(CIN-L35106MH1986PLC284510)

Regd. Office: Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051(India) Corporate Office: 11th Floor, Plot No. 1, Sector-127, Noida-Greater Noida Expressway, Noida-201301 Phone: +91 120 6679500; Fax: +91 120 2521866;

E-mail: investorrelations@motherson.com; Website: www.motherson.com

NOTICE is hereby given that the 38th (Thirty Eighth) Annual General Meeting ('AGM') of the members of Samvardhana Motherson International Limited ('the Company') is scheduled to be held on Thursday, August 28, 2025 at 1615 Hours (IST) through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') to transact the following businesses:

ORDINARY BUSINESS:

- 1. To consider and adopt:
 - (a) the Audited Financial Statements of the Company for financial year ended March 31, 2025, together with reports of the Board of Directors and Auditors thereon; and
 - (b) the Audited Consolidated Financial Statements of the Company for financial year ended March 31, 2025, together with the report of Auditors thereon.
- 2. To declare final dividend of Re. 0.35 (Thirty-Five Paise only) per equity share for financial year 2024-25.
- 3. To appoint a director in place of Mr. Pankaj Mital (DIN: 00194931), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

4. To approve appointment of Secretarial Auditors of the Company

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 Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, applicable SEBI circulars and Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and based on recommendation of the Audit Committee and the Board of Directors of the Company, approval of the members is granted for appointment of M/s. SGS Associates LLP, Company Secretaries (Firm Registration No. L2021DE011600), as the Secretarial Auditors of the Company for a term of five (5) consecutive years, commencing from financial year 2025-26 till financial year 2029-30, at such remuneration and on such terms and conditions as may be determined by the Board of Directors and to avail any other services, certificates or reports as may be permissible under applicable laws.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include, unless context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution) be and is hereby authorised to perform all acts, deeds, matters or things and take such decisions / steps as may be necessary, expedient or desirable to give effect to aforesaid resolution."

5. To approve ratification of remuneration of Cost Auditors for financial year 2025-26

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 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Company (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof), the remuneration payable to M/s. M.R. Vyas and Associates, Practicing Cost and Management Accountants (Firm Registration No. 101394 with the Institute of Cost Accountant of India) appointed by the Board of Directors of the Company as the Cost Auditors to conduct audit of cost records of the Company for financial year 2025-26, amounting INR 4,10,000 (Rupees Four Lacs Ten Thousand only) plus applicable taxes thereon and reimbursement of out of pocket expenses on actuals incurred in connection with aforesaid audit, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include, unless context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution) be and is hereby authorised to perform all acts, deeds, matters or things and take such decisions / steps as may be necessary, expedient or desirable to give effect to aforesaid resolution."

6. To approve material related party transaction with Motherson Sumi Wiring India Limited

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 ("the Act") read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other provisions, as applicable, of the Act, and the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and other applicable provisions of SEBI Listing Regulations, if any, approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company to enter into contract(s) / agreements(s) / arrangement(s) / transaction(s), between the Company and Motherson Sumi Wiring India Limited ("MSWIL") for the transactions as below:

- (a) sale / supply of wiring harness components including wire, tape, child parts of wiring harness components, moulds, equipment & machines and capital spares / tools / jigs etc;
- (b) purchase of wiring harness and other parts and / or components and/or services and capital items thereof;
- (c) to lease, sub-lease, license or sub-license properties / land in addition to premises given on leases earlier for manufacturing units and other office premises and security deposits for properties on rent;
- (d) to provide various functional support services towards design and development, engineering services, finance, procurement, logistics, human resource, tax and legal services, information technology support, travel management, infrastructure support etc.; and
- (e) to provide various management services, including management support and advice, local relationships and ground level assistance.

up to such extent and on such terms and conditions as, *inter-alia*, specified in the Explanatory Statement annexed to this Notice, subject to such transactions being undertaken on an arm's length basis.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include, unless context otherwise requires, any Committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution) be and are hereby authorised, 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 the Company 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 by the Board, in order to give effect to this Resolution."

7. To approve limits under section 186 of the Companies Act, 2013

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

"RESOLVED THAT pursuant to the provisions of section 186 of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any modification or re-enactment thereof for the time being in force) and rules made thereunder, and subject to such approval(s), consent(s), sanction(s) and permission(s), if any, as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to (i) give any loan to any person or other body corporate; and (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person as they may in their absolute discretion deem fit and in the interest of the Company, up to an additional amount of INR 3,000,000,000 (Rupees Three Thousand million only), over and above existing loan(s), security(ies), guarantee(s) to any person or other body corporate or existing investment(s) made by the Company to any person or other body corporate as on March 31, 2025, provided that pursuant to first proviso of sub-section (3) of section 186 of the Act, the aforesaid additional limit(s) of INR 3,000,000,000 (Rupees Three Thousand million only), will continue to exclude, loan(s) given or to be given, or guarantee(s) or security(ies) provided or to be provided in future by the Company to its wholly owned subsidiary company(ies) or joint venture company(ies).

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include, unless context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise powers conferred on the Board under this resolution) be and is hereby authorised to perform all acts, deeds, matters or things and take such decisions / steps as may be necessary, expedient or desirable to give effect to aforesaid resolution including but not limited to finalise, settle and execute such documents/ deeds/ writings/ agreements from time to time."

8. To approve issue of Parent Corporate Guarantee for CIM Tools Private Limited

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

"RESOLVED THAT pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act 2013, the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Overseas Investment) Regulations, 2022, the Foreign Exchange Management (Overseas Investment) Rules, 2022 read with Reserve Bank of India's Foreign Exchange Management (Overseas Investment) Directions dated August 22, 2022, as amended, supplemented and replaced from time to time, and other applicable laws, rules, regulations and guidelines including any amendments thereto or re-enactments thereof for the time being in force, the approval of the members of the Company be and is hereby accorded to issue Parent Corporate Guarantee (hereinafter referred to as "PCG") for an amount up to US\$ 50,000,000 (United States Dollars Fifty million only) in favour of Airbus, a body corporate incorporated under laws of France (hereinafter referred to as "Airbus"), for performance obligation under procurement contract for development, manufacture and supply of detail parts for multiple Airbus Aircraft programmes, entered / to be entered by CIM Tools Private Limited having Corporate Identity Number U29199KA1997PTC021886 (hereinafter referred to as "CIM Tools"), a subsidiary of the Company.

RESOLVED FURTHER THAT aforesaid PCG to be issued by the Company, is subject to following conditions:

- (a) The Company's total liability arising out PCG or any other guarantee provided by the Company to Airbus on behalf of CIM Tools, shall be restricted up to an amount of US\$ 50,000,000 (United States Dollars Fifty million only), regardless of basis of claim(s); and
- (b) The guarantee shall become effective from January 01, 2026 and shall remain in effect for ten (10) years after expiry or termination of the Contract, i.e., either (i) until all of CIM Tools's obligation towards Airbus under or in connection with contract(s) are fully and satisfactorily discharged and complied with; or (ii) until December 31, 2035, whichever is earlier.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include, unless context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise powers conferred on the Board under this resolution) be and is hereby authorised to perform all acts, deeds, matters or things and take such decisions / steps as may be necessary, expedient or desirable to give effect to aforesaid resolution including but not limited to finalise, settle and execute such documents / deeds / writings / agreements from time to time."

9. To approve appointment of Mr. Vivek Chaand Sehgal, Chairman of the Company to the office or place of profit in overseas wholly owned subsidiary of the Company

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 Sections 177 and 188(1)(f) of the Companies Act, 2013 read with Rule 15(3)(b) of the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force and as may be notified from time to time) and such other provision(s) and/or approval(s) as may be necessary, consent of the members of the Company be and is hereby accorded for appointment of Mr. Vivek Chaand Sehgal, Director of the Company, to hold an office or place of profit in Samvardhana Motherson Global FZE, UAE ("SMGF"), a wholly owned subsidiary of the Company, as the Chairman and Whole-time Director of SMGF for period effective from September 1, 2025 to March 31, 2030, with following remuneration:

(A) Fixed Compensation:

Euro 1,561,350 (Euro One Million Five Hundred Sixty One Thousand Three Hundred Fifty Only) per annum

(B) Variable Compensation:

Target based variable compensation upto Euro 2,899,650 (Euro Two Million Eight Hundred Ninety Nine Thousand Six Hundred Fifty Only) per annum

to be paid by SMGF, provided that the Variable Compensation shall be restricted in a manner that an aggregate of Fixed Compensation and Variable Compensation shall not exceed 1.5% of consolidated net profit of the Company for corresponding period(s) and Mr. Sehgal in addition will be entitled to allowances, perquisites and benefits ("**Total Perquisites**") restricted to 20% of Fixed Compensation and annual increments as detailed in explanatory statement attached hereto.

RESOLVED FURTHER THAT the Board of Directors of the Company ("the Board", which term shall be deemed to include, unless context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution) be and is hereby authorised to perform all acts, deeds, matters or things, as deemed fit, to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and/ or instructions and take such decisions / steps as may be necessary, expedient or desirable to give effect to the aforesaid resolution."

10. To approve appointment of Mr. Laksh Vaaman Sehgal, Director of the Company to the office or place of profit in overseas wholly owned subsidiaries of the Company

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 Sections 177 and 188(1)(f) of the Companies Act, 2013 read with Rule 15(3)(b) of the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force and as may be notified from time to time) and such other provision(s) and/or approval(s) as may be necessary, consent of the members of the Company be and is hereby accorded for appointment of Mr. Laksh Vaaman Sehgal, Director of the Company, to hold an office or place of profit as under:

(1) Samvardhana Motherson Global FZE, UAE ("SMGF"), a wholly owned subsidiary of the Company, as the Vice Chairman and Whole-time Director of SMGF for period effective from September 1, 2025 to March 31, 2030, with following remuneration:

(A) Fixed Compensation:

Euro 1,441,350 (Euro One Million Four Hundred Forty One Thousand Three Hundred Fifty Only) per annum ("Fixed Compensation – SMGF").

(B) Variable Compensation:

Target based variable compensation upto Euro 2,899,650 (Euro Two Million Eight Hundred Ninety Nine Thousand Six Hundred Fifty Only) per annum.

to be paid by SMGF, provided that the Variable Compensation shall be restricted in a manner that an aggregate of Total Fixed Compensation [i.e. Fixed Compensation – SMGF and Fixed Compensation – MBSH (refer serial number (2) below)] and Variable Compensation shall not exceed 1.5% of consolidated net profit of the Company for corresponding period(s) and Mr. Sehgal in addition will be entitled to allowances, perquisites and benefits ("Total Perquisites") in a manner that the Total Perquisites shall not exceed 20% of Total Fixed Compensation and annual increments as detailed in explanatory statement attached hereto.

(2) Motherson Business Service Holding KFT ("MBSH"), a wholly owned subsidiary of the Company as a Director of Project Strategy and Execution of MBSH for period effective from September 1, 2025 to March 31, 2030 with the Fixed Compensation of Euro 1,20,000 (Euro One Hundred Twenty Thousand) per annum ("Fixed Compensation – MBSH").

RESOLVED FURTHER THAT the Board of Directors of the Company ("the Board", which term shall be deemed to include, unless context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution) be and is hereby authorised to perform all acts, deeds, matters or things, as deemed fit, to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and/ or instructions and take such decisions / steps as may be necessary, expedient or desirable to give effect to the aforesaid resolution."

By order of the Board for Samvardhana Motherson International Limited

Alok Goel Company Secretary Membership No. – FCS 4383

Place: Noida, Uttar Pradesh Date: July 24, 2025

Registered Office: Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai –400051

Corporate Office:

11th Floor, Plot No. 1, Sector-127, Noida-Greater Noida Expressway, Noida-201301, Uttar Pradesh, India

NOTES:

- 1. A statement under Section 102 of the Companies Act, 2013 ("the Act") and/or as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations") concerning the business under Item Nos. 4-10 of the Notice is annexed hereto.
- 2. 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. 20/2020 dated May 5, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 21/2021 dated December 14, 2021, General Circular No. 2/2022 dated May 5, 2022, General Circular No. 10/2022 dated December 28, 2022, General Circular No. 09/2023 dated September 25, 2023 and General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs, Government of India ("MCA Circulars"), physical attendance of the Members to the Annual General Meeting ("AGM") is not required and that general meeting shall be held through VC/OAVM. Hence, Members can attend and participate in ensuing AGM through VC/OAVM and thus attendance slip is not attached to this notice.
- 3. Details required under provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ("SS-2") and Regulation 36 of SEBI Listing Regulations including brief profile of Director seeking appointment / re- appointment, is annexed hereto.
- 4. Pursuant to the MCA Circulars, the facility to appoint proxy to attend and cast vote for and on behalf of the members is not available for this AGM and hence Proxy Form is not annexed to this Notice. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through evoting.
- 5. Mr. D.P. Gupta, Practicing Company Secretary of M/s. SGS Associates LLP (FCS- 2411; CP- 1509) has been appointed as the Scrutinizer for the e-voting process in a fair and transparent manner.
- 6. Institutional / Corporate Shareholders (i.e. other than individuals / HUF / NRI etc.) are required to send a scanned copy of its Board or governing body resolution / Authorisation etc., authorizing its representative to attend AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to corporate@sgsassociatesllp.com with a copy marked to investorrelations@motherson.com.
- 7. In case of joint holders attending meeting, the Members whose name appears as first holder in order of names as per the Register of Members of the Company will be entitled to vote.
- 8. Members and authorised representatives are requested to provide duly completed and signed documents, mentioning therein details of their DP ID and Client ID / Folio No.
- 9. The Members can join the AGM through VC/OAVM mode 30 (thirty) minutes before and after scheduled time of commencement of the AGM, by following procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first-come first-served basis. The limit of 1000 members will not include large Shareholders (Shareholders holding 2% or more of 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 AGM without restriction of first-come first-served basis.

- 10. The Company had fixed Monday, June 23, 2025 as the "Record Date" for the purpose of payment of final dividend, for the Financial Year ended March 31, 2025, if declared at the AGM.
- 11. In terms of provisions of the Income Tax, 1961 (as amended by the Finance Act, 2020) dividend paid or distributed by a company on or after April 1, 2020, is taxable in the hands of the shareholders. The Company is therefore required to deduct tax at source ("TDS") at the time of payment of dividend. The Company vide an e-mail dated July 1, 2025, communicated to shareholders regarding deduction of TDS on dividend and procedure for submission of documents for tax rate determination/ deduction. In case of any query, the shareholders may reach out to M/s. KFin Technologies Limited at einward.ris@kfintech.com or to the Company at investorrelations@motherson.com.
- 12. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, change of e-mail address, contact numbers etc., to their depository participant (DP). Changes intimated to DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Share Transfer Agent ("RTA"), M/s. KFin Technologies Limited to provide efficient services. Members holding shares in physical form are requested to intimate such changes to M/s. KFin Technologies Limited, (Unit Samvardhana Motherson International Limited), Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad 500032, India Tel.No.: +91-40 67162222, +91-40 -67161606; Email ID: einward.ris@kfintech.com quoting correct Folio Number.
- 13. Members wishing to claim dividends that remain unclaimed are requested to correspond with the Registrar and Share Transfer Agent of the Company as mentioned above, or to the Company Secretary at the Company's corporate office. Members are requested to note that dividends that are not claimed within seven (7) years from the date of transfer to the Company's unpaid dividend account, as per Section 124 of the Act, will be transferred to the Investor Education and Protection Fund ("IEPF"). Also, shares on which dividend remains unclaimed for 7 (seven) consecutive years will be transferred to the IEPF as per Section 124 of the Act and the applicable rules.
- 14. In compliance with requirements of IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, the Company has during year 2024-25, transferred to the IEPF Authority, dividend for the year 2016-17 (which was unpaid or unclaimed for seven consecutive years) and the underlying shares therein. Details of unclaimed or unpaid dividend and shares transferred to IEPF Authority are available on website of the Company and can be accessed at the link.
- 15. The dates of declaration of dividend and transfer of unclaimed / unpaid dividends to IEPF by the Company is as below:

Sl. No.	Financial Year	Date of declaration	Due date for transfer of
		of dividend	unpaid dividend to IEPF
1.	2017-18	13.08.2018	12.09.2025
2.	2018-19	14.08.2019	13.09.2026
3.	2019-20	28.02.2020	30.03.2027
4.	2020-21	17.09.2021	16.10.2028
5.	2021-22	29.08.2022	28.09.2029
6.	2022-23	28.08.2023	27.09.2030
7.	2023-24	29.08.2024	28.09.2031
8.	2024-25	21.03.2025	20.04.2032
	(Interim Dividend)		

16. Erstwhile Samvardhana Motherson International Limited (CIN: U74900MH2004PLC287011) ("erstwhile SAMIL") was merged with the Company (CIN: L35106MH1986PLC284510) vide

order dated December 22, 2021 passed by Hon'ble NCLT, Mumbai Bench. The dates of declaration of dividend by erstwhile SAMIL and transfer of unclaimed / unpaid dividends to IEPF by the Company is as below:

Sl. No.	Financial Year	Date of declaration	Due date for transfer of
		of dividend	unpaid dividend to IEPF
1.	2018-19	08.09.2018	07.10.2025
2.	2019-20	16.09.2019	16.10.2026
3.	2020-21	07.04.2021	07.05.2028
4.	2020-21	30.09.2021	30.10.2028

- 17. Shareholders may note that unpaid or unclaimed dividend and shares transferred to IEPF Authority can be claimed by following process available on IEPF website and same can be accessed through link: http://www.iepf.gov.in/IEPF/refund.html.
- 18. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.:
 - (a) For shares held in electronic mode: to their Depository Participants (DP)
 - (b) For shares held in physical mode: to the Company / Registrar and Share Transfer Agent in prescribed Form ISR- 1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021, format(s) of which are available on website of the Company at Link.
- 19. Members holding shares in physical form are requested to note that in terms of Regulation 40 of the SEBI Listing Regulations, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019. Pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated July 02, 2025, a special window has been opened from July 07, 2025 to January 06, 2026 for re-lodgement of physical share transfer deeds that were originally lodged prior to April 1, 2019 and subsequently rejected or returned due to documentation deficiencies. All such re-lodged requests shall be processed only in dematerialized form, and due process shall be followed for transfer-cum-demat. Investors are encouraged to take advantage of this opportunity to secure their rights in the securities purchased. Members may contact the Company's Registrar and Share Transfer Agent for assistance in this regard.
- 20. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR 4, the format of which is available on the Company's website at link and on the website of RTA at link.
- 21. In compliance with the MCA Circulars, Notice of the AGM along with Annual Report for F.Y. 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that Notice and Annual Report for F.Y. 2024-25 will also be available on the Company's website www.motherson.com, websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on website of National Securities Depository Limited (agency for providing remote e-voting and e-voting facility) at www.evoting.nsdl.com.

- 22. Members attending the AGM through VC/ OAVM shall be counted for purpose of reckoning quorum under Section 103 of the Act.
- 23. Register of contracts or arrangements in which directors are interested will be produced at commencement of AGM and remain open and accessible during continuance of the AGM to any person attending meeting through VC/OAVM.
- 24. Register of Directors and Key Managerial Personnel will also be kept open for inspection during the AGM and accessible to persons attending the AGM through VC/OAVM.
- 25. The AGM is being held by VC/ OAVM in compliance with MCA Circulars, since AGM has been held through VC/OAVM route map of venue of AGM is not annexed herewith and venue of AGM shall be deemed to be the Registered Office of the Company. Recorded transcript of the AGM shall also be made available on website of the Company.

26. Voting by Electronic Means:

- A. In compliance with provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI Listing Regulations and Secretarial Standard on General Meetings ("SS-2"), the Company has provided to members with a facility to exercise their voting right at the AGM by electronic means and business may be transacted through such voting. The facility of casting votes by members using an electronic voting system from a place other than venue of AGM ("remote evoting") will be provided by NSDL. The facility of voting through e-voting / insta poll will also be available at AGM and members attending AGM who have already cast their vote by remote e-voting period may attend AGM but shall not be entitled to again cast their vote again.
- B. The remote e-voting period begins on Monday, August 25, 2025, at 0900 Hours (IST) and ends on Wednesday, August 27, 2025, at 1700 Hours (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the **cut-off date**, i.e., **Thursday, August 21, 2025**, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, i.e. Thursday, August 21, 2025.
- C. The instructions of e-voting are as under:

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: Access to NSDL e-Voting system

A. <u>Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode</u>

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders	1. For OTP based login you can click
holding securities in demat	on https://eservices.nsdl.com/SecureWeb/evoting/ev
mode with NSDL.	otinglogin.jsp. You will have to enter your 8-digit DP
	ID,8-digit Client Id, PAN No., Verification code and
	generate OTP. Enter the OTP received on registered
	email id/mobile number and click on login. After successful authentication, you will be redirected to
	NSDL Depository site wherein you can see e-Voting
	page. Click on company name or e-Voting service
	provider i.e. NSDL and you will be redirected to e-
	Voting website of NSDL for casting your vote during
	the remote e-Voting period or joining virtual meeting
	& voting during the meeting.
	2. Existing IDeAS user can visit the e-Services website
	of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services
	home page click on the "Beneficial Owner" icon
	under "Login" which is available under 'IDeAS'
	section, this will prompt you to enter your existing
	User ID and Password. After successful
	authentication, you will be able to see e-Voting
	services under Value added services. Click on
	"Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on
	company name or e-Voting service provider i.e.
	NSDL and you will be re-directed to e-Voting website
	of NSDL for casting your vote during the remote e-
	Voting period or joining virtual meeting & voting
	during the meeting.
	3. If you are not registered for IDeAS e-Services, option
	to register is available at https://eservices.nsdl.com . Select "Register Online for IDeAS Portal" or click
	at
	https://eservices.nsdl.com/SecureWeb/IdeasDirectRe
	g.jsp
	4. 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. Once the home page of e- Voting system is launched, click on the icon "Login"
	which is available under 'Shareholder/Member'
	section. A new screen will open. You will have to
	enter your User ID (i.e. your sixteen digit demat
	account number hold with NSDL), Password/OTP
	and a Verification Code as shown on the screen. After
	successful authentication, you will be redirected to
	NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service
	provider i.e. NSDL and you will be redirected to e-
	Voting website of NSDL for casting your vote during
	the remote e-Voting period or joining virtual meeting
	& voting during the meeting.
	5. Shareholders/Members can also download NSDL
	Mobile App "NSDL Speede" facility by scanning the
	QR code mentioned below for seamless voting
	experience.

NSDL Mobile App is available on Google Play **App Store** Individual Shareholders 1. Users who have opted for CDSL Easi / Easiest holding securities in demat facility, can login through their existing user id and mode with CDSL password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available **CDSL** website at www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from a e-Voting link available www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers. Individual Shareholders You can also login using the login credentials of your demat account through your Depository Participant (holding securities in demat mode) login through their registered with NSDL/CDSL for e-Voting facility. upon depository participants logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository after successful site authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised

to use Forget User ID and Forget Password option available at abovementioned website.

<u>Helpdesk for Individual Shareholders holding securities in demat mode for any</u> technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding	Members facing any technical issue in login can
securities in demat mode with	contact NSDL helpdesk by sending a request at
NSDL	evoting@nsdl.com or call at 022-4886 7000
Individual Shareholders holding	Members facing any technical issue in login can
securities in demat mode with	contact CDSL helpdesk by sending a request at
CDSL	helpdesk.evoting@cdslindia.com or contact at toll
	free no. 1800-21-09911

B. Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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 'Shareholder/Member' section.
- 3. A new screen will open. You will have to enter your User ID, your Password/OTP 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. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can user your existing password to login 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 steps mentioned below in 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 "<u>Forgot User Details/Password?</u>"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) <u>Physical User Reset Password?</u>" (If you are holding shares in physical mode) option available on <u>www.evoting.nsdl.com</u>.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - 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 "Login" button.
- 9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- Select "EVEN" of company for which you wish to cast your vote during the remote
 e-Voting period and casting your vote during the General Meeting. For joining
 virtual meeting, you need to click on "VC/OAVM" link placed under "Join
 Meeting".
- 3. Now you are ready for e-Voting as the Voting page opens.
- 4. 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.
- 5. Upon confirmation, the message "Vote cast successfully" will be displayed.
- 6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- 7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

 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 corporate@sgsassociatesllp.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
- 2. It is strongly recommended not to share your password with any other person and take 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 to reset the password.
- 3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 4886 7000 or send a request at evoting@nsdl.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 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.
- 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. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. investorrelations@motherson.com.
- 3. Alternatively shareholders may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
- 4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

- 1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- 2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system at the AGM.
- 3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

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 AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- 1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member 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.
- 2. Members are encouraged to join the AGM through Laptops for 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 Participants 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. Shareholders who would like to express their views/ask questions during the AGM may register themselves as a speaker and may send their request mentioning their name, demat account number/folio number, email id, mobile number at investorrelations@motherson.com. Such shareholders must register their request three (3) days in advance of the AGM, i.e., on or before, August 21, 2025 with the Company.
- 6. Shareholders 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 by the company suitably.
- 7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM.
- 8. Shareholders' who need assistance before or during the Meeting, can contact Ms. Pallavi Mhatre, Senior Manager, National Securities Depository Limited, T301, 3rd Floor, Naman Chambers, G Block, Plot No- C-32, Bandra Kurla Complex, Bandra East, Mumbai- 400051. at the designated email id evoting@nsdl.com or call on 022 4886 7000.

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013 ("THE ACT") AND THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, AS AMENDED, SETTING OUT ALL MATERIAL FACTS RELATING TO THE BUSINESS PROPOSED TO BE TRANSACTED UNDER ITEM NOS. 4 TO 10 OF THE ACCOMPANYING NOTICE FOR THE ANNUAL GENERAL MEETING.

ITEM NO. 4

In accordance with the provisions of Section 204 of the Act read with the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, every listed company is required to annex a Secretarial Audit Report, issued by a Practicing Company Secretary, to their Board's Report. Pursuant amendments to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI LODR") effective from April 1, 2025, a listed Company is required to appoint a practicing company secretary, for not more than one term of five consecutive years or a firm of practicing company secretaries as Secretarial Auditors for not more than two terms of five consecutive years, with the approval of the members at its AGM. Further, such Secretarial Auditors must be a peer reviewed and should not have incurred any of the disqualifications under SEBI LODR. Further, as per aforesaid regulation, any association of the individual or the firm as the Secretarial Auditors of the Company before March 31, 2025, shall not be considered for the purpose of calculating the tenure of the Secretarial Auditors.

The Board of Directors upon recommendation of the Audit Committee, has proposed for the appointment of M/s SGS Associates LLP, Company Secretaries ("SGS") (Firm Registration No. L2021DE011600), as the Secretarial Auditors of the Company for a term of five (5) consecutive years commencing from financial year 2025-26 till financial year 2029-30 and recommended to the Members for approval.

SGS was established in 2002 and later on converted into a Limited Liability Partnership on January 21, 2022. Based in New Delhi, the firm is a prominent Corporate Advisory firm with a rich history spanning over two decades, offering services in various corporate and legal matters. SGS has given their consent to act as the Secretarial Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Regulation 24A SEBI LODR and Section 204 of the Act and that they are not disqualified to be appointed as secretarial auditors in terms of the provisions of the Act, SEBI LODR and the Company Secretaries Act, 1980 and the rules or regulations made thereunder and that they have no conflict of interest. As required under the SEBI LODR, SGS has confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Company Secretaries of India ("ICSI").

The Audit Committee and the Board have considered factors like vast audit experience of 33 years of the Signing Partner in various segments, technical capabilities, independence, industry experience, subject matter expertise, profile of the audit partners, their teams, quality of audit practices, the firm's prior association with the Company, etc. and found credentials of SGS suitable to handle the secretarial audit of the Company.

SGS been appointed as the Secretarial Auditors of the Company since financial year 2014-15. The secretarial audit fee for financial year 2024-25 was Rs. 2,00,000/- (Rupees Two Lacs only). The fee for secretarial audit for financial year 2025-26 will be Rs. 2,20,000/- (Rupees Two Lacs Twenty Thousand only) plus applicable taxes and out-of- pocket expenses. The fee for subsequent financial year(s) of their term shall be determined based on recommendation of the Audit Committee and as approved by the Board of Directors of the Company. Further, fee for other services, certificates or reports as may be permissible under applicable laws, will be approved by the Board of Directors in consultation with the Audit Committee.

For financial year 2024-25, SGS were also the Secretarial Auditors for CIM Tools Private Limited and Saddles International Automotive & Aviation Interiors Private Limited, subsidiaries of the Company and Motherson Sumi Wiring India Limited ("MSWIL"), a joint venture and an associate company. MSWIL is listed at the BSE Limited and the National Stock Exchange of India Limited.

The Board recommends the Resolution as set forth in Item No. 4 for the approval of Members as an Ordinary Resolution.

None of the Directors and Key Managerial Personnel or their relatives are in any way concerned or interested in passing of the above resolution.

ITEM NO. 5

The Company is required, under the provisions of Section 148(3) of the Companies Act, 2013 ("the Act"), read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, to have audit of its cost records conducted by a cost accountant in practice.

Pursuant to Section 148(3) of the Act read with Rules 14 of Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rule, 2014 (including any statutory modification or reenactment thereof for the time being in force), the Board of Directors of the Company based on the recommendation of the Audit Committee, approved appointment and remuneration of M/s. M.R. Vyas and Associates, Practicing Cost & Management Accountants within the meaning of the Cost and Works Accountants Act, 1959 (Firm Registration Number 101394 with the Institute of Cost Accountant of India), as cost auditors of the Company to conduct audit of cost records of the Company relating to products across various segments, for financial year 2025-26.

The scope of Cost Audit includes carrying out audit of plastic components, rubber components and other automotive parts manufactured, and cost accounting records maintained by the Company for financial year 2025-26. Further, turnover of the Company for financial year ended March 31, 2025, was INR 92,834 million and turnover which is subject to Cost Audit was INR 52,266 million. Further, the number of production units covered under the Cost Audit scope is 25 (twenty five).

In terms of provisions of section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 remuneration payable to the Cost Auditor as recommended by the Audit Committee and approved by the Board of Directors needs to be ratified by the members of the Company. The fee proposed by the Board of Directors on the recommendation of the Audit Committee of the Company is after considering work & time involved, size of audit team and frequency of audit.

Accordingly, ratification by the members is sought for remuneration payable to the Cost Auditors for financial year ending March 31, 2026, by passing an Ordinary Resolution as set out at Item No. 5 of the Notice.

The Board recommends an Ordinary Resolution set forth in Item No. 5 of the Notice for approval of Members.

None of the Directors, Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested, financially or otherwise in the enabling resolution.

ITEM NO. 6

Pursuant to Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") a "material related party transaction" is a transaction to be entered into individually or taken together with previous transactions during a financial year by the Company, which exceeds INR 1,000 crore or 10% of annual consolidated turnover of the listed entity, whichever is lower, as per last audited financial statements of the listed entity. Further, such "material related party transactions" require prior approval of shareholders.

In terms of aforesaid provisions, the Company, had sought approval from its shareholders at 37th Annual General Meeting ("AGM") held on Thursday, August 29, 2024, for various material related party transactions to be entered with Motherson Sumi Wiring India Limited ("MSWIL") during Financial Year 2024-25.

Similarly, approval of the members of the Company is being sought at the ensuing 38th AGM for entering related party transactions during Financial Year 2025-26.

Rationale for the related party transactions

The Company either directly or through its subsidiaries and/or joint ventures has, over years, developed in-house value chain of various products through various backward integration initiatives which give it a distinct cost advantage.

The Company and/or MSWIL continue to have various inter-dependencies. In this respect, the Company supplies to MSWIL various goods or materials, including wires, metal tape and other components, various tools, jigs, fixtures, rubber parts, connectors and certain other components which are used to manufacture / assemble wiring harnesses along with providing certain capital items as required for its business. Similarly, the Company leverage MSWIL's 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 manufacturing of other components.

Also, the Company has a central team for some of the key functions in areas of design and development, engineering services, finance, procurement, logistics, human resource, tax and legal services, information technology support, services of which are availed by each of the businesses of the Company. Accordingly, to ensure that benefit of in-house value chain is available to MSWIL and to bring efficiency in the functioning of the Company and/or MSWIL, certain related party transactions need to be undertaken, more specifically mentioned in enabling resolution.

The brief particulars of material related party contracts and / or transactions and / or arrangements entered / to be entered into by the Company with MSWIL and corresponding approval sought are as under:

6 (a): Sale / Supply of components, wires and capital goods to MSWIL

Particulars	Information
Name of the Related Party and Nature of Related Party	Motherson Sumi Wiring India Limited ("MSWIL") The Company holds 33.43% of the equity share capital of
Nature, material terms and particulars of the contract or arrangement	MSWIL. The transactions are in relation to sale / supply of various goods or materials, wire, tape and other components, child parts of wiring harness components and moulds, rubber parts, connector, raw materials, equipment & machines and capital spares/tools/jigs/fixtures etc. which are used to manufacture/ assemble wiring harnesses, as required by MSWIL.
	The products will include current and future products, including, improvements, new designs, new development etc., <i>inter-alia</i> , to meet the customers' requirements.
	The transactions will be at an arm's length basis and in the ordinary course of business. Other terms and conditions of the transaction(s) are consistent with the basis on which transaction(s) are entered into with unrelated parties.
Rationale for transaction	The Company over years have developed an in-house capability of manufacturing various products including certain child parts required in manufacturing / assembly of

wiring harness by way of various backward integration initiatives thereby giving it a distinct cost advantage.

MSWIL sources 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 wiring harness product as required by original equipment manufacturers ("OEMs") of the Company. MSWIL also procures certain capital items as required for its business from the Company.

The above transactions will benefit for increased revenue for the Company and ensure that benefit of its inhouse value chain continues to be available to MSWIL as well, at arm's length prices.

The objective of the proposed related party transactions is to ensure continuity of economies of scale thereby bringing efficiencies for the Company.

These transactions will ensure continuity to existing operations and they are in the best interest of both the Company as well as MSWIL.

Duration of the proposed transactions

The duration of this arrangement sought will be up to next Annual General Meeting or for a period not exceeding fifteen months from the date of present Annual General Meeting, whichever is earlier.

However, arrangement between the companies will be on a non-exclusive basis and therefore parties would be free to enter into similar contracts with other parties in case there is an associated cost benefit. The agreement to contain termination provisions in line with commercial contracts of this nature.

Pricing and financial arrangements

Pricing for products will be based on an arm's-length transfer price established by the parties. 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.

6(b): Purchase of wiring harness and other parts and/or components and/or services and capital items thereof

Particulars	Information
Name of the Related Party and	Motherson Sumi Wiring India Limited ("MSWIL")
Nature of Related Party	
	The Company holds 33.43% of the equity share capital of
	MSWIL.
Nature, material terms and	The transactions are in relation to the purchase by the
particulars of the contract or	Company of various goods or materials, including the
arrangement	purchase of components of wiring harness and wiring

	harness, capital items required for manufacturing as well as provision of services. The products will include current and future products, including, improvements, new designs, new development etc., <i>inter-alia</i> , to meet the customers' requirements.
	The transactions will be at an arm's length basis and in the ordinary course of business. Other terms and conditions of the transaction(s) are consistent with the basis on which transaction(s) are entered into with unrelated parties.
Rationale for transaction	MSWIL is presently one of 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 require wiring harness as child parts, components for the manufacturing / assembly of the final product. Given the MSWIL's business world-class technology, vast experience and MSWIL's competitive position, it currently supplies wiring harness in its ordinary course of business (some of which may be sourced by it from outside suppliers) to the Company at arms' length price.
	The transactions will be at an arm's length basis and in the ordinary course of business.
Duration of the proposed transactions	The duration of this arrangement will be upto next Annual General Meeting or for a period not exceeding fifteen months from the date of present Annual General Meeting, whichever is earlier.
	However, the arrangement between the companies will be on a non-exclusive basis and therefore the parties would be free to enter into similar contracts with other parties as well in case there is an associated cost-benefit. The agreement for this transaction contains termination provisions in line with long term commercial contracts of this nature.
Pricing and financial arrangements	With respect to the ongoing models/programs for the supply of wiring harness by MSWIL, 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.

6(c): To lease, sub-lease, license or sub-license properties/land in addition to premises given on lease earlier for manufacturing units and other office premises and security deposits for properties on rent

Particulars	Information
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Name of the Related Party and Nature of Related Party	Motherson Sumi Wiring India Limited ("MSWIL")
	The Company holds 33.43% of the equity share capital of MSWIL.
Nature, material terms and particulars of the contract or arrangement	The transaction involves leasing / sub- leasing of various immovable properties owned / leased by the Company on which manufacturing or office premises of MSWIL are / will be situated or will be taken on lease by MSWIL from the Company. The Company has entered into / will be entering into agreements to provide such properties on lease.
	The shareholders of the Company in their 35 th AGM held on August 29, 2022, <i>inter-alia</i> , approved that area of manufacturing unit(s) may change in future considering expansion and other business requirements. Further, area for various properties given on lease may change in future considering expansion and other business requirements of MSWIL. In case of change in leased area, rental will vary and such change in rental will be on an arm's length justification and supported by an independent third party report.
	The monthly rents and other terms & conditions, such as, percentage increase, security deposits are determined basis fair rental value estimates by third party independent valuer at the time of entering into transactions and same shall be followed for future arrangements and fair value of new property(ies).
	Further, MSWIL proposes to expand its operations through new plants during financial year 2025-26 which are contemplated to be established in Maharashtra, Gujarat, Madhya Pradesh and Haryana. Further, location of other plants will be decided based on customer requirements.
	Lease for new plants shall be entered into at arm's length at the time of handing over of plants by the Company to MSWIL to carry on manufacturing operations.
	The area for the properties taken on lease may change in future considering the expansion and other business requirements. 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 with necessary process documentation.
Rationale for transaction	MSWIL, <i>inter- alia</i> , consists of various manufacturing units and offices located in Uttar Pradesh, Maharashtra, Haryana, Gujarat, Madhya Pradesh, Karnataka, Uttarakhand, Rajasthan and Tamil Nadu.
	The land and building of such manufacturing and offices units are originally owned and / or leased in the name of the Company. Further, many of factories pertaining to domestic

wiring harness business are on long term leases taken from government authorities / industrial parks. Further, as part of the scheme, it was decided that the Company to continue to retain such immovable assets and MSWIL to work on an asset light model for domestic wiring harness business. Accordingly, all such manufacturing units and offices have been given on lease / sub- lease by the Company to MSWIL, including additional properties and / or areas as may be commercially agreed between the Company and MSWIL. Further since MSWIL proposes to expand its operations through new plants in financial year 2025-26 based on customer requirements such requirements will be met by lease / sublease of manufacturing units to MSWIL by the Company. **Duration of the proposed** Considering continuity of business perspective, as approved transactions earlier by shareholders of the Company and as mentioned aforesaid, the agreement for these lease / sub-lease will be on long term lease which will be for a period of 10 (ten) years from effective date with a lock-in of 5 (five) years during which, neither party shall be entitled to terminate the agreement. The agreements contain termination provisions, applicable post expiry of lock-in period, in line with long term commercial contracts of this nature. The leases / sub-leases will remain effective for a period of 10 (ten) years from effective date of lease / sub-lease, as the case may be. To ensure that fair values of lease rentals and security Pricing and financial deposits are evaluated in a transparent manner and as per arrangements prevalent market practices, an independent valuer was appointed to carry out independent studies and basis report from independent valuer lease rentals together with security deposits and annual escalations have been worked out in the respective lease agreements. The fair valuation of lease rentals was carried out by Knight Frank, an independent valuer. Further, arm's length terms for future leases will also be based on a valuation report to be obtained from the similar reputed valuer.

6(d): Functional Support Services

Particulars	Information
nme of the Related Party and nature of Related Party	Motherson Sumi Wiring India Limited ("MSWIL")
sure of reduced 1 arey	The Company holds 33.43% of the equity share capital of MSWIL.

Nature, material terms and particulars of the contract or arrangement

The agreement includes providing of functional support in the areas of accounting, human resource, consulting, procurement services, infrastructure support, design and development services for product and process, engineering services, finance, procurement, logistics, information technology support, and other professional and support services by the Company to MSWIL and sharing of manpower and resources. The services will include current and future services. The transactions will be at an arm's length basis.

Rationale of the Transaction

A. Functional Services to be provided by the Company

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:

- Finance, procurement, logistics, human resources services, infrastructure support services and other common services.
- Design and development teams and information technology teams.
- Supplier qualification, quality assurance and validation of new parts etc.
- Process, product and production engineering teams.

These services are being shared for domestic wiring harness business of MSWIL in India and the export wiring harness business operating of the Company, out of India. The above arrangement is continuing since the demerger of Domestic wiring harness in MSWIL in year 2022.

B. Others

Further, there are certain other services which MSWIL avails from the Company such as corporate taxation, legal, internal audit etc.

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.

Duration of the proposed transactions

The duration of this arrangement will be upto next Annual General Meeting or for a period not exceeding fifteen months from the date of present Annual General Meeting, whichever is earlier.

However, these arrangements will be on a non-exclusive basis and therefore the parties would be free to enter into similar contracts with other parties if there is an associated cost-benefit.

Pricing and financial arrangements

A. Functional Services to be provided by the Company

Costs of common resources shall be allocated between the Company's export wiring harness businesses operating out of India and MSWIL, based on either

- Revenues; or
- Any other applicable metric as may be considered appropriate where revenue-based allocation may not be feasible.

For removal of doubts, it is clarified that in case any of cost, which is to be shared between the Company and MSWIL and is initially incurred by MSWIL, will be recovered on the same basis as above and the shared service costs as disclosed are on net basis.

B. Others

Pricing to be governed by following principles:

- In case of any trading activities, there will be a mark-up on arm's length basis; or
- In-house developed solutions / services to be priced at comparable levels to market prices.

6(e): Management services

Particulars	Information
Name of the Related Party and Nature of Related Party	Motherson Sumi Wiring India Limited ("MSWIL")
	The Company holds 33.43% of the equity share capital of MSWIL.
Nature, material terms and particulars of the contract or arrangement	The transaction shall involve provision of various management services by the Company to MSWIL including management support and advice, local relationships and ground level assistance. The transactions will be at an arm's length basis.
Rationale for transaction	The Company and Sumitomo Wiring Systems, Ltd., Japan ("SWS") had entered into a Technical Assistance Agreement dated December 20, 1986, for the manufacture of wiring harness and components. The technical assistance and grant of license were, <i>inter-alia</i> , to manufacture and sell wiring harness and its components by using technical information, know-how and technical assistance from SWS including design & development fee, software computer maintenance fee, technician absence fee etc. The said technical assistance has been extended from time to time and new products been included as per the requirements of the customers. Since these agreement(s) were in relation to the domestic wiring harness business, these stands transferred and vested into MSWIL consequent to the demerger.

	Further, the domestic wiring harness business of MSWIL benefits from the management guidance and support of the management of the Company.		
	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 domestic wiring harness business of MSWIL and domestic wiring harness business requires continuous and ongoing management support and advice from the Company, even after the demerger.		
	Accordingly, the Company will continue to provide strategic guidance and management support from operational and local relationships perspective to MSWIL.		
Duration of the proposed transactions	The duration of this arrangement will be upto next Annual General Meeting or for a period not exceeding fifteen months from the date of present Annual General Meeting, whichever is earlier.		
	The agreement will also contain termination provisions in line with long term commercial contracts of this nature.		
Pricing and financial arrangements	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 Sumitomo Wiring Systems Ltd., Japan which has been transferred to MSWIL as a part of the Scheme.		
	All agreement(s)/ arrangement(s) will be at an arm's length basis.		

The monetary value for above related party transaction(s) is summarised below:

SI. No.	Particulars	Proposed monetary limits (Amount in INR millions)	FY 26 quantum as % to FY25 consolidate d revenue from operations	FY 25 quantum (Amount in INR million)	Basis
(a)	Sale / Supply of components, wires and capital goods to MSWIL	45,000	3.96%	33,038	Proposed limits based on current market demand forecast, consideration on copper prices and enhanced localization specifically of wires.
(b)	Purchase of wiring harness and other parts and/or components and/or services	2,100	0.18%	1,115	Proposed limits based on current market potential of business and consideration on copper prices.

Sl. No.	Particulars	Proposed monetary limits (Amount in INR millions)	FY 26 quantum as % to FY25 consolidate d revenue from operations	FY 25 quantum (Amount in INR million)	Basis
	and capital items thereof				
(c) (1)	To lease, sub- lease, license or sub-license properties, including provision of maintenance services in relation to such properties (on need basis) by the Company to MSWIL	1,050	0.1%	830	The amount may vary based on change in lease area as well as basis escalation of 5% per annum. Also, for the additional facility(s) the rentals is to be charged on the basis of comparable lease and / or independent valuation report (as the case may be). In addition to the lease rental, MSWIL has outstanding Security Deposit amount of INR 385 million, as on March 31, 2025. Amount of Security Deposit may vary in accordance with any changes/new leases entered into by the Company with MSWIL.
(c) (2)	Security deposit received	100	0.01%	60	On actual / arms' length basis for new properties to be rent out during the year.
(d)	Functional Support Services to MSWIL	1,850	0.16%	1,311	On actual / arms' length basis
(e)	Management Services	800	0.07%	545	As disclosed above in rationale under management services.

The above limits have been calculated on Annualised basis and shall get adjusted *pro-rata* depending upon gap between two Annual General Meetings. The materiality threshold for the above said related party transactions will not be breached before the time of undertaking this shareholders' approval. There is no significant shift between previous year quantum and proposed year's RPT limits for above said transactions. The members may note that similar transactions were approved by the members at AGM held in year 2022, 2023 and 2024.

The related party contracts, transactions and/or arrangements detailed above are effective from such date as mutually agreed between the parties to the same. For the removal of doubt, all monetary values set out above exclude any taxes that may be payable under applicable laws.

The members may note that the aforesaid transaction(s) with MSWIL are on an arm's length basis and in an ordinary course of business. Further, terms and conditions of aforesaid transaction(s) be consistent with basis on which transaction(s) are entered into with unrelated parties. The aforesaid transaction(s) does not relate to any loans, inter-corporate deposits, advances or investments made or given by the Company.

The policy on the Related Party Transactions as adopted by the Company and as amended from time to time, is disclosed on the web-site of the Company and same is followed while entering into the transactions with related parties. The members may note that pursuant to Regulation 23 of the SEBI Listing Regulations and applicable provisions of the Companies Act, 2013, the other non-material related party transaction(s) to be entered by the Company with its related parties on arm's length basis and in ordinary course of business shall be continued to be reviewed and / or approved by the Audit Committee and / or the Board of Directors of the Company.

The Audit Committee and the Board of Directors of the Company in its meetings held on July 23, 2025 and July 24, 2025 respectively, approved and consented to seek shareholders' approval for the said RPTs. The Audit Committee and the Board of Directors have also noted that these transactions are at arm's length and they qualify as material RPTs under the SEBI Listing Regulations. Further, Independent Directors of the Company have also reviewed these RPTs and given their recommendation for approval of the same. Accordingly, the members' approval is being sought for the resolution mentioned as Item No. 6 to this notice.

Mr. Vivek Chaand Sehgal, Chairman and Promoter of the Company is also the Chairman and Promoter and Director of MSWIL. Mr. Vivek Chaand Sehgal holds 2.32% equity shares of MSWIL. Mr. Laksh Vaaman Sehgal, Director and Promoter of the Company and relative of Mr. Vivek Chaand Sehgal is also Promoter and Director of MSWIL. Accordingly, above promoter directors and/or their nominees / relatives may be deemed to be interested in the enabling resolution, to extent of their common directorship and shareholding in the related parties. 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.

Further, in terms of Regulation 23 of the SEBI Listing Regulations, all entities falling within the definition of related parties under the SEBI 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, related parties of the Company (as defined under Regulation 2(1)(zb) of the SEBI Listing Regulations) shall not vote to approve the aforesaid resolution(s) under Item No. 6.

ITEM NO. 7

The Company has been making investments, giving loans and / or providing guarantees or security in connection with loans to other persons and bodies corporate (i.e. its subsidiaries, joint ventures and associate companies) from time to time, in accordance with section 186 of the Companies Act, 2013 ("the Act") and other applicable provisions (if any).

The provisions of section 186(2) of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, *inter-alia*, provides that no company is permitted to, directly or indirectly, (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding:

- (i) sixty percent of its paid-up share capital, free reserves and securities premium account; or
- (ii) one hundred per cent of its free reserves and securities premium account, whichever is more.

The sub-section (3) of section 186 provides that where giving of any loan or guarantee or providing any security or the acquisition as provided under section 186(2) of the Act, exceeds the limits specified therein, a prior approval of members by means of a Special Resolution is required to be passed at a general meeting. The first proviso to section 186(3) of the Act provides that where a loan or guarantee is given or where a security been provided by a company to its wholly owned subsidiary company or a joint venture company, or acquisition is made by a holding company, by way of subscription, purchase or otherwise of, the securities of its wholly owned subsidiary company, the requirement of 186(2) shall not apply. As per explanation to section 2(87), for the purpose of definition of "subsidiary company", the expression "company" includes any body corporate.

Further, sub-section (11) of section 186 of the Act provides for certain exemptions to certain categories of companies for certain types of transaction from applicability of section 186 of the Act. Further, section 186(11)(b)(i) of the Act exempts any investment made by an investment company from applicability of provisions of section 186 of the Act. The explanation to sub-section (13) of section 186 of the Act defines an 'investment company' to mean "a company whose principal business is the acquisition of shares, debentures or other securities and a company will be deemed to be principally engaged in the business of acquisition of shares, debentures or other securities, if its assets in the form of investment in shares, debentures or other securities constitute not less than fifty per cent of its total assets, or if its income derived from investment business constitutes not less than fifty per cent as a proportion of its gross income". The members may note that as on March 31, 2025, assets in the form of investment in shares, debentures or other securities constitutes more than 50% of the total assets of the Company.

The members of the Company in their 34th AGM held on September 17, 2021, *inter-alia*, granted their approval to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person; and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem fit and in the interest of the Company, upto an additional amount of INR 1,000 million. The said limit was further increased by the Members of the Company (a) in their 35th AGM held on August 29, 2022, by further INR 1,000 million; (b) in their 37th AGM held on August 29, 2024, by further INR 2,000 million.

The members may note that the permissible limits under subsection (2) of section 186 of the Act, for intercorporate loan, provide guarantee(s) or security(s), or investment(s) by the Company as on March 31, 2025, is INR 362,116 million.

Considering the various strategic acquisitions, organic and inorganic growth by the Company, the Company has already made loan, provided guarantee or security and subscribed to the securities to the tune of INR 522,522 million as on March 31, 2025. The said amount of INR 522,522 million includes loans, guarantee or security and/or investments made to wholly owned subsidiary companies (WOS) to the tune of INR 463,948 million as on March 31, 2025, which are exempted under first proviso to subsection (3) of section 186 of the Act, from requirement of obtaining prior shareholders' approval. Further, as on March 31, 2025, the loans, guarantee, security investment etc. in legal entities or other person, i.e. other than Joint Venture and WOS which are exempted under sub-section (3) of section 186, is INR 58,573 million.

While amount of loan, guarantee or security provided by the Company to its WOS or Joint Venture and investment made by a Company, are exempt from the requirements of prior approval of the shareholders pursuant to the first proviso of subsection (3) of section 186 of the Act, *however*, such loans, guarantees or security(ies) or investment(s) are to be included for computing overall permissible investment limits under subsection (2) of section 186 of the Act.

Some of subsidiaries (other than WOS or Joint Ventures) are in early stages of growth and accordingly, as mentioned hereinabove to extend support and keeping in view the growth opportunities and/or urgent business requirements of such subsidiaries (i.e. other than WOS or Joint Ventures), the approval of the members is being sought under section 186 of the Act, to make additional loan, guarantee or security by the Company (excluding WOS or Joint Venture) for an additional amount of INR 3,000 million (Rupees Three Thousand million), as mentioned in the enabling resolution. The members may note that

the loan or guarantee given / to be given or a security provided / to be provided to WOS or Joint Venture Company or acquisition by way of subscription, purchase or otherwise of the securities by the Company will continue to remain excluded from the limits mentioned in the enabling resolution pursuant to the provisions of section 186 of the Act read with applicable rules, as amended or reconstituted from time to time.

The Board recommends the Special Resolution set forth in Item No. 7 for approval of Members.

None of the Directors, Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested, financially or otherwise in the resolution set out in Item No. 7.

ITEM NO. 8

Samvardhana Motherson International Limited ("the Company" or "SAMIL") was established in 1986 as a joint venture with Sumitomo Wiring Systems, Japan and initially focused on manufacturing integrated wiring harnesses and related components. Over the years, SAMIL has undergone a remarkable transformation through strategic mergers, demergers, and global acquisitions and now has 12 business verticals. As part of Company's vision, the management focuses on expanding into Aerospace division.

SAMIL has acquired 55% stake in CIM Tools Private Limited ("CIM Tools") on April 6, 2022. CIM Tools in part of the Aerospace division of the Company and is engaged into the design and manufacture of special tools, pilot production of precision components as well as design and development of special purpose machines. Further, upon conversion of 17,500 numbers of 9.25% Compulsory Convertible Debentures of face value Rs. 1,00,000/- each ("CCDs"), aggregating to INR 1,750 million, the Company now holds 68.14% equity share capital of CIM Tools since June 30,2025. Further, turnover of CIM Tools increased from INR 1,642.37 million for financial year ended March 31, 2022, to INR 4,254.90 million for financial year ended March 31, 2025, i.e., a growth of 158%, since its acquisition by the Company. Further, the Profit Before Tax (PBT) for financial year ended March 31, 2025, is INR 147.93 million, while the Profit After Tax (PAT) stands at INR 82.90 million. As of the reporting date, the Company has not written off any loan / transactions with CIM Tools. Additionally, neither the Company nor CIM Tools has defaulted on any of their existing debt obligations, nor have they undertaken any debt restructuring.

The Company, through its Aerospace Business Division, is a leading global supplier of aerospace components and assemblies. Aerospace division is making significant strides towards becoming a full-system solutions provider for our customers globally.

CIM Tools, during financial year 2024-25, has signed a multi-year contract with Airbus, a body corporate incorporated under the laws of France ("Airbus"). The procurement contract is for development, manufacture and supply of detail parts for multiple Airbus Aircraft programmes. The contract with Airbus has been initially signed for supplies estimates to USD 42 million (United States Dollar Forty-Two million). The supplies to Airbus will be from a CIM Tools's specialised aerospace facility based in Bengaluru, India.

Airbus is a leading global aerospace and defence company. Accordingly, CIM Tools has achieved a significant milestone of securing Tier 1 supplier status with global aircraft manufacturer. The aforesaid Tier 1 status with Airbus is expected to drive significant growth in the Company's Aerospace Division. This new status reflects Company's ongoing investments in advanced manufacturing technologies and quality systems to serve our global aerospace customers and their growing production needs. The recent recognition underscores our commitment to excellence and strategic role in the aerospace supply chain.

As a condition of supply contract with Airbus, CIM Tools needs to furnish to Airbus a Parent Corporate Guarantee ("PCG") from the parent company, i.e., SAMIL. Accordingly, the Company has to extend the Parent Corporate Guarantee to enable CIM Tools to fulfil it conditions precedents of the contract and be a Tier I supplier to Airbus.

The Company is actively strategizing to expand its presence in the Aerospace segment, hence CIM Tools has been characterized as "Highly Strategic" in relation to its relative importance as part of Motherson Group and therefore it is proposed to provide performance guarantee by the Company. The Company to have following obligations:

- a) The Company unconditionally and irrevocably guarantees to Airbus the performance and discharge in full of the CIM Tools obligations and liabilities (including without limitation, counter claim or set-off of any kind) or shall indemnify and keep Airbus indemnified against any and all losses, damages, claims, costs, charges and expenses whatsoever arising from said failure to the extent the CIM Tools is liable under the terms of the Contract;
- b) The Company's total liability arising out of this guarantee of the contract or any other guarantee provided by the Company to Airbus on behalf of CIM Tools, shall not exceed an amount of USD 50 million (United States Dollar Fifty million), regardless of the basis of the claim; and
- c) The guarantee shall become effective from January 01, 2026, and shall remain in effect for ten (10) years or termination of the Contract either (i) Until all of the CIM Tools obligation towards Airbus under or in connection with the Contract are fully and satisfactorily discharged and complied with or (ii) Until December 31, 2035, whichever is earlier.

Further, as a condition to issue PCG, the Company will charge 0.40% per annum (in United States Dollar convertible into Indian Rupees) as guarantee fee from CIM Tools. The proposed charge of 0.40% as guarantee fee by SAMIL, in accordance with and consistent with the arm's length principle from a transfer pricing perspective. In addition, CIM Tools irrevocably and unconditionally guarantees to the Company for reimbursement of any or all cost incurred by the Company on fulfilment of obligations pursuant to PCG within a period of sixty days from the payment by the Company to the customer(s).

The provisions of section 186(2) of the Companies Act, 2013 ("Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014, *inter-alia*, provides that no company is permitted to, directly or indirectly:

- (a) give any loan to any person or other body corporate;
- (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and
- (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding the following limits:
 - (i) sixty percent of its paid-up share capital, free reserves and securities premium account; or
 - (ii) one hundred per cent of its free reserves and securities premium account, whichever is more.

The sub-section (3) of section 186 of the Act provides that for giving of any loan or guarantee or providing any security or the acquisition as provided under section 186(2) of the Act, exceeds limits specified therein, a prior approval of members by means of a special resolution is required to be passed at a general meeting.

The members may note that permissible limits under sub section (2) of section 186 of the Act, for inter corporate loan, provide guarantee(s) or security(s), or investment(s) by the Company as on March 31, 2025, is INR 362,116 million.

Considering various strategic acquisitions, organic and inorganic growth by the Company, the Company has already made loan, provided guarantee or security and subscribed to the securities to the tune of INR 522,522 million as on March 31, 2025. The said amount of INR 522,522 million includes loans, guarantee or security and/or investments made to wholly owned subsidiary companies (WOS) to the tune of INR 463,948 million, as on March 31, 2025, which are exempted under first proviso to subsection (3) of section 186 of the Act, from requirement of obtaining prior shareholders' approval. Further, as on March 31, 2025, the loans, guarantee, security investment etc. in legal entities or other person, i.e. other than Joint Venture and WOS which are exempted under sub-section (3) of section 186, is INR 58,573 million.

The members may note that, as stated hereinabove, an approval of the members is being sought in accordance with provisions of Section 186 of the Act.

Further, Airbus, being a body corporate incorporated under laws of France shall be subjected to the provisions of Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Overseas Investment) Regulations, 2022, the Foreign Exchange Management (Overseas Investment) Rules, 2022 read with Reserve Bank of India's Foreign Exchange Management (Overseas Investment) Directions dated August 22, 2022, as amended, supplemented and replaced from time to time.

CIM Tools Private Limited is a direct subsidiary of the Company. Mr. Laksh Vaaman Sehgal, Director of the Company and Mr. Kunal Malani, Chief Financial Officer of the Company are directors on the Board of CIM Tools and may be deemed to be interested in the resolution. Mr. Laksh Vaaman Sehgal, Director of the Company and Mr. Kunal Malani, Chief Financial Officer of the Company does not hold any equity shares of CIM Tools. Except as mentioned above, none of the Promoters, Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board accordingly recommends the Resolutions set out at Item No. 8 for approval by the members of the Company as Special Resolution.

ITEM NO. 9

OVERVIEW OF MOTHERSON GROUP AND BUSINESS VERTICALS

The Motherson Group has a presence in 44 countries across Europe, the Americas, Asia and Africa and employs approximately 200,000 people in over 425 facilities. The Group is ranked among the top 11 global automotive suppliers. As of now, Motherson operates in 12 business verticals: Wiring Harness, Vision Systems, Modules & Polymer Products, Integrated Assemblies, Elastomers, Lighting & Electronics, Precision Metals & Modules, Technologies & Industry Solutions, Aerospace, Logistics Solutions, Health & Medical and Services.

The Group's flagship, Samvardhana Motherson International Limited, was listed in year 1993 with a market capitalisation of INR 23.8 crores. This grew significantly to INR 74,211 crores by January 13, 2022, at the time of the demerger of its Indian wiring harness business. As of March 31, 2022, the Company's consolidated revenue stood at INR 98,692 crores and its market capitalisation at INR 62,953 crores. Further, the demerged entity, Motherson Sumi Wiring India Limited, recorded INR 5,635 crores in revenue and INR 20,353 crores in market capitalisation on the same date. Post-demerger, the collaboration with Sumitomo Wiring Systems transitioned to Motherson Sumi Wiring India Limited.

For Financial Year 2024–25, the Company reported consolidated revenue of INR 113,663 crores. On the basis of economic revenue, India accounts for 20% of revenue and the remaining is from global operations. The economic revenue includes revenue from operations and 100% of revenue from joint ventures / associates, which are accounted as per the equity method.

BOARD APPOINTMENT

Mr. Vivek Chaand Sehgal (DIN:00291126) was appointed as a Director of the Company with effect from December 19, 1986 and as the Chairman effective from January 20, 1997. Thereafter, the shareholders of the Company in their 13th Annual General Meeting held on July 31, 1999, appointed Mr. Sehgal as the Director, not liable to retire by rotation pursuant to the provisions of the applicable company law(s) and the Articles of Association of the Company. Thereafter, shareholders of the Company, in their 37th Annual General Meeting held on August 29, 2024, pursuant to Regulation 17(1D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, had approved continuation of Mr. Vivek Chaand Sehgal, Chairman as the Director of the Company for a period of five (5) years effective from April 1, 2024 and shall not be liable to retire by rotation. The detailed information of Mr. Sehgal, *inter-alia*, directorship held in other companies, membership/ chairmanship of the committee(s) of the Company is attached hereto as **Annexure B**.

BRIEF PROFILE OF MR. VIVEK CHAAND SEHGAL

Mr. Vivek Chaand Sehgal, aged 68, is the Chairman of the Company and the founding force behind the Motherson Group's transformation into a global automotive solutions provider. He established the Group in year 1975 as a partnership with his mother. In year 1983, he steered Motherson's foray into the automotive business with the manufacturing of wiring harnesses for passenger vehicles in collaboration with Sumitomo Wiring Systems, Japan. Under his leadership, the Group has evolved into a global design, engineering, manufacturing and assembly powerhouse. The Group has become a trusted partner to the automotive industry, ranked among the top 11 global automotive suppliers and featured in TIME Magazine's list of the World's Best Companies 2024.

Under his strategic leadership, Motherson Group has evolved into a full-system sustainable solutions provider with 12 business verticals, *namely*, Wiring Harness, Vision Systems, Modules & Polymer Products, Integrated Assemblies, Elastomers, Lighting & Electronics, Precision Metals & Modules, Technologies & Industry Solutions, Aerospace, Logistics Solutions, Health & Medical and Services.

1. Strategic Vision and Diversification

Mr. Sehgal has consistently emphasised diversification. His guiding principle of "3CX10" (ensuring no country, customer, or component contributes more than 10% of revenue) has been pivotal in promoting sustainable growth and long-term success. This approach has led Motherson Group to expand its product portfolio, from its initial focus on wiring harnesses to now including rearview mirrors, polymer modules and products, integrated assemblies, lighting systems and metal components. Under his leadership, Motherson Group has become one of the world's leading suppliers of vision systems and the foremost supplier of polymer modules in Europe. The Group has also become a leading provider of wiring harnesses for heavy-duty commercial vehicles in the American and European markets, holding market-leading positions in most other product verticals in India.

2. Global Presence and Partnerships

Mr. Sehgal has spearheaded the Group's expansion to 44 countries, establishing over 425 facilities and employing around 200,000 people. Under Mr. Sehgal's visionary leadership, Motherson Group has completed 47 global acquisitions, transforming distressed companies into thriving assets. Mr. Sehgal's knack for forging trusted partnerships with global technology leaders from Japan, South Korea, China, Italy, the USA, Singapore and India etc. has been pivotal to Motherson Group's success. These alliances have introduced cutting-edge innovations to India, empowering the Group to exceed customer expectations, enhance local capabilities, and cement its position as an industry leader. His people-first approach has become a cornerstone of Motherson Group's success, driving growth, inclusivity and shared prosperity worldwide. Mr. Sehgal is on the Board of Directors of 31 Motherson Group companies and actively participates in the oversight of their business operations.

3. Recognition and Awards

Mr. Sehgal's exceptional contributions have earned him numerous accolades, including his induction into the Automotive Hall of Fame in year 2024, a testament to his global impact and leadership. Other honours include the Best CEO Award for Auto Ancillaries in the year 2013 by Business Today Magazine. He was also named CEO of the Year in 2015 by Business Standard. He received the Best CEO Award in year 2016, the 'Entrepreneur of the Year 2016, India' by Ernst & Young and in year 2018, the All Asia Executive Team Rankings for the Autos and Auto Parts sector by Institutional Investor Magazine. Forbes India recognised him as Entrepreneur of the Year in 2018, further cementing his reputation as a global leader in the automotive industry.

4. Successful execution of Vision 2025

The Company operates under a framework of publicly disclosed 5-years strategic plans. Despite the external disruptions like COVID-19 pandemic leading to significant drop in industry volume and challenges related to supply chain disruptions and geo-political conflict, the Company has recently

concluded its Vision 2025 plan successfully despite these challenging conditions, the Group has significantly outperformed the industry, demonstrating resilience and strong execution. The Company increased its PAT concern share (continuing operations) from INR 8,098 million for the fiscal year ended March 31, 2020 to INR 38,030 million for the fiscal year ended March 31, 2025 reflecting a robust CAGR of approximately 36%. During this five year period the Company successfully closed and integrated 23 acquisitions and made significant investments towards creating new greenfield facilities whilst maintaining financial discipline with focus on long term value creation.

5. Strategic Leadership and Future Outlook

Company's remarkable achievement can be attributed to the strategic foresight, unwavering commitment to excellence in operations and exemplary leadership of Mr. Sehgal. His visionary approach, grounded in the principles of diversification, an unwavering focus on customer centricity and fostering a culture that regards employees as an extended family, has been instrumental in propelling the Company's transformation into the organization it is today.

The foundational philosophies have led to the establishment of a robust platform for growth. As the Company embarks on its seventh 5 years plan; Vision 2030, with which the Company aims to achieve multi-fold growth via strategic pillars of growth; (i) organic, (ii) inorganic & (iii) strategic partnerships well aligned with 3CX10 diversification strategy, whilst maintaining financial prudence and discipline.

BRIEF DETAILS OF THE TERMS AND CONDITIONS OF APPOINTMENT

(1) Tenure

The tenure of appointment as the Chairman and Whole-time Director in Samvardhana Motherson Global FZE, UAE ("SMGF"), a wholly owned subsidiary of the Company shall be from September 1, 2025 till March 31, 2030. The aforesaid tenure is aligned with the Vision 2030 plan period.

(2) Remuneration

(A) Fixed Compensation:

Euro 1,561,350 (Euro One Million Five Hundred Sixty One Thousand Three Hundred Fifty Only) per annum ("**Fixed Compensation**")

(B) Variable Compensation:

Target based variable compensation upto Euro 2,899,650 (Euro Two Million Eight Hundred Ninety Nine Thousand Six Hundred Fifty Only) per annum ("Variable Compensation").

The Variable Compensation will be determined on actual performance basis and further be restricted in a manner that an aggregate of Fixed Compensation and Variable Compensation shall not exceed 1.5% of consolidated net profit of the Company for corresponding period(s).

The Variable Compensation will be determined on actual performance of Motherson Group by the Board of Directors of SMGF and the Board upon the recommendation of Nomination and Remuneration Committee of the Company ("Committee"), *inter-alia*, based on strategic performance, prevailing policies, comparative performance of the global economy, relevant business verticals and other parameters as may be considered appropriate from time to time, as illustrated below:

Sl. No.	Metrics	Weightage	Particulars
1.	Financial parameters and considerations	65%	Multiple factors will be considered such as:
			Revenue Growth

			 Delivering organic growth by out pacing industry volumes Strategic partnerships Inorganic growth Einancial Discipline Based on outcomes on domestic and international credit ratings while following growth objectives Maintaining financial policies Return on Capital Employed ("ROCE") Maintaining ROCE while delivering growth Constant improvements towards the
2	Other Parameters and considerations	35%	Enhancing diversification Improving diversification further across countries, components and customers Increased contribution by newer non-auto divisions
			 Sustainability Based on outcomes on sustainability ratings from leading agencies Reduction in scope 1 & scope 2 Greenhouse Gas Emissions by year 2030 Water preservation initiatives across all our current facilities by year 2030

The Variable Compensation has been structured in a manner to align with long term benefit for all the stakeholders including investors. The aforesaid performance parameters for evaluating the Variable Compensation have been given 65% weightage to financial parameters and growth and 35% to enhancing diversification and sustainability.

(C) Allowances, Perquisites and benefits:

In addition to Fixed Compensation and Variable Compensation, Mr. Sehgal shall be eligible for the following allowances, perquisites and benefits ("**Total Perquisites**"), restricted to 20% of Total Fixed Compensation for corresponding period(s):

(i) Club Membership Fees, Professional Body or other Association Membership Fee:

Fee in respect of club memberships, professional bodies or any other associations membership of which Mr. Sehgal is a member shall be paid directly or reimbursed.

(ii) Medical Insurance Premium and Medical reimbursement:

Medical Insurance and facilities / expenses for self and family shall be reimbursed in conformity with the policy for senior management including exigencies in exceptional situations.

(iii) Cars:

SMGF shall reimburse or pay directly for cars with drivers, expenditure on fuel, maintenance, insurance, repairs and salaries of drivers.

(iv) Communication facilities at residence:

Communication facilities (including telephone, mobile phone and broadband etc.) at residence for official purposes.

(v) Retirement Benefits:

The contribution to the retirement / superannuation fund and gratuity in accordance with the applicable rules in conformity with the policy for senior management.

(vi) Any other perquisite as may be allowed as per rules of SMGF.

Explanation: "Family" means the spouse, dependent children and dependent parents.

(3) Annual Increments:

The Motherson Group follows annual remuneration increments for its employees. The increments to remuneration shall fall due on 1st of April of each year. The annual increment payable to Mr. Sehgal shall be in conformity with the annual increments payable to the managerial personnel of the Motherson Group and shall be of such amount as may be decided by the Board of Directors of SMGF, subject to a ceiling limit up to 15% (fifteen percent) annual increment.

The first annual increment will be due and be made effective from April 1, 2026 and in case of not a full year of services, appointee shall be entitled for pro-rata annual increments.

Mr. Sehgal will be entitled to Fixed Compensation during period of appointment as mentioned in the enabling resolution and explanatory statement attached hereto.

The Board of Directors of SMGF and the Board upon the recommendation of the Committee, as deemed fit, may revise / modify any of the terms from time to time, within abovementioned stipulated limits.

The members may note that Mr. Sehgal is not drawing any remuneration from the Company. Further, except as mentioned hereinabove, Mr. Sehgal will not draw any remuneration from the Company including its group companies, subsidiaries, joint ventures, associates except sitting fee, governing advisory/board membership fee payable to directors.

REGULATORY DISCLOSURE

The relevant details pertaining to proposed related party transaction *inter-alia* under Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

Sr. No.		Particulars	Details
1	a.	Name of the Related Party.	Mr. Vivek Chaand Sehgal
	b.	Name of Director or Key Managerial Personnel who is related, if any.	Mr. Vivek Chaand Sehgal is father of Mr. Laksh Vaaman Sehgal, Director of the Company.
	c.	Nature of relationship	Mr. Vivek Chaand Sehgal is a non-executive director of the Company.

	d. Tenure of the proposed transaction	The approval of members is being sought for the appointment of Mr. Vivek Chaand Sehgal, Chairman of the Company as the Chairman and Whole-time Director of SMGF for a period effective from September 1, 2025 to March 31, 2030.
	e. Any advance paid or received for the contract or arrangement, if any.	Nil
	f. Nature, material terms, monetary value and particulars of the contract or arrangements.	Please refer to the "Brief details of the terms and conditions of appointment" provided in the explanatory statement above.
2	The manner of determining the pricing and other commercial terms, both included as part of contract or not considered as a part of contract.	Pedersen & Partners, a Global Leadership Consultancy has conducted Executive Compensation Analysis Report on "Global Automotive & e-Mobility Practice".
		The benchmarking study conducted by Pedersen & Partners across geographies has been considered by the Nomination and Remuneration Committee, Audit Committee and the Board of the Company.
		The details of benchmarking study is mentioned below.
3	Whether all factors relevant to the contract have been considered, if not, details of factors not considered with rational for not considering those factors.	All the factors relevant have been considered.
4	A summary of information provided by the management of the listed entity to the audit committee.	All the information as provided in this table and the explanatory statement was presented to the Audit Committee as well.
5	Justification for why proposed transaction is in the interest of the listed entity.	Please refer to the "Brief profile of Mr. Vivek Chaand Sehgal" and "Key consideration for appointment" provided in the explanatory statement.
6	Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary.	Not Applicable.
7	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders.	Not Applicable.

8	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis.	Not Applicable as the proposed transaction is with a related party of the Company, who is an individual.	
9	The percentage of the listed entity' annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction.	Kindly refer to following details: a. Consolidated INR turnover of the 113,663	
		Company for crores financial year ended March 31, 2025	
		b. Percentage of 0.04% proposed remuneration (i.e. Fixed and Variable Compensation) to consolidated turnover of the Company	
		c. Consolidated PAT of the Company for financial year ended March 31, 2025	
		d. Percentage of proposed remuneration (i.e. Fixed and Variable Compensation) to consolidated PAT of the Company	
		Note: 1. Exchange Rate converted as on March 31, 2025.	
10	Any other information that may be relevant.	Nil.	

The members may note that above information, *inter-alia*, were placed before the Board of Directors of SMGF and the Board upon the recommendation of the Committee for consideration of the proposal and recommendation to the shareholders. The Board also noted key consideration of appointment as stated in following paragraphs.

KEY CONSIDERATION FOR APPOINTMENT

Motherson Group, through Samvardhana Motherson Global FZE in the UAE, has established the Value Creation and Strategy Office ("VCSO") to provide centralized services across all group entities. Led by Mr. Vivek Chaand Sehgal (Chairman), Mr. Laksh Vaaman Sehgal (Director) and senior management, the VCSO delivers high-level strategic support that drives both revenue and profitability for Motherson's operating companies worldwide.

VCSO's services, tailored to evolving group needs, currently, inter-alia, include:

- (i) Strategic planning and business development, including identifying new opportunities, exploring mergers and acquisitions and fostering industry partnerships.
- (ii) Procurement strategy to maximize global synergies, reduce costs, manage vendor relationships and optimize raw material sourcing.
- (iii) Financial planning and analysis, budgeting, forecasting, performance management, internal controls and process reviews.
- (iv) Group taxation, treasury functions such as capital structure optimization, cash and liquidity management, economic research and foreign exchange risk management.
- (v) Technology and digital strategy, CIO and CME services covering technical and commercial aspects of various projects.
- (vi) Corporate governance, ESG initiatives, legal services (contract review, compliance, M&A) and regulatory affairs.
- (vii) Marketing and Communications, sales analytics, insurance, logistics and other global functions for operational efficiency.
- (viii) Human resources, including policy formulation, guidance on recruitment and onboarding.

Mr. Sehgal brings deep expertise in strategic management and offers high-level guidance and support to the Motherson Group, including through his leadership of the VCSO. Further, his involvement and connection with the employees are instrumental in keeping them motivated right up to the shop floor.

Keeping in view of the above and considering the strategic nature of services rendered, the services provided by the VCSO, are proposed to be charged to the operating companies of the Motherson Group—including associate companies, subsidiaries and joint ventures based on the proportion of their respective sales.

The Committee, Audit Committee and the Board, at their respective meetings held on July 23, 2025, July 23, 2025, and July 24, 2025, duly considered and approved Mr. Sehgal's appointment in the office or place of profit in SMGF on the proposed remuneration and terms, subject to approval of the members of the Company.

BENCHMARKING STUDY

The members are informed that a leading global executive search and advisory firm, Pedersen & Partners, was engaged to conduct an executive compensation benchmarking study for the "Global Automotive & e-Mobility Practice". The objective of the study was to evaluate the competitiveness and appropriateness of the proposed executive compensation structure in line with industry standards and governance expectations.

The benchmarking report was based on secondary research and utilized publicly available data. Key parameters considered in the study included:

- 1. Remuneration practices across a representative sample of comparable domestic and global companies of similar size and scale;
- 2. Compensation packages, taking into account global cost of living variations;
- 3. Governance trends in executive pay, including fixed and variable compensation, annual bonuses, long-term incentive plans and other relevant components; and
- 4. Variable incentives based on business performance and Environmental, Social and Governance metrics.

The selection of peer companies for the purpose of compensation benchmarking study was undertaken with the objective of ensuring relevance and comparability to Motherson Group. This assessment

considered multiple factors, such as the relative size of the organizations, their geographical footprint and overall profitability. The identified peer companies represent companies that operate in similar markets or industries and are aligned with Motherson Group business complexity and global presence, thereby providing a robust and meaningful basis for benchmarking executive compensation practices.

The Committee, *inter-alia*, considered the above-mentioned benchmarking study conducted by global HR consultancy firm and thereafter approved and recommended proposed appointment to the Board. The Audit Committee, relying on above benchmarking study and recommendation, further approved proposal as being in the ordinary course of business and on an arm's length basis.

JUSTIFICATION FOR QUANTUM OF REMUNERATION

Looking at Mr. Vivek Chaand Sehgal's strategic contribution & leadership of the VCSO, overseeing the entire global operations of 12 business verticals and the substantial planned growth as per Vision 2030, the proposed remuneration to Mr. Sehgal is commensurate to the remuneration paid to the senior executives of the Company in India and overseas. Mr. Sehgal continues to provide strategic guidance and leadership across Motherson's extensive global operations, spanning over 425 facilities in 44 countries. With approximately 80% of the Company's economic revenue outside of India, this role requires active engagement with diverse stakeholders across regions. The remuneration structure reflects these responsibilities into consideration whilst factoring the higher cost of living (i.e Purchase Price Parity Index), relative to India.

Further, the Fixed Compensation proposed for Mr. Sehgal, i.e. Euro 1.56 million is only 1.33 times of the median of fixed emoluments of two highest paid senior executives from overseas and two highest paid senior executives in India, adjusted by average World Bank purchase price parity index¹ (w.r.t. executives in India), which amounts to Euro 1.17 million.

Mr. Sehgal is also proposed to be paid a performance based Variable Compensation of Euro 2.90 million (approx.), which will amount to 65% of his total compensation. The said Variable Compensation will be determined on actual performance basis and further be restricted in a manner that the aggregate of Fixed Compensation and Variable Compensation shall not exceed 1.5% of consolidated net profit of the Company for corresponding period(s). Further, the Total Perquisites shall be restricted in a manner that it shall not exceed 20% of Fixed Compensation for corresponding period(s).

The variable compensation has been structured in a manner to align with the long term benefit for all the stakeholders including investors. The performance parameters for evaluating the aforesaid Variable Compensation have been given 65% weightage to financial parameters and growth and 35% to environment and sustainability.

Further, Mr. Sehgal is on the Board of Directors of 31 Motherson group companies and actively participates in the oversight of their business operations by devoting extensive time and efforts to provide strategic guidance. His continuation and guidance to Motherson Group will significantly contribute to Motherson growth and long-term value creation for all the stakeholders including investors.

The members may note that the senior executives of the Company are entitled to essentially fixed remuneration and is now further proposed to be increased by Employee Stock Option Scheme ("ESOP") recommended for approval to the shareholders of the Company. In view of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, Mr. Sehgal is not eligible to any benefits under ESOP.

ADDITIONAL DISCLOSURE

In addition to Mr. Vivek Chaand Sehgal, Mr. Laksh Vaaman Sehgal, son of Mr. Vivek Chaand Sehgal will be entitled to the remuneration as mentioned in the resolution no. 10 read with attached explanatory statement, as placed before the members for consideration.

¹ Purchase price parity index is available at https://data.worldbank.org/indicator/PA.NUS.PPP.

The members may note that overall annual remuneration payable to Mr. Vivek Chaand Sehgal and Mr. Laksh Vaaman Sehgal (i.e. entire promoter remuneration from subsidiary entities) shall not exceed in the aggregate 3.0% of the consolidated net profit of the Company, for corresponding period(s).

In terms of Section 188 of the Companies Act, 2013, consent of the shareholders of a company is required for entering any contract or arrangement with a related party with respect to amongst others, such related party's appointment to any office or place of profit in the company, subsidiary company or associate company.

Mr. Vivek Chaand Sehgal is a Promoter of the Company and holds 131,81,73,966 equity shares representing 12.49% equity share capital in the Company. Also, Mr. Sehgal along with the Promoter Group holds 512,92,14,114 nos. of equity shares representing 48.60% equity share capital of the Company.

In respect to the above, second proviso to section 188(1) of the Companies Act, 2013 provides that no member of the company shall vote on a resolution, to approve any contract or arrangement which may be entered into by the company, if such member is a related party. Accordingly, for the proposed contract between Mr. Vivek Chaand Sehgal and the wholly owned subsidiary of the Company, Mr. Vivek Chaand Sehgal, Chairman and Director of the Company will not vote at the resolution.

Save and except Mr. Vivek Chaand Sehgal and Mr. Laksh Vaaman Sehgal, son of Mr. Vivek Chaand Sehgal, none of the Directors or Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The directors believes that Mr. Vivek Chaand Sehgal's continuation and guidance to Motherson Group will significantly contribute to Motherson growth and long-term value creation and therefore, the Board recommend for the appointment and remuneration of Mr. Vivek Chaand Sehgal as Chairman and Whole-time Director of SMGF, as mentioned in the enabling resolution read with explanatory statement attached hereto, as an ordinary resolution.

ITEM NO. 10

OVERVIEW OF MOTHERSON GROUP AND BUSINESS VERTICALS

The Motherson Group has a presence in 44 countries across Europe, the Americas, Asia and Africa and employs approximately 200,000 people in over 425 facilities. The Group is ranked among the top 11 global automotive suppliers. As of now, Motherson operates in 12 business verticals: Wiring Harness, Vision Systems, Modules & Polymer Products, Integrated Assemblies, Elastomers, Lighting & Electronics, Precision Metals & Modules, Technologies & Industry Solutions, Aerospace, Logistics Solutions, Health & Medical and Services.

For Financial Year 2024–25, the Company reported consolidated revenue of INR 113,663 crores. On the basis of economic revenue, India accounts for 20% of revenue and the remaining is from global operations. The economic revenue includes revenue from operations and 100% of revenue from joint ventures / associates, which are accounted as per the equity method.

BOARD APPOINTMENT

Mr. Laksh Vaaman Sehgal (DIN: 00048584) was appointed as Non-Executive Non-Independent Director with effect from April 30, 2009, liable to retire by rotation as per section 152 of Companies Act, 2013. The shareholders of the Company in their 37th Annual General Meeting held on August 29, 2024, had re-appointed him as director of the Company. The detailed information of Mr. Sehgal, *interalia*, directorship held in other companies, membership/ chairmanship of the committee(s) of the Company is attached hereto as **Annexure C**.

BRIEF PROFILE OF MR. LAKSH VAAMAN SEHGAL

Mr. Laksh Vaaman Sehgal, aged 42 years, holds Bachelor of Science in Business Administration degree from Boston University and a Master of Business Administration degree from the Columbia University in the United States of America. He brings a unique blend of global perspective and cultural insight to his role.

1. Significant Role and Strategic Contribution

Mr. Sehgal has played a significant role in the Company's growth and strategic direction. He is actively involved in overseeing existing operations as well as innovations and all new ventures and is a key member of the core strategic team responsible for managing the Group's growth while navigating evolving trends, market outlooks, and macroeconomic challenges. He has a rich experience of working with major companies of the Motherson Group and is on the Board of Directors of 36 Motherson group companies and actively participates in the oversight of their business operations.

2. Leadership in turnarounds and Group-Level Strategy

Mr. Laksh Vaaman Sehgal led the turnaround of Samvardhana Motherson Reflectec Group (formerly known as Visiocorp Group) as its first CEO following Motherson's acquisition in 2009 from the administrator. He made significant contributions and efforts for successfully stabilising the operations and reviving profitability of Samvardhana Motherson Reflectec, Group and thereafter moved to a strategic role at the Group level.

Mr. Sehgal plays a pivotal role in defining and executing Motherson Group's global strategy, with a focus on customer-led organic growth, strategic M&A and strategic partnerships with global technology leaders. He anchors the Company's disciplined and sustainable growth vision through customer centric operations and further diversification with "3CX10" strategy (ensuring no country, customer, or component contributes more than 10% of revenue). Under his guidance and leadership, the Group has acquired and integrated a number of acquisitions to support customers by solving for structural supply chain related challenges. With continued focus on manufacturing and operational excellence whilst driving synergies and scalability across the Group's global footprint. He is strategically guiding the Group to further strengthen and leverage the industry agnostic design, engineering, manufacturing and assembly capabilities into diversified new sectors such as aerospace, logistics, healthcare and consumer electronics, thereby positioning Motherson Group as a future-ready, diversified sustainable solutions provider.

3. Strategic, Operational and ESG Initiatives

Mr. Sehgal is instrumental in transforming Motherson Group into a design, engineering, manufacturing and assembly-focused conglomerate. He has embedded sustainability practices across operations and consistently promotes customer-centric innovation, exploring emerging technologies and design capabilities. He is closely involved in all the new ventures and is a key member of the core strategic team, which is responsible for the overall management of the Group. He is deeply involved in M&A activities and provides invaluable insights to the business teams, helping them turn around the companies.

He is also a key member of the executive team leading the Group's Environmental, Social and Governance ("ESG") and sustainability initiatives. In addition, he drives innovation and technology development aimed at future growth and long-term strategic advancement.

Mr. Sehgal's dynamic leadership, forward-looking mindset and commitment to excellence continue to shape Motherson Group as a benchmark for operational excellence, resilience and global growth. Under his strategic direction, the group has evolved into a leading full-system sustainable solutions provider to the global automotive industry. He firmly believes that the people are the biggest asset of Motherson.

4. Successful execution of Vision 2025

The Company operates under a framework of publicly disclosed 5-years strategic plans. Despite the external disruptions like COVID-19 pandemic leading to significant drop in industry volume and challenges related to supply chain disruptions and geo-political conflict, the Company has recently concluded its Vision 2025 plan successfully despite these challenging conditions, the Group has significantly outperformed the industry, demonstrating resilience and strong execution. The Company increased its PAT concern share (continuing operations) from INR 8,098 million for the fiscal year ended March 31, 2020 to INR 38,030 million for the fiscal year ended March 31, 2025 reflecting a robust CAGR of approximately 36%. During this five year period the Company successfully closed and integrated 23 acquisitions and made significant investments towards creating new greenfield facilities whilst maintaining financial discipline with focus on long term value creation.

5. Strategic Leadership and Future Outlook

Under the visionary and capable leadership of Mr. Sehgal, the Company has made transformative progress, evolving from a conventional automotive supplier into a leading global provider of comprehensive engineering, manufacturing and assembly solutions spanning diverse industries.

Under his leadership, the Company has achieved substantial milestones in expanding its capabilities as a design, engineering, manufacturing and assembly powerhouse supporting industries across diverse industries, underscoring its strategic ambition to be a globally preferred solutions provider. Additionally, the Company has been able to achieve the status of a Tier 0.5 supplier a critical advancement that positions the Company to deliver fully assembled modules, thereby offering enhanced integrated solutions to global OEMs.

As the Company embarks on its forthcoming 5-years strategic roadmap, the Company is poised for growth across the automotive and non-automotive business portfolio. By further diversifying and capitalizing on Motherson Group capabilities across the value chain to provide sustainable solutions to customers across diverse industries. The Company continues to focus on further strengthening position as a Tier-0.5 supplier and aims to deliver value to stakeholders including customers.

BRIEF DETAILS OF THE TERMS AND CONDITIONS OF APPOINTMENT WITH SAMVARDHANA MOTHERSON GLOBAL FZE, UAE ("SMGF")

(1) Tenure

The tenure of appointment as the Vice Chairman and Whole-time Director in Samvardhana Motherson Global FZE, UAE ("SMGF"), a wholly owned subsidiary of the Company shall be from September 1, 2025 till March 31, 2030. The aforesaid tenure is aligned with the Vision 2030 plan period.

(2) Remuneration

(A) Fixed Compensation:

Euro 1,441,350 (Euro One Million Four Hundred Forty One Thousand Three Hundred Fifty Only) per annum.

(B) Variable Compensation:

Target based variable compensation upto Euro 2,899,650 (Euro Two Million Eight Hundred Ninety Nine Thousand Six Hundred Fifty Only) per annum ("Variable Compensation").

The Variable Compensation will be determined on actual performance basis and further be restricted in a manner that Total Fixed Compensation (i.e. Fixed Compensation – SMGF and Fixed Compensation – MBSH) and Variable Compensation shall not exceed 1.5% of consolidated net profit of the Company for corresponding period(s).

The Variable Compensation will be determined on actual performance of Motherson Group by the Board of Directors of SMGF and the Board upon the recommendation of Nomination and Remuneration Committee of the Company ("Committee"), *inter-alia*, based on strategic performance, prevailing policies, comparative performance of the global economy, relevant business verticals and other parameters as may be considered appropriate from time to time, as illustrated below:

Sl. No.	Metrics	Weightage	Particulars
1.	Financial parameters and considerations	65%	Multiple factors will be considered such as: Revenue Growth Delivering organic growth by outpacing industry volumes Strategic partnerships Inorganic growth Financial Discipline Based on outcomes on domestic and international credit ratings while following growth objectives Maintaining financial policies Return on Capital Employed ("ROCE") Maintaining ROCE while delivering growth Constant improvements towards the stated ROCE targets
2	Other Parameters and considerations	35%	Enhancing diversification Improving diversification further across countries, components and customers Increased contribution by newer nonauto divisions Sustainability Based on outcomes on sustainability ratings from leading agencies Reduction in scope 1 & scope 2 Greenhouse Gas Emissions by year 2030 Water preservation initiatives across all our current facilities by year 2030

The Variable Compensation has been structured in a manner to align with long term benefit for all the stakeholders including investors. The aforesaid performance parameters for evaluating the Variable Compensation have been given 65% weightage to financial parameters and growth and 35% to enhancing diversification and sustainability.

(C) Allowances, Perquisites and benefits:

In addition to Total Fixed Compensation and Variable Compensation, Mr. Sehgal shall be eligible for the following allowances, perquisites and benefits ("**Total Perquisites**"), restricted to 20% of Total Fixed Compensation for corresponding period(s):

(i) Club Membership Fees, Professional Body or other Association Membership Fee:

Fee in respect of club memberships, professional bodies or any other associations membership of which Mr. Sehgal is a member shall be paid directly or reimbursed.

(ii) Medical Insurance Premium and Medical reimbursement:

Medical Insurance and facilities / expenses for self and family shall be reimbursed in conformity with the policy for senior management including exigencies in exceptional situations.

(iii) Cars:

SMGF shall reimburse or pay directly for cars with drivers, expenditure on fuel, maintenance, insurance, repairs and salaries of drivers.

(iv) Communication facilities at residence:

Communication facilities (including telephone, mobile phone and broadband etc.) at residence for official purposes.

(v) Retirement Benefits:

The contribution to the retirement / superannuation fund and gratuity in accordance with the applicable rules in conformity with the policy for senior management.

(vi) Any other perquisite as may be allowed as per rules of SMGF.

Explanation: "Family" means the spouse, dependent children and dependent parents.

(3) Annual Increments:

The Motherson Group follows annual remuneration increments for its employees. The increments to remuneration shall fall due on 1st of April of each year. The annual increment payable to Mr. Sehgal shall be in conformity with the annual increments payable to the managerial personnel of the Motherson Group and shall be of such amount as may be decided by the Board of Directors of SMGF, subject to a ceiling limit up to 15% (fifteen percent) annual increment.

The first annual increment will be due and be made effective from April 1, 2026 and in case of not a full year of services, appointee shall be entitled for pro-rata annual increments.

The Board of Directors of SMGF and the Board upon the recommendation of the Committee, as deemed fit, may revise / modify any of the terms from time to time, within abovementioned stipulated limits.

BRIEF DETAILS OF THE TERMS AND CONDITIONS OF APPOINTMENT WITH MOTHERSON BUSINESS SERVICE HOLDING KFT ("MBSH")

(1) Tenure

The tenure of appointment as Director of Project Strategy and Execution in Motherson Business Service Holding KFT ("MBSH"), a wholly owned subsidiary of the Company shall be from September 1, 2025 till March 31, 2030. The aforesaid tenure is aligned with the Vision 2030 plan period.

(2) Remuneration by way of Fixed Compensation:

Fixed Compensation of Euro 120,000 (Euro One Hundred Twenty Thousand) per annum.

(3) Annual Increments:

The Motherson Group follows annual remuneration increments for its employees. The increments to remuneration shall fall due on 1st of April of each year. The annual increment payable to Mr. Sehgal shall be in conformity with the annual increments payable to the managerial personnel of the Motherson Group and shall be of such amount as may be decided by the Board of Directors of MBSH, subject to a ceiling limit up to 15% (fifteen percent) annual increment.

The first annual increment will be due and be made effective from April 1, 2026 and in case of not a full year of services, appointee shall be entitled for pro-rata annual increments.

The Board of Directors of MBSH and the Board upon the recommendation of the Committee, as deemed fit, may revise / modify any of the terms from time to time, within abovementioned stipulated limits.

Mr. Sehgal will be entitled to Fixed Compensation-SMGF and Fixed Compensation-MBSH (Collectively referred to as "**Total Fixed Compensation**") during period of appointment as mentioned in the enabling resolution and explanatory statement attached hereto.

The members may note that Mr. Sehgal is not drawing any remuneration from the Company. Further, except as mentioned hereinabove, Mr. Sehgal will not draw any remuneration from the Company including its group companies, subsidiaries, joint ventures, associates except sitting fee, governing advisory/board membership fee payable to directors.

REGULATORY DISCLOSURE

The relevant details pertaining to proposed related party transaction *inter-alia* under Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

Sr. No.	Particulars	Details
1.	g. Name of the Related Party.	Mr. Laksh Vaaman Sehgal
	h. Name of Director or Key Managerial Personnel who is related, if any.	Mr. Laksh Vaaman Sehgal is son of Mr. Vivek Chaand Sehgal, Chairman & non-executive director of the Company.
	i. Nature of relationship	Mr. Laksh Vaaman Sehgal is a non-executive director of the Company.
	j. Tenure of the proposed transaction	The approval of members is being sought for the appointment of Mr. Laksh Vaaman Sehgal, Director of the Company as: (i) the Vice Chairman and Whole-time Director of Samvardhana Motherson Global FZE, UAE, a wholly owned subsidiary of the Company ("SMGF")
		for a period of effective from September 1, 2025 to March 31, 2030; and (ii) as Director of Project Strategy and Execution of Motherson Business Service Holding KFT ("MBSH"), a

		wholly owned subsidiary of the Company for a period of effective from September 1, 2025 to March 31, 2030.
	k. Any advance paid or received for the contract or arrangement, if any.	Nil
	Nature, material terms, monetary value and particulars of the contract or arrangements.	Please refer to the "Brief details of the terms and conditions of appointment" provided in the explanatory statement above.
2.	The manner of determining the pricing and other commercial terms, both included as part of contract or not considered as a part of contract.	Pedersen & Partners, a Global Leadership Consultancy has conducted Executive Compensation Analysis Report on "Global Automotive & e-Mobility Practice".
		The benchmarking study conducted by Pedersen & Partners across geographies has been considered by the Nomination and Remuneration Committee, Audit Committee and the Board of the Company.
		The details of benchmarking study is mentioned below.
3.	Whether all factors relevant to the contract have been considered, if not, details of factors not considered with rational for not considering those factors.	All the factors relevant have been considered.
4.	A summary of information provided by the management of the listed entity to the audit committee.	All the information as provided in this table and the explanatory statement was presented to the Audit Committee as well.
5.	Justification for why proposed transaction is in the interest of the listed entity.	Please refer to the "Brief profile of Mr. Laksh Vaaman Sehgal" and "Key consideration for appointment" provided in the explanatory statement.
6.	Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary.	Not Applicable.
7.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders.	Not Applicable.

8.	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis.	is wit	Applicable as the proposith a related party of the Cindividual.	
9.	The percentage of the listed entity' annual consolidated turnover, for the immediately	Kind	ly refer to following deta	iils:
	preceding financial year, that is represented by the value of the proposed transaction.	a.	Consolidated turnover of the Company for financial year ended March 31, 2025	INR 113,663 crores
		b.	Percentage of proposed remuneration (i.e. Fixed Compensation -SMGF and Variable Compensation) from SMGF to consolidated turnover of the Company	0.04%
		c.	Consolidated PAT of the Company for financial year ended March 31, 2025	INR 3,563 crores
		d.	Percentage of proposed remuneration (i.e. Fixed Compensation -SMGF and Variable Compensation) from SMGF to consolidated PAT of the Company	1.13%
		e.	Percentage of proposed remuneration (i.e. Fixed Compensation-MBSH) from MBSH to consolidated PAT of the Company	0.03%
			xchange Rate converted 1, 2025.	as on March
10.	Any other information that may be relevant.	Nil.		

The members may note that above information, *inter-alia*, were placed before the Board of Directors of SMGF and MBSH and the Board upon the recommendation of the Committee for consideration of the proposal and recommendation to the shareholders. The Board also noted key consideration of appointment as stated in following paragraphs.

KEY CONSIDERATION FOR APPOINTMENT

Motherson Group, through Samvardhana Motherson Global FZE in the UAE, has established the Value Creation and Strategy Office ("VCSO") to provide centralized services across all group entities. Led by Mr. Vivek Chaand Sehgal (Chairman), Mr. Laksh Vaaman Sehgal (Director), and senior management, the VCSO delivers high-level strategic support that drives both revenue and profitability for Motherson's operating companies worldwide.

VCSO's services, tailored to evolving group needs, currently, *inter-alia*, include:

- (i) Strategic planning and business development, including identifying new opportunities, exploring mergers and acquisitions and fostering industry partnerships.
- (ii) Procurement strategy to maximize global synergies, reduce costs, manage vendor relationships and optimize raw material sourcing.
- (iii) Financial planning and analysis, budgeting, forecasting, performance management, internal controls and process reviews.
- (iv) Group taxation, treasury functions such as capital structure optimization, cash and liquidity management, economic research and foreign exchange risk management.
- (v) Technology and digital strategy, CIO and CME services covering technical and commercial aspects of various projects.
- (vi) Corporate governance, ESG initiatives, legal services (contract review, compliance, M&A) and regulatory affairs.
- (vii) Marketing and Communications, sales analytics, insurance, logistics and other global functions for operational efficiency.
- (viii) Human resources, including policy formulation, guidance on recruitment and onboarding.

Mr. Sehgal brings significant competence, expertise, and experience in strategic guidance and management and is committed to providing strategic and managerial support to the Motherson Group, including through his involvement with the VCSO. He is actively involved in overseeing existing operations as well as innovations and all new ventures and is a key member of the core strategic team responsible for managing the Group's growth while navigating evolving trends, market outlooks and macroeconomic challenges.

Keeping in view of the above and considering the strategic nature of services and the benefits derived, the services rendered by the VCSO shall be charged to the operating companies of the Motherson Group, including its associate companies, subsidiaries and joint ventures, in proportion to their respective sales.

The Committee, Audit Committee, and the Board of Directors, in their meetings held on July 23, 2025, July 23, 2025 and July 24, 2025, respectively, duly considered and approved Mr. Sehgal's appointment in the office or place of profit in SMGF and MBSH, on the aforementioned remuneration and other terms and conditions, subject to the approval of the members of the Company.

BENCHMARKING STUDY

The members are informed that a leading global executive search and advisory firm, Pedersen & Partners, was engaged to conduct an executive compensation benchmarking study for the "Global Automotive & e-Mobility Practice". The objective of the study was to evaluate the competitiveness and appropriateness of the proposed executive compensation structure in line with industry standards and governance expectations.

The benchmarking report was based on secondary research and utilized publicly available data. Key parameters considered in the study included:

- 1. Remuneration practices across a representative sample of comparable domestic and global companies of similar size and scale;
- 2. Compensation packages, taking into account global cost of living variations;
- 3. Governance trends in executive pay, including fixed and variable compensation, annual bonuses, long-term incentive plans and other relevant components; and
- 4. Variable incentives based on business performance and Environmental, Social and Governance metrics.

The selection of peer companies for the purpose of compensation benchmarking study was undertaken with the objective of ensuring relevance and comparability to Motherson Group. This assessment considered multiple factors, such as the relative size of the organizations, their geographical footprint and overall profitability. The identified peer companies represent companies that operate in similar markets or industries and are aligned with Motherson Group business complexity and global presence, thereby providing a robust and meaningful basis for benchmarking executive compensation practices.

The Committee, *inter-alia*, considered the above-mentioned benchmarking study conducted by global HR consultancy firm and thereafter approved and recommended proposed appointment to the Board. The Audit Committee, relying on above benchmarking study and recommendation, further approved proposal as being in the ordinary course of business and on an arm's length basis.

JUSTIFICATION FOR QUANTUM OF REMUNERATION

Looking at Mr. Laksh Vaaman Sehgal's strategic contribution & leadership of the VCSO, overseeing the entire global operations of 12 business verticals and the substantial planned growth as per Vision 2030, the proposed remuneration to Mr. Sehgal is commensurate to the remuneration paid to the senior executives of the Company in India and overseas. Mr. Sehgal continues to provide strategic guidance and leadership across Motherson's extensive global operations, spanning over 425 facilities in 44 countries. With approximately 80% of the Company's economic revenue outside of India, this role requires active engagement with diverse stakeholders across regions. The remuneration structure reflects these responsibilities into consideration whilst factoring the higher cost of living (i.e Purchase Price Parity Index), relative to India.

Further, the Total Fixed Compensation proposed for Mr. Sehgal, i.e. Euro 1.56 million is only 1.33 times of the median of fixed emoluments of two highest paid senior executives from overseas and two highest paid senior executives in India, adjusted by average World Bank purchase price parity index² (w.r.t. executives in India), which amounts to Euro 1.17 million.

Mr. Sehgal is also proposed to be paid a performance based Variable Compensation of Euro 2.90 million (approx.), which will amount to 65% of his total compensation. The said Variable Compensation will be determined on actual performance basis and further be restricted in a manner that the aggregate of Total Fixed Compensation and Variable Compensation shall not exceed 1.5% of consolidated net profit of the Company for corresponding period(s). Further, the Total Perquisites shall be restricted to 20% of Total Fixed Compensation for corresponding period(s).

The Variable Compensation has been structured in a manner to align with the long term benefit for all the stakeholders including investors. The performance parameters for evaluating the aforesaid Variable Compensation have been given 65% weightage to financial parameters and growth and 35% to enhancing diversification and sustainability.

Further, Mr. Sehgal is on the Board of Directors of 36 Motherson group companies and actively participates in the oversight of their business operations by devoting extensive time and efforts to provide strategic guidance. His continuation and guidance to Motherson Group will significantly

² Purchase price parity index is available at https://data.worldbank.org/indicator/PA.NUS.PPP.

contribute to Motherson growth and long-term value creation for all the stakeholders including investors.

The members may note that the senior executives of the Company are entitled to essentially fixed remuneration and is now further proposed to be increased by Employee Stock Option Scheme ("ESOP") recommended for approval to the shareholders of the Company. In view of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, Mr. Sehgal is not eligible to any benefits under ESOP.

ADDITIONAL DISCLOSURE

In addition to Mr. Laksh Vaaman Sehgal, Mr. Vivek Chaand Sehgal, father of Mr. Laksh Vaaman Sehgal will be entitled to the remuneration as mentioned in the resolution no. 9 read with attached explanatory statement, as placed before the members for consideration.

The members may note that overall annual remuneration payable to Mr. Laksh Vaaman Sehgal and Mr. Vivek Chaand Sehgal (i.e. entire promoter remuneration from subsidiary entities) by way of Fixed Compensation and Variable Compensation shall not exceed in the aggregate 3.0% of the consolidated net profit of the Company, for corresponding period(s).

In terms of Section 188 of the Companies Act, 2013, consent of the shareholders of a company is required for entering any contract or arrangement with a related party with respect to amongst others, such related party's appointment to any office or place of profit in the company, subsidiary company or associate company.

Mr. Laksh Vaaman Sehgal is a Promoter of the Company and holds 5,79,453 equity shares representing 0.005% equity share capital in the Company. Also, the Promoter Group holds 512,92,14,114 nos. of equity shares representing 48.60% equity share capital of the Company.

In respect to the above, second proviso to section 188(1) of the Companies Act, 2013 provides that no member of the company shall vote on a resolution, to approve any contract or arrangement which may be entered into by the company, if such member is a related party. Accordingly, for the proposed contract between Mr. Laksh Vaaman Sehgal and the wholly owned subsidiary(ies) of the Company, Mr. Laksh Vaaman Sehgal, Director of the Company will not vote at the resolution.

Save and except Mr. Laksh Vaaman Sehgal and Mr. Vivek Chaand Sehgal, father of Mr. Laksh Vaaman Sehgal, none of the Directors or Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The directors believes that Mr. Laksh Vaaman Sehgal's continuation and guidance to Motherson Group will significantly contribute to Motherson growth and long-term value creation and therefore, the Board recommend for the appointment and remuneration of Mr. Laksh Vaaman Sehgal as Vice Chairman and Whole-time Director of SMGF and also as Director of Project Strategy and Execution of MBSH, as mentioned in the enabling resolution read with explanatory statement attached hereto, as an ordinary resolution.

By order of the Board for Samvardhana Motherson International Limited

Alok Goel Company Secretary Membership No. – FCS 4383

Place: Noida, Uttar Pradesh Date: July 24, 2025

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Details of Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting

(Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 on General Meeting)

Name of Director	Mr. Pankaj Mital
Director Identification No.	00194931
Date of Birth and Age	15.09.1966 / 58 years
Date of first Appointment on the Board	02.09.2011
Qualification	B.Sc., LL.B, PGDBM
Experience in specific Functional area	He has vast experience in the field of Electronic Distribution System (EDS) in Automobile Industries.
	Mr. Pankaj Mital has been associated with Motherson for over 34 years. He joined Motherson in 1990 and was initially responsible for launching new wiring harness products and looking after key wiring harness customers. He set up Motherson's European operations in 1999, was appointed as Chief Operating Officer in 2001.
Remuneration last drawn from Company (in Rs.)	Rs. 49,297,493 (during the financial year 2024-25)
Remuneration sought to be paid	As approved by the shareholders in their Annual General Meeting held on September 17, 2021.
Terms and Conditions of appointment / re-appointment	The members of the Company at its 34th AGM held on September 17, 2021, had re-appointed him as Whole-time Director designated as Chief Operating Officer of the Company w.e.f. October 1, 2021 to September 30, 2026, i.e., for a period five (5) years. Mr. Mital is liable to retire by rotation under section 152 of the Companies Act, 2013.
Number of Board Meetings attended during the year	15*
Relationship with any Director(s) or any Key Managerial Personnel(s) of the Company	None
Membership/ Chairmanship of the Committee of the Company	 Risk Management Committee, Member; Stakeholders Relationship Committee, Member Committee of Directors (Strategic Business Matters), Chairman; Committee of Directors (Administrative Matters), Member; Finance Committee, Member
Directorship held in other companies (as on July 24, 2025)	Mr. Pankaj Mital holds directorship in following companies:
	A. <u>Subsidiaries of the Company</u> :
	 SMR Automotive Systems India Limited Samvardhana Motherson Adsys Tech Limited Motherson Innovations Tech Limited Samvardhana Motherson International Leasings IFSC Limited MSSL Mideast (FZE)

	 Motherson Wiring System (FZE) MSSL (GB) Ltd. MSSL Ireland Pvt. Ltd. MSSL Mexico S.A. De CV MSSL WH System (Thailand) Co., Ltd. MSSL Korea WH Limited MSSL Consolidated Inc. MSSL Wiring System Inc. Alphabet de Mexico, S.A. de C.V. Alphabet de Saltillo, S.A. de C.V. Alphabet de Saltillo, S.A. de C.V. MSSL Wirings Juarez, S.A. de C.V. MSSL Estonia WH OU PKC Group Ltd. PKC Wiring Systems Oy PKC Group APAC Limited OOO AEK PKC Group USA Inc. AEES Inc. T.I.C.S. Corporation Fortitude Industries Inc. Motherson PKC Harness Systems FZ-LLC Motherson Rolling Stocks S. de R.L. de C.V PK Cables do Brazil Industria e Comercio Ltda
	31. PKC Vehicle Technology (Suzhou) Co., Ltd. 32. SMP Deutschland GmbH
	33. Samvardhana Motherson Global (FZE)
Membership/ Chairmanship of the Committee of other Indian Companies	Samvardhana Motherson Adsys Tech Limited: (a) Audit Committee – Member (b) Nomination & Remuneration Committee – Member
Names of listed entities in which the person also holds the Directorship and the Membership of Committees of the board	Nil
Name of listed entities from which the person has resigned in the past three years	Nil
Number of shares held in the Company (as on July 24, 2025)	11,96,443
In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Not Applicable

^{*} No. of meetings held during the financial year 2024-25 were 15 (fifteen).

Name of Director	Mr. Vivek Chaand Sehgal
Director Identification No.	00291126
Date of Birth / Age	28.09.1956 / 68 years
Date of first Appointment on the Board	19.12.1986
Qualification	Graduate in Commerce
Experience in specific Functional area	Under the leadership and direction of Mr. Vivek Chaand Sehgal, Chairman of the Company, Motherson has evolved as a leading full system sustainable solutions provider to the global automotive industry. The Group is ranked among the top 15 global automotive suppliers. Mr. Sehgal's visionary ability to sight opportunities for the benefit of the Group, be it in the form of joint ventures, acquisitions, expansion of existing businesses, development of emerging business markets is remarkable. Today the Group has multiple partners for its various product ranges and has 47 successful acquisitions to date. Mr. Vivek Chaand Sehgal spends extensive time and contribute significantly to provide strategic guidance <i>inter-alia</i> for expanding and enhancing business, profitability, capacity enhancement, fostering relationship with customers/suppliers, to drive growth and competitive advantage. Further, his involvement and connect with the employees is instrumental in keeping them motivated right up to the shop floor.
Remuneration last drawn from Company (in ₹)	Mr. Vivek Chaand Sehgal being a non- executive director, is not drawing any remuneration from the Company. However, given international focus of businesses of the Company, MSSL Mideast (FZE) ("MSSL ME"), has appointed Mr. Vivek Chaand Sehgal, Chairman (on part time basis). For the financial year 2024-25, MSSL ME has paid remuneration of Euro 2,137,500 to Mr. Vivek Chaand Sehgal, Chairman of the Company. Further, Samvardhana Motherson Automotive Systems Group B.V. ("SMRP BV") has paid sitting fees of Euro 120,000 to Mr. Vivek Chaand Sehgal during F.Y. 2024-25. MSSL ME and SMRP BV, both are wholly owned subsidiaries of the Company.
Remuneration sought to be paid	Nil
Terms and Conditions of appointment / reappointment	Non-rotational Director Further, shareholders of the Company in its annual general meeting held on August 29, 2024 have approved for continuation of Mr. Vivek Chaand Sehgal as the Director of the Company, for a period of five (5) years effective April 1, 2024 in accordance with the provisions of Regulation 17(1D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
Number of Board Meetings attended during the year	15*
Relationship with any Director(s) or any Key Managerial Personnel(s) of the Company	Mr. Vivek Chaand Sehgal is father of Mr. Laksh Vaaman Sehgal, Director.

Membership/ Chairmanship of the Committee of the Company	Corporate Social Responsibility Committee- Chairman
Directorship held in other companies (as on July 24, 2025)	Mr. Vivek Chaand Sehgal holds directorship in following companies:
	A. <u>Subsidiaries of the Company</u> :
	 Motherson Techno Tools Limited Fritzmeier Motherson Cabin Engineering Private Limited MSSL Mauritius Holdings Limited Samvardhana Motherson Holding (M) Pvt. Ltd. Motherson Electrical Wires Lanka Pvt. Ltd. MSSL Mideast (FZE) MSSL (S) Pte. Ltd. MSSL (GB) Ltd. Global Environment Management (FZE) Motherson Techno Tools Mideast (FZE) Motherson Wiring System (FZE) Samvardhana Motherson Finance Services Cyprus Ltd. Samvardhana Motherson Global Holdings Limited SMR Automotive Technology Holding Cyprus Limited SMR Automotive Mirror Parts and Holdings UK Ltd. Samvardhana Motherson Reflectec Group Holdings Limited SMR Automotives Systems Macedonia Dooel Skopje MSSL Consolidated Inc. Samvardhana Motherson Global (FZE)
	 21. MSSL Estonia WH OU 22. PKC Group Ltd. 23. Motherson PKC Harness Systems FZ-LLC 24. Samvardhana Motherson Automotive Systems Group B.V 25. SMP Deutschland GmbH 26. Motherson Global Holdings Company B.V.
	27. Motherson Global Investments B.V.
	B. Joint Ventures / Associates of the Company:
	 Motherson Sumi Wiring India Limited Marelli Motherson Automotive Lighting India Pvt. Ltd. Kyungshin Industrial Motherson Private Limited
	C. <u>Promoter owned entities</u> :
	 Motherson Auto Limited Renu Farms Private Limited Shri Sehgals Trustee Company Private Limited A Basic Concepts Designs Pty. Ltd. Son Grows Systems Limited
Membership/ Chairmanship of the Committee of other Indian Companies	Motherson Sumi Wiring India Limited a. Corporate Social Responsibility Committee-Chairman Kyungshin Industrial Motherson Private Limited a. Audit Committee-Member Fritzmeier Motherson Cabin Engineering Pvt. Limited a. Audit Committee-Member b. Corporate Social Responsibility Committee-Member

	c. Nomination and Remuneration Committee-Member
	Into the contract of the co
	a. Corporate Social Responsibility Committee-Member
Names of listed entities in which the person	Motherson Sumi Wiring India Limited
also holds the Directorship and the	
Membership of Committees of the board	
Name of listed entities from which the person	Hero Fincorp Limited (Debt listed company)
has resigned in the past three years	
Number of equity shares held in the Company	1,31,81,73,966
(as on July 24, 2025)	
In case of independent directors, the skills and	Not Applicable
capabilities required for the role and the	
manner in which the proposed person meets	
such requirements	

^{*} No. of meetings held during the financial year 2024-25 were 15 (Fifteen)

Name of Director	Mr. Laksh Vaaman Sehgal
Director Identification No.	00048584
Date of Birth / Age	29.11.1982 / 42 years
Date of first Appointment on the Board	30.04.2009
Qualification	MBA
Experience in specific Functional area	Mr. Laksh Vaaman Sehgal is closely involved in overseeing existing operations as well as innovations and the new ventures and is a key member of the core strategic team for the overall management and growth of Motherson Group while steering the group through evolving trends, future outlook and macro-economic factors affecting businesses. Under the leadership of Mr. Laksh Vaaman Sehgal, Motherson Group is diversifying and expanding its presence to new industry segments including aerospace, technology, logistics and health and medical. He is also leading the Group's drive towards development and production of enhanced solutions for the future requirement of the transport industry. Mr. Laksh Vaaman Sehgal also provides strategic guidance on performance improvement plans and troubleshooting through focused teams. He is a key member of the executive team which is driving ESG and Sustainability practices at Motherson Group. Further, he is driving innovative and technology solutions and working for developing and bringing new future technology for strategic advancement and growth for the entire group.
Remuneration last drawn from Company (in ₹)	Mr. Laksh Vaaman Sehgal being a non-executive director, is not drawing any remuneration from the Company.
	However, for the financial year 2024-25, Motherson Innovations Company Limited, U.K. ('MI') has remunerated Mr. Laksh Vaaman Sehgal Euro 1,890,414 and post-employment benefits equivalent to Euro 55,165 along with insurance, company car and an accommodation for his stay in London, UK for benefits equivalent to Euro 313,469. The total remuneration and benefits from MI accounts for Euro 2,259,048. MI is a wholly owned subsidiary of the Company.
Remuneration sought to be paid	Nil
Terms and Conditions of appointment / reappointment	Liable to retire by rotation
Number of Board Meetings attended during the year	13*
Relationship with any Director(s) or any Key Managerial Personnel(s) of the Company	Mr. Laksh Vaaman Sehgal is son of Mr. Vivek Chaand Sehgal, Chairman of the Company
Membership/ Chairmanship of the Committee of the Company	Nomination and Remuneration Committee -Member Corporate Social Responsibility Committee- Member Finance Committee-Chairman
Directorship held in other companies (as on July 24, 2025)	Mr. Laksh Vaaman Sehgal holds directorship in following companies: A. Subsidiaries of the Company:
,	Motherson Technology Services Limited Motherson Auto Solutions Limited

3. Samvardhana Motherson Adsys Tech Limited 4. CIM Tools Private Limited 5. Global Environment Management (FZE) 6. MSSL Mauritius Holdings Limited (Alternate Director) 7. Samvardhana Motherson Holding (M) Pvt. Ltd. (Alternate Director) 8. SMR Automotive Holding Hong Kong Limited 9. SMR Automotive Mirrors Stuttgart GmbH 10. SMR Automotive Mirror Systems Holding Deutschland GmbH 11. SMR Automotive Mirrors UK Limited 12. SMR Automotive Mirror Part and Holdings UK Limited 13. SMR Mirror UK Limited 14. MSSL Consolidated Inc. 15. Samvardhana Motherson Automotive Systems Group B.V. 16. SMR Automotive Technology Holdings Cyprus Limited (Alternate 17. Samvardhana Motherson Reflectec Group Holdings Ltd. 18. Motherson Innovations Company Limited, U.K. 19. Motherson Innovations Deutschland GmbH 20. MSSL Estonia WH OU 21. Yujin SMRC Automotive Techno Corp. 22. Samvardhana Motherson Corp Management Shanghai Co Ltd. 23. Samvardhana Motherson Global FZE 24. PKC Group Ltd. 25. Motherson Sequencing and Assembly Services Global Group GmbH 26. Samvardhana Motherson Electric Vehicles L.L.C. 27. Motherson International Limited 28. SMR Plast Met Molds and Tools Turkey Kalıp İmalat Anonim Şirketi 29. SMR Plast Met Automotive Tec Turkey Plastik İmalat Anonim Şirketi 30. SMRC Automotive Holding South America B.V. 31. SMRC Automotive Modules South America Minority Holdings B.V. 32. Motherson Global Holdings Company B.V. 33. Motherson Global Investments B.V. 34. SMP Deutschland GmbH 35. Motherson Sanko Sustainable Packaging Products Limited B. Joint Venture/ Associate Company: 1. Motherson Sumi Wiring India Limited C. Promoter owned entities: 1. Motherson Auto Limited 2. Renu Farms Private Limited 3. Shri Sehgals Trustee Company Private Limited 4. Advantedge Technology Partners Pvt. Ltd. 5. ATAR Mauritius Pvt. Ltd. 6. JSRR Holdings (M) Pvt. Ltd. 7. Radha Rani Holdings Pte. Ltd. 8. Advance Technologies and Automotive Resources Pte. Ltd. 9. Son Grows Systems Limited

Membership/
Chairmanship of the
Committee of other Indian
Companies

1. Motherson Sumi Wiring India Limited

11. BOH Pte. Ltd.

10. Son Grown Material Foods Trading L.L.C.

- (a) Nomination and Remuneration Committee- Member
- (b) Stakeholders Relationship Committee- Member
- (c) Risk Management Committee- Member

Names of listed entities in	Motherson Sumi Wiring India Limited
which the person also holds	
the Directorship and the	
Membership of Committees	
of the board	
Name of listed entities from	Nil
which the person has	
resigned in the past three	
years	
Number of equity shares	5,79,453
held in the Company (as on	
July 24, 2025)	
In case of independent	Not Applicable
directors, the skills and	
capabilities required for the	
role and the manner in	
which the proposed person	
meets such requirements	

^{*} No. of meetings held during the financial year 2024-25 were 15 (Fifteen)