo Wiring Systems Limited, Japan ("SWS")

<b>Name of Director(s) or Key Managerial Personnel(s) who is related</b>	<p>The promoter directors and/or their nominee(s) will be deemed to be related.</p> <p>Upon effectiveness of the Scheme and prior to the listing of the equity shares of MSWIL, the Board of Directors of MSWIL will be reconstituted in compliance with the applicable provisions of the Listing Regulations. Also, the details of existing directors of MSWIL has been stated below in the explanatory statement.</p>
<b>Nature of Relationship</b>	<p>SWS currently holds approximately 25.10% of the share capital of the Company. On the Scheme becoming effective, SWS will hold approximately 25.10% of the share capital of MSWIL as the shareholding of MSWIL will be a mirror-image of the Company.</p>
<b>Nature, material terms and particulars of the contract or arrangement</b>	<p>For supply and grant of license to manufacture and sell wiring harness and its components by using technical information, know-how and technical assistance from SWS including design &amp; development fee, software computer maintenance fee, technician absence fee etc. The Company and SWS had entered into a Technical Assistance Agreement dated December 20, 1986 for the manufacture of wiring harness and components. The said technical assistance has been extended from time to time and new products been included as per the requirements of the customers.</p> <p>The transactions will be at an arm's length basis and in the ordinary course of business.</p>
<b>Rationale for transaction</b>	<p>Currently, the Company and SWS have entered into a technical assistance agreement, in relation to the DWH Business. Since this agreement is in relation to the DWH Business, the said agreements will be transferred to MSWIL, on the Scheme becoming effective. Therefore, on the Scheme becoming effective, such agreements between the Company and SWS will become agreements between SWS and MSWIL.</p>
<b>Duration of the proposed transactions</b>	<p>The agreement will be for a period of 10 years from the Scheme becoming effective.</p> <p>The agreement will also contain termination provisions in line with long term commercial contracts of this nature.</p>
<b>Monetary value</b>	<p>The value of the technical services to be availed by MSWIL from SWS, shall not, in aggregate, exceed 1% of the annual revenues of MSWIL (i.e. the DWH Business).</p>
<b>Pricing and financial arrangements</b>	<p>The agreement(s)/ arrangement(s) shall be transferred on the same terms as is existing between SWS and the Company as on date.</p> <p>All agreement(s)/ arrangement(s) will be at an arm's length basis and in the ordinary course of business.</p>

## F. Management services

Particulars	Information
<b>Name of the Related Party</b>	Motherson Sumi Systems Limited (" <b>Company</b> ")
<b>Name of Director(s) or Key Managerial Personnel(s) who is related</b>	<p>The promoter directors and/or their nominee(s) will be deemed to be related.</p> <p>Upon effectiveness of the Scheme and prior to the listing of the equity shares of MSWIL, the Board of Directors of MSWIL will be reconstituted in compliance with the applicable provisions of the Listing Regulations. Also, the details of the existing directors of MSWIL has been stated herein below.</p>
<b>Nature of Relationship</b>	<p>Currently your Company holds 100% of the equity share capital of MSWIL.</p> <p>On the Scheme becoming effective, and in consideration for the demerger of the DWH Business (<i>as defined in the Scheme</i>) into MSWIL, MSWIL will issue one equity share of MSWIL to the shareholders of your Company for every one share held in the Company, as on the Record Date 1 (<i>as defined in the Scheme</i>), and the shares issued by MSWIL will be listed on the stock exchanges, pursuant to the Scheme.</p> <p>Accordingly, on the demerger becoming effective, and on the issuance of shares by MSWIL to the shareholders of your Company as per the Scheme, MSWIL will be an independent listed company, with mirror shareholding as that of your Company. On the Scheme becoming effective, and subsequent to the merger of SAMIL into the Company, your Company will hold 33.43% of the share capital of MSWIL.</p>
<b>Nature, material terms and particulars of the contract or arrangement</b>	<p>The transaction shall involve provision of various management services by MSSL to MSWIL including management support and advice, local relationships and ground level assistance.</p> <p>The transactions will be at an arm's length basis and in the ordinary course of business.</p>
<b>Rationale for transaction</b>	<p>Currently, the DWH Business which is a part of the Company benefits from the management guidance and support of the management of the Company.</p> <p>The contribution of the Company in terms of management support and advice and other such incidental aspects is crucial to the growth and development of the DWH Business and the DWH Business will still require continuous and ongoing management support and advice from the Company, even after the Scheme becomes effective.</p> <p>Accordingly, the Company will continue to provide strategic guidance and management support from operational and local relationships perspective to MSWIL, even after the Scheme becomes effective. In this regard, the Company will enter into a</p>

	management services agreement with MSWIL prior to the Scheme becoming effective, which agreement will come into effect on the Scheme becoming effective.
<b>Duration of the proposed transactions</b>	<p>The arrangement shall be for a period of 10 years from the Scheme becoming effective.</p> <p>The agreement will also contain termination provisions in line with long term commercial contracts of this nature.</p>
<b>Monetary value</b>	The value of management services to be availed by MSWIL from MSSSL, shall not, in aggregate, exceed 1% of the annual revenues of MSWIL (i.e. the DWH Business).
<b>Pricing and financial arrangements</b>	<p>For Management Services to be provided by the Company to MSWIL, the arrangement will have identical commercial terms/ parameters as of the technical services agreement with SWS which is being transferred to MSWIL as a part of the Scheme.</p> <p>All agreement(s)/ arrangement(s) will be at an arm's length basis and in the ordinary course of business.</p>

#### G. Car leasing arrangements with Motherson Lease Solution Limited

<b>Particulars</b>	<b>Information</b>
<b>Name of the Related Party</b>	Motherson Lease Solution Limited (" <b>MLSL</b> ") (CIN: U63090DL2009PLC190729)
<b>Name of Director(s) or Key Managerial Personnel(s) who is related</b>	Mrs. Renu Alka Sehgal, Director of MLSL (being relative to Mr. Vivek Chaand Sehgal and Mr. Laksh Vaaman Sehgal).
<b>Nature of Relationship</b>	Mr. Vivek Chaand Sehgal and Mr. Laksh Vaaman Sehgal along with their family members own 99.97% beneficial ownership of MLSL.
<b>Nature, material terms and particulars of the contract or arrangement</b>	<p>Car leasing services, to be provided by MLSL to MSWIL, for use by its employees and other corporate purposes.</p> <p>The transactions will be at an arm's length basis and in the ordinary course of business.</p>
<b>Rationale for transaction</b>	MLSL extends car leasing services, for use by employees and for other corporate purposes, to the Company including for its DWH Business and to other entities under the Motherson group, which gives such entities a distinct cost advantage. The car leasing services shall continue to be extended to MSWIL, post the demerger and the said agreements shall be transferred to MSWIL by novating/ assigning such contracts in favour of MSWIL, consequent to the effectiveness of the Scheme. Therefore, on the Scheme becoming effective, such agreements between the

	Company and MLSL will become agreements between MLSL and MSWIL
<b>Duration of the proposed transactions</b>	<p>The agreement will be for a period of 10 years from the Scheme becoming effective. However, the arrangement between the companies will be on a non-exclusive basis and therefore MSWIL would be free to enter into similar contracts with other parties if there is an associated cost-benefit.</p> <p>The agreement will also contain termination provisions in line with long term commercial contracts of this nature.</p>
<b>Monetary value</b>	The value of the agreement for the purpose of leasing of cars from MLSL shall not, in aggregate, exceed 0.5% of the annual revenues of MSWIL (i.e. the DWH Business), and this threshold is as per historical levels.
<b>Pricing and financial arrangements</b>	The pricing and financial arrangements will be as per existing terms (which are on an arm's' length basis / comparable terms).

MSWIL will place the related party transactions approved by the shareholders under this resolution before its Audit Committee for approval on an annual basis. While making any approval, members of the Audit Committee will be required to ensure an arm's length pricing and that the same is in an ordinary course of business. Further, the Audit Committee will periodically review such related party transactions as per applicable law. Also, as per Ind AS 24, related party transactions will be disclosed in the financial results of MSWIL and will be disclosed to the Stock Exchange under the Listing Regulations, on a half-yearly basis.

The promoter directors and/or their nominees will be deemed to be interested in the above resolution, to the extent of their common directorship and shareholding in the related parties. Further, the following Directors of MSWIL will be deemed to be interested in related party transactions with respective companies, by virtue of their common directorship in following companies:

Sl. No.	Name of director	Common Directorship in other companies
1.	Mr. Vivek Chaand Sehgal* (Promoter Director)	(a) Motherson Sumi Systems Limited; (b) Motherson Electrical Wires Lanka Private Limited, Sri Lanka; (c) MSSL (GB) Limited, United Kingdom. (d) MSSL Mideast (FZE), UAE; (e) Kyungshin Industrial Motherson Private Limited; (f) Fritzmeier Motherson Cabin Engineering Private Limited; and (g) Motherson Techno Tools Limited.
2.	Mr. Laksh Vaaman Sehgal* (Promoter Director)	(a) Motherson Sumi Systems Limited; (b) MothersonSumi INFotech and Designs Limited; (c) Motherson Air Travel Agencies Limited; and (d) Samvardhana Motherson Auto System Private Limited.
3.	Mr. Gautam Mukherjee	Motherson Sumi Systems Limited ( <i>an Independent Director on the Board</i> )

4.	Mr. Naveen Ganzu	(a) Motherson Sumi Systems Limited ( <i>an Independent Director on the Board</i> ); and (b) MSSL Mideast (FZE), UAE ( <i>Appointed pursuant to Regulation 24 of SEBI (Listing Obligations and Disclosure) Requirements, 2015</i> ).
5.	Mr. Sanjay Mehta	(a) SMR Automotive Systems India Limited; (b) Anest Iwata Motherson Private Limited; (c) Kyungshin Industrial Motherson Private Limited. (d) Calsonic Kansei Motherson Auto Products Private Limited. (e) Motherson Bergstrom HVAC Solutions Private Limited. (f) Marelli Motherson Automotive Lighting India Private Limited. (g) SMRC Automotive Products India Limited; and (h) Motherson Techno Tools Limited.
6.	Mr. Kunal Malani	Motherson Invenzen XLab Private Limited

\* Mr. Vivek Chaand Sehgal and Mr. Laksh Vaaman Sehgal (who is related to Mr. Vivek Chaand Sehgal) collectively hold more than 2% shareholding in the Company.

Upon effectiveness of the Scheme and prior to the listing of the equity shares of MSWIL, the Board of Directors of MSWIL will be reconstituted in accordance with applicable provisions of the Listing Regulations, pursuant to which MSWIL will not have any independent director(s) who is/are also an independent director(s) on the Board of the Company.

Except to the extent mentioned hereinabove, none other Directors and/or Key Managerial Personnel(s) or their relatives are in any way concerned or interested in the resolution.

The Audit Committee of the Company has considered, approved and recommended the aforementioned transactions to the Board of your Company on March 25, 2021 basis the documents and information received by them from the management, which *inter alia* includes the information contained herein. Basis such recommendation of the Audit Committee of the Company, the Board approved the aforementioned transactions on March 25, 2021 and recommends the resolution set out in the Item No. 1 as an Ordinary resolution.

A copy of the Scheme is available on the website of the Company at [www.motherson.com](http://www.motherson.com).

**By the order of the Board of Directors  
of Motherson Sumi Systems Limited**

**Place: Noida  
Date: March 25, 2021**

**Registered Office:**  
Unit 705, C Wing, ONE BKC  
G Block, Bandra Kurla Complex,  
Bandra East, Mumbai – 400 051.

**Sd/-  
Alok Goel  
Company Secretary  
Membership Number – FCS 4383**