

SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED

Regd. Off. Unit-705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai- 400051

Office: Plot No. 1, Sector- 127, Noida- Greater Noida Expressway, Noida-201301. Tel No. +91-120-6679500, Fax No. +91-120-6679270

Website: smil.co.in, email- smil@motherson.com CIN No.: U74900MH2004PLC287011

July 2, 2020

BSE Limited

Listing Department
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai 400 001

Scrip Code: 959098

Dear Sir / Madam,

Subject: Disclosure under Regulation 51 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Regarding approval of Composite Scheme of Amalgamation and Arrangement

In compliance with the provisions of Regulation 51 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), we wish to inform that the Board of Directors of Samvardhana Motherson International Limited (“**Company**”), at its meeting held today, i.e., July 2, 2020, has considered and approved a draft composite scheme of amalgamation and arrangement amongst the Motherson Sumi Systems Limited (“**MSSL**”), a new company in the process of being incorporated as a wholly owned subsidiary of MSSL (“**Resulting Company**”), the Company and their respective shareholders and creditors, as may be modified from time to time (“**Scheme**”), under Sections 230 to 232 of the Companies Act, 2013, *inter alia* providing for:

- (a) demerger of the Domestic Wiring Harness Undertaking or DWH Undertaking (*as defined in the Scheme*) into the Resulting Company; and
- (b) amalgamation of the Company with MSSL by absorption, subsequent to the completion of the demerger referred to in (a) (“**Amalgamation**”).

Pursuant to the Scheme, all the listed Non-Convertible Debentures (“**NCDs**”) issued by the Company, and listed on BSE Limited, shall vest in MSSL on the same terms and conditions, as if it were the issuer of the NCDs.

The Scheme is *inter alia* subject to receipt of approvals from the requisite majority of the shareholders and creditors of the Company, as may be directed by the National Company Law Tribunal, Mumbai bench (“NCLT”), BSE Limited, National Stock Exchange of India Limited and approval of other regulatory or statutory authorities as may be required.

Pursuant to Regulation 51 of the Listing Regulations as amended, details of the Amalgamation are enclosed herewith as **Annexure I**.

This is for your information and records.

Thanking you,

Yours faithfully,

For Samvardhana Motherson International Limited

Name: Sanjay Mehta
Designation: Director

Encl: As stated above

Annexure I

Details of the Amalgamation under Regulation 51 of the Listing Regulations

Sr. No.	Particulars	Details															
1.	Name of the entity (ies) forming part of the amalgamation/merger, details in brief such as, size, turnover etc.	<p>The composite Scheme <i>inter alia</i> involves amalgamation of Samvardhana Motherson International Limited (“Company”) into Motherson Sumi Systems Limited (“MSSL”), as per the terms of the Scheme.</p> <p>Details of the entities:</p> <p>1. <u>Motherson Sumi Systems Limited</u> (CIN: L34300MH1986PLC284510)</p> <ul style="list-style-type: none"> - MSSL is a public, listed company incorporated on December 19, 1986. MSSL is engaged in the business of manufacture of automotive components <i>inter alia</i> manufacture of wiring harness, manufacture of vision system, and manufacture of moulded and polymer products. - The equity shares of MSSL are listed on BSE Limited and National Stock Exchange of India Limited (“Stock Exchanges”) - MSSL’s turnover for FY 2019-20 was: <p align="right">(AMOUNT IN INR MILLIONS.)</p> <table border="1"> <thead> <tr> <th align="center">Particulars</th> <th align="center">FY 2019-20</th> <th align="center">FY 2019-20</th> </tr> </thead> <tbody> <tr> <td></td> <td align="center">Audited (Standalone)</td> <td align="center">Audited (Consolidated)</td> </tr> <tr> <td>Total Revenue from operations</td> <td align="center">68,738</td> <td align="center">6,35,368</td> </tr> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td>Net-worth</td> <td align="center">62,444</td> <td align="center">1,48,259</td> </tr> </tbody> </table> <p>-</p> <p>2. <u>Samvardhana Motherson International Limited</u> (CIN: U74900MH2004PLC287011)</p> <ul style="list-style-type: none"> - The Company is a public company incorporated on December 9, 2004. The NCDs issued by the Company are listed on BSE Limited. The Company is a non-deposit taking systemically important core investment company (CIC-ND-SI) registered with the Reserve Bank of India and is engaged in the business of holding and nurturing its investments in various subsidiaries and joint-venture companies in India and across the world and also provides strategic, operational and management support to its group companies. 	Particulars	FY 2019-20	FY 2019-20		Audited (Standalone)	Audited (Consolidated)	Total Revenue from operations	68,738	6,35,368				Net-worth	62,444	1,48,259
Particulars	FY 2019-20	FY 2019-20															
	Audited (Standalone)	Audited (Consolidated)															
Total Revenue from operations	68,738	6,35,368															
Net-worth	62,444	1,48,259															

		<p>- The Company's Revenue for FY 2019-20 was</p> <p style="text-align: center;">(AMOUNT IN INR MILLIONS)</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Particulars</th> <th>FY 2019-20</th> <th>FY 2019-20</th> </tr> </thead> <tbody> <tr> <td></td> <td style="text-align: center;">Audited (Standalone)</td> <td style="text-align: center;">Audited (Consolidated)</td> </tr> <tr> <td>Total Revenue from operations</td> <td style="text-align: center;">3,877</td> <td style="text-align: center;">13,358</td> </tr> <tr> <td>Net-worth</td> <td style="text-align: center;">15,851</td> <td style="text-align: center;">70,271</td> </tr> </tbody> </table> <p>- As on date, the Company holds 33.43% of the paid-up equity share capital of MSSL.</p>	Particulars	FY 2019-20	FY 2019-20		Audited (Standalone)	Audited (Consolidated)	Total Revenue from operations	3,877	13,358	Net-worth	15,851	70,271
Particulars	FY 2019-20	FY 2019-20												
	Audited (Standalone)	Audited (Consolidated)												
Total Revenue from operations	3,877	13,358												
Net-worth	15,851	70,271												
2.	<p>Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length"</p>	<p>Yes, the transaction would be a related party transaction.</p> <p>The consideration for the amalgamation of the Company into and with MSSL will be discharged on "arm's length" basis.</p> <p>The share exchange ratio for the shares to be allotted to the shareholders of the Company, as a consideration for the amalgamation, are based the joint report, dated July 2, 2020, prepared by Price Waterhouse & Co. LLP Chartered Accountants and BSR & Associates LLP, Chartered Accountants, and the valuation report, dated July 2, 2020, prepared by Incwert Advisory Private Limited, Registered Valuer (together, the "Valuation Reports") and the fairness opinion on the same, dated July 2, 2020, has been issued by Kotak Mahindra Capital Company Limited, a SEBI Registered (Category-I) Merchant Banker.</p> <p>The aforesaid Valuation Reports and the fairness opinion have been duly considered by the Board of Directors of the Company.</p>												
3.	<p>Area of business of the entity(ies)</p>	<p>MSSL is engaged in the business of manufacture of automotive components <i>inter alia</i> manufacture of wiring harness, manufacture of vision system, and manufacture of moulded and polymer products.</p> <p>The Company is a non-deposit taking systemically important core investment company (CIC-ND-SI) registered with the Reserve Bank of India and is engaged in the business of holding and nurturing its investments in various subsidiaries and joint-venture companies in India and across the world and also provides strategic, operational and management support to its group companies.</p>												
4.	<p>Rationale for amalgamation/merger</p>	<p>The amalgamation would result in the following benefits:</p>												

		<ul style="list-style-type: none"> - expanding the business of MSSL from a diversified auto component product portfolio and foray into non-auto component business, thereby creating greater value for the shareholders/ stakeholders of MSSL; - availability of increased resources, expertise and assets in the resultant company, which can be utilized for strengthening the customer base and servicing existing as well as prospective customers; - cost reduction, retaining talent, optimization of support functions, efficiencies and productivity gains by pooling the resources of the MSSL and the Company thereby significantly contributing to future growth and maximizing shareholders value; - consolidation of 100% of the shareholding in Samvardhana Motherson Automotive Systems Group BV in MSSL; and - consolidation of the Company with MSSL resulting in consolidation of the group's shareholdings in various entities and simplification of the group structure resulting in higher stakeholder accountability.
5.	In case of cash consideration – amount or otherwise share exchange ratio	<p>Except in the case of fractional entitlement of shares, if any, the Scheme does not involve payment of any cash consideration.</p> <p>Upon coming into effect of the Scheme and in consideration for the amalgamation of the Company into and with MSSL pursuant to the Scheme, MSSL shall, without any further act or deed and without receipt of any cash, issue and allot to the shareholders of the Company as on the relevant record date, 51 equity shares of Rs. 1/- each of MSSL for every 10 equity shares of Rs.10/- each of the Company.</p>
6.	Brief details of change in shareholding pattern (if any) of listed entity	<p>Upon the amalgamation of the Company into and with MSSL, as per Section II of the Scheme, the Company shall stand dissolved without being wound-up, without any further act or deed and the name of the Company shall be struck off from the records of the Registrar of Companies.</p> <p>Simultaneous with such amalgamation of the Company with MSSL, the equity shares held by the Company in MSSL shall stand cancelled, pursuant to the Scheme.</p> <p>The equity shares of MSSL held by the Company will continue to remain listed on the Stock Exchanges till the Scheme becomes effective, which is anticipated to take approximately 12 months from now, keeping in view the regulatory timelines involved.</p>