



Samvardhana MotherSON International Limited

(formerly MotherSON Sumi Systems Limited)

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Mumbai, Maharashtra - 400051, India

BSE Limited
1st Floor, New Trading Ring,
Rotunda Building
P.J. Towers, Dalal Street, Fort,
Mumbai, Maharashtra - 400001, India

Scrip Code : MOTHERSON

Scrip Code : 517334

Reference: Disclosure for Purchase of Assets of Frame Manufacturing and Assembly Operations of Daimler India Commercial Vehicles Pvt. Ltd. (DICV)

Dear Sir / Madam,

With the approval of the Board of Directors of the Company in their meeting held on September 8, 2022 we wish to inform that our Company i.e Samvardhana MotherSON International Limited (SAMIL) (formerly MotherSON Sumi Systems Ltd.) has signed a strategic agreement to acquire assets of frame manufacturing and assembly operations from Daimler India Commercial Vehicles Pvt. Ltd. (DICV) operated out of its facilities in Chennai at book value. Also, as a part of the transaction SAMIL has signed a long-term agreement with DICV for supply of the complete frame assembly.

Currently SAMIL (via its 100% subsidiary) runs the manufacturing operations of the frame manufacturing facility of DICV. The frame assembly operations are managed by DICV itself in a separate facility. Once the transaction is completed, SAMIL will own the assets (including long term leasehold rights for land) and will run end to end operations for frame manufacturing and assembly and supply to DICV under the long-term supply contract.

The transaction is expected to close during Q3 fiscal year 2022-23, subject to customary closing conditions and necessary regulatory approvals. Further details of the transaction are enclosed with this disclosure.

The above is for your information and records.

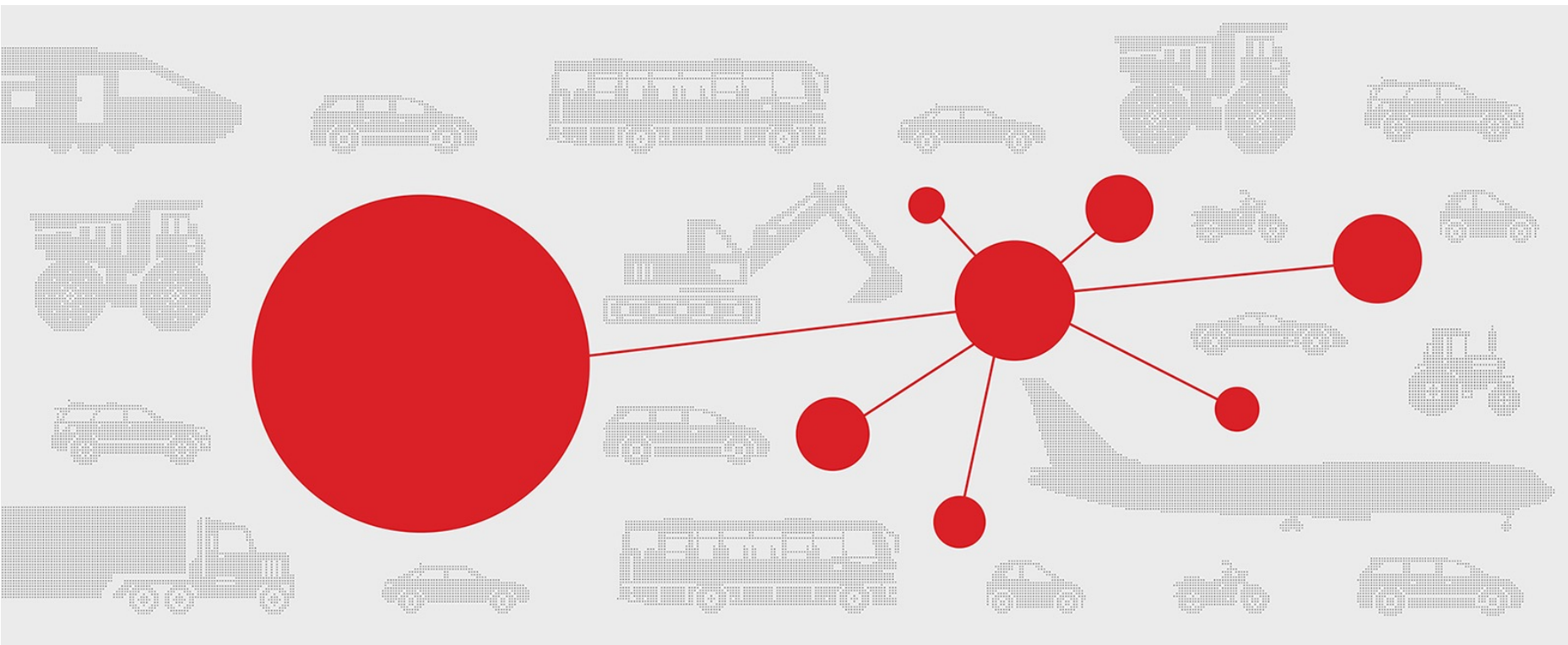
Thank you.

Yours truly,
For Samvardhana MotherSON International Limited
(formerly MotherSON Sumi Systems Limited)

Alok Goel
Company Secretary

Enclosed : As above.

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Key highlights of proposed transaction

motherson 



Long member manufacturing and Frame assembly

Frame Assembly



Long Member



Transaction Rationale

- Demonstrative of Motherson's vision of being a globally preferred sustainable solutions provider for its customers.
- An extension of SAMIL's existing business of body in white (BIW) and cold stamped products manufactured for Daimler India Commercial Vehicles Pvt. Ltd (DICV) in Chennai.
- Presents a unique vertical integration opportunity by addition of certain key assets and machinery and thereby significantly increasing the content per vehicle.
- With the purchase of these assets, SAMIL's status will change from contract manufacturer to the principal manufacturer of long-members for the Frame Assembly business.
- Post the transaction, For 10 years SAMIL will become the sole supplier of Frame Assembly to DICV.
- Open avenues of similar business model with other OEMs in India.
- Based on the volumes produced by DICV in fiscal 2021-22 and the terms of the supply agreement, the revenue generated (by the assets being bought), would have been approximately Rs 3,000 million.

**Another
steppingstone for
Motherson
in strong and
long-standing
global relationship
with Daimler**



Thank you.

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