



**MOTHERSON SUMI WIRING INDIA LIMITED**

Our Company was incorporated as an unlisted public company under the provisions of Companies Act, 2013 on July 2, 2020 within the jurisdiction of the Registrar of Companies, Maharashtra at Mumbai. For details, please refer to “History and Certain Corporate Matters” on page 80 of this Information Memorandum.

**Corporate Identity Number:** U29306MH2020PLC341326

**Registered Office:** Unit No. 705, C Wing, ONE BKC, G Block Bandra Kurla Complex, Bandra East, Mumbai -400051, Maharashtra, India

**Corporate Office:** 11<sup>th</sup> Floor, Plot No. 1, Sector-127, Noida-201301, Uttar Pradesh, India

**Contact Number:** 0120-6679500

**Contact Person:** Ms. Pooja Mehra, Company Secretary and Compliance Officer, **Tel:** 0120-6679293

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

**NO EQUITY SHARES ARE PROPOSED TO BE SOLD OR OFFERED PURSUANT TO THIS INFORMATION MEMORANDUM**

**PROMOTERS OF OUR COMPANY ARE MR. VIVEK CHAAND SEHGAL, MR. LAKSH VAAMAN SEHGAL, MOTHERSON SUMI SYSTEMS LIMITED (INDIA) AND SUMITOMO WIRING SYSTEMS LIMITED (JAPAN)**

Information Memorandum for listing of 315,79,34,237 (Three Hundred and Fifteen Crores Seventy Nine Lacs Thirty Four Thousand Two Hundred Thirty Seven) Equity Shares of Re. 1/- (Rupee One Only) each fully paid up issued by Motherson Sumi Wiring India Limited (the “Company”) pursuant to the composite scheme of amalgamation and arrangement amongst Motherson Sumi Systems Limited, Samvardhana Motherson International Limited, the Company and their respective shareholders and creditors (the “Scheme”).

**GENERAL RISKS**

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Equity Shares of the Company unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Equity Shares of the Company. For taking an investment decision, investors must rely on their own examination of the Company including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Information Memorandum. **Specific attention of investors is invited to the section titled “Risk Factors” given on page 13 of the Information Memorandum.**

**ABSOLUTE RESPONSIBILITY OF THE COMPANY**

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that the Information Memorandum contains all information with regard to the Company, which is material, and that the information contained in the Information Memorandum is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omissions of which makes the Information Memorandum as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

**LISTING**

The Equity Shares of the Company are proposed to be listed on the BSE Limited (“BSE”) and the National Stock Exchange of India Limited (“NSE”). For the purposes of listing of our Equity Shares pursuant to the Scheme, BSE Limited is the Designated Stock Exchange. The Company has submitted the Information Memorandum with BSE and NSE and the same has been made available on the Company’s website viz. [www.mswil.motherson.com](http://www.mswil.motherson.com). The Company has received in-principle approval for listing from BSE and NSE on February 28, 2022 and March 2, 2022 respectively. The Information Memorandum would also be made available on the website of BSE ([www.bseindia.com](http://www.bseindia.com)) and NSE ([www.nseindia.com](http://www.nseindia.com)) and on our website at [www.mswil.motherson.com](http://www.mswil.motherson.com).

**REGISTRAR AND SHARE TRANSFER AGENT TO THE COMPANY**



**KFin Technologies Pvt. Ltd.**

Address: Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal,  
Hyderabad – 500032, India

Facsimile: 040- 23001153

Investor grievance e-mail: [cinward.ris@kfintech.com](mailto:cinward.ris@kfintech.com)

Website: <https://www.kfintech.com/>

Contact Person: Mr. Suresh Babu D, Manager

SEBI registration No.: INR0000000221

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or implies, the following terms have the following meanings in this Information Memorandum and references to any statute or regulations or policies or guidelines or circular, notification or clarifications shall include amendments thereto, from time to time.

Notwithstanding the foregoing, terms in “*Main Provisions of the Articles of Association*”, “*Statement of Special Tax Benefits*”, “*Industry Overview*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”, “*Risk Factors*”, “*Financial Statements*”, “*Outstanding Litigation and Other Material Developments*” and “*Scheme of Arrangement*”, shall have the meaning ascribed to such terms in those respective sections.

#### Company and Scheme Related Terms

Term	Description
“the Company” or “our Company” or “we” or “us” or “our”	Unless the context otherwise requires, refers to Motherson Sumi Wiring India Limited, a company incorporated under the Companies Act, 2013
Appointed Date 1	April 1, 2021
Articles / Articles of Association / AOA	The Articles of Association of our Company, as amended from time to time
Audit Period	The period starting from April 1, 2021 and ending on September 30, 2021
Board of Directors / the Board / our Board	The Board of Directors of the Company and includes its Committees
Corporate Office	11 <sup>th</sup> Floor, Plot No. 1, Sector-127, Noida-201301, Uttar Pradesh, India
DWH Business or Domestic Wiring Harness Business	Means and includes all the activities, business, operations and undertakings of the Company in relation to designing, development, prototyping, validation, manufacturing, sale and supply of wiring harnesses within India
Domestic Wiring Harness Undertaking or DWH Undertaking	Means and includes all the activities, businesses, operations and undertakings of, and relating to the DWH Business, on a going concern basis, inclusive of but not limited to the following:  (i) all the property of the DWH Business, in the manner more specifically provided under Section I of the Scheme, wherever situated, including all computers and accessories, software and related data, lease / leave and license rights with respect to use of offices, manufacturing units and other properties, including the premises listed under Schedule I of the Scheme, plant and machinery, capital work in progress, vehicles, furniture, fixtures, office equipment, electricals, appliances, accessories, pertaining to or relating to the DWH Business, including all assets at the manufacturing units, offices, etc., situated at the premises listed under Schedule I of the Scheme;  (ii) all rights and licenses, all assignments and grants thereof, all permits, clearances and registrations whether under central, state or other laws, rights (including rights / obligations under agreement(s) entered into with various persons including independent consultants, subsidiaries / associate companies and other shareholders of such subsidiary / associate / joint venture companies, contracts, applications, letters of intent, memorandum of understandings or any other contracts), non-disposal undertakings, certifications and approvals, regulatory approvals, entitlements, other licenses, consents, tenancies, investments and / or interest (whether vested, contingent or otherwise), taxes, share of advance tax, tax deducted at source and minimum alternate tax credits (including but not limited to credits in respect of sales tax, value added tax, service tax, goods and services tax (GST), and other indirect taxes), deferred tax benefits and other benefits in respect of the DWH Business, tax losses, if any, cash balances, bank accounts and bank balances, deposits, advances, recoverables, receivables,

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easements, advantages, financial assets, treasury investments, hire purchase and lease arrangements, funds belonging to or proposed to be utilised for the DWH Business, privileges, all other claims, rights and benefits, powers and facilities of every kind, nature and description whatsoever, utilities, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the DWH Business;

- (iii) all books, records, files, papers, governance templates and process information, records of standard operating procedures, computer programmes along with their licenses, manuals and backup copies, advertising materials, and other data and records whether in physical or electronic form, directly or indirectly in connection with or relating to the DWH Business;
- (iv) all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, leases / licenses, operation and maintenance contracts, memorandum of understanding, memorandum of agreements, memorandum of agreed points, letters of intent, hire and purchase agreements, tenancy rights, equipment purchase agreement and other agreement and / or arrangement, as amended and restated from time to time, whether executed with customers, suppliers, contractors, lessors, licensors, consultants, advisors or otherwise, which pertain to the DWH Business;
- (v) any and all earnest monies and / or security deposits, or other entitlements in connection with or relating to the DWH Business;
- (vi) all employees of Motherson Sumi Systems Limited that are determined to be substantially engaged in, or in relation to, the DWH Business, on the date immediately preceding the Effective Date 1;
- vii) all liabilities (including liabilities allocable as per the Scheme, if any) present and future, corporate guarantees issued and the contingent liabilities pertaining to or relatable to the DWH Business, namely:
  - (A) the debts of the Motherson Sumi Systems Limited which arises out of the activities or operations of the DWH Business,
  - (B) specific loans and borrowings raised, incurred and utilised by Motherson Sumi Systems Limited for the activities or operations of or pertaining to the DWH Business,
  - (C) general or multipurpose borrowings, if any, of Motherson Sumi Systems Limited will be apportioned basis the proportion of the value of the assets transferred in this demerger of DWH Business to the total value of the assets of Motherson Sumi Systems Limited immediately before the said demerger; and
- viii) all legal or other proceedings of whatsoever nature, including tax proceedings, by or against Motherson Sumi Systems Limited pending as on the Effective Date 1 and relating to the DWH Business.

Please refer to the section titled “*Scheme of Arrangement*” on Page 86 of this Information Memorandum

<b>Directors / our Directors</b>	The Director(s) of the Company, unless otherwise specified
<b>Effective Date 1</b>	January 5, 2022.
<b>Effective Date 2</b>	January 21, 2022
<b>Equity Shares</b>	The equity shares of our Company of face value of ₹1 (Indian Rupee One Only) each.
<b>Group Companies</b>	The companies (other than Promoter(s) and Subsidiaries) with whom our Company

	had related party transactions, during the period for which financial information is disclosed in this Information Memorandum, as covered under the applicable accounting standards and such companies as considered material by the Board of Directors. For further details on our Group Companies, see “ <i>Promoters, Promoter Group and Group Companies</i> ” on page 111.
<b>Independent Director(s)</b>	A non-executive, independent director of the Company as per the Companies Act and the SEBI (LODR) Regulations.
<b>Key Managerial Personnel or KMP</b>	The key managerial personnel of our Company, as described in “ <i>Our Management</i> ” on page 89.
<b>Memorandum / Memorandum of Association / MOA</b>	The Memorandum of Association of our Company, as amended from time to time.
<b>MSSL</b>	Motherson Sumi System Limited, a company incorporated under the Companies Act, 1956
<b>Promoter(s)</b>	The promoters of our Company, as more particularly described in “ <i>Our Promoters, Promoter Group and Group Companies</i> ” on page 111.
<b>Promoter Group</b>	Persons and entities constituting the promoter group of our Company, in accordance with the SEBI (ICDR) Regulations.
<b>Record Date 1</b>	January 17, 2022
<b>Record Date 2</b>	January 25, 2022
<b>Registered Office</b>	Unit No. 705, C Wing, ONE BKC, G Block Bandra Kurla Complex, Bandra East, Mumbai -400051, Maharashtra, India
<b>Registrar and Share Transfer Agent / RTA</b>	KFin Technologies Pvt. Ltd.
<b>Remaining Business</b>	All the undertakings, businesses, activities, operations, assets and liabilities of the Transferor Company, other than those forming part of the DWH Undertaking
<b>Statutory Auditors / Auditors</b>	S.R. Batliboi & Co. LLP, Chartered Accountants
<b>Composite Scheme of Arrangement or Scheme</b>	Composite scheme of amalgamation and arrangement amongst Motherson Sumi Systems Limited, Samvardhana Motherson International Limited and the Company and their respective shareholders and creditors under sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

*For definitions of the terms used herein, if not defined, please refer to the Scheme / section titled “Scheme of Arrangement” on page 86 of this Information Memorandum.*

#### **Conventional and General Terms / Abbreviations**

<b>Term</b>	<b>Description</b>
<b>Companies Act / Companies Act, 2013</b>	The Companies Act, 2013, as amended
<b>AGM</b>	Annual General Meeting
<b>Applicable Laws</b>	Any statute, notification, by-laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, schemes, notices, orders or instructions enacted or issued or sanctioned by any appropriate authority, including any modification or re-enactment thereof for the time being in force
<b>BSE</b>	BSE Limited
<b>CDSL</b>	Central Depository Services (India) Limited
<b>CIN</b>	Corporate Identification Number
<b>Depositories Act</b>	The Depositories Act, 1996, as amended from time to time
<b>Depository / Depositories</b>	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018, as amended from time to time, in this case being NSDL and CDSL
<b>Depository Participant / DP</b>	Depository participant as defined under the Depositories Act, 1996
<b>DIN</b>	Director Identification Number
<b>EGM</b>	Extraordinary General Meeting
<b>EPS</b>	Earnings per Equity Share
<b>Equity Shares</b>	Equity Shares of our Company of face value ₹1 (Indian Rupee One Only) each, unless otherwise specified in the context thereof
<b>Financial Year / Fiscal Year / Fiscal / FY</b>	Twelve months ending on March 31 of a particular year
<b>GAAP or US GAAP</b>	Generally Accepted Accounting Principles

<b>Term</b>	<b>Description</b>
<b>GST</b>	Goods and Services Tax
<b>Income Tax Act or IT Act</b>	Income Tax Act, 1961, read with the rules made thereunder
<b>Ind AS</b>	Indian Accounting Standards issued by the Institute of Chartered Accountants of India, and notified by the Ministry of Corporate Affairs, Government of India
<b>IFRS</b>	International Financial Reporting Standards
<b>Information Memorandum</b>	This document dated March 17, 2022 filed with BSE and NSE and referred to as the Information Memorandum
<b>NCLT</b>	The National Company Law Tribunal
<b>No.</b>	Number
<b>NSDL</b>	National Securities Depository Limited
<b>NSE</b>	National Stock Exchange of India Limited
<b>PAN</b>	Permanent Account Number
<b>RBI</b>	Reserve Bank of India
<b>Rs. / Rupees / Indian Rupees / INR / ₹</b>	The legal currency of the Republic of India
<b>SCRA</b>	Securities Contracts (Regulation) Act, 1956 as amended from time to time
<b>SCR</b>	Securities Contracts (Regulations) Rules, 1957 as amended from time to time
<b>SEBI</b>	The Securities and Exchange Board of India constituted under the SEBI Act
<b>SEBI (LODR) Regulations / SEBI Listing Regulations</b>	SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 as amended
<b>SEBI (ICDR) Regulations</b>	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended
<b>SEBI Act</b>	Securities and Exchange Board of India Act, 1992, as amended from time to time
<b>SEBI Circular</b>	Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, Circular No. CFD/DIL3/CIR/2018/2 dated January 3, 2018, Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/215 dated November 3, 2020, and Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, issued by the SEBI and as amended from time to time.
<b>Stock Exchange(s)</b>	Shall refer to the BSE and the NSE where the Equity Shares of the Company are proposed to be listed

#### **Industry / Business Related Terms**

<b>Term</b>	<b>Description</b>
<b>CAGR</b>	Compounded Annual Growth Rate
<b>CSR</b>	Corporate Social Responsibility
<b>FDI</b>	Foreign Direct Investment
<b>NBFCs</b>	Non-Banking Financial Companies
<b>OEM</b>	Original Equipment Manufacturer

## CURRENCY OF FINANCIAL PRESENTATION AND USE OF MARKET DATA

### Certain Conventions

All references in this Information Memorandum to “India” are to the Republic of India.

Unless stated otherwise, all references to page numbers in this Information Memorandum are to the page numbers of this Information Memorandum.

### Currency of Financial Presentation

In the Information Memorandum, the terms “we”, “us”, “our”, the “Company”, unless the context otherwise indicates or implies, refers to Motherson Sumi Wiring India Limited. In the Information Memorandum, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “ten lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”.

Throughout the Information Memorandum, unless otherwise stated, all figures have been expressed in Million/ Mn. Unless indicated otherwise, the financial data in the Information Memorandum is derived from our financial statements prepared in accordance with Ind AS and included in the Information Memorandum.

There may be some differences between Ind AS and IFRS and / or US GAAP, accordingly, the degree to which the Ind AS financial statements included in the Information Memorandum will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices and Ind AS. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the Information Memorandum should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

For additional definitions used in the Information Memorandum, please see the section titled “*Definitions and Abbreviations*” on page 2 of the Information Memorandum. In the section titled “*Main Provisions of the Articles of Association*” on page 175, defined terms have the meaning given to such terms in the Articles of Association of our Company.

### Currency and Units of Presentation

All references to “*Rupees*” or “₹” or “*Rs.*” or “*INR*” are to Indian Rupees, the official currency of the Republic of India.

In this Information Memorandum, our Company has presented certain numerical information. Where any figures that may have been sourced from third-party industry sources are expressed in denominations, such figures appear in this Information Memorandum expressed in such denominations as provided in their respective sources.

### Time

All references to time in this Information Memorandum are to Indian Standard Time.

### Financial Data

Our Company publishes its financial statements in Indian Rupees. Unless stated otherwise, the financial data in this Information Memorandum is derived from our Audited IND AS Financial Statements prepared before the Scheme becoming effective and therefore do not reflect the financial position of our Company post the effectiveness of the Scheme.

Our Audited IND AS Financial Statements, including the reports issued by the Statutory Auditor included in this Information Memorandum, have been prepared in accordance with Ind AS and the Companies Act. Our Company’s Financial Year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that calendar year, so all references to a Financial Year or Fiscal are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that calendar year.



Unless the context requires otherwise, all references to a year in this Information Memorandum are to a calendar year and references to a Fiscal / Fiscal Year are to the year ended on March 31, of that calendar year.

Certain figures contained in this Information Memorandum, including financial information, have been subject to rounding off adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

### **Use of Market Data**

Unless stated otherwise, market data used throughout the Information Memorandum has been obtained from internal Company reports, data, websites and industry publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

One fiscal year commences on April 1 and ends on March 31 of each year, so all references to a particular fiscal year are to the 12 month period ended March 31 of that year. In this Information Memorandum, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding.

**Unless stated otherwise, industry data and market data used throughout this Information Memorandum have been obtained from the published data and industry publications. These publications generally state that the information contained therein has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that industry and market data used in this Information Memorandum is reliable, it has not been independently verified.**

The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. The extent to which the market and industry data used in this Information Memorandum is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

### **FORWARD LOOKING STATEMENTS**

This Information Memorandum includes statements which contain words or phrases such as "will", "would", "aim", "aimed", "will likely result", "is likely", "are likely", "believe", "expect", "expected to", "will continue", "will achieve", "anticipate", "estimate", "estimating", "intend", "plan", "contemplate", "seek to", "seeking to", "trying to", "target", "propose to", "future", "objective", "goal", "project", "should", "can", "could", "may", "will pursue", or other words or phrases of similar expressions or variations of such expressions, that are "forward-looking statements". Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements.

Our forward- looking statements contain information regarding, among other things, our financial condition, future plans and business strategy. We have based these forward-looking statements on our current expectations and projections about future events. Although we believe that these expectations and projections are reasonable, such forward-looking statements are inherently subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. This may be due to risks or uncertainties associated with our expectations with respect to, but not limited to:

- General political, social and economic conditions in India and other countries;
- Regulatory changes and the Company's ability to respond to them;
- Our ability to successfully implement our strategy, our growth and expansion plans and technological changes;
- Technology changes;
- Change in domestic and foreign laws, regulations and taxes and change in the competition in the industry;
- Fluctuation of the operating cost;
- Company's ability to attract and retain qualified personnel;
- Any adverse outcome in the legal proceedings in which the Company is involved;
- Strikes or work stoppages by our employees or contractual employees;
- Increasing competition in, and the conditions of, the industry;

- Failure to undertake projects on commercially favorable terms;
- Changes in government policies, including introduction of or adverse changes in tariff or non-tariff barriers, foreign direct investment policies, affecting the automotive industry generally in India;
- Accidents and natural disasters; and
- Other factors beyond our control.

Future-looking statements speak only as of the date of this Information Memorandum. We undertake no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise. In light of the foregoing, and the risks, uncertainties and assumptions discussed in the section titled “*Risk Factors*” given on page 13 and elsewhere in this Information Memorandum, any forward looking statement discussed in this Information Memorandum may change or may not occur, and our actual results could differ materially from those anticipated in such forward-looking statements. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not regard such statements to be a guarantee of our future performance.

## SECTION II – INFORMATION MEMORANDUM SUMMARY

This section is a summary of specific disclosures included in this Information Memorandum and is not exhaustive nor does it purport to contain a summary of all disclosures or details relevant to prospective investors. For additional information and further details with respect to any of the information summarized below, please refer to the relevant sections of this Information Memorandum.

### Summary of the Industry

India became the 5<sup>th</sup> largest auto market in 2019 with sales reaching 3.81 million units. It was the 7<sup>th</sup> largest manufacturer of commercial vehicles in 2019. India is also a prominent auto exporter with strong export growth expectations for the near future. The domestic automobile production has increased at 1.29% CAGR through FY16-20 with automobile export growing at a CAGR of 6.94% between FY16-20. Foreign direct investment is permitted up to 100% under the automatic route in this sector, and the industry has attracted foreign direct investment amounting to USD 24.21 billion between April 2000 and March 2020. (Source: India Brand Equity Foundation)

**Summary of our Business-** We focus on the automotive wiring harness business, as a key player in the Indian passenger car and two-wheeler segments. Automotive wiring harness is the electrical system that transmits power and information in a system. We provide complete solutions-based services / products, including designing basic vehicle schemes, developing, prototyping, validating, and manufacturing wiring harnesses for passenger cars and two wheelers, recreational vehicles, commercial vehicles (heavy, medium and light-duty), motorcycles and three-wheelers to multi-utility vehicles, farm and material-handling equipment, and off-highway vehicles. We also manufacture specialized wiring harnesses for *inter alia* office automation equipment, medical diagnostic equipment, and other electrical equipment.

### Our Promoters

#### Individual Promoters

- Mr. Vivek Chaand Sehgal
- Mr. Laksh Vaaman Sehgal

#### Corporate Promoters

- Motherson Sumi Systems Limited
- Sumitomo Wiring Systems Limited

### Shareholding of our Promoters and Members of our Promoter Group

The shareholding of the Promoters and Promoter Group entities as on the date of this Information Memorandum is detailed below.

S. No.	Name	Category	No. of Equity Shares	% of total Equity Shares of the Company
1.	Motherson Sumi Systems Limited	Promoter	105,57,50,653	33.43%
2.	Mr. Vivek Chaand Sehgal	Promoter	7,31,65,402	2.32%
3.	Mr. Laksh Vaaman Sehgal	Promoter	123	Negligible
4.	Sumitomo Wiring Systems Limited	Promoter	79,26,37,291	25.10%
5.	Ms. Geeta Soni	Promoter Group	86,10,328	0.27%
6.	Ms. Renu Sehgal	Promoter Group	1,50,085	Negligible
7.	Ms. Neelu Mehra	Promoter Group	78,69,690	0.25%
8.	H.K. Wiring Systems Limited	Promoter Group	76,60,351	0.24%
9.	Radha Rani Holdings Pte Ltd	Promoter Group	34,42,623	0.11%
<b>Total</b>			<b>194,92,86,546</b>	<b>61.73%</b>

Size of Issue: No Equity Shares are sold or offered pursuant to this Information Memorandum.

Objects of Issue: There are no Objects of Issue except listing of 315,79,34,237 (Three Hundred and Fifteen Crores Seventy Nine Lacs Thirty Four Thousand Two Hundred Thirty Seven) Equity Shares of our Company

### Selected Financial Information

Following are details as per the audited financial statement of the Company for the Financial Year ending on March 31, 2021 and for the Audit Period:-

(Figures in ₹ million)

Particulars	Half Year	Financial Year
	September 30, 2021	March 31, 2021
Equity Share Capital	0.50	0.50
Other Equity	(4.45)	(4.11)
Net Worth	(3.95)	(3.61)
Total Revenue	-	-
Net Profit / (Loss) after Tax (after considering Comprehensive Income)	(0.34)	(4.11)
EPS (in ₹) of face value ₹ 1 each		
Basic	(0.68)	(9.20)
Diluted	(0.68)	(9.20)
Net asset value per share (in ₹)	(7.90)	(7.21)
Total borrowings	4.03	3.53

Note: (1) Our Company was incorporated on July 2, 2020, accordingly, the figures for financial year ended March 31, 2021 is from the date of incorporation.

(2) Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings/ (loss) per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).

(3) Net-worth: Net-worth is equity share capital plus reserves and surplus

(4) Net asset value per equity share means Net Worth of the Company divided by the outstanding number of equity shares at the end of the period.

(5) Post September 30, 2021, the Company has issued and allotted 315,79,34,237 Equity Shares on January 19, 2022.

For further details, please see section titled “Financial Statements” given on page 131 of the Information Memorandum.

### Audit Qualification

There have been no qualifications or adverse remarks by our Auditors in the audited financial statements of the Company for the Financial Year ending on March 31, 2021 and for the Audit Period.

### Outstanding Litigations

The summary of outstanding or pending litigations involving our Company, Directors, Promoters and Group Companies, as applicable, on the date of this Information Memorandum is set out below:

Type of proceedings	Number of cases	Amount* (₹ in lakh)
<b>Cases against our Company</b>		
Criminal proceedings	Nil	N.A.
Actions taken by statutory or regulatory authorities	Nil	N.A.
Claims related to direct and indirect taxes	Nil	N.A.
Other pending material litigation	Nil	N.A.
<b>Total</b>	Nil	N.A.
<b>Cases by our Company</b>		
Criminal proceedings	Nil	N.A.
Actions taken by statutory or regulatory authorities	Nil	N.A.
Claims related to direct and indirect taxes	Nil	N.A.
Other pending material litigation	Nil	N.A.
<b>Total</b>	Nil	N.A.
<b>Cases against our Directors</b>		
Criminal proceedings	Nil	N.A.
Actions taken by statutory or regulatory authorities	Nil	N.A.

Type of proceedings	Number of cases	Amount* (₹ in lakh)
Direct and indirect taxes	Nil	N.A.
Other pending material litigation	Nil	N.A.
<b>Total</b>	Nil	N.A.
<b>Cases by our Directors</b>		
Criminal proceedings	Nil	N.A.
Actions taken by statutory or regulatory authorities	Nil	N.A.
Claims related to direct and indirect taxes	Nil	N.A.
Other pending material litigation	Nil	N.A.
<b>Total</b>	Nil	N.A.
<b>Cases against our Promoters</b>		
Criminal proceedings	Nil	N.A.
Actions taken by statutory or regulatory authorities	Nil	N.A.
Claims related to direct and indirect taxes	Nil	N.A.
Other pending material litigation	Nil	N.A.
<b>Total</b>	Nil	N.A.
<b>Cases by our Promoters</b>		
Criminal proceedings	Nil	N.A.
Actions taken by statutory or regulatory authorities	Nil	N.A.
Claims related to direct and indirect taxes	Nil	N.A.
Other pending material litigation	Nil	N.A.
<b>Total</b>	Nil	N.A.
<b>Cases involving the Group Companies which have a material impact on our Company</b>		
Pending material litigation	Nil	N.A.
<b>Total</b>	<b>Nil</b>	<b>N.A.</b>

\*To the extent quantifiable

Pursuant to and in accordance with the terms of Section I of the Scheme, the Company shall bear the burden and the benefits of any legal or other proceedings initiated in respect of the DWH Undertaking. If any suit, appeal or other proceeding of whatever nature by or against Motherson Sumi Systems Limited in respect of the DWH Undertaking be pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of the transfer of the DWH Undertaking or of anything contained in the Scheme but the proceedings shall be continued, prosecuted and enforced by or against the Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against Motherson Sumi Systems Limited. The Company shall take appropriate steps to have such legal or other proceedings initiated by or against Motherson Sumi Systems Limited in respect of the DWH Undertaking, transferred in its name and to have the same continued, prosecuted and enforced by or against the Company to the exclusion of Motherson Sumi Systems Limited. The Company shall also handle all legal or other proceedings which may be initiated against Motherson Sumi Systems Limited after the Effective Date 1 relating to the DWH Undertaking in respect of the period up to the Effective Date 1, in its own name and account and further undertaken to pay all amounts including interest, penalties, damages, etc. which Motherson Sumi Systems Limited may be called upon to pay or secure in respect of any liability or obligation relating to Motherson Sumi Systems Limited for the period up to the Effective Date 1, in respect of the DWH Undertaking.

For further details, please see section titled “*Outstanding Litigations and Material Developments*” given on page 166 of the Information Memorandum.

### **Risk Factors**

For details of the risks applicable to our Company, please see section titled “*Risk Factors*” given on page 13 of the Information Memorandum.

### **Contingent Liabilities**

The Company has no contingent liability as on September 30, 2021.

Contingent liabilities transferred to the Company upon demerger of Domestic Wiring Harness Undertaking of Motherson Sumi Systems Limited and not acknowledged as debt is as below:

(Figures in ₹ million)

Sl. No.	Particulars	Amount (Upon demerger of DWH Undertaking into and with the Company)
1.	Excise, sales tax and service tax matters	7.25
2.	Claims from workmen	17.05

### Related Party Transactions

Following is the summary of related party transactions as per the financial statement of the Company for the period from July 02, 2020 to September 30, 2020, from July 02, 2020 to March 31, 2021 and from April 01, 2021 to September 30, 2021.

(Figures in ₹ million)

Related Party	Particulars	For the audited period ended September 30, 2021	For the period audited from July 02, 2020 to March 31, 2021	For the period audited from July 02, 2020 to September 30, 2020
Motherson Sumi Systems Limited	Issue of share capital	-	0.50	0.50
	Loan received	0.50	3.53	-
	Interest expense	0.10	0.08	-

For further details, please see section titled "Financial Statements" given on page 131 of the Information Memorandum.

### Financing arrangements for purchase of securities of the Company

There are / have been no financing arrangements whereby the Promoters, member of Promoter Group, the Directors of our Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of this Information Memorandum.

### Weighted average price of acquisition of the Equity Shares by our Promoters in the last one year

Not applicable, as the Promoters have not acquired any Equity Shares of the Company during last one year preceding the date of this Information Memorandum except pursuant to the Scheme.

### Issue of Equity Shares for consideration other than cash

Other than allotment of 315,79,34,237 Equity Shares on January 19, 2022, pursuant to Section I of the Scheme, our Company has not issued any Equity Shares during last one year preceding the date of this Information Memorandum for consideration other than cash.

### Split or consolidation of Equity Shares

Our Company has not undertaken a split or consolidation of the Equity Shares during last one year preceding the date of the Information Memorandum.

## SECTION III - RISK FACTORS

### RISK FACTORS

*The risks and uncertainties described in this section are not the only risks that we currently face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations and financial condition. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the effect is not quantifiable and hence has not been disclosed in such risk factors. This Information Memorandum also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Information Memorandum. For details, see "Forward-Looking Statements" on page 7. Unless specified or quantified in the relevant risks factors below, we are not in a position to quantify the financial or other implication of any of the risks described in this section. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Audited IND AS Financial Statements prepared before the Scheme becoming effective and therefore does not reflect our financial position or potential impact on the financials post the effectiveness of the Scheme.*

#### **I. INTERNAL RISK FACTORS**

1. ***Our inability to identify and adapt to evolving industry trends and preferences and develop new products to meet our customers' demands may adversely affect our business.***

Changes in competitive technologies may render certain of our products obsolete or less attractive, and to compete effectively we must be able to develop and produce new products or enhanced versions of existing products to meet our customers' demands in a timely manner. Our ability to anticipate changes in technology and regulatory standards and to successfully develop and / or procure and introduce new and enhanced products on a timely basis is a significant factor in our ability to remain competitive. Additionally, we may not be able to secure adequate financing for the capital expenditures required for the research and development and / or procurement of new technologies and products. If we are unable to secure adequate financing, or financing in time on commercially acceptable terms, or at all, we may be forced to curtail our product development programs, and our business, financial conditions and results of operations may be materially and adversely affected. We are also subject to the risks generally associated with new product introductions and applications, including lack of market acceptance, delays in product development and failure of products to operate properly.

2. ***Start-up costs and inefficiencies related to new products or programs can adversely affect our operating results and such costs may not be fully recoverable if new programs are cancelled.***

New programs often entail material start-up costs with respect to the design, development and testing of the products to match the customer's specifications, as well as establishing additional production lines or new facilities where required. If we are unable to recoup start-up costs, manage our labor and equipment resources effectively in connection with the establishment of new programs and new customer relationships, or to correctly estimate required resources, our gross margins and operating results could be adversely affected. These factors are particularly evident in the early stages of the life cycle of new products and new programs and in the opening of new facilities. These factors also affect our ability to efficiently use labor and equipment. In addition, if any of these new programs or new customer relationships were terminated or our existing customers shift their base of operations to a location where we do not have a manufacturing facility, our operating results could be adversely affected, particularly in the short term. We may not be able to adequately recover these start-up costs or replace anticipated revenues from any such new products or programs, which could adversely affect our business and financial condition.

3. ***The success of our newly designed products and other innovations depends in part on our ability to obtain, protect and preserve intellectual property rights to our designs and we cannot assure you that we will develop sufficient new revenue streams to replace revenue streams that may diminish as our current intellectual property rights expire.***

We have rights in respect of a number of intellectual properties relating to the products we manufacture. Our success and competitive position depends on a combination of trade secrets and other unpatented proprietary know-how, including, in particular, engineering drawings, exclusively licensed- in technologies, data and manufacturing processes and materials expertise. In addition, due to the high degree of customization of our

technologies, new products and processes may be developed jointly with customers or suppliers. While the terms of these collaborations with customers or suppliers vary, in a limited number of cases, customers and suppliers restrict us from using the developed technology or producing the developed products for competitors for a period of time, while in a limited number of cases we may be prevented from exploiting such technology or product or selling to other customers at any time. Any dispute we may have with our customers regarding the ownership of patents or other forms of intellectual property, could negatively affect our business.

We believe that having a significant level of protected proprietary technology gives us a competitive advantage in marketing our products and services. We therefore try to obtain and protect certain intellectual property rights to our newly designed products and other innovations. However, we cannot be certain that the measures that we employ will result in the protection of our intellectual property rights or will result in the prevention of unauthorized use of our proprietary technology. We also rely upon unpatented proprietary know-how and continuing technological innovations and other trade secrets to develop and maintain our competitive position. While it is our policy to enter into confidentiality agreements with our key employees to protect our intellectual property, there can be no assurance that these confidentiality agreements will not be breached or that they will provide meaningful protection for our trade secrets or our proprietary know-how, if at all. In addition, there can be no assurance that other companies will not obtain knowledge of these trade secrets through independent development or other legal means of access. Any failure to protect our proprietary rights relating to our designs, processes, components, technology, trade secrets or proprietary know-how could have a material adverse effect on our business, financial condition and results of operations.

In addition, our existing intellectual property rights are not indefinite and will expire. There can be no assurance that we will develop sufficient revenue streams protected by equivalent rights in the future to replace revenue streams as the relevant intellectual property rights lapse. Furthermore, intellectual property rights can be challenged on the basis of invalidity. Although we typically confirm that our processes do not violate existing intellectual property rights of third parties, we may face claims that our product designs or manufacturing processes infringe third party intellectual property rights. Even though many of our manufacturing services contracts generally require our customers to indemnify us for infringement claims relating to the product specifications and designs, a particular customer may be unwilling or unable to satisfy its indemnity obligations. In addition, we may be responsible for claims that the processes or components that we use in manufacturing infringe third party intellectual property rights. Infringement claims could subject us to significant liability for damages and potentially injunctive action and, regardless of merits, could be time-consuming and expensive to resolve.

4. ***Our future success depends on our ability to satisfy changing customer demands by offering innovative products in a timely manner and maintaining such products' competitiveness and quality.***

Our competitors may gain significant advantages if they are able to offer products satisfying customer needs earlier than we are able to and this could adversely impact our sales, results of operations and financial condition. Unanticipated delays or cost overruns in implementing new product launches, expansion plans or capacity enhancements could also materially and adversely impact our financial condition and results of operations. Customer preferences seem to be moving in favor of more fuel efficient and environmentally friendly vehicles. In addition, increased government regulations, as exemplified by a number of initiatives, volatile fuel prices and evolving environment preferences of consumers has brought significant pressure on the automotive industry to reduce carbon dioxide emissions. Our operations may be significantly impacted if we experience delays in developing fuel efficient products that reflect changing customer preferences. In addition, deterioration in the quality of our automotive parts could force us to incur substantial costs and damage our reputation. There can be no assurance that the market acceptance of our future products will meet our sales expectations, in which case, we may be unable to realize the intended economic benefits of our investments and our financial condition and results of operations may be materially and adversely affected.

Private and commercial users of transportation increasingly use modes of transportation other than the automobile. The reasons for this include the rising costs of automotive transport, increasing traffic density in major cities and environmental awareness. Furthermore, the increased use of car-sharing concepts and other innovative mobility initiatives facilitates access to other methods of transport, thereby reducing dependency on the private automobile. A shift in consumer preferences away from private automobiles, and resulting decrease in the size and number of orders from our OEM customers, would also have a material adverse effect on our general business activity and on our sales, prospects, financial condition and results of operations.



5. **We depend on our Promoters, senior management, executive officers, key employees and skilled personnel, and if we are unable to recruit and retain skilled management personnel, our business and our ability to operate or grow our business could be adversely affected.**

Our success depends to a large extent upon the continued services of our Promoters, senior management, executive officers, key employees and other skilled personnel. We could be adversely affected by the loss of any of these Promoters, executive officers and other key employees. The market for such qualified professionals is competitive and we may not continue to be successful in our efforts to attract and retain qualified people. In some of our markets, the specialized skills we require are difficult and time-consuming to acquire and, as a result, are in short supply. We require a long period of time to hire and train replacement personnel when we lose skilled employees. Our inability to hire, train and retain a sufficient number of qualified employees could delay our ability to bring new products or services to the market and impair the success of our operations. This could have a material adverse effect on our business, financial condition and results of operations.

Our success also depends, in part, on key customer relationships forged by members of our Promoters and senior management. If we were to lose these members of senior management we cannot assure you that we will be able to continue to maintain key customer relationships or renew them. If we are unable to retain the Promoters and the members of our senior management, our business, financial condition and results of operations may be adversely affected.

6. **Any disruption of the operations of our manufacturing, design, engineering and other facilities could materially and adversely affect our business, financial condition and results of operations.**

We have manufacturing facilities and design and engineering centers in all over India. We could experience disruptions to our manufacturing, design and engineering capabilities for a variety of reasons, including, among others, extreme weather, fire, theft, system failures, natural catastrophes, mechanical or equipment failures and similar events. Any such disruptions could affect our ability to design, manufacture and sell our products and, if any of these events were to occur, there can be no assurance that we would be able to shift our design, engineering or manufacturing operations to alternate sites in a timely manner or at all, and our business, financial condition and results of operations could be materially and adversely affected.

In certain circumstances, the operational risk posed by the foregoing factors is heightened as a result of our “just-in-time” and “just-in-sequence” delivery operations; which are typically less able to absorb delays. The assembly lines of our OEM customers rely significantly on the timely delivery of our components and our ability to provide an uninterrupted supply of our products is critical to our business. In addition, certain of our customers impose significant penalties on component manufacturers like us for any stoppage in any assembly line, caused either by delayed delivery of a component or a defect in the components delivered. Our business and financial results may be adversely affected by any disruption of operations of our product lines, including as a result of any of the factors mentioned above.

7. **The Company does not own any of its premises from which it operates and continuous and uninterrupted use and possession of such premises are subject to certain conditions as per the lease agreements.**

The Company does not own any of the premises and operates from leased premises. While currently, all lease agreements executed by the Company for its leased premises are valid and subsisting and contain protective covenants such as lock-in obligations on the owner, if the owner of such premises does not renew the agreements under which the Company occupies the premises or renew such agreements on terms and conditions that are unfavourable to the Company, we may suffer a disruption in its operations or an impact on our financial condition, which could in turn have a material adverse effect on its business. Some of the lease agreements with certain authorities include restrictive covenants requiring our Company to obtain prior written consent before effecting any change or attempting to make any change to its constitution documents or its capital structure. While there are currently no unresolved proceedings before, nor any pending notices issued by, such authorities and the Company continues to engage with such authorities, there could be instances of non-compliance of certain terms of the lease deeds leading to termination of such leases. Further, there are certain leases / sub-leases required to be approved by the regulatory authorities.

8. **Legal or regulatory claims or investigations against us could have a material adverse effect on our financial position.**

From time to time, we may become involved in legal or regulatory proceedings, claims or investigations,

including by governmental bodies, anti-trust regulatory authorities, customers, suppliers, former employees, class action plaintiffs and others. On an on-going basis, we attempt to assess the likelihood of any adverse judgments or outcomes to these proceedings or claims, although it is difficult to predict final outcomes with any degree of certainty.

We do not believe that any of the proceedings or claims to which we are party will result in costs, charges or liabilities that will have a material adverse effect on our financial position. However, we cannot assure you that the costs, charges and liabilities associated with these matters will not be material, or that those costs, charges and liabilities will not exceed any amounts reserved for them in our Financial Statements. In future periods, we could be subject to cash costs or non-cash charges to earnings if any of these matters are resolved unfavorably to us.

9. **Any delay in the implementation or failure in the operation of our information systems could disrupt our operations and cause an unanticipated increase in costs.**

We have implemented various information technology (“IT”) solutions to cover key areas of our operations. For instance, we have implemented systems to consolidate data and other key performance parameters at the regional and corporate levels. Other significant IT solutions include systems designed to provide data security and to allow for collaboration of information across the network, as well as supply chain solutions to cover critical processes in relation to customers and suppliers across our manufacturing facilities. Any delay in the implementation or failure in the operation of these information systems could result in material adverse consequences, including disruption of operations, loss of information and an unanticipated increase in costs.

Further, these systems are potentially vulnerable to damage or interruption from a variety of sources, which could result in a material adverse effect on our operations. A large-scale IT malfunction could disrupt our business or lead to disclosure of sensitive company information. Our ability to keep our business operating depends on the proper and efficient operation and functioning of various IT systems, which are susceptible to malfunctions and interruptions (including those due to equipment damage, power outages, computer viruses and a range of other hardware, software and network problems). A significant or large-scale malfunction or interruption of one or more of our IT systems could adversely affect our ability to keep our operations running efficiently and affect product availability, particularly in the country, region or functional area in which the malfunction occurs, and wider or sustained disruption to our business cannot be excluded. In addition, it is possible that a malfunction of our data system security measures could enable unauthorized persons to access sensitive business data, including information relating to our intellectual property or business strategy or those of our customers. Such malfunction or disruptions could cause economic losses for which we could be held liable. A failure of our information technology systems could also cause damage to our reputation which could harm our business. Any of these developments, alone or in combination, could have a material adverse effect on our business, financial condition and results of operations.

10. **Employee misconduct could harm us and is difficult to detect and deter.**

Although we have a system in place dedicated to monitoring fraud, data theft or other misconduct of employees, we run the risk that such employee misconduct could occur. Misconduct by employees or executives could include binding us to transactions that exceed authorized limits or present unacceptable risks or hiding unauthorized or unlawful activities from us, which may result in substantial financial losses and damage to our reputation and loss of business from our customers. Employee or executive misconduct could also involve the improper use or disclosure of confidential information, which could result in regulatory sanctions and serious reputational or financial harm, including harm to our brand. It is not always possible to deter employee or executive misconduct and the precautions taken and systems put in place to prevent and detect such activities may not be effective in all cases. Any instances of such misconduct could adversely affect our reputation.

11. **If we fail to maintain an effective system of internal controls, we may not be able to successfully manage, or accurately report, our financial risks.**

Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions. There can be no assurance that additional deficiencies in our internal controls will not arise in the future, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls.

12. **Our business exposes us to potential liabilities that may not be covered by insurance.**

Our business is subject to a number of risks that could expose us to substantial liability for personal injury, wrongful death, product liability, property damage, pollution and other environmental damages. Although we have obtained insurance against many of these risks, our insurance may not be adequate to cover our liabilities. Furthermore, there is no assurance that insurance will be generally available in the future or, if available, that the premiums will be commercially justifiable. If we incur substantial liability and the damages are not covered by insurance or exceed policy limits, or if we are not able to obtain liability insurance, our business, financial condition and results of operations could be adversely affected to a material extent. Our insurance is subject to customary deductibles, exclusions and limits which may prevent us from fully recovering our losses.

13. **Product liability and other civil claims and costs incurred as a result of product recalls could have a material adverse effect on our business, financial condition and results of operations.**

We face an inherent business risk of exposure to product liability or recall claims in the event that our products fail to perform as expected or any such failure results, or are alleged to result, in bodily injury or property damage or both. We cannot assure you that we will not experience any material product liability losses in the future or that we will not incur significant costs to defend any such claims.

OEMs have their own policies regarding product recalls and other product liability actions relating to their suppliers. However, while we do not typically accept liability for product recalls in the contracts we negotiate with our customers, as suppliers become more integrally involved in the vehicle design process and assume more vehicle assembly functions, OEMs may seek compensation from their suppliers for contributions when faced with product recalls, product liability or warranty claims. OEMs are also increasingly requiring their outside suppliers to provide warranties for their products and bear the costs of repair and replacement of such products under new vehicle warranties. Depending on the terms under which we supply products, our customers may hold us responsible for some or all of the repair or replacement costs of defective products under new vehicle warranties provided by us or by our customers, when the product supplied does not perform as expected. Such warranties may be enforced against us even in cases where the underlying supply contract has expired. Such events may require us to expend considerable resources in correcting these problems and could adversely affect demand for our products. Any such lawsuits, proceedings and other claims could result in increased costs for us. A successful warranty or product liability claim or costs incurred in a product recall in excess of our available insurance coverage, if any, could have a material adverse effect on our business, prospects, results of operations, cash flows and financial condition.

Although we maintain product liability insurance, we cannot guarantee that our product liability insurance coverage will be adequate under certain circumstances or continue to be available at acceptable terms, including, among other things, the premium payable. As a result of product liability legislation, civil claims may be brought against OEMs, and we may be made parties to such claims in the event that damages may have been caused by any faulty products that we produced. We cannot assure you that such claims will not be brought against us in the future, and any adverse determination could have a material adverse effect on our business, financial condition and results of operations.

14. **We have entered into, and will continue to enter into, related party transactions.**

We have entered into transactions with several related parties, including MSSL, our Promoter. These agreements include loan agreements entered into with MSSL and contracts for, *inter alia*, the provision of components and raw materials and availing functional support services, management support services and car leasing services from certain related entities. All such transactions are being conducted on an arms-length basis and in accordance with Applicable Laws. However, if for any reason, we are unable to continue to undertake such related party transactions with our related parties in the future, there can be no assurance that we will find alternate third-party service providers / suppliers who would be able to provide the same quality of services / goods, on the same or more favorable terms and this may lead to a temporary disruption of the Company's business.

15. **The Company was incorporated on recently July 2, 2020 and there may be certain uncertainties in the integration of the DWH Undertaking into a newly incorporated entity, such as our Company.**

The Company was incorporated on July 2, 2020 and commenced business from the Effective Date 1, being the date for the transfer of the DWH Undertaking to us as a going concern. Accordingly, there may also be certain uncertainties in the integration of the DWH Undertaking into a newly incorporated entity such as our Company. While, as per the Scheme, on and from the Effective Date 1, all the employees including experienced personnel in

the DWH Undertaking have been transferred to the Company, the Company may be unable to effectively integrate the DWH Undertaking, and efficiently operate the consequent business of the Company, thereby adversely impacting the results of the Company's operations and profitability of the business. Additionally, consequent upon coming into effect of the Scheme, Motherson Sumi Systems Limited is required to effect transfers of, *inter alia* approvals, existing contracts and intellectual property of the DWH Undertaking to our Company. Inability to effect all such transfers in a timely manner may materially impact the ability of the Company to carry on and undertake business operations, in compliance with applicable laws.

16. **Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, capital expenditure, long-term target payout ratios, growth & investment opportunities, current capital ratios, current & prospective financial performance and other macro & micro-economic factors.**

Our ability to pay dividends in the future will depend on our earnings, financial condition and capital requirements. Further, dividends distributed by us will attract tax deduction(s) and may be subject to other requirements. We have a board-approved dividend policy to govern our dividend payout. We may not generate sufficient income to cover our operating expenses and therefore may be unable to pay dividends to our shareholders.

17. **Certain terms contained in our business agreements may be restrictive.**

Some of our agreements contain covenants that may be restrictive in nature. For example, some of our agreements impose a condition on us to inform the respective counterparties in the case of any change in control or amalgamation, demerger / merger. Violation of any of these covenants may amount to events of default, which may result in breach of contract causing claims to be brought against us or termination of the agreements.

18. **Any conflict of interest which may occur between our business and any other similar business activities pursued by our Promoters or Promoter Group or Directors could have a material adverse effect on our business, financial condition and results of operations.**

As on date, the Promoters of the Company are engaged in the business of manufacturing wiring harness for various automobiles amongst other products. The wiring harness manufactured by Motherson Sumi Systems Limited ('MSSL') (the Promoter) in India is exported outside India to various overseas customers and SWS is engaged in the business of wiring harness internationally. Further, wiring harness is manufactured in the units of subsidiary companies of MSSL all over the world, for supply outside India. Notwithstanding anything contained hereinabove, while none of our Promoters, Directors or members of our Promoter Group has undertaken any business in conflict with our Company, we cannot assure you that such a conflict will not arise in the future, or that we will be able to suitably resolve any such conflict without an adverse effect on our business or operations. We cannot assure you that our Promoters, Directors or members of our Promoter Group will not provide comparable services, solicit our employees or acquire interests in competing ventures in the locations or segments in which we operate, which could have a material adverse effect on our business, financial condition and results of operations.

19. **A failure to comply with financial and other restrictive covenants imposed on us under our financing agreements could cause us to default on these agreements, which could adversely affect our ability to conduct our business and operations.**

Our leverage may constrain our ability to raise incremental financing or increase the cost at which we will be able to raise any such financing. Under our financing agreements with various lenders, we have agreed to restrictive covenants that require, among other things, that we maintain certain levels of various ratio, including debt to tangible net worth, debt-service coverage ratio, fixed assets coverage ratio, gearing ratio, next fixed asset to debt. Further, some of our borrowing agreements also require us to obtain prior written consent for certain acts such as amendments to constitutional documents or to create any security. Specifically, we require the consent of our lenders for effecting any change in the management or control or the majority shareholding of the Company capital structure, any merger, amalgamation or other restructuring which affects the control of the existing shareholders over the Company, or any amendment or modification of the Memorandum of Association of the Company. Our failure to comply with restrictive covenants or to obtain our lenders' consent to take such actions in a timely manner or at all could also result in an event of default, which may accelerate repayment of the relevant loans or increase applicable interest rates or even trigger cross-defaults under our other financing agreements or our other agreements or instruments containing cross-default provisions. An event of default would also affect our ability to raise new funds or renew maturing borrowings that may be needed to conduct our

operations and pursue our growth initiatives. In addition, our ability to obtain further financing on terms and conditions acceptable to us could be severely and negatively impacted as a result of these restrictions and breaches. Any loan agreement termination and subsequent action taken by our lenders may individually or in aggregate have a material adverse effect on our business, prospects, results of operations, cash flows and financial condition.

20. **There is outstanding litigation against the DWH Business which could adversely affect our financials and business.**

The DWH Business is involved in certain legal proceedings and tax related matters, which are pending at different levels of adjudication before various courts, tribunals, enquiry officers, and appellate authorities, including a writ petition filed against the Competition Commission of India in the High Court of Delhi, which will now stand transferred to the Company pursuant to the terms of Section I of the Scheme. In the event of rulings against our Company by courts or tribunals in these proceedings or levy of penalties by statutory authorities, we may need to make payments to others or book provisions against probable future payments, which could increase our expenses and our current liabilities and could also adversely affect our reputation and financial condition.

21. **Use of the “Motherson” brand**

The Company’s rights to its trade names and trademarks are a crucial factor in marketing its products. Establishment of the “Motherson” work mark and logo mark, are material to the Company’s operations. The Company will use the “Motherson” brand from its Promoters. Other entities forming part of the group also uses the “Motherson” brand, from the Promoters. If any action of the Promoters, or any of its subsidiaries or affiliated entities, or any third party negatively impacts the trade name “Motherson”, the Company’s reputation could suffer damage, which in turn may likely effect the Company’s business, financial condition and results of operations.

22. **We may not be successful in implementing our growth strategies, including our strategy to capture opportunity in the growing EV Market.**

The market for electric vehicles is relatively new, rapidly evolving, characterized by rapidly changing technologies, price competition, additional competitors, evolving government regulation and industry standards, frequent new vehicle announcements and consumers’ willingness to adopt electric vehicles. A decline in the trend towards electrification driven by changing consumer preference or any change in government policy, laws and regulations that reduces or eliminates support for electrification of vehicles, resulting in lower demand for electrical vehicles and consequently a significant reduction in production of electric vehicles could have an adverse effect on our sales to electric vehicles OEMs and lead to a decline in our earnings from the electric vehicles market.

We expect our strategies to place significant demands on our management and other resources and require us to continue developing and improving our operational, financial and other internal controls. We may not be successful in implementing our growth strategies due to various factors, including failure to adapt to rapidly evolving technological changes, anticipate and accurately assess potential growth opportunities and new markets and effectively allocate resources and capital investment in a timely and cost-effective manner to capitalize on such opportunities, attract new customers, obtain sufficient financing for our expected capital expenditures, control input costs, effectively manage our internal supply chain, manufacturing processes and operations and costs related to research & development and maintain sufficient operational and financial controls. We may also not be successful in implementing our goals due to factors beyond our control, including shift in customer preferences towards products that we are unable to manufacture, change in business and spending plans of our customers with whom we have collaborated to produce new and innovative systems and components or downturn in the global economic, financial and market conditions resulting in decline in demand for our products.

Our inability to effectively manage the expansion of our business and execute our strategies effectively, could adversely affect our business, results of operations and financial condition.

23. **Breach of applicable laws and regulations, including those related to environmental, health and safety regulations could adversely affect our business, operations and reputation.**

Our operations are subject to various domestic laws and regulations governing, among other things, noise control, emissions to air, discharge to waters and the generation, handling, storage, transportation, treatment and disposal of waste and other materials, environmental concerns (including concerns about global climate change and its

impact such as greenhouse gas emissions), fuel economy standards, health and safety of employees, labor and accounting laws, foreign trade and investment, import license requirements and tariffs and taxes and intellectual property enforcement issues. We are also required to obtain and comply with environmental permits for certain of our operations. For instance, we require approvals under the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981, the Hazardous and Other Waste (Management and Transboundary Movement) Rules, 2016 in order to establish and operate our manufacturing facilities in India.

We believe that our operations and manufacturing facilities will be operated in compliance, in all material respects, with such laws and regulations. However, there can be no assurance that we will be in complete compliance at all times with such laws, regulations and the terms and conditions of any consents or permits. If we violate or fail to comply adequately with these requirements, we could be fined or otherwise sanctioned by the relevant regulators or our operations may be temporarily shut-down pending such compliance. Occurrence of any such events could adversely affect our business, reputation, financial condition or results of operations. In addition, these requirements may become more stringent over time and there can be no assurance that we will not incur significant costs or liabilities in the future in order to comply with evolving laws and regulations, including environmental, health and safety laws, regulations or other pertinent requirements that may be adopted or imposed in the future by governmental authorities. We do not carry any insurance to cover environmental liabilities in India where we operate. At same time, there is no pollution which is created in manufacturing process since the Company engaged in largely assembly operations.

24. **Our continued operations are critical to our business and any shutdown of our manufacturing facilities or other manufacturing or production problems caused by unforeseen events may reduce sales and adversely affect our business, results of operations and financial condition**

Our manufacturing facilities are subject to operating risks and we may encounter manufacturing problems or experience difficulties or delays in production as a result of occurrence of the following events or any other events beyond our control:

- (a) forced or voluntary closure of manufacturing plants, including as a result of regulatory inspections.
- (b) problems with supply chain continuity, including as a result of natural or man-made disasters at one of our facilities or at a suppliers or vendors' facility;
- (c) manufacturing shutdowns, breakdown or failure of equipment, performance below expected levels of efficiency, obsolescence of our equipment and production facilities, industrial accidents and the need to comply with the directives of relevant government authorities;
- (d) labor disputes, strikes, lock-outs that may result in temporary shutdowns or manufacturing disruptions;
- (e) failure of a supplier to provide us with the critical raw materials or components for an extended period of time, which could impact continuous supply.
- (f) shortage of qualified personnel; or
- (g) changes in applicable local and international laws and regulations impacting our manufacturing facilities where we operate.

25. **We are required to obtain, renew or maintain statutory and regulatory permits, licenses and approvals to operate our business and our manufacturing facilities, and any delay or inability in obtaining, renewing or maintaining such permits, licenses and approvals could result in an adverse effect on our results of operations.**

We are required to obtain and maintain various statutory and regulatory permits and approvals to operate our business in relation to the environment laws and regulations, which requires us to comply with certain terms and conditions to continue our operations. Although we have no reason to believe that such statutory and regulatory permits and approvals will not be granted and / or renewed as and when requested, there could be events which may prevent us from being able to maintain, renew or obtain any required statutory and regulatory permits and approvals in the future, in a timely manner, or that no additional requirement will be imposed in connection with such request, including delay from the regulator in granting the licenses for any reasons beyond our control. In the event that we are unable to renew or maintain such statutory permits and approvals or comply with any or all of their applicable terms and conditions, or seek waivers or extensions of time for complying with such terms and

conditions, our operations may be interrupted and penalties may be imposed on us by the relevant authorities.

26. **Industry information included in this Information Memorandum has been derived from industry reports available on public domain. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.**

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Information Memorandum. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Information Memorandum.

27. **Our Promoter and members of our Promoter Group have influence over our operations, which enable them to influence the outcome of matters submitted to shareholders for approval and may take positions with which the other shareholders do not agree.**

As on the date of this Information Memorandum, our Promoters and members of Promoter Group held 61.73% of the subscribed and paid-up Equity Share capital of our Company. By virtue of their shareholding, our Promoters will have the ability to exercise influence and control over our business including matters relating to any sale of all or substantially all of our assets, the timing and distribution of dividends and the election, termination or appointment of our officers and directors, the adoption of and amendments to our Memorandum and Articles of Association. Our Promoters may also influence our material policies in a matter that could conflict with the interests of our other shareholders.

## **II. EXTERNAL RISK FACTORS**

28. **We may incur significant costs in connection with ongoing efforts by our customers to restructure their operations.**

The automotive industry continues to experience depressed production volumes and sales levels in certain geographic markets. In response to these conditions, some OEMs continue to explore further restructuring of their operations, which may include plant closures. As a result of such actions, certain of our customers may cut vehicle production or postpone vehicle production programs, or cancel or scale back future product plans. Further, as OEMs follow a trend of localization of production in certain lower-cost countries, they have and / or may in the future close plants in certain locations while opening plants in new locations, requiring suppliers to follow this geographic migration. In the event that restructuring efforts by certain of our customers affect vehicle programs for which we supply or are scheduled to supply components, we may need to restructure or downsize our operations in order to align them with the evolving needs of our customers. In such an event, we may incur restructuring, relocation, downsizing and / or other significant non-recurring costs in our operations, which could have a material adverse effect on our business, financial condition and results of operations.

29. **We depend upon sales of our products to a small number of customers, and the loss of or reduction in sales to any of our major customers would have a material adverse effect on us.**

Historically, the automotive industry has had a limited number of major OEMs and this has led to a substantial percentage of our sales being made to a small number of customers. The loss of a major customer, if not replaced, would adversely affect us, as would factors such as automobile recalls that could have the effect of slowing our customers' sales. Reduction in any of our customers' sales may lead to decreased production by such customers or such customers could reduce sourcing of products from us, resulting in lower demand for our products.

The loss of any OEM as our major customer would have a material adverse effect on our business, financial

condition and results of operations if we were unable to replace it with growth from an alternative customer. We expect to continue to depend on sales to our largest customers and any material delay, cancellation or reduction of orders from these customers or other significant customers would have a material adverse effect on our business, prospects, results of operations, cash flows and financial condition.

30. **Our customers may fail to pay us the amounts due to us on time or at all, which could have a material adverse effect on our business, prospects, results of operations, cash flows and financial condition.**

If there is deterioration in our customers' financial condition, including insufficient liquidity, they may be unable to pay us these accounts receivables on time or at all. Any failure or delay in payment could also lead us to further extend our payment terms, restructure our accounts receivable or create allowances for doubtful debts. All of these factors could have a material adverse impact on our financial condition, results of operations and cash flows. Any global economic uncertainty could increase the risk of our customers being unable to pay amounts due to us and of our customers going into bankruptcy or reorganization proceedings, which could impact our ability to collect our receivables. If one or more of our customers were to become insolvent or otherwise unable or unwilling to pay for their orders, our results of operations, cash flows and financial condition could be adversely affected.

31. **Economic cyclicality coupled with reduced demand in the automotive industry in which we operate or shortage of raw materials and components could affect our business.**

Substantially all of our business is directly related to vehicle sales and production by our customers, who consist primarily of large automotive OEMs, and demand for our products is largely dependent on the industrial output of the automotive industry. The sales, volumes and prices for vehicles are influenced by the cyclicality and seasonality of demand for these products. The automotive industry has been cyclical in the past and we expect this cyclicality to continue. Our operations and performance are directly related to levels of global vehicle production, particularly the light vehicle market, and are therefore affected by factors that generally affect the automotive industry. The automotive industry is sensitive to factors such as consumer demand, consumer confidence, disposable income levels, employment levels, fuel prices and general economic conditions. Any significant reduction in vehicle sales and production by our customers may have a material adverse effect on our business, financial condition and results of operations.

Similarly, any global shortage in supply of raw materials and components required for our business could lead to a disruption in the manufacturing process or could adversely affect our ability to deliver our products.

Generally, the automotive industry is affected by other factors such as national and international trade, environmental and health and safety regulations, automobile recalls and oil prices. In the event of a decrease in demand for light vehicles, or any developments that make the sale of components for the light vehicle market less economically beneficial, we may experience a material adverse effect on our business, financial condition and results of operations.

32. **A decline in the financial condition of OEMs or other customers or suppliers could have a material adverse effect on our business, financial condition and results of operations.**

The financial condition of our OEM customers is affected by the sales of their vehicles to their respective customers, which may be impacted by several factors, including general economic conditions. In particular, purchases of our customers' products may be limited by their customers' inability to obtain adequate financing for such purchases. Any material weakening of the sales of our material customers could directly impact our business, financial condition and results of operations due to the potential postponement or cancellation of their planned purchases or the potential delay of their designs of new platforms.

In addition, significantly lower global production levels, tightened liquidity and increased cost of capital have historically combined to cause financial distress among many OEMs and other customers and suppliers in the automotive industry and could have similar impact in the future. For instance, during the economic downturn, OEMs and other customers and suppliers in the automotive industry suffered from declines in sales and production, which, together with structural issues specific to a number of these companies (such as significant overcapacity and pension and healthcare costs), caused certain of these companies to undergo restructurings. Any similar decline in the creditworthiness of our customers in the future could result in an increased default risk with respect to our trade receivables and there can be no assurance that any financial arrangements provided to these companies, or even a successful reorganization of such companies through bankruptcy, will guarantee their continued viability. Any such increase in default risk or decline in the financial condition of our OEM customers



and our suppliers could have a material adverse effect on our business, financial condition and results of operations.

33. **Our customers may encourage competition to reduce their costs and even reduce sourcing from us to reduce their dependence on us, which would have a material adverse effect on us.**

The automotive industry is highly competitive, which has led to lowering profit margins for many market players in the automotive-supply industry. Our OEM customers may encourage price competition among us and our competitors to reduce their costs or even reduce sourcing from us to reduce their dependence on us. Our inability to adequately adjust our customer pricing in response to customer demand or market trend in a timely manner, or at all, could have a material adverse effect on our business, prospects, results of operations, cash flows and financial condition.

34. **Escalating price pressure from customers could materially and adversely affect our business.**

Our OEM customers are active in competitive industries and face constant pressure to cut their selling and production costs. Accordingly, component pricing is one of the key metrics by which OEMs choose suppliers for their vehicle programs. As a result, we have in the past and could continue to experience pressure to reduce our prices and there can be no assurances that our customers will not seek lower-priced options from our competitors. Many automotive OEMs, for example, have annual price reduction policies and objectives with their suppliers. Price reductions are typically agreed on an annual basis as part of our long-term customer contracts and can vary by market or region, taking into account the OEM's specific economic objectives. The average effective reduction in product price agreed in this manner typically ranges up to 2% to 3% on a per annum basis. We expect such pricing pressure to continue in the future. Accordingly, we endeavor to continue to innovate and introduce new products and applications as well as to continue to carefully manage and reduce our operating costs in order to maintain our margins and competitive position. For example, our purchasing teams work in close co-ordination with suppliers to extract discounts to reduce our purchasing cost. In addition, our engineering and manufacturing teams work on various product cost-optimization projects to reduce manufacturing costs, improve supply chain logistics and the packaging of our products in order to reduce the cost per unit. While these actions enable us to respond to price reduction requests and requirements from our customers without affecting our margins, there can be no assurances that we will continue to achieve sufficient cost savings in the future, which could affect our ability to offer reduced prices to our customers. If we are unable to reduce prices, we may not be able to retain existing customers or win new customers and any loss of customers or any reduction of our prices that cannot fully be offset by input cost reductions could have a material adverse effect on our business, financial condition and results of operations.

Our contracts with customers are based upon commercial agreements that are typically finalized at the start of production of a particular vehicle program. Our framework agreements and purchase order contract regime could expose us to certain cost pressures that may not be entirely recoverable from the customer and therefore have a material adverse effect on our business, financial condition and results of operations. These contracts generally run for the duration of a customer's product platform or model line (on average five years), or until a mid-cycle refresh change occurs (on average every three years). Purchase orders for the specific parts within the contract are renewed on an annual basis according to the economic agreements with each customer. These agreements may also include price reductions over the life of the contract. While our customer contracts generally include a mechanism whereby we can pass through increases in the costs of raw materials, there can be no assurances that this cost pass-through will be sufficient to maintain our margins under such contracts should our production costs increase. In addition, we may not be able to recover the ramp-up costs associated with the set-up and initial production if the ultimate production does not reach anticipated volumes. Any of these factors, alone or in combination, could have a material adverse effect on our business, financial condition and results of operations.

35. **Competition in our markets could reduce our profitability or reduce our market share.**

Our primary competitors include a broad range of international, regional and local companies with diverse characteristics. Some of our competitors are focused on sub- markets within targeted industries, while others have greater financial, technical and / or marketing resources than we have, which could enhance their ability to finance acquisitions, fund growth and / or respond more quickly to technological changes. Some of our competitors may be able to produce similar or equivalent products at lower costs than we can produce them. We also encounter competition from similar and alternative products, many of which are produced and marketed by major multinational or national companies, which could have a material adverse effect on our business, financial condition and results of operations.

In addition, producers that do not currently compete with us could expand their product portfolios to include products that would compete directly with ours. Changes in the product focus of larger producers could also result in such producers establishing relationships with our customers that reduce or replace entirely our business with those customers. Larger producers could also encourage price competition or acquire small producers in an effort to displace smaller producers. In addition, certain large customers to whom we currently sell certain products could decide to compete with us as producers of these products. Any of these developments, alone or in combination, could have a material adverse effect on our business, financial condition and results of operations.

36. ***We depend on our suppliers, some of whom are our competitors, for the supply of raw materials and components that are critical to our manufacturing processes.***

We believe that we have an adequately diversified supplier base, but we cannot guarantee that we will be able to procure sufficient substitute supply in the event of a loss of one or more of our major suppliers.

Certain of our products use components that are only available from a limited number of suppliers, some of which are our competitors. Any disruption in the manufacturing process or supply from key suppliers could adversely affect our ability to deliver our products. In some cases, we purchase parts for specific feature content sub-assemblies or modules from OEM-directed sources. Although our OEM customers could exert influence over our suppliers to ensure that supplies of critical parts are not disrupted, and we do not expect our suppliers to voluntarily discontinue their supply to us, we cannot provide any assurance that these OEMs will, in fact, exert such influence and that we will maintain an orderly supply of key inputs.

Our suppliers may also experience financial difficulty in light of conditions in the credit markets and the overall economy. Ongoing economic uncertainty has adversely affected our suppliers' access to capital and liquidity, and these pressures continue to affect the industry. Our suppliers could become insolvent or be otherwise unable to provide their services to us on a timely basis, or at all. In such a scenario, we would have to find alternative suppliers or source alternative materials or components, and there is no assurance that we would be able to do so in a timely or cost-effective manner, or at all. Even if we are successful in engaging alternative suppliers for our materials or components, it is possible that these suppliers will lack adequate quality controls and that the products sourced from these suppliers will be of a lesser quality. If the components or materials sourced from alternative suppliers fail to meet the quality requirements of our OEM customers, our brand, reputation and customer relationships may be detrimentally impacted, and our business, financial condition and results of operations may be materially and adversely affected.

Our production could also be adversely affected by any quality or reliability issues with any of our component suppliers. If we receive low-quality or defective components or raw materials, this may delay our production or lower the quality of our finished products. Any such delays or quality defects may affect our relationship with our customers and result in a material adverse effect on our business, prospects, results of operations, cash flows and financial condition.

Additionally, for components that imported, any change in applicable law including the duty payable on such import can adversely effect the business of the Company.

37. ***A loss of suppliers or interruptions in the delivery of raw materials could adversely affect our results of operations and cash flows.***

The length of time for which we enter into supply contracts usually depends upon the time period of the expected demand for the vehicle model for which we are purchasing supplies. We cannot assure you that we would be able to accurately estimate the time period for which our supply contracts for particular supplies will need to be in existence. Further, there can be no assurance that strong demand, capacity limitations or other problems experienced by our suppliers will not result in shortages or delays in their supplies to us or their unwillingness to enter into contracts for the requested term. If we were to experience a significant or prolonged shortage of supplies from any of our suppliers, and were unable to procure the supplies from other sources, we would be unable to meet our production schedules for some of our key products and to supply such products to our customers in a timely fashion, which would adversely affect our business, financial condition and results of operations.

38. ***Volatility in the prices of raw materials or pre-constructed components on which we rely could adversely affect our results of operations and cash flows.***

Prices of certain raw materials and pre-constructed components we rely on, such as copper, are linked to commodity markets and thus subject to fluctuation. There can be no assurance that the markets for these products will not develop volatility in the future. In addition, supply shortages or delays in deliveries of raw materials or component parts can also result in increased costs. Certain of our customer contracts, which typically factor in supply cost at the time at which the contract is entered into, and subsequently when it is extended or renewed, allow for the pass-through of materials cost increases. For instance, certain of our supplier sources are directed by our OEM customers. In cases where a supplier is directed by the OEM, our contracts typically include provisions allowing for the pass-through of raw materials price increases to the customer. In cases where we have independently chosen our suppliers, our ability to adjust pricing terms with customers varies based on our specific customer relationships, market practice with respect to the particular raw material or component and other factors, and as a result, we may in some instances bear the risk of price increases that occur during the balance of the term of the particular customer contract.

We generally do not enter into forward contracts as a means of hedging our exposure to fluctuations in the price of our production inputs and operating expenses. Although we seek to enter into arrangements / negotiations with our customers to increase the sale prices of our products to account for increases in such costs, there can be no assurance that we will be successful in such arrangements / negotiations or that any agreed price increase will fully cover the increase in such costs. Our inability to adequately adjust our customer pricing in response to increases in prices of raw materials or pre-constructed components in a timely manner, or at all, could have a material adverse effect on our business, prospects, results of operations, cash flows and financial condition.

39. **Increases in the price or inadequate supply of energy and other input materials may adversely affect our results of operations and cash flows.**

Electricity, water and fuel accounts for a significant portion of the cost for a number of activities connected with our business. Energy related inputs like electricity and fuel are also used in transportation of raw materials and finished products and operation of our production facilities. Energy prices, particularly for petroleum-based sources, are volatile and an increase in energy prices could lead to an increase in transportation costs for us and our suppliers and customers as well as increasing the cost of operating our production facilities. Any such increase in costs could decrease our margins if we are unable to increase our product prices enough to offset these increased costs. Such energy cost increases and margin erosion could have an adverse effect on our results of operations and cash flows. If supply is not available for any reason, we will need to rely on alternative sources, which may not be able to consistently meet our requirements. The cost of electricity purchased from alternative sources could be significantly higher, thereby adversely affecting our cost of production and profitability. Further, if for any reason sufficient electricity is not available, we may need to shut down our plants until an adequate supply of electricity is restored.

40. **Our business could be adversely affected by any delays or increased costs resulting from issues that our common carriers may face in transporting our raw materials, components or finished products.**

We rely on a variety of common carriers to transport our raw materials and components from our suppliers to us, and to transport our products from us to our customers. Problems suffered by any of these common carriers, whether due to a natural disaster, labor problems, increased energy prices, inadequacies in transport infrastructure, or any other issue, could result in shipping delays, supply chain disruptions and increased costs, and could therefore have a material adverse effect on our operations. For example, many of our customer contracts provide that we must expedite shipping at our own expense if we fail to meet our contractual obligations on time.

Moreover, many of the products we produce are bulky and difficult to efficiently pack and transport over long distances and our customers often demand just-in-time and just-in-sequence component deliveries. As a result, we rely on the close proximity of our facilities to OEM plants to minimize the freight costs associated with transporting our products. To the extent we are forced to transport our products over long distances to customer sites, we separately negotiate freight prices with our customers based on our transportation and logistics costs. Any failure to pass through these increased transportation costs to our customers, or any increase in delivery lead times resulting from long-distance transport of our products, could adversely affect our business, financial condition and results of operations.

41. **Damage to our image and reputation or any of our customers' image and reputation could have a material adverse effect on our results of operations.**

Our business depends to a significant extent on our customers' trust in our reputation as a reliable supplier, in our

ability to support our customers geographically and in our ability to meet our customers' key performance targets. The maintenance, protection and ongoing customer perception of our reputation as a reliable supplier, as well as our ability to enter new geographic markets and sell new products, are therefore critical for our future success. In addition, our products are subject to express and implied warranty claims. We cannot assure you that we will be successful in maintaining or reducing the historical level of warranty claims or that claims in relation to our products will not increase significantly. Actual or alleged instances of inferior product quality or of damage caused or allegedly caused by our products, could damage our reputation and brand and could lead to new or existing customers becoming less willing to conduct business with us. In addition, events or allegations of malfunctioning products could lead to legal claims against us, and we could incur substantial legal fees and other costs in defending such legal claims. The materialization of any of these risks, alone or in combination, could damage our reputation and could have a material adverse effect on our business, financial condition and results of operations.

42. **The discontinuation of, the loss of business with respect to, or lack of commercial success of, a particular vehicle model for which we are a significant supplier could affect our business and results of operations.**

Our supply contracts typically provide for the supply of our products for a specified time period, typically ranging from 5 to 7 years for a particular vehicle model and assembly plant. Additionally, our purchase orders and purchase agreements with OEMs do not provide for any compensation if there is any shortfall in demand for the relevant vehicle model being manufactured leading to a consequent reduction in the demand for our products. We may be unable to mitigate the impact of any of the foregoing as it could be difficult to allocate the resulting available capacity in an efficient manner as a result of the manufacturing facility and tooling customization that can be required for a particular product. As a result, the discontinuation of, loss of business with respect to, lack of commercial success of or fluctuations in demand for a particular vehicle model for which we are a significant supplier could reduce our sales and affect our estimates of anticipated sales, which could have an adverse effect on our business, prospects, results of operations, cash flows and financial condition.

Our customers do not commit to firm scheduled product supply requirements more than one month in advance, and in some cases commit to firm call-off requirements with as little as a few days' notice, or even a few hours in the case of sequenced just-in-time delivery, which subjects us to risks as is customary in the industry we operate in. Customers may change actual production quantities or postpone production for a number of reasons, including developmental delays or changes in consumer demand. The volume and timing of sales to our customers may vary due to variation in demand for our customers' products, our customers' attempts to manage their inventory, design changes and changes in our customers' manufacturing strategy. Accordingly, we continue to experience reduced lead-times in customer orders. Our inability to forecast the level of customer orders with certainty influences the way we set up our business, schedule production and maximize utilization of manufacturing capacity. We may be required to incur additional personnel expenses and other expenses in order to meet the anticipated demand of our customers. Where such anticipated orders fail to materialize or delivery schedules are deferred as a result of changes in our customers' business needs, our results of operations may be adversely affected. On other occasions, our customers have required a rapid increase in production, which has placed an excessive burden on our resources and caused a material increase in costs, which include the costs of expedited shipping if we would otherwise fail to meet our customers' schedules. We have experienced customer order fluctuations and deferrals in the past, and we may experience such fluctuations or deferrals in the future.

We typically commit to order raw materials and pre-constructed components from our own suppliers based on customer recommendations, forecasts and orders. Cancellation by customers or any delay or reduction in their orders can result in a mismatch between the inventory of pre-constructed components and raw materials and the manufactured product that we hold, and could result in excess inventory and increased working capital, pending sales of such products. This could have an adverse effect on the orderly management of our inventory, and could adversely affect our operating cash flow and financial position.

43. **Natural or man-made disasters and other events outside our control, and the ineffective management of the effects of such events, may affect our business.**

Some of our facilities are located in areas that may be impacted by natural disasters such as hurricanes, earthquakes, water shortages, tsunamis and floods. In addition, our facilities are subject to other natural or manmade disasters such as fires, acts of terrorism, failures of utilities and epidemics. If any such event were to occur, our business could be affected due to the event itself or due to our inability to effectively manage the effects of the particular event. Potential effects include the loss of business continuity, the loss of business data, and damage to infrastructure.

In addition, some of our facilities possess certifications necessary to work on specialized products that our other locations lack. If work is disrupted at one of these facilities due to the occurrence of any such event, it may be impractical or impossible to transfer such specialized work to another facility without significant costs and delays. Thus, any disruption in operations at a facility possessing specialized certifications could adversely affect our ability to provide products and services to our customers, and thus could have a material adverse effect on our business, prospects, results of operations, cash flows and financial condition.

44. **Significant changes in laws and governmental regulations could have an adverse effect on our profitability.**

The legal, regulatory and industry-standard environment in our principal markets is complex and dynamic, and future changes to the laws, regulations and market practice with regard to, for example, carbon dioxide emissions and safety tests and protocols, could have an adverse effect on the products we produce and on our profitability.

Additionally, we could be adversely affected by changes in tax or other laws that impose additional costs on automobile manufacturers or consumers, or more stringent fuel economy and emissions requirements on manufacturers of sport-utility vehicles, light trucks and other vehicles from which we derive some of our sales.

45. **We face risks relating to the availability of tax deductions.**

We are subject to income, withholding, value-added and other sales-based, real property and local taxes and other taxes and duties in various jurisdictions. Although we believe our tax estimates and provisions are reasonable, there can be no assurance that the final determination of any tax audits or litigation will not be materially different from that which is reflected in historical income tax provisions and accruals. We are subject to tax audits and tax reviews, which, by their nature, are often complex, and can require several years to conclude. The total accrual for income tax in any year is based on the judgment of our management, interpretation of Indian tax law and the likelihood of crystallization and settlement of any particular tax liability. Amounts provided for in any year could be less than actual tax liabilities, and adjustments may be required in subsequent years that may materially and adversely affect our income statement and / or cash tax payments, and may result in the payment of interest and / or penalties.

46. **Increased volatility or inflation of commodity prices in India could adversely affect our business.**

Any increased volatility or rate of inflation of global commodity prices, particularly oil and steel prices, could adversely affect our borrowers and contractual counterparties. Although the Reserve Bank of India has enacted certain policy measures designed to curb inflation, these policies may not be successful. Any slowdown in the growth of the manufacturing services or agricultural sectors could adversely impact our business, financial condition and results of operations.

47. **A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could have an adverse impact on us. A rapid decrease in reserves would also create a risk of higher interest rates and a consequent slowdown in growth.**

Flows to foreign exchange reserves can be volatile, and past declines may have adversely affected the valuation of the Rupee. There can be no assurance that India's foreign exchange reserves will not decrease again in the future. Further decline in foreign exchange reserves, as well as other factors, could adversely affect the valuation of the Rupee and could result in reduced liquidity and higher interest rates that could adversely affect our business, financial condition and results of operations.

On the domestic front, risks arising from erratic climatic conditions, limited policy space, corporate performance, asset quality of financial institutions and low investment growth, could pose challenges. The risks to domestic growth are accentuated by fiscal and external sector imbalances. It was also observed that funding strains coupled with sovereign risks have led to fears of a precipitous deleveraging process that could hurt global financial market and the economy in general, through asset sales and contractions in credit. While the direct impact of such deleveraging is not expected to be significant on domestic credit availability in India, specialized types of financing like structured long-term finance, project finance and trade finance could be impacted.

We have little or no control over any of these risks or trends and may be unable to anticipate changes in economic conditions. Adverse effects on the Indian economy could impact our funding and adversely affect our business, financial condition and results of operations.

48. **Acts of terrorism and other similar threats to security could adversely affect our business, cash flows, results of operations and financial condition.**

Increased political instability, evidenced by the threat or occurrence of terrorist attacks, enhanced national security measures, conflicts in several regions in which we operate, strained relations arising from these conflicts and the related decline in customer confidence may hinder our ability to do business. These events have had, and may continue to have, an adverse impact on the global economy and customer confidence, which could, in turn, adversely affect our revenue, operating results and financial condition. The impact of these events on the volatility of global financial markets could increase the volatility of the market price of our securities and may limit the capital resources available to us and to our customers.

49. **Natural disasters could have a negative impact on the Indian economy and damage our facilities.**

Natural disasters such as floods, earthquakes or famines have in the past had a negative impact on the Indian economy. If any such event were to occur, our business could be affected due to the event itself or due to our inability to effectively manage the effects of the particular event. Potential effects include the damage to infrastructure and the loss of business continuity or business information. In the event that our facilities are affected by any of these factors, our operations may be significantly interrupted, which may materially and adversely affect our business, financial condition and results of operations.

50. **Political instability or significant changes in the economic liberalization and deregulation policies of the Government or in the government of the states where we operate, could disrupt our business.**

We are incorporated in India and on a standalone basis, derive a significant portion of our revenues in India. In addition, a significant portion of our assets are located in India. Consequently, our performance and liquidity of the Equity Shares may be affected by changes in exchange rates and controls, interest rates, Government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

The Indian Government has traditionally exercised and continues to exercise a significant influence over many aspects of the Indian economy. Our businesses, and the market price and liquidity of our securities, may be affected by changes in exchange rates and controls, interest rates, Government policies, taxation, social and ethnic instability and other political and economic developments in or affecting India.

All this has impacted sentiments and the economy, the rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well. A significant change in India's economic liberalization and deregulation policies, in particular, those relating to the businesses in which we operate, could disrupt business and economic conditions in India generally and our business in particular.

51. **Investors in the Equity Shares may not be able to enforce a judgment of a foreign court against us, our directors or executive officers.**

We are a limited liability company incorporated under the laws of India. Substantially all of our Directors and executive officers and key managerial personnel are residents of India, and a substantial portion of our assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon us or such persons outside India, or to enforce judgments obtained against such parties in courts outside of India.

Recognition and enforcement of foreign judgments are provided for under Section 13 and Section 44A of the Civil Procedure Code, 1908 on a statutory basis. Section 13 of the Civil Procedure Code, 1908 provides that foreign judgments shall be conclusive as to any matter thereby directly adjudicated upon between the same parties or between parties under whom they or any of them claim litigating under the same title except: (a) where it has not been pronounced by a court of competent jurisdiction; (b) where it has not been given on the merits of the case; (c) where it appears on the face of the proceedings to be founded on an incorrect view of international law or a refusal to recognize the law of India in cases in which such law is applicable; (d) where the proceedings in which the judgment was obtained are opposed to natural justice; (e) where it has been obtained by fraud; and (f) where it sustains a claim founded on a breach of any law in force in India.

Under the Civil Procedure Code, 1908 a court in India shall presume, upon the production of any document purporting to be a certified copy of a foreign judgment, that such judgment was pronounced by a court of

competent jurisdiction, unless the contrary appears on the record; but such presumption may be displaced by proving want of jurisdiction.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. However, Section 44A of the Civil Procedure Code, 1908 provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside India which the Government has by notification declared to be a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the Civil Procedure Code, 1908 is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalty and does not include arbitration awards.

52. **The market value of the Equity Shares may fluctuate due to the volatility of the Indian securities markets.**

Indian securities markets may be more volatile than, and not comparable to, the securities markets in certain countries with more developed economies and capital markets than India. Indian stock exchanges have, in the past, experienced substantial fluctuations in the prices of listed securities. Indian stock exchanges (including the BSE and the NSE) and various Stock Market Intermediaries including but not limited to the Registrar and Share Transfer Agent, have experienced problems which, if such or similar problems were to continue or recur, could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares. These problems have included temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of Indian stock exchanges have, from time to time, imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Further, from time to time, disputes have occurred between listed companies, stock exchanges and other regulatory bodies, which in some cases may have a negative effect on market sentiment.

53. **Rights of shareholders under Indian law may be more limited than under the laws of other jurisdictions.**

Our articles of incorporation and Indian law govern our corporate affairs. Legal principles relating to these matters and the validity of corporate procedures, Directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a corporate entity in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as one of our shareholders than as a shareholder of a corporate entity in another jurisdiction.

54. **Future issuances or sales of the Equity Shares could significantly affect the trading price of the Equity Shares.**

The future issuance of Equity Shares by us or the disposal of Equity Shares by any of our major shareholders, or the perception that such issuance or sales may occur, may significantly affect the trading price of the Equity Shares. There can be no assurance that we will not issue further shares or that the major shareholders will not dispose of, pledge or otherwise encumber their shares.

55. **There is no guarantee that the Equity Shares issued pursuant to this Issue will be listed on the BSE and the NSE in a timely manner, or at all.**

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the SEBI ICDR Regulations will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the BSE and the NSE. Any failure or delay in obtaining the approval would restrict an investor's ability to dispose of the Equity Shares.

56. **There is no prior trading history for the Equity Shares and further significant trading volumes of the Equity Shares on the Stock Exchanges on listing could impact the price of our Company's Equity Shares.**

Since the Equity Shares have not been previously traded, their market value is uncertain. Following admission, the market price of the Equity Shares may be volatile. Our Company's operating results and prospects from time to time may be below the expectations of market analysts and investors. At the same time, market conditions may affect the price of our Company's Equity Shares regardless of the operating performance of our Company. Stock market conditions are affected by many factors, such as general economic and political conditions, terrorist activity, movements in or outlook on interest rates and inflation rates, currency fluctuations, commodity prices,

changes in investor sentiment towards the retail market and the supply and demand of capital. Following admission of our Equity Shares for trading on the Stock Exchanges, there may be a period of relatively high volume trading in the Equity Shares. A high volume of sales of our Equity Shares on the Stock Exchanges after admission, or the perception that these sales might occur, could result in volatility in the market price of our Equity Shares.

57. **There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.**

Pursuant to listing, we will be subject to a daily "circuit breaker" imposed by the Stock Exchanges, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers will be set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges may not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can be given regarding shareholders ability to sell Equity Shares at any particular time.

58. **The COVID-19 pandemic, or a similar public health threat, could adversely affect our business, financial condition, and results of operations.**

An outbreak of the COVID-19 was recognized as a pandemic by the World Health Organization ("WHO"), on March 11, 2020. In response to the COVID-19 pandemic, the governments of many countries, including India, have taken preventive or protective actions, such as imposing country-wide lockdowns, restrictions on travel and business operations and advising or requiring individuals to limit their time outside of their homes. Individuals' ability to travel both within and outside of India have been curtailed through mandated travel restrictions and may be further limited. Since May 2020 some of these measures have been lifted and partial travel has been permitted. These measures may have a impact on our workforce and operations in India, the business of our customers and suppliers.

As on date of this Information Memorandum, there is significant uncertainty relating to the severity of the near and long-term adverse impact of the COVID-19 pandemic on the global and national economy and financial markets and we are unable to accurately predict the near-term or long-term of the COVID-19 pandemic on our business.

59. **Currency exchange rate fluctuations may affect the value of the equity shares.**

The exchange rate between the Rupee and other foreign currencies has changes substantially in recent years and may fluctuate substantially in the future. If the investor purchases Rupees to purchase the equity shares, fluctuations in the exchange rate between the foreign currencies with which the investor purchased the Rupees may affect the value of the investors investment in the equity shares, Specifically, if there is a change in relative value of the Rupee to a foreign currency, each of the following values will also be affected:

- The foreign currency equivalent of the Rupee trading price of the equity shares in India;
- The foreign currency equivalent of the proceeds that the investor would receive upon the sale in India of any of the equity shares; and
- The foreign currency equivalent of cash dividends, if any, on the equity shares, which will be paid only in Rupees.

The investor may be unable to convert Rupee proceeds into a foreign currency of its choice or the rate at which any such conversion could occur could fluctuate. In addition, our Company's market valuation could be seriously harmed by the devaluation of the Rupee if investors in jurisdictions outside India analyse our Company's value based on the Rupee equivalent of such other currency and the financial condition and results of operations of our Company converted into such foreign currency.



**SECTION IV- INTRODUCTION**

**SUMMARY OF FINANCIAL INFORMATION**

The audited Balance Sheet of the Company as on March 31, 2021 and as on September 30, 2021 is as under:

*(in ₹ million)*

Particulars	As on September 30, 2021	As on March 31, 2021
<b>Assets</b>		
<b>Non-current assets</b>		
Financial assets		
Other financial assets	0.01	0.01
<b>Total non-current assets</b>	<b>0.01</b>	<b>0.01</b>
<b>Current assets</b>		
Financial assets		
Cash and cash equivalents	0.34	0.28
Other current assets	0.15	0.08
<b>Total current assets</b>	<b>0.49</b>	<b>0.36</b>
<b>Total Assets</b>	<b>0.50</b>	<b>0.37</b>
<b>Equity and Liabilities</b>		
<b>Equity</b>		
Equity share capital	0.50	0.50
Other equity	(4.45)	(4.11)
<b>Total equity</b>	<b>(3.95)</b>	<b>(3.61)</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Financial liabilities		
Borrowings	4.03	3.53
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	0.24	0.34
Other financial liabilities	0.18	0.08
Other current liabilities	-	0.03
<b>Total current liabilities</b>	<b>4.45</b>	<b>3.98</b>
<b>Total Liabilities</b>	<b>4.45</b>	<b>3.98</b>
<b>Total Equity and Liabilities</b>	<b>0.50</b>	<b>0.37</b>

The audited Statement of Profit and Loss of the Company for the period from July 02, 2020 to September 30, 2020, from July 02, 2020 to March 31, 2021 and from April 1, 2021 to September 30, 2021 is as under:

(in ₹ million)

Particulars		For the period ended September 30, 2021	For the period July 02, 2020 to March 31, 2021	For the period from July 02, 2020 to September 30, 2020
<b>I</b>	<b>Income</b>			
	Revenue from operations	-	-	-
	Other income	-	-	-
	<b>Total income</b>	-	-	-
<b>II</b>	<b>Expenses</b>			
	Other expenses	0.24	4.03	3.65
	Finance costs	0.10	0.08	-
	<b>Total expenses</b>	<b>0.34</b>	<b>4.11</b>	<b>3.65</b>
<b>III</b>	<b>Loss before tax (I-II)</b>	(0.34)	(4.11)	(3.65)
	Tax expenses	-	-	-
<b>IV</b>	<b>Loss for the period</b>	<b>(0.34)</b>	<b>(4.11)</b>	<b>(3.65)</b>
<b>V</b>	<b>Other Comprehensive Income for the period, net of tax</b>	-	-	-
<b>VI</b>	<b>Total Comprehensive Income for the period, net of tax (IV + V)</b>	<b>(0.34)</b>	<b>(4.11)</b>	<b>(3.65)</b>
	Earnings per equity share:			
	Nominal value of ₹1/- each (not annualized)			
	- Basic & Diluted (Rs)	(0.68)	(9.20)	(10.70)

Note: The Company was incorporated on July 2, 2020, accordingly, the figures for period ended September 30, 2020 and for the period March 31, 2021 are from the date of incorporation.

The audited Statement of Cash Flow of the Company for the period from July 02, 2020 to September 30, 2020, from July 02, 2020 to March 31, 2021 and from April 01, 2021 to September 30, 2021 is as under:

(in ₹ million)

Particulars	For the Audit Period ended September 30, 2021	For the period July 02, 2020 to March 31, 2021	For the period from July 02, 2020 to September 30, 2020
<b>A. Cash flow from operating activities :</b>			
Loss before tax	(0.34)	(4.11)	(3.65)
<b>Add/ (less) : Adjustments for</b>			
Interest expense	0.10	0.08	-
<b>Operating profit before working capital changes</b>	<b>(0.24)</b>	<b>(4.03)</b>	<b>(3.65)</b>
<b>Add/ (less) : Adjustments for change in working capital</b>			
(Increase) / Decrease in other financial assets	-	(0.01)	-
(Increase) / Decrease in other current assets	(0.07)	(0.08)	-
Increase / (Decrease) in trade payables	(0.10)	0.34	3.65
Increase / (Decrease) in other current liabilities	(0.03)	0.03	-
<b>Cash generated from operations</b>	<b>(0.44)</b>	<b>(3.75)</b>	<b>-</b>
Add/ (less) : Income tax paid	-	-	-
<b>Net cash inflow from operating activities</b>	<b>(0.44)</b>	<b>(3.75)</b>	<b>-</b>
<b>B. Cash flow from investing activities:</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>C. Cash flow from financing activities :</b>			
Proceeds from current borrowings	0.50	3.53	-
Proceeds from issue of shares	-	0.50	0.50
<b>Net cash inflow / (outflow) from financing activities</b>	<b>0.50</b>	<b>4.03</b>	<b>0.50</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>0.06</b>	<b>0.28</b>	<b>0.50</b>
Add: Cash and cash equivalents at the beginning of year	0.28	-	-
<b>Cash and cash equivalents at the end of year</b>	<b>0.34</b>	<b>0.28</b>	<b>0.50</b>

Note: The Company was incorporated on July 2, 2020, accordingly, the figures for period ended September 30, 2020 and for the period March 31, 2021 are from the date of incorporation.

## GENERAL INFORMATION

Our Company was incorporated as an unlisted public limited company incorporated on July 2, 2020 under the provisions of Companies Act, 2013, in the State of Maharashtra, pursuant to a certificate of incorporation dated July 3, 2020, issued by the Registrar of Companies, Maharashtra at Mumbai.

### Registered Office of our Company

**Registered Office:** Unit No. 705, C Wing, ONE BKC, G Block Bandra Kurla Complex, Bandra East, Mumbai - 400051, Maharashtra, India.

**Corporate Office:** 11<sup>th</sup> floor, Plot No. 1, Sector-127, Noida-201301, Uttar Pradesh, India.

### Corporate Identity Number

The corporate identity number of our Company is U29306MH2020PLC341326.

### The Registrar of Companies

Our Company is registered with the Registrar of Companies, Maharashtra at Mumbai, situated at 100 Everest, Marine Drive, Mumbai 400 002, Maharashtra, India

### Board of Directors of our Company

The following table sets out the brief details of our Board as on the date of this Information Memorandum:

Sr. No.	Name	Address	DIN	Designation
1.	Mr. Vivek Chaand Sehgal	Villa No. 40, Dubai Creek Villas Dubai Creek Golf and Yacht Club, Port Saeed Deira Dubai, UAE	00291126	Chairman (Non Executive Director)
2.	Mr. Laksh Vaaman Sehgal	48, Queens Grove, London, NW86HH, United Kingdom	00048584	Non Executive Director
3.	Mr. Norikatsu Ishida	1-509 Hoshimigaoka, Kuwana, Japan – 5110912	09443998	Non Executive Director
4.	Mr. Yoshio Matsushita	120, Sotobori, Kuwana, Mie-pref. Japan - 5110041	09480897	Non Executive Director
5.	Mr. Arjun Puri	ECO House, Certitude Auroville Villupuram, Tamil Nadu- 605101, India	00211590	Independent Director
6.	Ms. Geeta Mathur	B-1/8, Vasant Vihar-1, South West Delhi, Vasant Vihar, Delhi-110057, India	02139552	Independent Director/ Woman Director
7.	Mr. Anupam Mohindroo	H-34, Block H, South City-1, Gurgaon, Industrial Estate, Haryana, 122007	06544719	Independent Director
8.	Colonel Virendra Chand Katoch (Retd.)	1K,302, Gurjinder Vihar, AWHO Colony, Pocket-5, CH1, Kasna, Gautam Budh Nagar, Greater Noida- 201301, Uttar Pradesh	08452183	Independent Director
9.	Mr. Rajesh Kumar Seth	37/2, West Patel Nagar, Near Community Centre, Patel Nagar S.O., Delhi- 110008, India	09477684	Independent Director

<b>Sr. No.</b>	<b>Name</b>	<b>Address</b>	<b>DIN</b>	<b>Designation</b>
10.	Mr. Anurag Gahlot	Flat No. -507, F-21A, Mahagun Maestro, Sector-50, Noida – 201301, Uttar Pradesh	09455743	Whole Time Director/ Chief Operating Officer

For further details of our Board of Directors, please refer to section titled “*Our Management*” on page 89 of the Information Memorandum.

#### **Company Secretary and Compliance Officer**

Ms. Pooja Mehra is the Company Secretary and Compliance Officer of our Company. Her contact details are as follows:

**Address:** 11<sup>th</sup> Floor, Plot No. 1, Sector -127, Noida, Noida Greater Noida Expressway, Uttar Pradesh – 201301, India.

**Tel:** 0120-6679293

**Email:** [pooja.mehra@motherson.com](mailto:pooja.mehra@motherson.com)

#### **Registrar and Share Transfer Agent of the Company**

##### **KFin Technologies Pvt. Ltd.**

**Address:** Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032, India

**Tel:** 040-67162222

**Facsimile:** 040- 23001153

**Investor grievance e-mail:** [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

**Website:** <https://www.kfintech.com>

**Contact person:** Mr. Suresh Babu D, Manager

**SEBI registration number:** INR0000000221

#### **Bankers to our Company**

##### **Axis Bank Limited**

Address: B-2 B-3, Sector - 16, Noida 201301

Phone numbers: 9582800221, 9582800222

Email address: [noida.branchhead@axisbank.com](mailto:noida.branchhead@axisbank.com), [noida.operationshead@axisbank.com](mailto:noida.operationshead@axisbank.com)

##### **ICICI Bank Limited**

Address: ICICI Tower, NBCC Place, Bisham Pitamah Marg, Pragati Vihar, New Delhi, 110003

Phone number: +9111-61396080

Email address: [nyatin.tyagi@icicibank.com](mailto:nyatin.tyagi@icicibank.com)

##### **HDFC Bank Limited**

Address: Vatika Atrium, Block A, 2nd Floor, Golf Course Road, Sector 53, Gurgaon – 122002, Haryana

Phone number: 0124-4664325

Email address: [kamala.prasad@hdfcbank.com](mailto:kamala.prasad@hdfcbank.com)

#### **Statutory Auditors to our Company**

**S.R. Batliboi & Co. LLP**, Chartered Accountants

**Firm Registration Number:** 301003E/E300005

**Peer Review Certificate Number:** 013326

**Address:** 2nd & 3rd Floor

Golf View Corporate Tower - B

Sector - 42, Sector Road

Gurugram - 122 002, Haryana, India

**Phone numbers:** +91 124 681 6000

**Email Addresses:** [srbcs@srbc.in](mailto:srbcs@srbc.in)

### **Legal Counsel of our Company**

#### **AZB & Partners**

**Address:** Plot No. A-8, Sector 4, Noida, National Capital Territory Region- 201301

**Tel:** +91 120 4179999

#### **Change in auditors**

There has been no change in the statutory auditors of our Company since its incorporation on July 2, 2020.

#### **Authority for Listing**

In accordance with the Scheme, the Equity Shares of our Company issued pursuant to the Scheme shall be listed and admitted to trading on the Stock Exchanges. Such admission and listing is not automatic and will be subject to fulfilment of the respective listing criteria of BSE and NSE by our Company and also subject to such other terms and conditions as may be prescribed by the Stock Exchanges at the time of the listing application made by our Company to the Stock Exchanges for seeking approval for listing.

Our Company has nominated BSE Limited as the Designated Stock Exchange.

#### **Eligibility Criteria**

There being no initial public offering or rights issue, the eligibility criteria prescribed under the SEBI (ICDR) Regulations is not applicable. However, SEBI vide its letter no. SEBI/HO/CFD/DIL-1/10437/2022/1 dated March 11, 2022, granted relaxation of Rule 19(2)(b) of the SCRR to our Company pursuant to an application made by our Company to SEBI under sub-rule (7) of Rule 19 of the SCRR as per the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 as amended read with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, as amended. Our Company has submitted this Information Memorandum, containing information about our Company, and including disclosures in line with the disclosure requirement for public issues, as applicable, to BSE and NSE, and this Information Memorandum shall be made available to the public through the websites of the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and at our website [www.mswil.motherson.com](http://www.mswil.motherson.com). Our Company shall also make the Information Memorandum available on its website at [www.mswil.motherson.com](http://www.mswil.motherson.com). Our Company will also publish an advertisement in the newspapers in terms of the SEBI Circular.

#### **General Disclaimer from the Company**

Our Company, our Promoters and our Directors do not accept any responsibility for statements made otherwise than in this Information Memorandum, or otherwise than in the advertisement published by the Company in terms of the SEBI Circular or any other material issued by or at the instance of Company. Anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by Company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner.

## CAPITAL STRUCTURE

The share capital of our Company as on date of this Information Memorandum is set forth below:

		Aggregate nominal value (in ₹)
<b>A</b>	<b>AUTHORIZED SHARE CAPITAL</b>	
	333,00,00,000 equity shares of ₹1 each	333,00,00,000
<b>B ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</b>		
	315,79,34,237 equity shares of ₹ 1 each	315,79,34,237

### Notes to the Capital Structure

- The initial authorised share capital of the Company at the time of incorporation was ₹5,00,000 (Rupees Five Lakh) consisting of 5,00,000 (Five Lakh) Equity Shares of ₹ 1 (Rupee One) each, which was increased to ₹33,00,00,000 (Rupees Thirty Three Crores) consisting of 33,00,00,000 (Thirty Three Crore) Equity Shares of ₹ 1 (Rupee One) each, *vide* ordinary resolution passed by the shareholders of the Company in its Extra-Ordinary General Meeting held on September 28, 2020.
- The initial issued, subscribed and paid up Share Capital at the time of incorporation was ₹5,00,000 (Rupees Five Lakh) consisting of 5,00,000 (Five Lakh) Equity Shares of ₹ 1 (Rupee One) each held by Motherson Sumi Systems Limited and its nominee shareholders. Pursuant to the Scheme becoming effective and allotment of new Equity Shares to shareholders of Motherson Sumi Systems Limited, the aforesaid issued, subscribed and paid-up share capital of ₹ 500,000 (Rupees Five Lakhs) consisting of 5,00,000 (Five Lakh) Equity Shares of ₹1 (Rupee One) each, which was subscribed to by Motherson Sumi Systems Limited and its nominees, stands cancelled.
- Equity Share Capital History**

Date of Allotment	Nature of Allotment	No. of Equity Shares	Face Value (in Rs.)	Premium (in Rs.)	Cumulative No. of Equity Shares	Nature of Consideration
July 2, 2020 (i.e. from the incorporation date)	Subscription to MoA	5,00,000 <sup>(1)</sup>	1	Nil	5,00,000	Cash
January 19, 2022	Cancellation of Equity Shares pursuant to the Scheme	5,00,000 <sup>(2)</sup>	1	Not Applicable	Nil	Nil / Not applicable
January 19, 2022	Allotment of Equity Shares to the shareholders of Motherson Sumi Systems Limited, pursuant to the Scheme	315,79,34,237 <sup>(3)</sup>	1	Not Applicable	315,79,34,237	Other than cash

(1) Allotment of 5,00,000 equity shares to MSSSL and its nominees at the time of incorporation.

(2) Cancellation of 5,00,000 Equity Shares pursuant to the Scheme of Arrangement.

(3) Allotment of 315,79,34,237 Equity Shares to the shareholders of MSSSL as of the Record Date 1, pursuant to the Scheme of Arrangement. Further, Equity Shares issued and allotted to Samvardhana Motherson International Limited (now amalgamated) stands transferred to Motherson Sumi Systems Limited pursuant to amalgamation, by absorption, of Samvardhana Motherson International Limited (now amalgamated)

*into and with Motherson Sumi Systems Limited in accordance with Section II of the Scheme. For further details regarding the Scheme, please see the section titled ‘Scheme of Arrangement’ on page 86.*

4. ***Equity Shares issued for consideration other than cash***

Except for the issuance of Equity Shares to the shareholders of Motherson Sumi Systems Limited as per the Scheme, our Company has not issued any Equity Shares for consideration other than cash. Equity Shares issued and allotted to Samvardhana Motherson International Limited (*now amalgamated*) now stands transferred to Motherson Sumi Systems Limited pursuant to amalgamation, by absorption, of Samvardhana Motherson International Limited (*now amalgamated*) into and with Motherson Sumi Systems Limited in accordance with Section II of the Scheme. For further details regarding the Scheme, please see the section titled ‘*Scheme of Arrangement*’ on page 86.

5. Our Company does not have any outstanding preference shares, warrants or any other convertible securities as on the date of filing of this Information Memorandum.
6. Except as disclosed above, our Company has not issued any Equity Shares or preference shares for consideration other than cash or out of revaluation of reserves at any time since incorporation.
7. Except as disclosed above, our Company has not issued or allotted any Equity Shares pursuant to any schemes of arrangement approved under Sections 230 – 234 of the Companies Act.
8. Except for the allotment of Equity Shares pursuant to the Scheme and disclosed above, our Company has not issued any Equity Shares or preference shares during a period of 1 (one) year preceding the date of filing this Information Memorandum.



9. Shareholding pattern of the Company as per SEBI (LODR) Regulations is as follows:

*The table below presents the shareholding pattern of our Company as on the date of this Information Memorandum:*

Table I - Summary Statement holding of specified securities

Category	Category of Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (VII) = (IV)+(V) +(VI)	Shareholding as a % of total no of shares (As a % of (A+B+C 2))	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
								No of Voting Rights		Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held		
								Class X	Class Y									Total
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)		(XIII)		(XIV)	
(A)	Promoter & Promoter Group	9	194928 6546	0	0	19492865 46	61.73	194928 6546	0	194928 6546	61.73	0	61.73	0	0.00	85442 623	4.38	19492865 46
(B)	Public	675251	120864 7691	0	0	12086476 91	38.27	120864 7691	0	120864 7691	38.27	0	38.27	0	0.00	NA	NA	11992801 05
(C)	Non Promoter-Non Public																	
(C1)	Shares underlying DRs	0	0	0	0	0	NA	0	0	0	0.00	0	NA	0	0.00	NA	NA	0
(C2)	Shares held by Employes Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	<b>Total:</b>	<b>675260</b>	<b>315793 4237</b>	<b>0</b>	<b>0</b>	<b>31579342 37</b>	<b>100.00</b>	<b>315793 4237</b>	<b>0</b>	<b>315793 4237</b>	<b>100.0 0</b>	<b>0</b>	<b>100.00</b>	<b>0</b>	<b>0.00</b>	<b>85442 623</b>	<b>4.38</b>	<b>31485665 1</b>

**Table II - Statement showing shareholding pattern of the Promoter and Promoter Group**

Category	Category & Name of the Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
								No of Voting Rights		Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held		
								Class X	Class Y	Total								
								(I)	(II)	(III)			(IV)	(V)	(VI)	(VII)		(VIII)
(1)	Indian																	
(a)	Individuals/Hindu undivided Family	4	16630226	0	0	16630226	0.53	16630226	0	16630226	0.53	0	0.53	0	0.00	0	0.00	16630226
	GEETA SONI	1	8610328	0	0	8610328	0.27	8610328	0	8610328	0.27	0	0.27	0	0.00	0	0.00	8610328
	RENU SEHGAL	1	150085	0	0	150085	0.00	150085	0	150085	0.00	0	0.00	0	0.00	0	0.00	150085
	NEELU MEHRA	1	7869690	0	0	7869690	0.25	7869690	0	7869690	0.25	0	0.25	0	0.00	0	0.00	7869690
	LAKSH VAAMAN SEHGAL	1	123	0	0	123	0.00	123	0	123	0.00	0	0.00	0	0.00	0	0.00	123
(b)	Central Government/ State Government(s)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(c)	Financial Institutions/B	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0

	anks																	
(d)	Any Other	1	1055750 653	0	0	1055750 653	33.43	1055750 653	0	1055750 653	33.43	0	33.43	0	0.00	82000 000	7.77	105575065 3
	MOTHERSON SUMI SYSTEMS LIMITED*	1	1055750 653	0	0	1055750 653	33.43	1055750 653	0	1055750 653	33.43	0	33.43	0	0.00	82000 000	7.77	105575065 3
	<b>Sub-Total (A)(1)</b>	<b>5</b>	<b>1072380 879</b>	<b>0</b>	<b>0</b>	<b>1072380 879</b>	<b>33.96</b>	<b>1072380 879</b>	<b>0</b>	<b>1072380 879</b>	<b>33.96</b>	<b>0</b>	<b>33.96</b>	<b>0</b>	<b>0.00</b>	<b>82000 000</b>	<b>7.65</b>	<b>107238087 9</b>
(2)	Foreign																	
(a)	Individuals (Non- Resident Individuals/ Foreign Individuals	1	7316540 2	0	0	7316540 2	2.32	7316540 2	0	7316540 2	2.32	0	2.32	0	0.00	0	0.00	73165402
	VIVEK CHAAND SEHGAL	1	7316540 2	0	0	7316540 2	2.32	7316540 2	0	7316540 2	2.32	0	2.32	0	0.00	0	0.00	73165402
(b)	Government	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(c)	Institutions	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(d)	Foreign Portfolio Investor	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(e)	Any Other	3	8037402 65	0	0	8037402 65	25.45	8037402 65	0	8037402 65	25.45	0	25.45	0	0.00	34426 23	0.43	803740265
	H.K. WIRING SYSTEMS, LIMITED	1	7660351	0	0	7660351	0.24	7660351	0	7660351	0.24	0	0.24	0	0.00	0	0.00	7660351
	RADHA RANI HOLDINGS PTE LTD	1	3442623	0	0	3442623	0.11	3442623	0	3442623	0.11	0	0.11	0	0.00	34426 23	100. 00	3442623
	SUMITOMO WIRING SYSTEMS LIMITED	1	7926372 91	0	0	7926372 91	25.10	7926372 91	0	7926372 91	25.10	0	25.10	0	0.00	0	0.00	792637291
	<b>Sub-Total (A)(2)</b>	<b>4</b>	<b>8769056 67</b>	<b>0</b>	<b>0</b>	<b>8769056 67</b>	<b>27.77</b>	<b>8769056 67</b>	<b>0</b>	<b>8769056 67</b>	<b>27.77</b>	<b>0</b>	<b>27.77</b>	<b>0</b>	<b>0.00</b>	<b>34426 23</b>	<b>0.43</b>	<b>876905667</b>
	<b>Total Shareholding of Promoter and Promoter</b>	<b>9</b>	<b>1949286 546</b>	<b>0</b>	<b>0</b>	<b>1949286 546</b>	<b>61.73</b>	<b>1949286 546</b>	<b>0</b>	<b>1949286 546</b>	<b>61.73</b>	<b>0</b>	<b>61.73</b>	<b>0</b>	<b>0.00</b>	<b>85442 623</b>	<b>4.38</b>	<b>194928654 6</b>

Group (A)=(A)(1)+(A)(2)																	
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**Table III - Statement showing shareholding pattern of the Public shareholder**

Category	Category & Name of the Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
								No of Voting Rights		Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held		
								Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)			(IX)	(X)	(XI)		(XII)		(XIII)	
(1)	Institutions																	
(a)	Mutual Funds	17	317252783	0	0	317252783	10.05	317252783	0	317252783	10.05	0	10.05	0	0.00	NA	NA	317252783
	ICICI PRUDENTIAL EQUITY & DEBT FUND	1	48965408	0	0	48965408	1.55	48965408	0	48965408	1.55	0	1.55	0	0.00	NA	NA	48965408
	UTI-UNIT LINKED INSURANCE PLAN	1	36283248	0	0	36283248	1.15	36283248	0	36283248	1.15	0	1.15	0	0.00	NA	NA	36283248
	AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS CHILDREN'S GIFT FUND	1	123405249	0	0	123405249	3.91	123405249	0	123405249	3.91	0	3.91	0	0.00	NA	NA	123405249

(b)	Venture Capital Funds	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0
(c)	Alternate Investment Funds	9	1121266	0	0	1121266	0.04	1121266	0	1121266	0.04	0	0.04	0	0.00	N A	NA	1121266
(d)	Foreign Venture Capital Investors	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0
(e)	Foreign Portfolio Investors	592	5356610 67	0	0	5356610 67	16.96	5356610 67	0	5356610 67	16.96	0	16.96	0	0.00	N A	NA	535661067
(f)	Financial Institutions/Banks	7	626621	0	0	626621	0.02	626621	0	626621	0.02	0	0.02	0	0.00	N A	NA	626621
(g)	Insurance Companies	15	1023745 34	0	0	1023745 34	3.24	1023745 34	0	1023745 34	3.24	0	3.24	0	0.00	N A	NA	102374534
	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED	1	5032914 2	0	0	5032914 2	1.59	5032914 2	0	5032914 2	1.59	0	1.59	0	0.00	N A	NA	50329142
(h)	Provident Funds/Pension Funds	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0
(i)	Any Other																	
	FOREIGN CORPORATE BODIES	1	1	0	0	1	0.00	1	0	1	0.00	0	0.00	0	0.00	N A	NA	1
	<b>Sub Total (B)(1)</b>	<b>641</b>	<b>9570362 72</b>	<b>0</b>	<b>0</b>	<b>9570362 72</b>	<b>30.31</b>	<b>9570362 72</b>	<b>0</b>	<b>9570362 72</b>	<b>30.31</b>	<b>0</b>	<b>30.31</b>	<b>0</b>	<b>0.00</b>	N A	NA	<b>957036272</b>
(2)	Central Government/State Government(s)/President of India	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0
	<b>Sub Total (B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	N A	NA	<b>0</b>
(3)	Non-Institutions																	
(a)	i. Individual shareholders holding nominal share capital up to Rs.2 lakhs	661921	1169992 71	0	0	1169992 71	3.70	1169992 71	0	1169992 71	3.70	0	3.70	0	0.00	N A	NA	116999271
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs	983	9502258 0	0	0	9502258 0	3.01	9502258 0	0	9502258 0	3.01	0	3.01	0	0.00	N A	NA	95022580
(b)	NBFCs Registered with RBI	1	2193	0	0	2193	0.00	2193	0	2193	0.00	0	0.00	0	0.00	N A	NA	2193
(c)	Employee Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N	NA	0



													C)		es held		es held											
													Class X	Class Y	Total													
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)				(IX)	(X)	(XI)		(XII)		(XIII)										
(1)	Custodian/ DR Holder	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0										
(2)	Employee Benefit Trust (under SEBI(Share based Employee Benefit) Regulations 2014)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0										
	<b>Total Non-Promoter-Non Public Shareholding (C) = (C)(1)+(C)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>			<b>0</b>										

10. **Other details of Shareholding of our Company**

- (a) As on the date of the filing of this Information Memorandum, our Company has 6,74,585 shareholders.
- (b) Set forth below is a list of top 50 shareholders of our Company, on a fully diluted basis, as on the date of filing of this Information Memorandum.

Sr. No.	Name	No. of Equity Shares	Percentage of the Equity Share Capital (%)
1.	Motherson Sumi Systems Limited	1055750653	33.43%
2.	Sumitomo Wiring Systems Limited	792637291	25.10%
3.	Mr. Vivek Chaand Sehgal	73165402	2.32%
4.	Axis Mutual Funds	123405249	3.91%
5.	ICICI Prudential Life Insurance Company Limited	50329142	1.59%
6.	ICICI Prudential MNC Fund	48965408	1.55%
7.	UTI-Unit Linked Insurance Plan	36283248	1.15%
8.	SBI Blue Chip Fund	31474449	1.00%
9.	LICI New Endowment Plus-Secured Fund	29960726	0.95
10.	Reetha Shetty	24400000	0.77
11.	Federated Hermes Investment Funds Plc on behalf of Federated Hermes Global Emerging Markets Equity Fund	23353714	0.74%
12.	Kotak Pioneer Fund	20965363	0.66%
13.	Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index funds	16559267	0.52%
14.	Vanguard Total International Stock Index Fund	15613509	0.49%
15.	Stichting Depository Apg Emerging Markets Equity Pool	15378127	0.49%
16.	DSP Equity & Bond Fund	14572534	0.46%
17.	Calvert Emerging Markets Equity Fund	13809415	0.44%
18.	Kuwait Investment Authority Fund 141	12528529	0.40%
19.	Government Of Singapore – E	11971899	0.38%
20.	Ishares Core Emerging Markets Mauritius Co	11155134	0.35%
21.	Abu Dhabi Investment Authority - Beacon	10963344	0.35%
22.	People's Bank Of China	10501165	0.33%
23.	Candriam Sustainable Equity Emerging Markets	9450000	0.30%
24.	UTI India Dynamic Equity Fund	8813491	0.28%
25.	Government Pension Fund Global	8751155	0.28%
26.	Geeta Soni	8610328	0.27%
27.	Invesco Trustee Private Limited - A/C Invesco India Equity Savings Fund	8249293	0.26%
28.	BNP Paribas Arbitrage	8015005	0.25%
29.	Malabar India Fund Limited	8004324	0.25%
30.	Franklin India Equity Advantage Fund	8000000	0.25%
31.	Neelu Mehra	7869690	0.25%
32.	H.K. Wiring Systems, Limited	7660351	0.24%
33.	Ishares India Index Mauritius Company	7635201	0.24%
34.	William Blair Emerging Markets Leaders Collective	7453881	0.24%
35.	SEI Trust Company, As Trustee On Behalf Of The Axiom Emerging Market Trust	7269556	0.23%



Sr. No.	Name	No. of Equity Shares	Percentage of the Equity Share Capital (%)
36.	L And T Mutual Fund Trustee Limited -L And T Tax Advantage Fund	7066600	0.22%
37.	Kotak Funds - India Midcap Fund	6749223	0.21%
38.	William Blair International Small Cap Growth Collective Investment Fund	6466269	0.20%
39.	Tata Aia Life Insurance Co Ltd-Non Unit Linked Life Nirvanan -	6021595	0.19%
40.	Societe Generale -ODI	5929618	0.19%
41.	Vanguard Fiduciary Trust Company Institutional Total International Stock Market Index Trust -II	5792762	0.18%
42.	Nippon Life India Trustee Ltd-A/C Nippon India Retirement Fund Wealth Creation Scheme	5600000	0.18%
43.	Malabar Select Fund	5463286	0.17%
44.	United India Insurance Company Limited	5209011	0.16%
45.	India Capital Fund Limited	5198607	0.16%
46.	Emerging Markets Core Equity Portfolio of DFAInvestment Dimensions Group Inc (DFAIDG)	5083614	0.16%
47.	Schroder International Selection Fund Indian Opportunities	4673346	0.15%
48.	Ishares Msci Emerging Markets Etf	4658512	0.15%
49.	BT Pension Scheme	4646784	0.15%
50.	PICTET – Indian Equities	4532278	0.14%
	<b>Total</b>	<b>2155443146</b>	<b>83.37%</b>

- (c) Set forth below is a list of top 50 shareholders of our Company, on a fully diluted basis, as of 10 days prior to the date of filing of this Information Memorandum.

Sr. No.	Name	No. of Equity Shares	Percentage of the Equity Share Capital (%)
1.	Motherson Sumi Systems Limited	1055750653	33.43%
2.	Sumitomo Wiring Systems Limited	792637291	25.10%
3.	Mr. Vivek Chaand Sehgal	73165402	2.32%
4.	Axis Mutual Funds	123405249	3.91%
5.	ICICI Prudential Life Insurance Company Limited	50329142	1.59%
6.	ICICI Prudential MNC Fund	48965408	1.55%
7.	UTI-Unit Linked Insurance Plan	36283248	1.15%
8.	SBI Blue Chip Fund	31474449	1.00%
9.	LICI New Endowment Plus-Secured Fund	29960726	0.95
10.	Reetha Shetty	24400000	0.77
11.	Federated Hermes Investment Funds Plc on behalf of Federated Hermes Global Emerging Markets Equity Fund	23353714	0.74%
12.	Kotak Pioneer Fund	20965363	0.66%
13.	Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index funds	16559267	0.52%
14.	Vanguard Total International Stock Index Fund	15613509	0.49%
15.	Stichting Depository Apg Emerging Markets Equity Pool	15378127	0.49%

Sr. No.	Name	No. of Equity Shares	Percentage of the Equity Share Capital (%)
16.	DSP Equity & Bond Fund	14572534	0.46%
17.	Calvert Emerging Markets Equity Fund	13809415	0.44%
18.	Kuwait Investment Authority Fund 141	12528529	0.40%
19.	Government Of Singapore – E	11971899	0.38%
20.	Ishares Core Emerging Markets Mauritius Co	11155134	0.35%
21.	Abu Dhabi Investment Authority - Beacon	10963344	0.35%
22.	People's Bank Of China	10501165	0.33%
23.	Candriam Sustainable Equity Emerging Markets	9450000	0.30%
24.	UTI India Dynamic Equity Fund	8813491	0.28%
25.	Government Pension Fund Global	8751155	0.28%
26.	Geeta Soni	8610328	0.27%
27.	Invesco Trustee Private Limited - A/C Invesco India Equity Savings Fund	8249293	0.26%
28.	BNP Paribas Arbitrage	8015005	0.25%
29.	Malabar India Fund Limited	8004324	0.25%
30.	Franklin India Equity Advantage Fund	8000000	0.25%
31.	Neelu Mehra	7869690	0.25%
32.	H.K. Wiring Systems, Limited	7660351	0.24%
33.	Ishares India Index Mauritius Company	7635201	0.24%
34.	William Blair Emerging Markets Leaders Collective	7453881	0.24%
35.	SEI Trust Company, As Trustee On Behalf Of The Axiom Emerging Market Trust	7269556	0.23%
36.	L And T Mutual Fund Trustee Limited -L And T Tax Advantage Fund	7066600	0.22%
37.	Kotak Funds - India Midcap Fund	6749223	0.21%
38.	William Blair International Small Cap Growth Collective Investment Fund	6466269	0.20%
39.	Tata Aia Life Insurance Co Ltd-Non Unit Linked Life Nirvanan -	6021595	0.19%
40.	Societe Generale -ODI	5929618	0.19%
41.	Vanguard Fiduciary Trust Company Institutional Total International Stock Market Index Trust -II	5792762	0.18%
42.	Nippon Life India Trustee Ltd-A/C Nippon India Retirement Fund Wealth Creation Scheme	5600000	0.18%
43.	Malabar Select Fund	5463286	0.17%
44.	United India Insurance Company Limited	5209011	0.16%
45.	India Capital Fund Limited	5198607	0.16%
46.	Emerging Markets Core Equity Portfolio of DFAInvestment Dimensions Group Inc (DFAIDG)	5083614	0.16%
47.	Schroder International Selection Fund Indian Opportunities	4673346	0.15%
48.	Ishares Msci Emerging Markets Etf	4658512	0.15%
49.	BT Pension Scheme	4646784	0.15%
50.	PICTET – Indian Equities	4532278	0.14%
	<b>Total</b>	<b>2155443146</b>	<b>83.37%</b>

(d) Set forth below is a list of top 10 shareholders of our Company, on a fully diluted basis, as of the date one year prior to the date of filing of this Information Memorandum:

Sr. No.	Name	No. of Equity Shares	Percentage of the Equity Share Capital (%)
1.	Motherson Sumi Systems Limited ( <i>along with its nominees</i> )	5,00,000	100%
<b>Total</b>		<b>5,00,000</b>	<b>100%</b>

*Note: The Company was incorporated on July 2, 2020 and accordingly the paid-up share capital, on a fully diluted basis, as of the date one year prior to the date of filing of this Information Memorandum has been provided.*

11. Our Company reserves the right, subject to applicable law and requisite approvals, to alter its capital structure at any time, including after the date of this Information Memorandum till the listing of the Equity Shares of the Company. Such alteration may be in any permissible manner, including by way of split or consolidation of the denomination of Equity Shares, or by way of any mode of further issue of securities (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares).
12. ***Details of Shareholding of our Promoters, members of the Promoter Group and directors of corporate Promoters in our Company***

As on the date of this Information Memorandum, our Promoters hold 192,15,53,469 Equity Shares, equivalent to 60.85% of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth in the table below:

Sr. No.	Name	No. of Equity Shares	% of total Equity Shareholding
1.	Motherson Sumi Systems Limited	105,57,50,653	33.43%
2.	Mr. Vivek Chaand Sehgal	7,31,65,402	2.32%
3.	Mr. Laksh Vaaman Sehgal	123	Negligible
4.	Sumitomo Wiring Systems Limited	79,26,37,291	25.10%
<b>Total</b>		<b>192,15,53,469</b>	<b>60.85%</b>

As on the date of this Information Memorandum, members of our Promoter Group hold 2,77,33,077 Equity Shares, equivalent to 0.88% of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth in the table below:

Sr. No.	Name	No. of Equity Shares	% of total Equity Shareholding
1.	Ms. Geeta Soni	86,10,328	0.27%
2.	Ms. Renu Sehgal	1,50,085	Negligible
3.	Ms. Neelu Mehra	78,69,690	0.25%
4.	H.K. Wiring Systems Limited	76,60,351	0.24%
5.	Radha Rani Holdings Pte Ltd	34,42,623	0.11%
<b>Total</b>		<b>2,77,33,077</b>	<b>0.88%</b>

As on the date of this Information Memorandum, except as provided below, directors of corporate Promoters do not hold any Equity Shares in our Company.

Sr. No.	Name	No. of Equity Shares	% of total Equity Shareholding
1.	Mr. Vivek Chaand Sehgal	7,31,65,402	2.32%
2.	Mr. Laksh Vaaman Sehgal	123	Negligible
<b>Total</b>		<b>7,31,65,525</b>	<b>2.32%</b>

As on the date of this Information Memorandum, our Directors collectively hold 7,32,77,395 Equity Shares, equivalent to 2.32 % of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth in the table below:

Sr. No.	Name	No. of Equity Shares	% of total Equity Shareholding
1.	Mr. Vivek Chaand Sehgal	7,31,65,402	2.32%

Sr. No.	Name	No. of Equity Shares	% of total Equity Shareholding
2.	Mr. Laksh Vaaman Sehgal	123	Negligible
3.	Mr. Arjun Puri	3,750	Negligible
4.	Ms. Geeta Mathur	10,125	Negligible
5.	Mr. Rajesh Kumar Seth	77,545	Negligible
6.	Mr. Anurag Gahlot	24,200	Negligible
<b>Total</b>		<b>7,32,77,395</b>	<b>2.32%</b>

- *Build-up of the Promoters' shareholding in our Company*

The build-up of the Equity shareholding of our Promoters since incorporation of our Company is set forth in the table below: -

Name	Nature of transaction	Date of Allotment	No. of equity shares	Face value per equity share (in Rs.)	Offer Price / Transfer Price per equity share (in Rs.)
Motherson Sumi Systems Limited	Upon incorporation of the Company	July 2, 2020	5,00,000	1	1
Motherson Sumi Systems Limited	Cancellation of the equity shares pursuant to the Scheme	January 19, 2022	(5,00,000)	1	NA
Motherson Sumi Systems Limited**	Pursuant to Scheme	January 19, 2022	105,57,50,653	1	1
Mr. Vivek Chaand Sehgal	Pursuant to Scheme	January 19, 2022	7,31,65,402	1	1
Mr. Laksh Vaaman Sehgal	Pursuant to Scheme	January 19, 2022	123	1	1
Sumitomo Wiring Systems Limited	Pursuant to Scheme	January 19, 2022	79,26,37,291	1	1

\*\*Equity shares issued and allotted to Samvardhana Motherson International Limited stand transferred to Motherson Sumi Systems Limited pursuant to the merger of Samvardhana Motherson International Limited into and with Motherson Sumi Systems Limited in accordance with Section II of the Scheme.

*Note: Equity shares issued pursuant to the Scheme are issued for consideration other than cash.*

All the Equity Shares held by our Promoters were fully paid-up on the date of allotment of such Equity Shares.

13. Except as provided above in the shareholding pattern provided above, as on the date of this Information Memorandum, none of the Equity Shares held by our Promoters are pledged.

Except as disclosed above and under “*Our Management*” at page 89, none of the Directors or Key Managerial Personnel hold any Equity Shares as on the date of this Information Memorandum.

Except for the allotment of the equity shares and the transfer of equity shares from Samvardhana Motherson International Limited (*now amalgamated*) to MSSSL pursuant to the Scheme, none of the members of the Promoter Group, the Promoters, the directors of our corporate Promoters, our Directors and their relatives have purchased or sold any securities of our Company during the period of 6 (six) months immediately preceding the date of this Information Memorandum.

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, directors of our corporate Promoters and/or our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of 6 (six) months immediately preceding the date of this

Information Memorandum.

14. ***Employee Stock Options Schemes***

As on the date of this Information Memorandum, our Company does not have any employee stock option scheme.

15. Our Company has not issued any Equity Shares out of revaluation reserves.

16. ***Lock-in***

In accordance with the SEBI Circulars, the shareholding of our Promoters and shareholders is exempt from lock-in, since the shareholding of our Company, immediately upon issuance of the Equity Shares pursuant to the Scheme, was exactly similar to the shareholding pattern of Motherson Sumi Systems Limited as on Record Date 1.

## STATEMENT OF TAX BENEFITS

To  
The Board of Directors  
Motherson Sumi Wiring India Limited  
Plot No. 1, Sector 127, Greater Noida  
Expressway Noida, Uttar Pradesh-  
201301

Dear Sirs,

### **Sub: Statement of Special Tax benefits available to Motherson Sumi Wiring India Limited (the “Company”) and its shareholders (the “Statement”) under the Indian Tax Laws**

1. We hereby confirm that the enclosed Annexures 1 & 2 (the “Annexures”) to the Statement, prepared by the Company, provides the Special Tax benefits available to the Company and its shareholders upon the Scheme becoming effective, under the Income-tax Act, 1961 ("the Act") as amended by the Finance Act 2021 read with the Income-tax Rules, 1962, i.e. applicable for the Financial Year 2021-22 relevant to the assessment year 2022-23, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the applicable State Goods and Services Tax Act, 2017 ("GST Act"), the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act") as amended from time to time, and Foreign Trade Policy 2015-20 (“FTP”) as extended till March 31, 2022 presently in force in India (hereinafter referred to as the “Tax Laws”). This Statement has been issued at the request of the management and is intended solely for the purpose of inclusion in the Draft Information Memorandum and Information Memorandum submitted by the Company in connection with the proposed listing of shares of the Company subsequent to approval of Composite Scheme of Amalgamation and Arrangement (the “Scheme”) by the National Company Law Tribunal (NCLT) vide its order dated December 22, 2021.
2. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and/or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which the Company and/or its shareholders may or may not, based on business imperatives that they may face in the future, choose to fulfil.
3. The benefits discussed in the Annexures are not exhaustive and the preparation of the contents stated in the Annexures is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing Tax Laws, each investor is advised to consult his or her tax consultant with respect to the specific tax implications arising out of the scheme of restructuring particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.
4. The contents of the Annexures are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.
5. We do not express any opinion or provide any assurance as to whether:
  - the Company or its shareholders will obtain/ continue to obtain these tax benefits in future; or
  - the conditions prescribed for availing the tax benefits as per the Annexures have been / would be met with; and
  - the Revenue Authorities/ Courts will concur with the views expressed herein.
6. This Statement is addressed to and provided to the Board of Directors of the Company at specific request of the Company, solely for the purpose given in paragraph 1 above and is not to be used, referred to or distributed for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this Statement is shown or into whose hands it may come. Any subsequent amendment/ modification to provisions of the applicable laws may have an impact on the views contained in the Statement. We do not assume responsibility to update the views

consequent to such changes subsequent to our report date.

**For S.R. Batliboi & Co. LLP**  
Chartered Accountants  
**ICAI Firm Registration Number: 301003E/E300005**

per **Pankaj Chadha**  
Partner  
Membership Number:  
091813  
UDIN:  
22091813AAQAZI7162

Place: Gurugram  
Date: February 07, 2022

**ANNEXURE 1 TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO MOTHERSON SUMI WIRING INDIA LIMITED (THE “COMPANY”) AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

**UNDER THE INCOME-TAX ACT, 1961 (hereinafter referred to as “the Act”) as amended by the Finance Act 2021 read with the Income-tax Rules, 1962, i.e. applicable for the Financial Year 2021-22 relevant to the Assessment Year 2022-23.**

**1. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY UNDER THE ACT**

There are no special tax benefits available to the Company under the Act.

**2. SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS UNDER THE ACT**

There are no special tax benefits available to the shareholders of the Company.

Notes:

1. The above Annexure of special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences.
2. The above Annexure of special tax benefits is as per the current direct tax laws relevant for the Assessment Year 2022-23. These benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws.
3. The above Annexure covers only the special tax benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This Annexure also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.
4. Benefit of lower rate of tax under Section 115BAA of the Act and corresponding exemption from applicability of Minimum Alternate tax (‘MAT’) provisions under section 115JB of the Act: As per The Taxation Law (Amendment) Act, 2019 No.46 of 2019, a new section 115BAA has been introduced in the Act which provides for an option to domestic companies to opt for reduced rate of corporate taxes subject to certain conditions specified therein. The said section provides that, with effect from financial year 2019-20, all domestic companies shall have an option to pay income tax at the rate of 22% (plus 10% surcharge and 4% cess), subject to the condition that they will not avail specified tax exemptions or incentives and other conditions as specified in sub-clause 2 of section 115BAA of the Act. Proviso to section 115BAA(4) provides that once the Company opts for paying pay tax as per section 115BAA of the Act, such option cannot be subsequently withdrawn for the same or any other previous year.

Lower corporate tax rate under Section 115BAA of the Act is in general available and hence may not be treated as a special tax benefit.

The Company has not opted for concessional tax rate under section 115BAA for the Assessment Year 2021-22.

5. The Company is entitled to claim depreciation on specified tangible and intangible assets owned by it and used for the purpose of its business as per provisions of Section 32 of the Act. The depreciation rates in respect of Motor Cars, Plant and Machinery and Office Equipment is 15%, furniture & fittings and Electrical Equipment is 10%, Intangible assets is 25% (does not include goodwill of business or profession), Computers 40%, Buildings (Residential) is 5% and Buildings (Others) is 10%. Allowance for depreciation is in general available and hence may not be treated as a special tax benefit.
6. With regard to block of assets received pursuant to demerger, as per Explanation 2B to Section 43(6), the written down value of the block of assets in the case of the resulting company shall be the written down value of the transferred assets of the demerged company immediately before the demerger.
7. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into



between India and the country in which the non-resident has fiscal domicile.

8. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
9. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes in provisions of law and its interpretations.

For and on behalf of **Motherson Sumi Wiring India Limited**

Pooja Mehra  
Company Secretary

Place: Noida  
Date: February 07, 2022

## **ANNEXURE 2 TO THE STATEMENT OF TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

**The Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 and applicable State Goods and Services Tax Act, 2017 (“GST Act”), the Customs Act, 1962 (“Customs Act”) and the Customs Tariff Act, 1975 (“Tariff Act”) as amended from time to time, and Foreign Trade Policy 2015-20 (“FTP”) as extended till March 31, 2022, (together, the Indirect Tax Laws)**

### **1. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY**

There are no special indirect tax benefits available to the Company under Indirect Tax Laws.

### **2. SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS**

There are no special indirect tax benefits available in the hands of the shareholders for investing in the shares of the Company under Indirect Tax Laws.

#### **Notes:**

1. This Annexure is based on our understanding of the specific activities carried out by the Company which is relevant for Financial Year 2021-22.
2. This Annexure is based upon the provisions of the specified Indirect Tax Laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure.
3. The Company may be eligible for the following upon the Scheme becoming effective:
  - Eligible for the following exemptions / benefits which are in general available under the provisions of the Indirect Tax laws and hence may not be treated as special tax benefits:
    - Zero-rated export of goods or services in terms of Section 16 of Integrated Goods and Service Tax (‘IGST’) Act, 2017.
    - Fiscal and non-fiscal incentives as available under various State incentive policies.
    - Imports from countries with which India has a preferential trade agreement, exemption from payment of duty / benefit of reduced duty of customs is available subject to fulfilment of prescribed.
    - Exemption from payment of custom duty, additional duty, safe-guarding duty and anti-dumping duty, integrated and compensation cess on import of Capital Goods against Export Promotion Capital Goods (‘EPCG’) license in terms of Notification No. 16/2015 Customs dated April 1, 2015 (and as amended from time to time), under Foreign Trade Policy 2015-20. Further, the said exemption has been extended till 31.03.2022.
    - Exemption from payment of custom duty, additional duty, safe-guarding duty and anti-dumping duty, integrated and compensation cess on import of material against Advance Authorization License in terms of Notification No. 18/2015 Customs dated April 1, 2015 (and as amended from time to time) under Foreign Trade Policy 2015-20. Further, the said exemption has been extended till 31.03.2022.
    - Exemption from duty of customs (specified in First Schedule to Customs Tariff Act) in terms of Notification 50/2017- Customs dated June 30, 2017, (and as amended from time to time) as is in excess

of the amount calculated at the standard rate specified in the Notification and from so much of integrated tax leviable thereon under Section 3(7) of the said Customs Tariff Act, in excess of the rate specified in the Notification, subject to fulfilment of prescribed conditions.

- Import of raw materials and capital goods without payment of duty for manufacturing and other operations in a bonded manufacturing facility under the provisions of Section 65 of the Customs Act, Manufacturing and Other Operations in Warehouse Regulations ('MOOWR'), 2019.
  - Import of goods under Project Imports Scheme for the purpose of setting up of Industrial Project or substantial expansion of existing industrial projects under a single classification under heading 98.01 of Custom Tariff Act, 1975 and subjected to single rate of Basic Customs duty i.e., 5% instead of merit assessment of imported goods.
  - Incentives under Production Linked Incentive Scheme ('PLI') for Automobile and Auto Components.
4. The above statement covers only certain relevant benefits under Indirect Tax Laws and does not cover any tax benefit under any other law.
  5. The above statement of possible tax benefits is as per the current Indirect Tax Laws relevant for the assessment year 2022-23. Several of these benefits are dependent on the Company or its shareholder fulfilling the conditions prescribed under the relevant tax laws.
  6. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
  7. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

For and on behalf of **Motherson Sumi Wiring India Limited**

Pooja Mehra  
Company Secretary

Place: Noida

**Date: February 07, 2022**

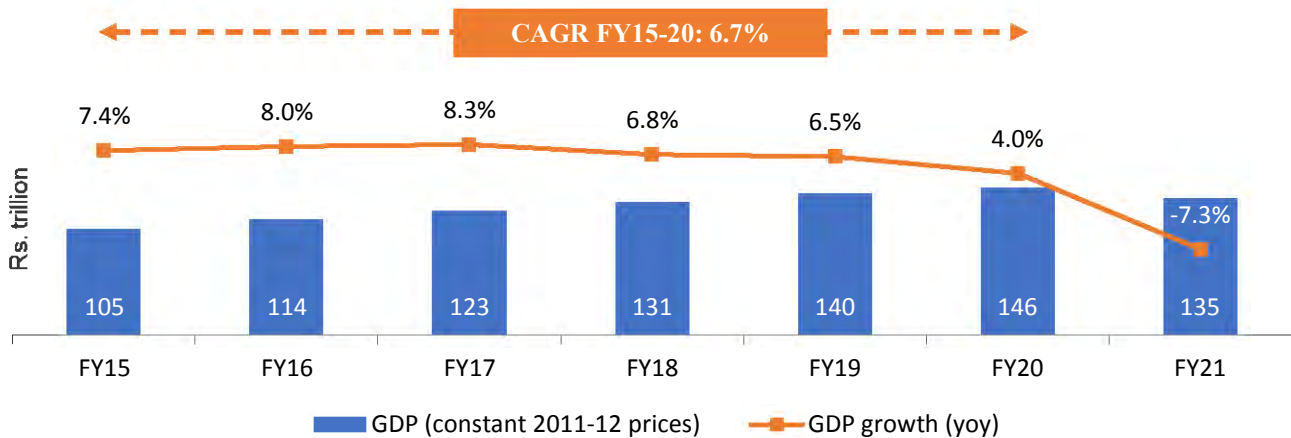
## SECTION V- ABOUT US

### INDUSTRY OVERVIEW

The information presented in this section has been obtained from publicly available documents from various sources including officially prepared materials from the Government of India and its various ministries, industry websites / publications and company estimates, such as the reports of the India Brand Equity Foundation. Industry websites / publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Although we believe industry, market and government data used in the Information Memorandum is reliable, it has not been independently verified. Similarly, our internal estimates, while believed by us to be reliable, have not been verified by any independent agencies. You should read the following summary together with the “Risk Factors” on page 13 and the more detailed information about us and our financial results included elsewhere in this Information Memorandum.

#### Overview of the Indian Economy

Indian economy recorded a robust 6.7% CAGR over fiscal 2015 to 2020 period driven by rising consumer aspirations, rapid urbanization, government’s focus on infrastructure investment and growth of domestic manufacturing sector. The economic growth was supported by benign crude oil prices, softer interest rates and lower current account deficit.



Source: National Statistics Office (NSO), IMF

Data released by the National Statistical Office on August 31 pegged India’s first quarter fiscal 2022, or Q1 FY22 real gross domestic product (GDP) growth at 20.1% on-year. But sequentially, it contracted a sharp 16.9%. The high on-year growth number for Q1 does not provide any meaningful inference as it is distorted by a very strong base effect – the economy had tanked 24.4% in Q1 FY21 with the pandemic’s onset. In such a situation, sequential and seasonally-adjusted growth numbers provide a better gauge of performance. Sequential (i.e. on-quarter) growth tells us how India weathered the second Covid-19 wave. So, while real GDP de-grew 16.9% sequentially in Q1, it contracted by a lower 6.3% in seasonally adjusted terms. The data thus confirms that the second wave did not impact the economy as much as the first, mainly due to calibrated lockdowns.

India was one of the fastest-growing economies in the world with annual growth of around 6.7% in between 2014 to 2019 (Fiscal 2015- fiscal 2020). Over the past four fiscals, India’s macroeconomic situation has gradually improved: the twin deficits (current account and fiscal) have been narrowing and the growth-inflation mix has improved, and durably so. Both fiscal and monetary policies are more prudent, focusing on raising the quality and not just the rate of growth. The government has adopted an inflation-targeting framework that provides an institutional mechanism for inflation control, while modernising central banking. Fiscal policy has managed to stay mildly growth-focused, while managing a gradual reduction in the deficit. The upshot is that India’s macroeconomic variables are a lot more stable, and with sufficiently large reserves, the economy is pretty resilient to any global shock today, than it was during the Taper Tantrum of 2013.

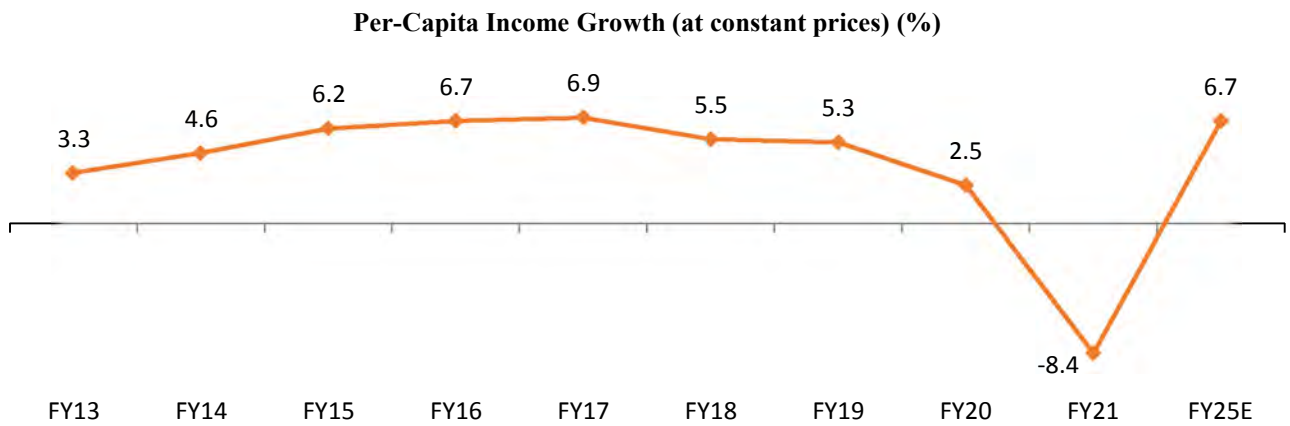
Rapid urbanisation, rising consumer aspirations and increasing digitisation, coupled with government support in the form of reforms and policies, are expected to support long term growth. As per IMF’s forecasts India is likely to emerge as the

fastest growing countries among major global economies over 2021 and 2022 period.

### Increasing per-capita GDP

Per-capita income is estimated to have grown 2.5% in fiscal 2020, compared with 5.3% in the preceding fiscal. During fiscal 2021, per capita GDP dropped 8.4% with GDP contraction amidst the pandemic impact.

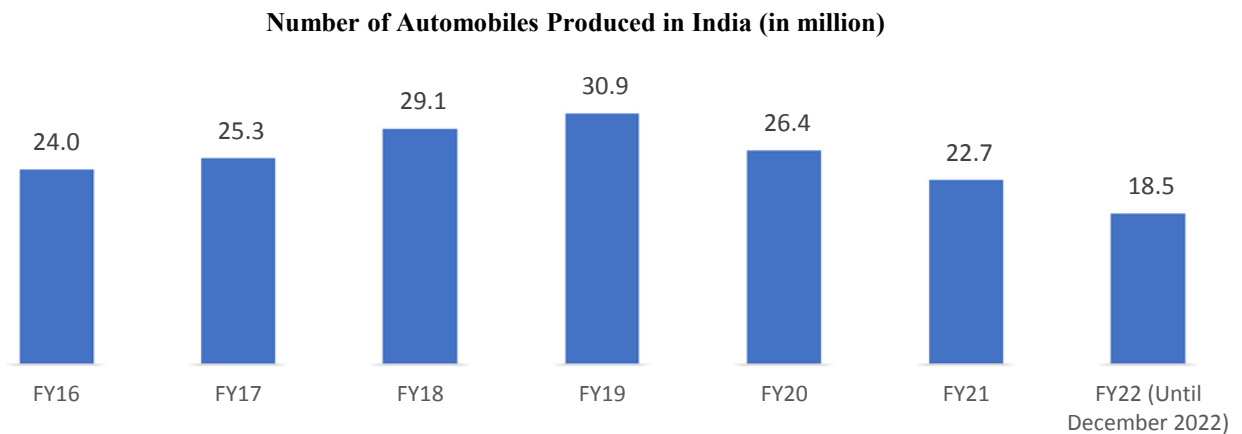
As per IMF estimates, India's per-capita income (at constant prices) is expected to grow at 6.7% CAGR between fiscals 2020 and 2025.



Source: National accounts statistics 2021- MOSPI

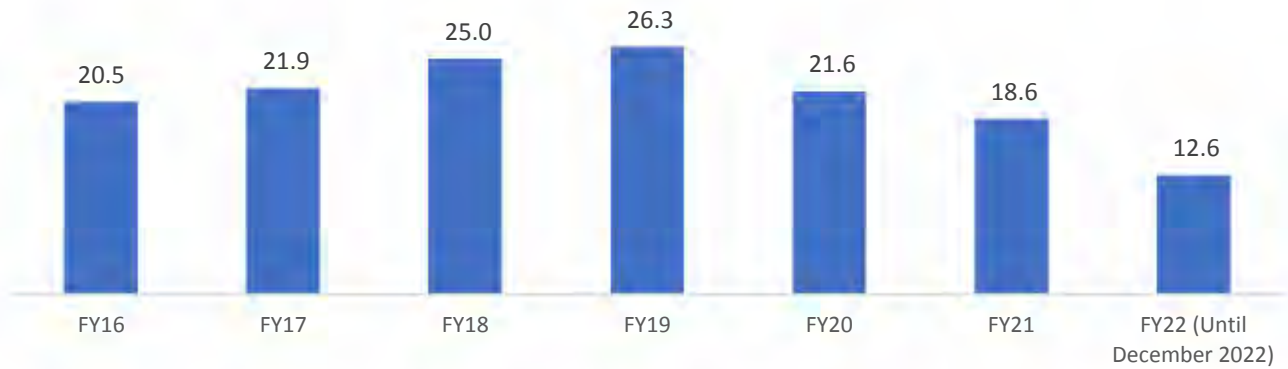
### The Automobile Sector<sup>1</sup>

The automobile industry is one of the primary contributors to the Indian economy. Its current contribution to India's GDP is ~7% and it employs ~3.5 crore people directly and indirectly. India's domestic market is the fourth largest auto market in the world, with domestic sales of 26.3 million vehicles at its peak in fiscal 2019.



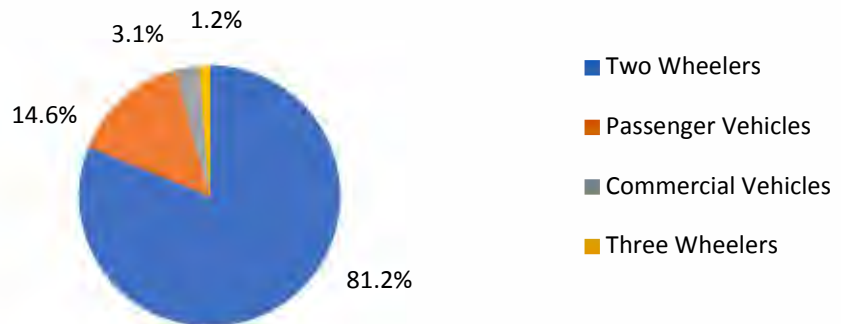
<sup>1</sup> <https://www.ibef.org/industry/automobiles-presentation>.

### Number of Automobiles Sold in India (in million)



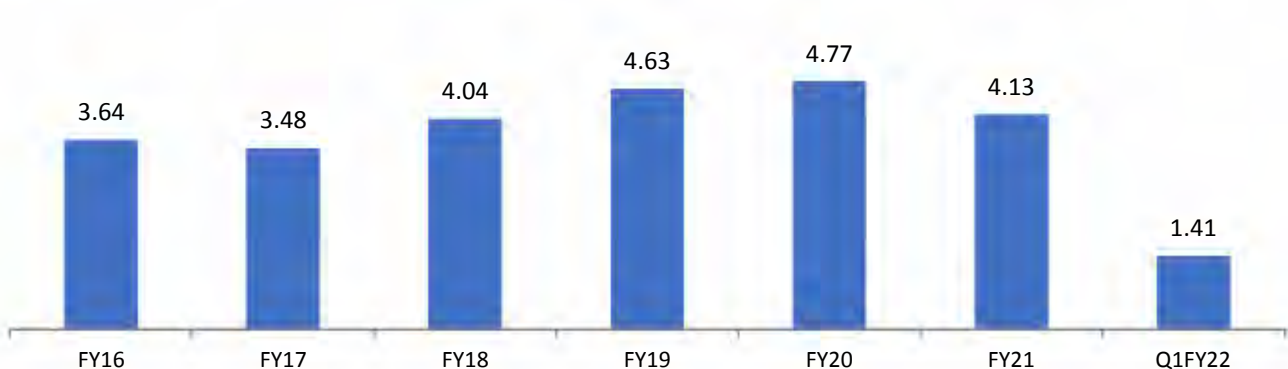
Domestic auto sales in India registered a healthy growth of 8.7% over the period FY16-19. In the years FY20 and FY21, the sector witnessed de-growth primarily due to sectoral downturn followed by the onset of COVID-19 pandemic. While the sector has continued to face the challenges posed by the pandemic, in Q1FY22, India witnessed a sharp 113% growth in the total domestic sale of vehicles. The Indian auto industry is expected to record strong growth in 2021-22, indicating trends of recovery from effects of COVID-19 pandemic.

### Segment-wise Domestic Market Share in FY21 (%)



Two-wheelers and passenger vehicles dominated the domestic auto market. Passenger car sales were dominated by small and mid-sized cars. Two-wheelers and passenger vehicles accounted for 81.2% and 14.6% market share, respectively, accounting for a combined sale of over 17.8 million vehicles in FY21.

### Number of Automobiles Exported (in millions)



Overall, automobile export reached 4.77 million vehicles in FY20, growing at a CAGR of 6.94% during FY16-FY20 and dipped to 4.13 million vehicles in FY21 on account of the Covid-19 pandemic, the Indian automobile exports stood at 1,419,430 units from April 2021 to June 2021, compared to 436,500 units from April 2020 to June 2020.

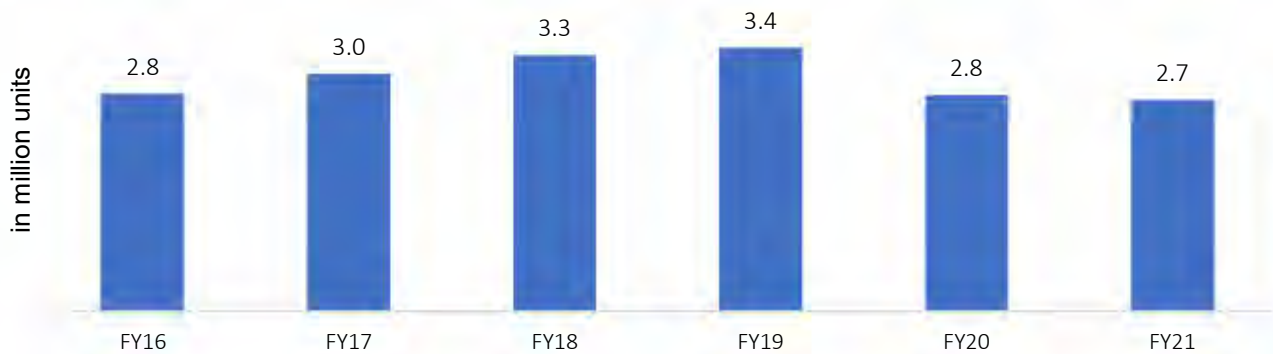
Two-wheelers made up 73.9% of the vehicles exported, followed by passenger vehicles at 14.2%, three-wheelers at 10.5%, and commercial vehicles at 1.3%.

**Indian PV Industry**

Amid challenges heaped by the pandemic, the country’s GDP contracted 7.3% in fiscal 2021. However, while PV production declined ~11% and exports plunged ~41%, domestic sales fell only ~2%. The impact on domestic sales was limited as personal mobility received a boost as social distancing because of Covid-19 led to people avoiding public transportation and shared mobility services.

In the case of sales, on the domestic front, the PV industry clocked 6.7% CAGR between fiscals 2016 and 2019. A large part of the increase was because of 14.9% CAGR in sales of UVs.

**Historical PV Sales (FY16-FY21)**



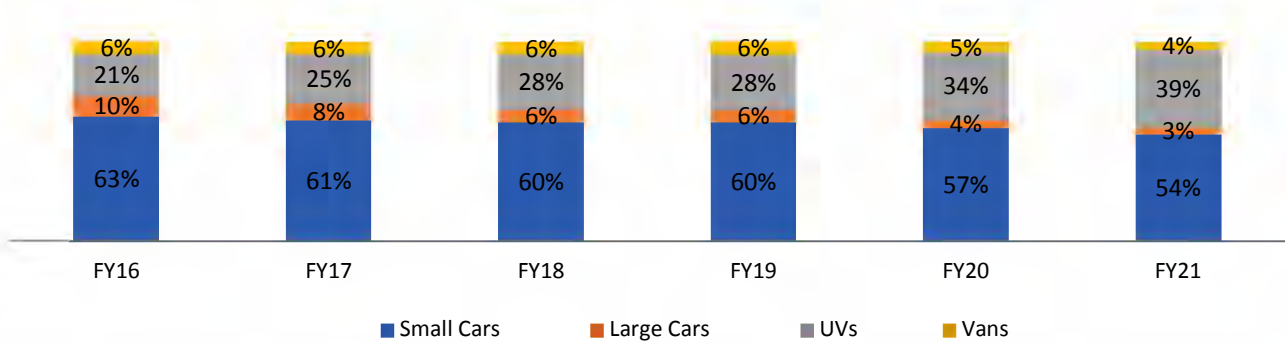
Source: SIAM

**Indian PV Industry Split**

Small cars have been leading PV production for years. However, with consumer preference shifting to UVs, as well as high number of UV launches in recent years, the share of small cars in the overall production pie is shrinking. From 63% in fiscal 2016, the share of small cars in overall production contracted to 54% in fiscal 2021. On the other hand, the share of UVs increased from 21% to 39%.

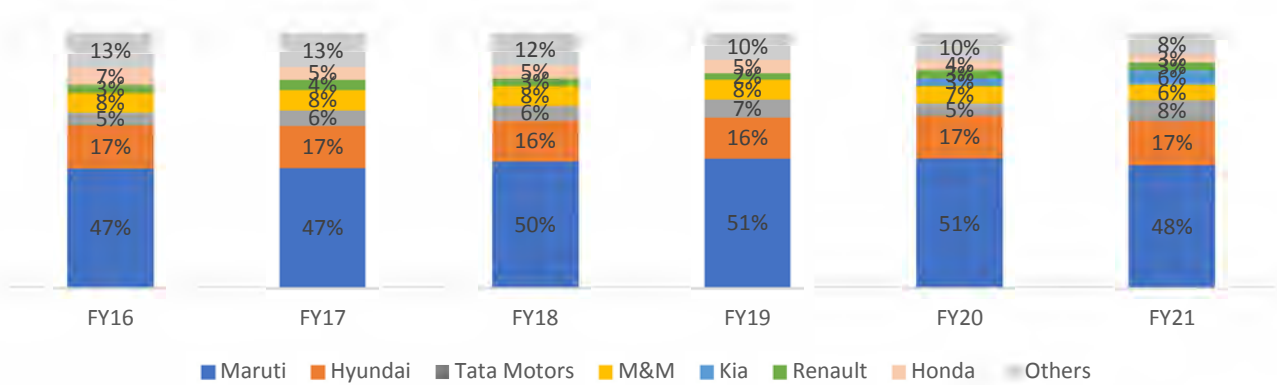
The continuing majority share of small cars in total production, especially domestic PV sales, is because the lower ticket size makes it affordable to the average Indian consumer and ideal for first-time car buyers. But the price differential is narrowing. The UV segment, which traditionally appealed to customers who valued larger seating capacity and the ability to drive on rough, rural roads, has witnessed a major shift in customer preference with the launch of compact UVs.

**PV Split - Segment Wise (FY16-FY21)**



Source: SIAM

### PV Split – OEM wise (FY16-FY21)



Source: SIAM

Maruti Suzuki dominates the market, with 48% share of fiscal 2021 domestic sales. Hyundai is a distant second, at 17%. While Mahindra & Mahindra and Tata Motors together comprise another 14% to the domestic market, recent entrants such as Kia and MG have also grabbed significant shares, supported by competitively-priced feature-rich models.

#### Growth Drivers for the PV industry

- **Increasing demand for personal mobility**

Increased need for social distancing amidst the Covid pandemic accentuated the demand for personal mobility. Need for personal mobility provided a significant push to the PV segment demand in fiscal 2021 and 2022. Despite the reduction of new Covid cases, the demand for personal mobility has not subsided and is expected to continue in the medium term providing an additional fillip to the passenger vehicle demand. The increasing disposable income will support the growth in personal mobility demand.

- **Shift towards premium products/variants**

Consumers are increasingly preferring premium, aesthetically superior and technology savvy products, driven by rising disposable income and exposure to developed markets. Consumers are emotionally attached with discretionary products, such as passenger vehicles, two-wheelers, where such products often symbolise their lifestyle. Therefore, consumers are increasingly willing to pay for aesthetically superior and differentiated products. Consumer preference is shifting towards bigger cars. Demand for small cars have declined from 63% in 2016 to 54% in 2021. In addition, the demand for mid- and top- variants of passenger vehicle models has seen a gradual increase over years.

- **Increasing preference towards UVs**

Over years, there has been a clear shift in consumers' preference towards UVs. This is evident in the growth in the share of UVs in total volumes from 21% in FY16 to 39% in FY21. Further, rise of the compact variants of the UVs has also assisted in shifting of demand from other segments to UVs. OEMs have over the period been providing significantly higher features in the new UV models, which provides a clear opportunity to component makers to increase their content per vehicle.

- **Underpenetrated market huge potential for cars and UVs**

India's car market is highly underpenetrated compared with most developed economies and some developing nations. As of fiscal 2020, India had 24 cars per 1,000 people. This is significantly lower than both developed nations and even other nations in the BRIC block (Brazil, Russia, and China) based on per-capita GDP. Brazil, Russia and China had 173, 307 and 99 PVs per 1,000 people, respectively, in 2015. Thus, the country holds tremendous potential for automobile manufacturers. Also, comparing on the basis the penetration of cars and UVs with per-capita GDP across countries, India still lags behind most countries, and it is expected the gap to reduce gradually after a decline in fiscal 2021.



- **Expected improvement in macroeconomic factors after subdued growth in fiscal 2020 and a decline in fiscal 2021**

GDP growth will continue to be consumption-led, assuming normal monsoons, softer interest rates and inflation, and implementation of Pay Commission hikes by states, which will drive purchasing power

- **Growing Demand:**

The rise in middle class income and the increase in the young population in India are expected to lead to strong growth. India was the fourth largest automotive market in the world in financial year 2020 and, due to the COVID-19 pandemic, there has been a strong pull towards using personal vehicles as compared to public transport or shared mobility.

The Indian automotive industry (including component manufacturing) is expected to reach Rs. 16.16-18.18 trillion (US\$ 251.4-282.8 billion) by 2026.

### Government Policies

- **Emission norms**

BS-VI emission standards are issued by the government to regulate the output of air pollutants from motor vehicles. In February 2016, the government decided to skip BS-V standards and move directly to BS-VI norms by April 2020. The stringent BS-VI norms incorporate substantial tightening of nitrogen oxides (NO<sub>x</sub>) and particulate matter (PM). These emission standards pushed vehicle prices higher. There was a larger price increase in the diesel segment due to the significant upgradation of engines and exhaust systems.

The increased vehicle prices and subdued finance availability post the implementation of the norms resulted in a sudden increase in both the initial cost of acquisition and total cost of ownership even as the freight scenario remained lacklustre, impacting viability for transporters.

- **Electric mobility in India**

The central and state governments, through various ministries, have formulated several policies for the development of the electric vehicle (EV) sector in India.

- Reduction in the GST rate for EVs and chargers
- Income tax deduction of Rs 1.5 lakh on EV loans
- Announcement of FAME-II (Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles) subsidy for two- and three-wheelers and commercial PVs and buses. Under FAME-II, the central government has also sanctioned 2,636 charging stations across 62 cities
- Revision of vehicle warranty to three years (up to 20,000 km) from the one year earlier
- Announcement of the Phased Manufacturing Plan (PMP) to discourage imports and encourage localisation in an effort to reduce the cost of electric components such as traction motors, traction motor controllers, battery packs, and battery management systems
- Various states have announced their specific EV policies offering incentives such as reduced rates for EV charging, rebates on road tax, interest-free loans for auto component manufacturers, and cost split for skill development

- **Automotive Mission Plan 2016-2026**

The second Automotive Mission Plan (AMP 2016-2026) outlines the growth trajectory of Indian automotive industry. Its key highlights are as follows:

- The industry to grow 3.5 to 4 times its current value of \$74 billion to \$260-300 billion
- Set following growth targets for various vehicle segments:
- Passenger vehicles to increase between 9.4 and 13.4 million units
- CVs to grow between 2 and 3.9 million units
- Two-wheelers to grow between 50.6 and 55.5 million units

- Tractors to grow between 1.5 and 1.7 million units
- India to be among top three global automotive industries in terms of engineering, manufacturing and export of vehicles and auto components
- The industry to contribute over 12% to India's GDP and generate about 65 million additional jobs
- The industry to be made the engine of 'Make in India' initiative
- Increase exports to 35-40% of overall output
- Implement End-of-Life policy for automotive vehicles and components
- The auto-component industry to grow between Rs 59.35 billion and Rs 73.20 billion

- Impact of PLI on automotive industry**

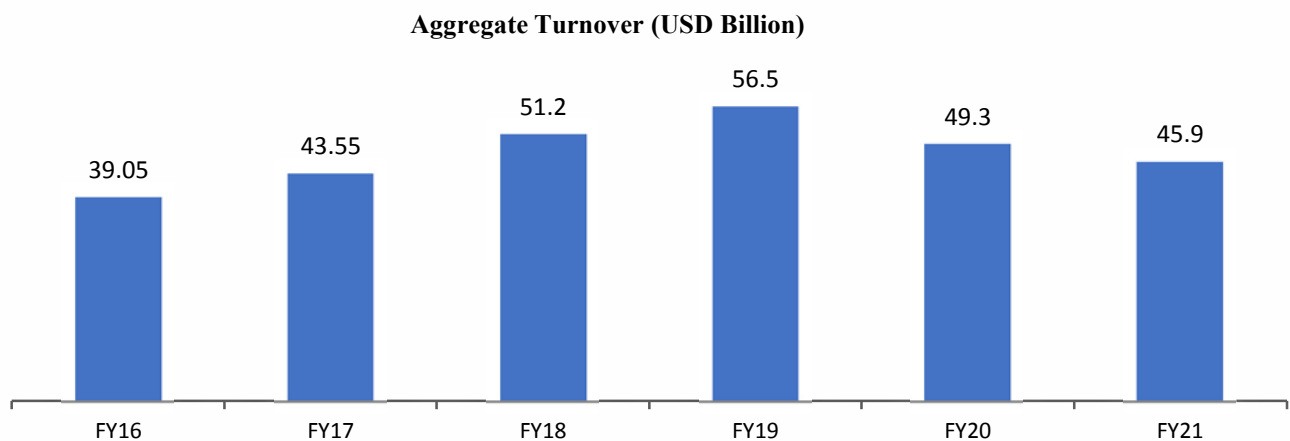
The government has budgeted ~Rs 1.7 lakh crore as production-linked incentives to local manufacturing units in 13 key sectors. The key sectors likely to benefit from the scheme include: automobiles, pharma, telecom, electronics, food, textiles, steel and energy. By incentivising production, subject to achieving the desired scale, the scheme aims to spawn a handful of globally competitive large-scale manufacturing units in the identified sectors. Furthermore, the government also hopes to reduce India's dependence on raw material imports from China. The scheme is expected to provide a boost to economic growth over the medium term and create more employment opportunities, as many of these sectors are labour-intensive in nature.

Sector	Segment	Budgeted (Rs crore)*	
Automobiles	Advance chemistry cell (ACC) battery	18,100	44,038
	Automobiles and auto components	25,938	

\*Approved financial outlay over a five-year period  
Source: Government websites,

### The Auto Component Sector

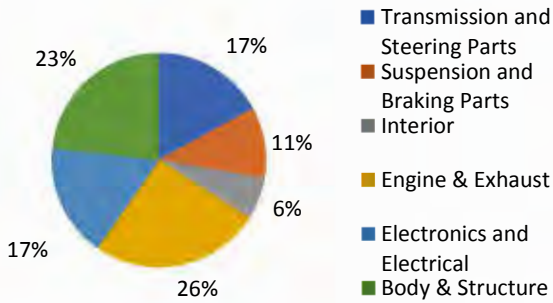
The Indian auto-components industry has experienced healthy growth over the last few years. The auto-components industry expanded over FY16 to FY20 to reach US\$ 45.9 billion in FY21. Auto-components industry account for 2.3% of India's Gross Domestic Product (GDP) and employs as many as 1.5 million people directly and indirectly. A stable government framework, increased purchasing power, large domestic market, and an ever-increasing development in infrastructure have made India a favourable destination for investment. Strong international demand and resurgence in the local original equipment and aftermarket segments are predicted to help the Indian auto component industry grow by 20-23% in FY22.



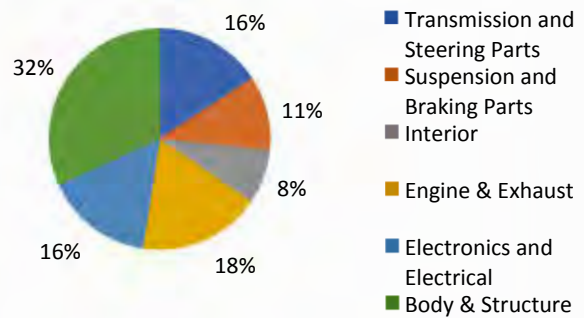
Source: IBEF

Both domestic and export markets are almost similar in terms of potential share by different product types. Engine and Exhaust components along with Body & Structural parts are expected to make up nearly 50% of the potential domestic sales as well as export in 2020. Transmission and Steering Parts and Electronics and Electrical equipment are likely to be the other key products. (Source: India Brand Equity Foundation)

**Domestic Market Potential by Components (2020E)**



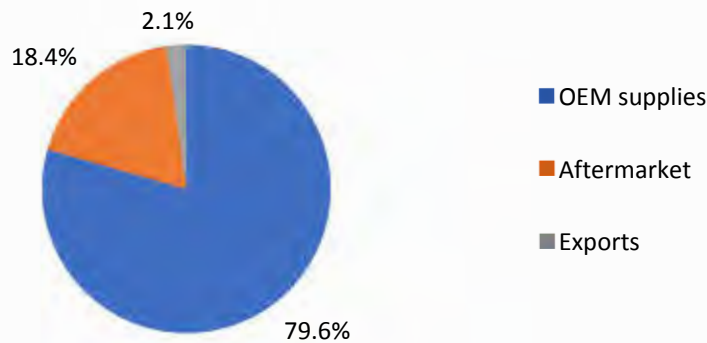
**Export Market Potential by Components (2020E)**



Source: IBEF

The industry can be broadly classified into organised and unorganised sectors. The organised sector caters to original equipment manufacturers (OEMs) and consist of high-value precision instruments while the unorganised sector comprises low-valued products and caters mostly to the aftermarket category. Domestic OEM supplies contributed ~79.6% to the industry’s turnover, followed by domestic aftermarket (~18.4%) and exports (2.1%) in FY21.

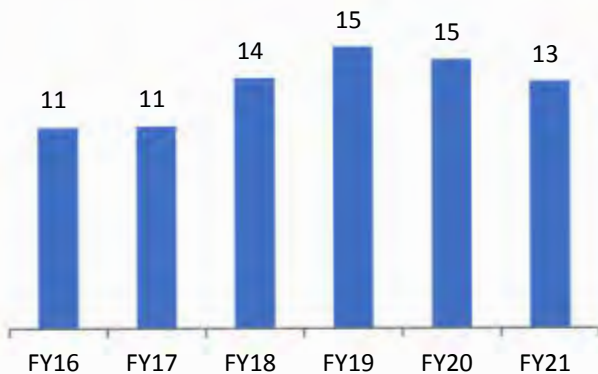
**Share in Turnover of the Auto Components Industry (FY21)**



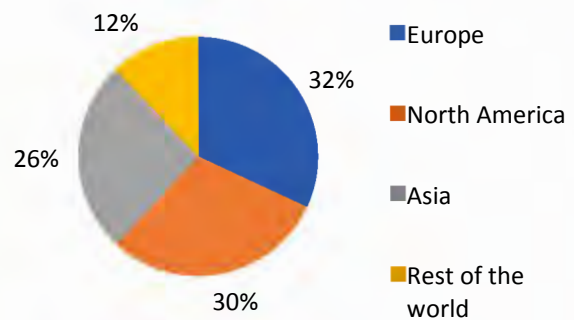
Source: IBEF

Exports of automobile components from India increased at a CAGR of 4.2% from USD ~11Billion in FY16 to USD ~13 Billion in FY21. Europe accounted for 32% volume share of the total auto component exports during FY21, followed by North America (30%) and Asia (26%) of the total auto component export during FY21.

**Value of Auto Component Export (US\$ billion)**



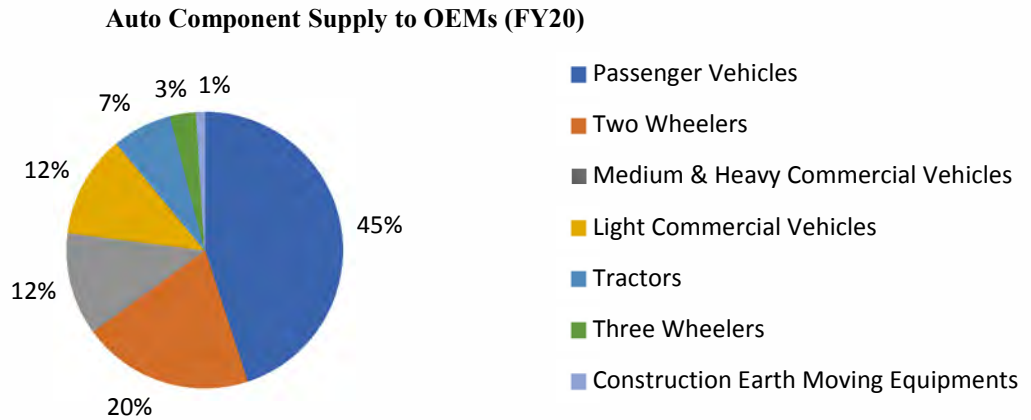
**Share of Export by Geography (FY21)**



Source: IBEF

India’s auto component aftermarket contributed 18.4% (amounting to Rs. 64,524 crore (USD 8.7 Billion) to the industry’s turnover in FY21. Aftermarket turnover increased at a CAGR of 5.05% from USD 6.8 Billion in FY16 to USD 8.7 Billion in FY21 and is expected to reach USD 32 Billion by 2026. Out of the overall aftermarket turnover, ‘drive transmission and steering’ product category accounted for 21% of the aftermarket share followed by ‘Engine components’ and ‘Electricals and Electronic components’ with 19% and 18%, respectively.

Of the total auto component supplies to OEMs in FY20, passenger vehicles had the highest share followed by two wheelers and light commercial vehicles (LCV).



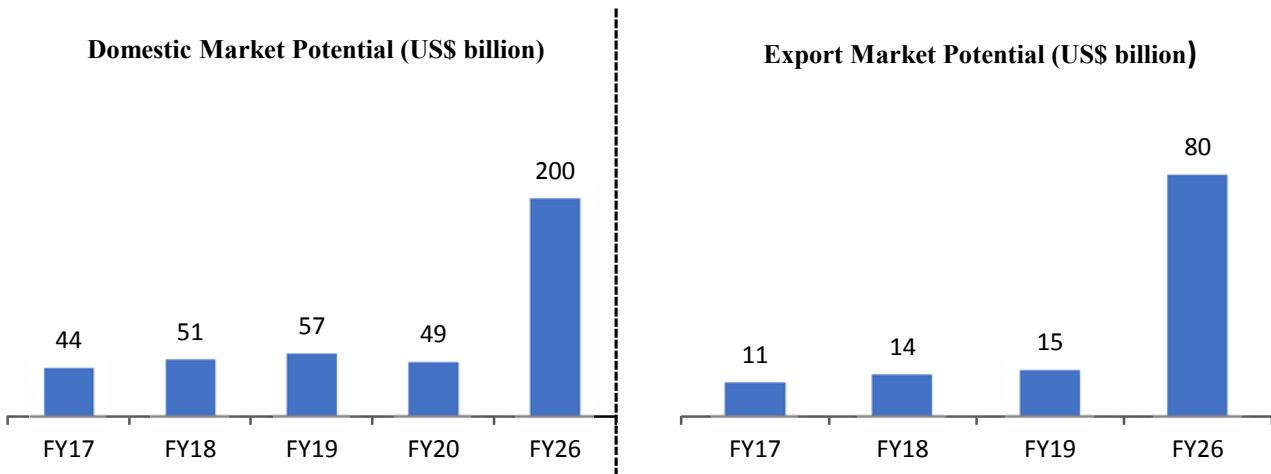
Source: IBEF

**Growth outlook**

The historical and expected growth in the UV and premium vehicle segments in the PV industry coupled with the rapid automotive premiumization trend is set to drive the expansion of the Indian auto component industry.

The rapidly globalising world is opening newer opportunities for the transportation industry, especially while it makes a shift towards electric, electronic and hybrid cars, which are deemed more efficient, safe, and reliable mode of transportation. Over the next decade, this will lead to newer verticals and opportunities for auto-component manufacturers, who would need to adapt change via systematic R&D.

The Indian auto components industry is expected to grow to US\$ 200 billion by FY26. This growth will be backed by strong export demand which is expected to rise at an annual rate of 23.9% to reach US\$ 80 billion by 2026.



Source: IBEF

**Wiring Harness Business**

Automotive wiring harness is an electrical assembly of various components in a vehicle that transmits power and information to a single system. It plays an important role in transmitting information about the operation of the vehicle, sending & receiving sensor signals, and supplying power. The components that are assembled include speed sensors, heating, ventilation and air conditioning systems, electrical devices, and other electronic components. In the automotive wiring harness industry, the wires are first cut to the desired length, usually using a special wire-cutting machine. The wires may also be printed on by a special machine during the cutting process or on a separate machine. After this, the ends of the wires are stripped to expose the metal (or core), which are fitted to the required terminals or connector housings. The cables are assembled and clamped together on a special workbench or onto a pin board (assembly board), according to the design specification, to form the cable harness. After fitting the required protective sleeves, conduit, or extruded yarn, the harness is either fitted directly in the vehicle or shipped.

The Indian automotive wiring harness market is driven by rapid growth of the automobile industry owing to various technologically advanced features implemented in vehicles. High competition exists among car manufacturers to design cars with various safety features and electronic gadgets. In contrast to the conventional wiring methods, automotive wiring harness provides secure and reliable connections, among such gadgets. In addition, deploying such wiring harness systems improves the fuel efficiency of the vehicle and complies with the ongoing government regulations for fuel usage and emissions. These advantages of automotive wiring harness, in turn, are fueling the Indian automotive wiring harness market growth.

The increase in use of safety sensors, such as blind spot detection and automated steering control systems, provides numerous opportunities for market expansion. That said, the Indian government allowing 100% foreign equity investment for automobile sector, has made India a lucrative market for automotive wiring harness market manufacturing companies. Additionally, a number of new registrations per year are increasing throughout other emerging markets, especially in South-East India, which is serving as a positive growth environment for automotive wiring harness manufacturing companies.

With increasing premiumization in the PV industry, the wiring harness content in a vehicle is set to rise. Recent technology developments that are driving this increase in content per vehicle include –

1. **Electrification** – A critical component in EV is an electric wire harness. Compared to a conventional ICE vehicle, the requirement of the wire harness, supplied by auto component makers, is significantly higher in an EV. New vehicle technologies in an electric vehicle require additional electrical wiring harness.
2. **Connected Vehicle** - Vehicles are becoming highly connected as part of the internet of things and internet of vehicles, transforming the vehicle into a seamless interface between our connected lives at home and at work. The integration of screens and displays into almost any imaginable interior surface demonstrates the vehicle's growing role as a hub for entertainment, communications, and productivity.
3. **Artificial Intelligence** - Artificial intelligence in vehicles enables facial recognition, computer vision, and other machine learning algorithms to help personalize the user experience and vehicle settings by processing and 'learning' from incoming data. This requires the inclusion of a myriad of cameras and other hardware all over the vehicle. These cameras are usually connected to an electric control unit via coax or high speed data cables.
4. **Autonomous Driving**- Autonomous driving requires the addition of a multitude of hardware redundancies and fail safe mechanisms to prevent single points of failure that could disable the autonomous system unexpectedly. System redundancies are critical because unexpected failures may cause the vehicle to crash if the driver isn't paying attention or actively involved in the driving and steering process. This will further propel the need for wiring harness to manage such hardware redundancies.

The Indian automotive industry is witnessing a phase of rapid transformation and growth which is expected to drive the growth in the automotive wiring harness market.

## OUR BUSINESS

*Some of the information contained in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section “Forward-Looking Statements” on page 7, for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” on page 13, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.*

*We have included various operational and financial performance indicators in this Information Memorandum, some of which may not be derived from our Audited IND AS Financial Statements or otherwise subjected to an examination, audit or review by our Statutory Auditors or any other expert. Our fiscal year ends on March 31 of every year, so all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.*

*The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Information Memorandum, including the information contained in “Risk Factors”, “Industry Overview”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Statements” on pages 13, 58, 162, and 131 respectively.*

### Overview

The journey started in 1986 when Motherson Sumi Systems Limited (MSSL) was established as a joint venture with Sumitomo Wiring Systems (SWS), Japan; this was followed by a listing in 1993 on stock exchanges in India

Our Company was incorporated as a public unlisted company on July 2, 2020 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Mumbai, Maharashtra. The Company is authorized, by its Memorandum of Association, *inter alia*, to carry on the business of manufacture, produce, develop, fabricate, assemble, buy, sell, distribute, import, export, alter, repair, remodel, hire, exchange, repair, service and otherwise deal in wiring harness of every kind and description, component and parts thereof including electrical parts and electronic parts, spare parts, developing software’s, accessories, tools, implements, materials and products thereof, including for the automobiles or any other application(s), within India.

Motherson Sumi Wiring India Limited was established as a result of the demerger of the domestic wiring harness business from its parent company Motherson Sumi Systems Limited (MSSL). This step also helped the company to streamline and enhance focus on the wiring harness business in India and better equipped the company to meet the current and future needs of the customers in India. Motherson Sumi Wiring India Limited enjoys a product profile that benefits from favourable industry trends of premiumization, leading to an increase in electrification in automobiles and supports existing and future automotive themes.

After the Scheme becoming effective, the activities of the DWH Undertaking of Motherson Sumi Systems Limited have been vested in our Company.

The Equity shares of our Company will be listed on the BSE and the NSE.

We are growing with the trust of customers. Our humble beginnings began with manufacturing a t-coupler for Maruti. This beginning paved way for the ties with our technical partner Sumitomo.

### Overview of the DWH Undertaking

A wire harness, also known as a cable harness, is an assembly of electrical cables which transmit signals or electrical power. The cables are assembled together by a durable material such as rubber, vinyl, electrical tape, conduit, or a combination thereof. Due to the importance of wiring harness to the electrical function of the vehicle, any change in a minor electrical circuit of vehicle calls for a change in wiring harness. As a result, this product is highly sensitive to variations.

The Company manufactures wiring harness for the entire cross section of automotive industry – from passenger cars to commercial vehicles, two wheeler and three wheeler, multi utility vehicles, farm equipment / tractors, material handling equipment and off-road vehicles. The company deploys state of the art technology in Manufacturing. Auto Cut, Strip , Crimp and Assemble Machine with different modules initiate the Wiring Harness manufacturing process with poka-yokes, automation to ensure First Time Right -Every Time Right product. Heat Resistance welding (A.C. & D.C.

Types) & Ultrasonic welding is deployed for creating a solid metallurgical bond between the individual wires through vibrating the strands together.

Assembly Operations involve deployment of conveyerized systems with automated controls. First Time Right is the key mantra which is followed at all process levels in Assembly Operations. Final Product testing is done using test machines equipped with Poka-Yokes to ensure conformance to defined product specifications. Vision Camera's are also used for inspections to eliminate manual intervention. Auto Guide Vehicles (AGV's) are deployed for real time movement of Finished Goods from Assembly Lines. IT enabled navigation systems are deployed in Stores for error free material issuance.

Certain *pro forma* financial line items, giving effect to the demerger of the Domestic Wiring Harness Undertaking into and with the Company is as provided below:

Rs. in Million				
Particulars	FY 19	FY 20	FY 21	Half year ended Sep 30, 2021
Revenue from operation	44,838	39,439	41,382	25,138
EBITDA	7,399	5,294	4,757	3,008
EBITA Margin %	16.5%	13.4%	11.5%	12.0%
EBIT	6,426	4,294	3,824	2,534
EBIT Margin %	14.3%	10.9%	9.2%	10.1%
Profit of Associates	NA	NA	NA	NA
Less: Minority Interest	NA	NA	NA	NA
PAT (concern share)	3,923	2,860	2,534	1,748
PAT Margin %	8.7%	7.3%	6.1%	7.0%
Gross Debt (excl. lease liability)	63	333	814	966
Cash	202	317	372	183
Net Debt (excl. lease liability)	(139)	16	442	783
Lease liability (under IND AS 116)	3,346	3,342	3,072	2,595

### **Key strengths/ Core Competency**

#### **1. Ability to consolidate its customer preferred position across product segments**

We believe that we are a customer-preferred partner in the wiring harness segment for several customers and OEMs in India. We believe our advantageous market position is the result of our focus on customers. Our geographical proximity to the customers' operations and ability to scale our operations to their specific requirements enables us to efficiently and effectively address customer needs. We believe we are able to leverage our design expertise, information technology and production capabilities to enhance vertical and technological integration of our operations.

#### **2. Diversified customer base with strong customer relationships with major automotive OEMs**

Our domestic footprint has enabled us to strategically locate our facilities within close proximity to the plants of our OEM customers, which enhances our ability to supply our customers in a timely and cost-efficient manner. We mostly assemble our products in close proximity to the plants of OEM customers and deliver them on a "just-in-time" and "just-in-sequence" basis directly to our customers' production lines with minimal lead times. As a result, we believe we are able to increase the efficiency of our customers' supply chains and strengthen our status as a preferred supplier. We believe we are a trusted partner and a strategic Tier 1 supplier to leading

OEMs and have well established strategic relationships with several of our customers, including key market players in the consumer and commercial automobile segments. ***Pan India industrial footprint, close to customer locations***

We have pan India presence, with a total of 23 (twenty three) facilities. Our presence gives us access to our customers on a localised basis, with most of our manufacturing facilities located in recognised automotive manufacturing areas and generally in close proximity to our automotive OEM customers. This proximity allows us to optimise our deliveries to our customers and facilitates greater interaction with our customers while enabling us to respond to their requirements in a timely manner. We believe this plays a role in the relationships that we have developed with our key customers over time.

3. ***Prominent research and development capabilities and a track record of innovation***

Our research and development capabilities are a result of a combination of the technological knowledge of our Promoters and of those we have internally developed. Our relationship with respect to technical collaboration with Sumitomo Wiring Systems Limited spans over 35 (Thirty-Five) years.

4. ***Organic development***

We are committed to technological leadership and the development of innovative and high-quality products in order to meet both the growing demands of our customers with regard to product complexity and feature content as well as increasingly stringent environmental goals and regulatory requirements.

5. ***Experienced board and management team***

We benefit from a strong professional management team. The majority of our team has been with the Company or its legacy businesses for several years, demonstrating a high degree of continuity and commitment in our leadership. Our management team has a demonstrated track record of achieving improved financial results and has solidified the customer relationships. In addition, we have experienced and stable senior managers with significant experience and understanding of their respective markets and regions. Our strategy is to empower local management, ensuring they have ownership of day-to-day operational decisions while being guided by central principles aligned to the Motherson's vision and strategy.

We believe that the strength of our management team combined with our decentralized business model enables us to take advantage of strategic market opportunities, to make decisions at the local level quickly and to better serve our customers. As a result of the foregoing, we have been able to successfully achieve operational improvements, increase operating margins and leverage our long-standing relationships with OEMs to drive revenue growth and win new and repeat business.

6. ***Strong parentage and access to world-class technology***

We are a Company with strong strategic partners and Promoters namely, Motherson Sumi Systems Limited ("MSSL") and Sumitomo Wiring Systems Limited ("SWS"), who play a crucial role in our growth by helping us enhance our product quality at competitive costs. Their support for the development of state-of-the-art technologies helps us consistently deliver lasting value to our customers. The partnership provides the Company with a robust technology base and a strong orientation towards research. MSSL has established relationship with global OEMs in India as well as across the world. The group is ranked 21<sup>st</sup> largest auto ancillary globally<sup>2</sup>. Similarly, SWS is technology leader in wiring harness business. The Company will benefit by strategic leadership and technology support from its partners.

7. ***Enhancing partnerships through increased localization.***

A company that started out as a build to print partner in 2000 has evolved over the last two decades to become a cost and manufacturing optimization partner, design partner, full system design partner, and today an advanced technology partner for its customers. Starting from localisation of wires and small components in the early 2000, today the company has the in-house capability to localise and integrate critical advance technological products such as BCM, junction box, SMART power distribution elements, adaptable connection etc. with special focus

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<sup>2</sup> Supplement to Automotive News issue dated June 28, 2021 (©Crain Communications Inc.)



on High Voltage & EV solutions, Gateway and network controllers etc.

8. ***Well positioned to leverage industry mega trends.***

The company is well positioned to take advantage of rapidly changing trends in the automotive market. The rising demand for customisation leads to more wiring harnesses per vehicle (increase in content per vehicle). More connectivity features in a vehicle leads the demand for high value SMART harness components. With the demand for sustainable technologies and advanced safety and emission norms, the value per harness goes up and so does the electronics and EV solutions offered by the company. For electric vehicles / alternative powertrains, the company (with support from SWS, a global leader in wiring harnesses for alternative powertrain solutions) is fully equipped to provide high voltage solutions, wiring harnesses and components, as required in electric vehicles / alternative powertrains.

**Business Strategies**

Our vision is to be a preferred solutions provider in the automotive industry in India, which we aim to achieve by continuing to pursue the following strategic actions driven by our philosophy that focuses on consistent, outstanding performance, strengthening of customer relationships built on trust and increasing client engagement as well as developing and supplying long-term sustainable value additions and content per vehicle:

1. ***Customer-centric approach***

We are a customer-focused company. In assessing new investment opportunities, we will continue to consider, among other things, whether an investment will result in an attractive internal rate of return. Client requests and recommendations have also been an important factor in majority of our past decisions to acquire other businesses, which we believe demonstrate our clients' trust in our ability to assist their business. Our philosophy focuses on consistent outstanding performance, strengthening customer relationships built on trust and pursuing greater client engagement.

2. ***Drive further efficiency and continue to improve our cost base and CAPEX efficiency***

We intend to continue to improve the efficiency of our operations and reduce our cost base by taking advantage of our vast footprint and economies of scale as well as by targeting savings in our administrative, procurement and production processes. We also aim to continue investing in capital expenditures to strengthen our capabilities, which we believe would lead to a more efficient utilization of our assets and lead to better profitability across our business segments.

3. ***Leverage on India Growth story with focus on domestic market***

The Company is focused on catering to the domestic market, which has high growth potential, while also undergoing changes due to new industry trends. With a focus on the Indian domestic market, the Company will assist its customers in meeting new market requirements as they emerge. We are well-positioned to capitalise on industry megatrends such as increasing vehicle content, adding high-value SMART components, developing sustainable technologies (BS-VI / safety regulations), and working on high-voltage solutions harness and components for electric vehicles.

4. ***Helping OEMs adapt to India's fast-evolving market***

The Indian automotive and mobility industry is evolving rapidly, with a multitude of factors driving growth. As a result, OEMs are looking for partners who can deliver world-class wiring harness solutions that help them stay ahead of the competition.

5. ***Being a full system solutions provider***

Being a full system solutions provider to its customers, the Company brings outstanding skills and vast experience in manufacturing, assembly and in-sequence delivery of integrated, cutting-edge electrical and electronic distribution systems for power supply and data transfer across vehicle types. These systems range from simple, single wire leads to complex wire harnesses, containing hundreds of wires and connectors with a variety of protective coverings as per customer requirements.

We also provide integrated electrification solutions for vehicles with “alternative” powertrains, including high-voltage wire harnesses. The company is equipped to support current and future trends in the wiring harness segment.

6. ***Maintaining a strong focus on product and process innovation***

The Company is continuously working towards meeting present and future customer requirements, focusing on weight and space reductions and productivity for wire harnesses, which continue to become bigger and more complex. We consistently develop and introduce new technological solutions, for internal combustion engine vehicles as well as electric and hybrid vehicles.

In addition, we continuously improve our manufacturing process, to support our customers with the highest-quality products at optimum costs. With evolving vehicle technologies and broad spectrum of options being offered by OEMs to their customers, the wiring harnesses are becoming increasingly complex. In order to efficiently produce these complex wiring harness solutions, we are digitising our manufacturing process even further. For example, we have introduced digital assembly boards, colour detection systems, component presence sensors and online work instructions, which simplify the processes at our wiring harness plants in India and help deliver even better quality.

The Company emphasise on thinking creatively to make all the processes simpler, efficient, and safer. We persistently challenge the current processes to improve and produce better quality products.

7. ***Supporting a wide range of market segments***

The Company is key player in the wiring harness product segment. We manufacture wiring harnesses for all road vehicle types produced by the automotive industry in India.

This means, we supply solutions for passenger cars, two-wheelers and recreational vehicles, commercial vehicles (heavy, medium and light-duty), motorcycles and three-wheelers to multi-utility vehicles, farm and material-handling equipment, and off-highway vehicles. We also manufacture specialised wiring harnesses for consumer durables, office automation equipment, medical diagnostic equipment and other electrical and electronic equipment.

8. ***Following our customers to where they need us***

Over the years, our consistent outstanding performance has resulted in long-term relationships with our customers based on trust. In addition, we follow our customers to wherever they may need us. Today, we support our customers from 23 (twenty three) facilities in all automotive hubs across north, west, and south India. We set-up our plants in close proximity to their facilities, offering them the best solutions for their requirements.

9. ***Expansion plans***

We are currently expanding our capacity at Bangalore as well as setting up unit in Chennai to meet the customer demand for upcoming programs.

**Our Products**

Main products: Wiring harness and its components, *inter alia*, connectors, terminals, housing junction box.

**Manufacturing Units**

The Company operates out of 23 manufacturing facilities (one under construction) manufacturing and supplying products to our customers. These facilities are fully equipped with necessary infrastructure and are on long term lease from MSSL.

**Marketing arrangements**

We focus on high quality customer interaction in order to identify, create and capitalize on opportunities to develop solutions ahead of our customers. Our sales process usually begins with our product development teams that work closely with our customers to create products and solutions to meet the customers' needs. Our customers at times request us to

closely cooperate and work with their own development team or with our collaborator team at Japan. Our sales and marketing team focuses on developing customer relationships, acquiring new contracts for development and manufacturing, identifying and generating new business opportunities.

**Our Resources:**

1. ***Human capital***

Innovative Human Resource (“HR”) practices enable us to create an open environment for employees and develop high performing teams to achieve organizational goals. The company’s value-driven ecosystem forms the heart of all its HR policies. It attracts, develops, motivates, nurtures and retains talent. The senior leadership provides hands-on guidance to all members; down the pyramid to strengthen transparency, build trust and encourage seamless knowledge transfer. We conduct regular training sessions for our employees to upgrade their knowledge and skills.

As on the date of this Information Memorandum, post effectiveness of the Scheme, we have 42,186 employees (including contractual employees) as per the details below:

<b>S. No.</b>	<b>Department</b>	<b>Number</b>
<i>Permanent</i>		
1.	Manager & above ( <i>Permanent</i> )	200
2.	Staff ( <i>Permanent</i> )	2,583
3.	Associates ( <i>Permanent</i> )	20,341
4.	Contractual employees	19,062

3. ***Health, safety and environment***

We are committed to the health and safety of our employees and protection of the environment. Our goal is to provide an injury and accident free work environment by applying leading safety management systems.

4. ***Our intellectual property***

In terms of the Scheme, all intellectual property rights in relation to the DWH Undertaking shall be transferred from the Transferor Company and vested in the Company.

5. ***Insurance***

We have obtained comprehensive general liability insurance policy as well as industrial all risk insurance with respect to our manufacturing facilities, covering *inter alia* buildings, plant and machinery, furniture and stock located therein and policies with respect to our key products and raw materials.

6. ***Internal Control and Risk Management***

The Company has an adequate system of internal control commensurate to its size and nature of operations. The internal control system and process are designed to ensure:

- (a) transactions recorded are accurate, complete, authorized and are in adherence to Ind AS;
- (b) compliance to applicable statutes, corporate policies and procedures; and
- (c) effective usage of resources and safeguarding of assets and ensuring its authorized use.

The Company has a well established internal audit system built on the annual risk based internal audit plan and uses the latest IT tools such as data analytics to enhance the scope and effectiveness of its internal audit function.

7. ***Property***

As on date of the Information Memorandum, we do not own any property. However, as provided under Clause 3.1(c) of Part B of Section I the Scheme, on and from the Effective Date 1, the Company shall enter into

appropriate lease agreements / leave and license agreements, to allow the Company to continue using all immovable property used by the DWH Business. The freehold and / or leasehold rights, as the case may be, of MSSL over such immovable properties leased and / or licensed and / or sub-leased to the Company, shall continue to remain with the Company.

The details of such properties are given below:

S. No.	Details of the Property
1.	Plot No.21 & 22, Sector - 18, Industrial Estate, Gurugram, Haryana, Pin Code – 122050
2.	Kila No. 12/2, Sarai Khwaja, Sector 36, Faridabad, Haryana, Pin Code – 121003
3.	A-3, Sector -84, Noida, Pin Code – 201305
4.	Plot No 5&6 Ecotech II, Greater Noida
5.	B-3&4, Sector 85, Noida, Pin Code – 201301
6.	Plot No. SP1-890&895, Pathredi Industrial Area, Bhiwadi, Dist – Alwar, Rajasthan, Pin Code 301707
7.	A-15, Sector -6, Noida, Dist- Gautam Buddha Nagar, Pin Code: 201301
8.	AV-24, Sanand GIDC Phase -2, Sanand Industrial Estate, Sanand, Ahmedabad, Pin Code – 82445
9.	Plot No. 3, Industrial Growth Centre Integrated Industrial Park Pithampur, Dist- Dhar (MP) Pin Code – 454774
10.	Plot No. 31B, Kiadb, Industrial Area, Phase-I, Kumbalgotu, Bangalore
11.	Plot No.11, Sector-1, Phase-II, Talekuppe, Bidadi Industrial Area, Ramnagar Taluk & Dist., Pin Code – 562109
12.	Survey No 181-186, Village Kuruvenumedu, Taluk Chengalpatta, District Kanchipuram, Pin Code – 603204
13.	RNS 10, Renault & Nissan Suppliers Park, SIPCOT Industrial Park, Oragadam Expansion Scheme, Chennai, Pin Code – 602105
14.	Survey No.348/1A/1B, 348/2-5 and 355/3 Tambaram-Walajabad High Road, Nathanallur and Uthukadu Village Dist. Kanchipuram, Pin Code – 631605
15.	S No.241/1/2, Village Hinjawadi, Taluka Mulshi, Pune, Pin Code -411057
16.	Plot No.8, Sector-5, Pithampur, Distt Dhar, Madhya Pradesh, Pin Code– 454774
17.	Plot No.73/2 & 76/2/1B Village Marunji, Taluka Mulshi Dist. Pune, Pin Code -411057
18.	C-6&7, Sector-1, Noida, Dist. Gautam Buddha Nagar, Uttar Pradesh, Pin Code -201301
19.	A-8 & 9, Sector-64, Noida, Dist. Gautam Buddha Nagar, Uttar Pradesh, Pin Code -201301
20.	D - 36, MIDC, Satpur, Nashik, Maharashtra Pin Code – 422007
21.	A12, Mahaveer Audyogic Aasthan Village, Patlipur, Haldwani, Dist. Nainital, Uttaranchal Pin Code – 263139
22.	562A, Village Natkur, Pargana, Bijnaur Road, Lucknow, Uttar Pradesh Pin Code -226001

<b>S. No.</b>	<b>Details of the Property</b>
23.	C-14A & B, 1A&1B, Sector-1, (Ground floor and basement), Noida (UP), Pin Code – 201301

## KEY REGULATIONS AND POLICIES IN INDIA

*The following description is a summary of certain sector specific laws and regulations in India, which are applicable to our Company. Our functioning requires, at various stages, the sanction of the concerned authorities under the relevant legislations and local bye-laws. Additionally, under the provisions of various Central Government and State Government statutes and legislations, our Company is required to obtain and regularly renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations.*

*The regulations set out below are not exhaustive, and are only intended to provide general information. Applicable shops and establishments' statutes, pollution control, labour and employment statutes and taxation statutes apply to us, as they do to any other company. For details of the material approvals obtained by our Company and our Subsidiaries, see "Government Approvals" on page 170.*

### **Trade Licenses**

Our offices are required to obtain the trade licenses from Municipalities / Municipal Corporations, as the case may be. These licenses are normally granted for a financial year and need to be renewed every year upon payment of certain fees.

### **Shops and Establishments Legislations**

Our offices are required to be registered under the provisions of local shops and establishments legislations applicable in the states where such establishments are set up. These laws regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work, among other things.

### **The Sale of Goods Act, 1930**

The law relating to the sale of goods is codified in the Sale of Goods Act, 1930 ("Sale of Goods Act"). It defines sale and agreement to sell as a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract, and the implied conditions and warranties in a contract for the sale of goods.

### **The Competition Act, 2002**

The objective of the Competition Act, 2002 ("Competition Act") is to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect the interest of consumers and to ensure freedom of trade carried on by other participants in the India. The Competition Act, therefore, prohibits entities from entering into anti-competitive agreements, from abusing their dominance in the market, and it also regulates combinations in India. The Competition Act, therefore, prohibits and prevents, among other things, cartels from forming, dominant entities from creating barriers on the entry of new players, and such takeovers, merger and amalgamations which might have adverse effects on competition in the market. The Competition Act also established the Competition Commission of India as the authority mandated to implement the Competition Act.

### **Transfer of Property Act, 1882**

The Transfer of Property Act, 1882 ("TOPA") deals with change in ownership and possession of immovable property among living persons, including companies. The TOPA, therefore, deals with sale, mortgage, lease, gift and exchange of immovable properties.

### **The Registration Act, 1908**

The Registration Act, 1908 deals with registration of certain documents like lease deeds, etc. leases of immovable property from year to year, or for any term exceeding one year, or reserving a yearly rent are required to be registered under this act.

### **Indian Stamp Act, 1899**

The Indian Stamp Act, 1899 (along with its state amendments) and Stamp Acts of various states (“**Stamp Acts**”) lay down that certain instruments shall be chargeable with a duty of the amount mentioned in the schedule of the relevant Stamp Act. The stamp duty chargeable on an instrument is required to be paid to the relevant state authority, and such payment is indicated on the instrument by means of stamps.

### **The Goods and Services Tax Act, 2017**

Goods and Services Tax (“**GST**”) is an indirect tax levied on the supply of goods and services. GST has replaced many indirect tax laws which previously existed in India such as Service tax, Central Excise Act, Entry Tax, Octroi, etc. The GST is charged on every value-addition on a product or service, for example, from the manufacturer to the wholesaler, and is collected at the destination of consumption. There are three taxes applicable under this system: (a) Central GST, which is collected by the Central Government on an intra-state sale; (b) State GST, which is collected by the State Government on an intra-state sale; and (c) Integrated GST, which is collected by the Central Government on an inter-state sale.

### **Income Tax Act, 1961**

The Income Tax Act, 1961 (“**IT Act**”) is applicable to every company, whether domestic or foreign, whose income is taxable under the provisions of this Act or rules made there under depending upon its residential status and type of income involved. IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax, etc. Every such company is also required to file its returns in each assessment year.

### **The Trade Marks Act, 1999**

The Trade Marks Act, 1999 (“**Trade Marks Act**”) provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement. The Trade Marks Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for infringement, falsifying and falsely applying for trade marks. The present term of registration of a trademark is ten years, which may be renewed for similar periods on payment of a prescribed renewal fee.

### **The Patents Act, 1970**

The Patents Act, 1970 (“**Patents Act**”) governs the patent regime in India. It provides the conditions required to be fulfilled for grant of a patent in India, *viz.* novelty, utility and non-obviousness. It also provides the products and processes for which patent protection shall not be granted even if they satisfy the above criteria. It provides certain rights to a patent-holder and that the term of a patent is twenty years from the date of the filing of the patent application. The Patents Act prohibits any person resident in India from applying for patent for an invention outside India without making an application for the invention in India.

### **The Copyright Act, 1957 (the “Copyright Act”)**

The Copyright Act protects literary and dramatic works, musical works, artistic works, including photographs and audio-visual works (cinematograph films and video). The Copyright Act specifies that for the purposes of public performance of Indian or international music, a public performance license must be obtained. All those who play pre-recorded music in the form of gramophone records, music cassettes or compact discs in public places have to obtain permission for sound recordings.

In addition to the domestic laws, India is a party to several international intellectual property related instruments including the Patent Co-operation Treaty, 1970, the Paris Convention for the Protection of Industrial Property, 1883, and as a member of the World Trade Organisation, India is a signatory to the Agreement on Trade Related aspects of Intellectual Property Rights, 1995.

### **Information Technology Act, 2000 (the “IT Act”)**

The Information Technology Act, 2000 (the “**IT Act**”) has been enacted with the purpose of providing legal recognition to transactions carried out by means of electronic data interchange and other means of electronic communication, commonly referred to as “electronic commerce”. The IT Act also seeks to facilitate electronic filing of documents and

create a mechanism for the authentication of electronic documentation through digital signatures. The IT Act prescribes punishment for publishing and transmitting obscene material in electronic form. The IT Act has extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India.

### **The Environment (Protection) Act, 1986 (the “EP Act”)**

The EP Act has been enacted for the protection and improvement of the environment. EP Act empowers the government to take measures to protect and improve the environment such as by laying down standards for emission and discharge of pollutants, providing for restrictions regarding areas where industries may operate. It is in the form of an umbrella legislation designed to provide a framework for Central Government to coordinate the activities of various central and state authorities established under previous laws. It is also in the form of an enabling law, which delegates wide powers to the executive to enable bureaucrats to frame necessary rules and regulations.

### **Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”)**

The Water Act was enacted to control and prevent pollution and for maintaining or restoring of wholesomeness of water in the country and any person intending to establish any industry, operation or process or any treatment and disposal system which is likely to discharge sewage or other pollution into a water body is required to obtain prior consent of the relevant state pollution control board (“SPCB”). The SPCBs are vested with diverse powers to deal with water and air pollution, have been established at the Central level and in each State. The SPCBs are responsible for setting the standards for maintenance of clean air and water, directing the installation of pollution control devices in industries and undertaking investigations to ensure that industries are functioning in compliance with the standards prescribed. All industries and factories are required to obtain consent orders (renewed annually) from the SPCBs, which are indicative of the fact that the factory or industry in question is functioning in compliance with the pollution control norms laid down.

### **Air (Prevention and Control of Pollution) Act, 1981 (the “Air Act”)**

The Air Act was enacted to provide for the prevention, control and abatement of air pollution in India. It is a specialized piece of legislation, which was enacted to take appropriate steps for the preservation of natural resources of the earth, which among other things include the preservation of the quality of air and control of air pollution. The Air Act stipulates that no person shall, without prior written consent of the relevant state pollution control board, establish or operate any industrial plant, which emits air pollutants in an air pollution control area, as notified by the state pollution control board.

### **The Public Liability Insurance Act, 1991 (the “PLI Act”)**

The PLI Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the government by way of a notification. Under the PLI Act the owner or handler is also required to take out an insurance policy insuring against liability. The rules made under the PLI Act mandate that the employer has to contribute towards the Environmental Relief Fund a sum equal to the premium paid on the insurance policies.

### **Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989 (the “HCR Rules”)**

The HCR Rules are formulated under the EP Act, and are applicable to an industrial activity in which a hazardous chemical which satisfies certain criteria as listed in the schedule thereto, and to an industrial activity in which there is involved a threshold quantity of hazardous chemicals as specified in the schedule thereto. The occupier of a facility where such industrial activity is undertaken has to provide evidence to the prescribed authorities that he has identified the major accident hazards and that he has taken steps to prevent the occurrence of such accident and to provide to the persons working on the site with the information, training and equipment including antidotes necessary to ensure their safety. Where a major accident occurs on a site or in a pipeline, the occupier shall forthwith notify the concerned authority and submit reports of the accident to the said authority. Furthermore, an occupier shall not undertake any industrial activity unless he has submitted a written report to the concerned authority containing the particulars specified in the schedule to the HCR Rules at least three months before commencing that activity or before such shorter time as the concerned authority may agree.

### **The Hazardous Wastes (Management and Handling) Rules, 1989**

The Hazardous Wastes (Management and Handling) Rules, 1989 (“**Hazardous Wastes Rules**”) imposes responsibility



on the person generating hazardous wastes to ensure proper handling and disposal. The Hazardous Wastes Rules require hazardous wastes to be collected, treated, stored and disposed of only in facilities authorized by the State Pollution Control Board.

### **Hazardous Wastes (Management Handling and Transboundary Movement) Rules, 2016 (the “Hazardous Wastes Rules”)**

Hazardous Wastes Rules aim to regulate the proper collection, reception, treatment, storage and disposal of hazardous waste. The Hazardous Wastes Rules impose an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without adverse.

### **Foreign Investment**

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999 (“**FEMA**”) along with the rules, regulations and notifications made by the Reserve Bank of India thereunder, and the consolidated FDI Policy (“**FDI Policy**”) issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India from time to time.

### **Labour related legislations**

Depending upon the nature of the activity undertaken by us, applicable labor laws and regulations include the following:

- The Employee’s Compensation Act, 1923;
- Employees’ State Insurance Act, 1948;
- The Payment of Gratuity Act, 1972;
- The Code on Wages, 2019;
- The Maternity Benefit Act, 1961;
- The Employee’s State Insurance Act, 1948;
- The Employees’ Provident Funds and Miscellaneous Provisions Act, 1952;
- The Industrial Disputes Act, 1947;
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013; and
- The Maharashtra State Tax on Profession, Trades, Callings and Employments Act, 1975.

In order to rationalize and reform labour laws in India, the Central Government has framed four labour codes, namely: (a) the Code on Wages, 2020; (b) Code on Industrial Relations, 2020; (c) the Code on Social Security, 2020; and (d) the Code on Occupational Safety, Health and Working Conditions, 2020.

### **The Factories Act, 1948**

The Factories Act, 1948 (“**Factories Act**”) provides for the health, safety and welfare of all workers while at work in the factory, including adequate maintenance of plant, systems and other places of work, and provision of adequate information, training and supervision. The Factories Act also provides for the approval, licensing and registration of factories by the respective State Governments. Contravention of the provisions of the Factories Act may attract imprisonment of up to 10 (ten years), along with fine.

### **The Contract Labour (Regulation and Abolition) Act, 1970**

The Contract Labour (Regulation and Abolition) Act, 1970 (“**CLRA**”) provides for welfare and health of contract labourers. Under the CLRA, the principal employer has to be registered with the appropriate authority and the contractor has to get licensed by the licensing officer. The contractors are required to provide facilities such as canteens, rest-rooms, first-aid amongst others. In case of failure of the contractor in providing such facilities, the CLRA shifts the obligation upon the principal employer within a prescribed time period. Contravention of the provisions of the CLRA may result in imprisonment of up to three months or a fine of up to INR 1,000 (Indian Rupees One Thousand Rupees Only).

## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief history of our Company

Our Company was incorporated as an unlisted public limited company on July 2, 2020 under the Companies Act, 2013 at Mumbai, pursuant to a certificate of incorporation dated July 3, 2020, issued by the Registrar of Companies, Mumbai, Maharashtra. The registered office of our Company is situated at Unit 705, C Wing, ONE BKC, G Block Bandra Kurla Complex, Bandra East, Mumbai -400051, Maharashtra, India. The Corporate Identification Number (CIN) of our Company is U29306MH2020PLC341326.

Our humble beginnings began with manufacturing a t-coupler. A technical agreement with Tokai Electric in 1983 paved the road ahead for us. Starting from its first facility in Noida, Uttar Pradesh (India), the DWH Undertaking has been expanding its presence, building Greenfield and Brownfield facilities across India to meet customer demands while also preparing for future customer needs and industry trends.

As the Indian population becomes more and more upwardly mobile, the Indian automotive industry has been very successful across segments in the domestic market. With the growth of the industry, the company has expanded its offerings over the years and now caters to all vehicle types, including passenger cars, commercial vehicles, two-wheelers, and multi-utility vehicles, gradually serving all major customers in India.

Major events and setting up of plants in India:

Year	Landmark
1983	The first Maruti Suzuki Car in India rolled out with Motherson Wiring Harnesses manufactured facilities under Motherson Auto Limited.
1984	First facility was established in Sector 1, Noida.
1985	The first Hero Honda Motorcycle in India rolled out with Motherson Wiring Harnesses
1992	Tata Motors added to the customer portfolio.
1993	Second facility established at C6&7, Sector 1, Noida, Uttar Pradesh .
1994	Started cockpit assembly for Mercedes at Pune in India.
1998	Additional facility set up at Noida, C14, Sector 1, Uttar Pradesh for supplies to Honda Siel Cars India Ltd.
2000	Established footprints in Bengaluru, Karnataka with a new facility for supplies to Toyota Kirloskar Motor Pvt. Ltd.
2001	Close to customer location, new facility set up at Gurugram, Haryana for supplies to Maruti Suzuki.
2001	Owned Facility set up at Pune (Hinjewadi), Maharashtra for supplies to Tata Motors
2006	Prototype centre established in Nashik, Maharashtra for supplies to Mahindra & Mahindra
2007	Owned manufacturing facility established at Faridabad, Haryana for meeting the growing requirements of Maruti Suzuki. Later we started supporting our customer Hero Motors as well from same premises.
2009	Another facility set up at Pune (Marunji), Maharashtra which is both manufacturing and a Research and Development Centre supplying to multiple customers like John Deere, Mercedes Benz, JCB India, Cummins, Bosch India, Tata Motors etc.
2010	Greenfield facility set up at Sector 84, Noida, Uttar Pradesh specialising in the manufacturing of airbag harnesses for supplies to Maruti Suzuki.
2010	First facility set up at Chennai, Tamil Nadu for supplies to Renault Nissan

2011	Footprint expansion to Haldwani, Uttarakhand with setting up of a new facility for supplies to Tata Motors
2011	Lucknow facility made operational for supplies to Tata Motors
2012	Owned facility established at Pathredi, Rajasthan for supplies to Maruti Suzuki
2012	Second facility set up at Bengaluru, Karnataka for supplies to Toyota Kirloskar Motor Pvt. Ltd.
2012	Owned facility established for supplies to Mahindra at Noida A 8,9, Sector 64, Uttar Pradesh
2012	Second facility was established in Chennai, Tamil Nadu, to meet the increased customer demand (Renault Nissan)
2015	Facility re-constructed at Noida A 15, Sector 6, Noida, Uttar Pradesh for supplies to Maruti Suzuki
2016	Sanand, Gujarat, facility established for supplies primarily to Maruti Suzuki and Honda Motorcycle & Scooter India Pvt. Ltd.
2016	Third facility established at Chennai, Walajabad, Tamil Nadu for meeting the requirements of various automotive and non-automotive customers
2017	Facility set up at Sector 85, Noida, Uttar Pradesh. The ground floor is dedicated to JCB supplies, while the first floor is dedicated to Honda Motorcycle & Scooter India Pvt. Ltd supplies.
2017	Facility established at Pithampur, Madhya Pradesh for supplies to a cross section of automotive and non-automotive customers.
2018	Second facility established in Pithampur, Madhya Pradesh, for supplies to Suzuki Motors Gujarat.

The company has been expanding and growing in regions that are major automotive clusters across India. Currently, the company operates from facilities spread across the Northern, Southern, and Western zones of India. We will continue to invest in supporting all our customers across our facilities, and across all programs. We constantly learn and improve in our endeavour to become bigger and better and with a purpose to shoulder equal responsibilities and deliver results.

### **Our Main Objects of our Company**

The main objects clause of the Memorandum of Association of our Company is as below:

1. To manufacture, produce, develop, fabricate, assemble, buy, sell, distribute, import, export, alter, repair, remodel, hire, exchange, repair, service and otherwise deal in wiring harness of every kind and description, component and parts thereof including electrical parts and electronic parts, spare parts, developing software's, accessories, tools, implements, materials and products thereof, including for the automobiles or any other application(s), within India.
2. To own, develop, purchase or by any other means acquire and protect, prolong and renew any patents, trademarks, rights (including intellectual property rights), brevets, inventions, licenses, protections, concessions or any other such right which may appear likely to be advantageous or useful to the Company and to spend money, directly or indirectly, in carrying out research and development activities, experimenting upon, testing and improving or seeking to improve any patent, inventions, or rights (including intellectual property rights), licenses, protections, concessions or any other such right which the Company may develop, get developed, acquire or propose to acquire and to use, turn to account, manufacture under, exploit, grant license, sublicenses, concessions, right to use, privileges or enter into such other arrangements, for consideration or otherwise, in respect of aforesaid patents, trademarks, right (including intellectual property rights), brevets, inventions, licenses, protections, concessions or any other such right.

The main objects and objects incidental to the attainment of the main objects, as contained in the Memorandum of Association, enables our Company to carry on its existing business.

### Changes in the activities of our Company

Prior to the Scheme becoming effective, the Company did not carry out any activity.

Upon the Scheme becoming effective and with effect from the Appointed Date 1, the entire business of the DWH Undertaking, together with all its properties, assets, rights, benefits and interest therein, stood transferred to and vested in the Company.

### Amendments to our Memorandum of Association and Articles of Association-

Date of Change / Shareholders' Resolution	Nature of Amendment
November 13, 2020	The Articles of Association of the Company were amended by taking shareholders' approval by way of special resolution on November 13, 2020 to correct an inadvertent error in the cross-referencing of clauses of the Articles.
September 28, 2020	The Memorandum of Association of the Company was amended by taking shareholders' approval by way of ordinary resolution to increase the authorized share capital of our Company from Rs. 5,00,000 divided into 5,00,000 Equity Shares of Re. 1 each to Rs. 33,00,00,000 divided into Rs. 33,00,00,000 Equity Shares of Re. 1 each.
January 5, 2022	The Memorandum of Association of the Company was amended pursuant to the terms of the Scheme upon transfer of Rs. 300,00,00,000 divided into 300,00,00,000 Equity Shares of Re. 1 each of authorized capital of MSSL to the Company.

### Holding Company

Motherson Sumi Systems Limited was the holding company of our Company as on the date of incorporation. As on the date of this Information Memorandum, our Company does not have a holding company.

### Annual General Meeting

The first AGM of the Company was held on September 14, 2021 for appointment of Directors, Statutory Auditors' and adoption of the financial statements for the financial year ended March 31, 2021.

### Subsidiary and Joint Ventures of our Company

Our Company does not have a subsidiary or a joint venture as on the date of the Information Memorandum.

### Key events and milestones in the history of our Company

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

Year	Events
2022*	Transfer and vesting of the DWH Undertaking from Motherson Sumi Systems Limited to Company pursuant to the Scheme.

*\*\*The Scheme was approved by way of an order of the NCLT dated December 22, 2021.*

### Awards and Accreditations

The DWH Undertaking of company has been serving its customers with high-quality products and integrated solutions. The company will work closely with its customers in its endeavour to provide best-suited solutions and services to them through its products and services and earning their trust and appreciation.

The Company strives to score well on all of the performance parameters set by its customers like Quality, Cost, Delivery, Development, Management, Safety, Environment, and Sustainability (QCDDMSES). The awards and the recognition the

DWH Undertaking (which have been transferred from MSSL to the Company pursuant to the Scheme) has received from its esteemed customers is a testimony that the customers recognise and value the efforts of domestic wiring harness business teams.

The DWH Undertaking of Motherson Sumi Systems Limited, prior to the Scheme coming into effect, has obtained the following major awards and accreditations from some of its key customers in the past few years, across various industry segments (like passenger vehicles, commercial vehicles, 2 wheelers, off road vehicles, construction equipment, farm and agriculture equipment etc.)

<b>Key Customers (In Alphabetic order)</b>	<b>Major Awards</b>
Ashok Leyland	<ul style="list-style-type: none"> <li>• Best in Class performance in Delivery</li> <li>• Special Award "Sustain Business alignment for a decade"</li> </ul>
Caterpillar	<ul style="list-style-type: none"> <li>• Best Quality Performance Award</li> <li>• Bronze Level in Supplier Quality Excellence Process</li> </ul>
Honda Cars India Limited	<ul style="list-style-type: none"> <li>• Gold Award for Quality</li> <li>• Customer Satisfaction and Quality</li> <li>• Certificate of Excellence- Spare parts for Quality Cost &amp; Delivery</li> <li>• Kaizen Award Productivity Category</li> </ul>
Honda Motorcycle and Scooter India Ltd	<ul style="list-style-type: none"> <li>• Strong CR efforts In Localization</li> </ul>
India Yamaha Motor Pvt Ltd	<ul style="list-style-type: none"> <li>• Excellence Award for Quality</li> </ul>
Komatsu	<ul style="list-style-type: none"> <li>• Best Performance in Delivery</li> </ul>
Mahindra	<ul style="list-style-type: none"> <li>• Supplier Excellence</li> </ul>
Maruti Suzuki India Limited	<ul style="list-style-type: none"> <li>• Overall Performance</li> <li>• Comprehensive Excellence</li> <li>• Part Development</li> </ul>
Renault Nissan	<ul style="list-style-type: none"> <li>• Quality &amp; Customer Satisfaction</li> </ul>
Suzuki Motorcycles	<ul style="list-style-type: none"> <li>• Consistent Quality Performance Award</li> </ul>
TAFE	<ul style="list-style-type: none"> <li>• Best Benchmark Quality Award</li> </ul>
Tata Hitachi	<ul style="list-style-type: none"> <li>• Sustained Performance on Quality</li> </ul>
Tata Motors	<ul style="list-style-type: none"> <li>• Quality Excellence Award</li> <li>• Quality Improvement for Proto Supplies</li> <li>• Best Supplier for Top issue resolution PP improvement</li> <li>• Energy Champion Award</li> <li>• Commendable Performance in Quality Month</li> </ul>
Toyota Kirloskar Motor Pvt. Ltd.	<ul style="list-style-type: none"> <li>• Zero PPM award</li> <li>• Quality Award</li> <li>• Delivery Award</li> <li>• Best Cost Performance</li> </ul>
Volvo Eicher	<ul style="list-style-type: none"> <li>• Outstanding Contribution in New Product Development</li> <li>• Best Supplier New Product Development</li> </ul>

#### **Defaults or rescheduling / restructuring of borrowings with financial institutions / banks**

Based on provisions of the Composite Scheme of Arrangement, and subject to the provisions of Applicable Law, the Boards of MSSL and the Company may authorise the execution of appropriate arrangements between the companies and the lenders, as may be required, in respect of any loans raised by the MSSL prior to the Effective Date 1, pertaining to the DWH Undertaking.

Our Company has not defaulted on repayment of any loan.

### **Shareholders' agreements**

As on the date of this Information Memorandum, there are no subsisting shareholders' agreements in relation to our Company.

### **Details of material acquisition or divestments**

Other than transfer of the DWH Undertaking of MSSL pursuant to the Scheme, our Company has not acquired or divested any business / undertaking since incorporation.

### **Mergers or amalgamation**

Other than pursuant to the Scheme, our Company has been a party to any merger or amalgamation since its incorporation. For further details in relation to the Scheme, please see "*Scheme of Arrangement*" on page 86.

### **Time / cost overrun**

As of the date of this Information Memorandum, there have been no time and cost over-runs in the setting up of any of the establishments of our Company or in respect of our business operations.

### **Financial and Strategic Partners**

Motherson Sumi Systems Private Limited, one of the promoters of our Company, was incorporated on December 19, 1986 and converted to a public limited company, with the name 'Motherson Sumi Systems Limited' ("MSSL"). Motherson Auto (P) Ltd. (now, merged into and with Motherson Sumi Systems Limited), Sumitomo Wiring Systems Limited, Japan ("SWS") and Nissho Iwai Corporation, Japan (Now, Sojitz Corporation)("Sojitz") incorporated MSSL, to carry on the business of manufacture, sale in India and export of wiring harness and their components with the objective of having technical and financial collaboration. In this regard, MSSL and SWS had entered into a technical assistance agreement dated December 20, 1986 for manufacture of wiring harness and components. The said technical assistance has been extended from time to time and new products been included as per the requirements of the customers.

As our technical partner and Promoter, SWS has played a crucial role in our growth by helping us enhance our product quality at competitive costs. Their support for the development of state-of-the-art technologies helps us consistently deliver lasting value to our customers. The partnership provides the DWH Business with a robust technology base and a strong orientation towards research.

### **Revaluation of assets**

Other than pursuant to the Scheme, our Company has not revalued its assets since its incorporation.

### **Material and other agreements**

There are no subsisting material agreements entered by our Company other than in the ordinary course of business. For details on agreements with related parties, please see "*Related Party Transaction*" on page 126.

### **Details of agreements with Key Managerial Personnel / Directors / Promoters / any employee of the Company**

The Company has not entered into any agreements with its Directors, Key Managerial Personnel, Promoters or its employees either by themselves or on behalf of any other person with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

There have been no significant time and cost over-runs in the development or construction of any of the projects or establishments of our Company.

### **Other Confirmations**

1. Other than as provided above, there has been no rescheduling of our borrowings from any financial institution.

2. Other than as provided above, our Company does not have any strategic / financial partners.
3. As on date of filing the Information Memorandum, other than pursuant to the Scheme, there has been no acquisition of business, undertakings, mergers, amalgamations or revaluation of assets.

## SCHEME OF ARRANGEMENT

**Composite Scheme of Amalgamation and Arrangement between Motherson Sumi Systems Limited, Samvardhana Motherson International Limited, Motherson Sumi Wiring India Limited and their respective shareholders and creditors (under sections 230 to 232 and other relevant provisions of the Companies Act, 2013).**

### Rationale provided in the Scheme:

1. Rationale for demerger of the DWH Undertaking
  - 1.1. Motherson Sumi Systems Limited (“**Transferor Company**” or “**MSSL**”) is a multi-business corporate that is a specialised full-system solutions provider and caters to a diverse range of customers in the automotive and other industries across Asia, Europe, North America, South America, Australia and Africa. The Transferor Company is, directly and through its subsidiaries and joint venture companies, engaged in the business of manufacturing of automotive components, *inter alia*, wiring harness, manufacturing of vision system, manufacturing of moulded and polymer products etc. The Transferor Company has created value for its customers, its investors, its employees and other stakeholders through organic growth, by way of greenfield operations and inorganic growth, by way of continuing strategic acquisitions, and as a result has expanded its business operations in various countries across Asia, Europe, North America, South America, Australia and Africa.
  - 1.2. The aforesaid businesses of the Transferor Company have been nurtured over a period of time and are currently at different stages of growth. The DWH Undertaking, being focused on the Domestic Wiring Harness Business, and the Remaining Business, each have distinct market dynamics, like competition, distinct geographic focus, distinct strategy and distinct capital requirements. As a result, there are differences in the way in which the activities of the Domestic Wiring Harness Business and the Remaining Business are required to be organised and managed. The segregation and transfer of the DWH Undertaking into the Company (“**Resulting Company**”), as envisaged in the Scheme, will enable sharper focus towards Indian customers of the Domestic Wiring Harness Business, better alignment of the businesses to its customers and the respective businesses to improve competitiveness, operational efficiencies and strengthen its position in the relevant marketplace resulting in a more sustainable long term growth and competitive edge. The segregation and transfer of the DWH Undertaking into the Resulting Company will also align the interests of key stakeholders, which will benefit the strategic direction of the Resulting Company in the long term.
  - 1.3. Separation of the Domestic Wiring Harness Business into the Resulting Company will result in the creation of two listed entities engaged in the auto-component business, enabling them to be used for future inorganic growth opportunities. The transfer and vesting of the DWH Undertaking into the Resulting Company, pursuant to the Scheme, will also enable the Resulting Company to have a strong presence among original equipment manufacturers - catering to passenger vehicle, commercial vehicle, 2-wheeler and off-highway vehicle segments.
2. Rationale for amalgamation of Samvardhana Motherson International Limited (“**Amalgamating Company**”) with MSSL
  - 2.1. The Amalgamating Company, through its subsidiaries and joint venture companies, is *inter alia* engaged in the business of product manufacturing of certain automotive components, including automotive rear-view mirrors, moulded plastic parts and assemblies, extruded and injection moulding tools and components, moulded and extruded rubber components, interior and exterior polymer modules, automotive modules, air intake manifolds, pedal box assemblies, heating ventilating and air conditioning (HVAC) systems for vehicles, cabins for off-highway vehicles, machined metal products, cutting tools, aluminium die casted products, sheet metal parts, sintered metal parts, thin film coating metals and IT services. The Amalgamating Company holds 33.43% of MSSL, the flagship company of the Motherson Group, as on July 2, 2020. The Motherson Group, through Amalgamating Company, has incubated several high growth businesses with market leadership positions, in addition to having partnered with global industry leaders.
  - 2.2. Consolidation of the Amalgamating Company with MSSL, pursuant to the Scheme, will result in the simplification of the group structure and in the alignment of the interests of various stakeholders. Further, amalgamation of Amalgamating Company, along with its respective subsidiaries and joint venture companies with MSSL will expand MSSL’s product portfolio thereby leading to robust growth opportunities for the resultant MSSL, in India and overseas. It will also result in the resultant MSSL foraying into non-auto



component business, which will help in diversifying the revenue streams for resultant MSSL. The amalgamation of the Amalgamating Company with MSSL would bring about synergy of operations and benefit of scale, since duplication of administrative efforts and legal and regulatory compliances will be unified.

- 2.3. The amalgamation of the Amalgamating Company with MSSL will also result in the consolidation of the entire shareholding of Samvardhana Motherson Automotive Systems Group B.V. ("**SMRP BV**"), a company engaged in the supply of rear-view vision systems and manufacturing of moulded and polymer products, currently jointly held by the Amalgamating Company and MSSL, with MSSL. Consequently, SMRP BV would become a wholly owned subsidiary of MSSL, leading to the consolidation of SMRP BV and its joint ventures and subsidiaries under the resultant MSSL, resulting in a larger market capitalisation of resultant MSSL.
3. Therefore, in view of the above, the implementation of this Scheme will result in the following benefits:
- (i) creation of separate and distinct entities housing the DWH Undertaking and the Remaining Business with well-defined strategic priorities;
  - (ii) dedicated and specialised management focus on the specific needs of the respective businesses;
  - (iii) expanding the business of MSSL from a diversified auto component product portfolio and foray into non-auto component business, thereby creating greater value for the shareholders / stakeholders of MSSL and will help and aid maintain supplier of choice status among original equipment manufacturers;
  - (iv) availability of increased resources, expertise and assets in the resultant MSSL, which can be utilized for strengthening the customer base and servicing existing as well as prospective customers;
  - (v) cost reduction, retaining talent, optimization of support functions, efficiencies and productivity gains by pooling the resources of MSSL and Amalgamating Company, thereby significantly contributing to future growth and maximizing shareholders value and being favourably positioned for mega trends in the auto component sector;
  - (vi) benefit to all stakeholders of the Transferor Company, Resulting Company, and Amalgamating Company, leading to growth and value creation in the long run and maximising the value and returns to the shareholders, unlocking intrinsic value of the assets, achieving cost efficiencies and operational efficiencies;
  - (vii) consolidation of 100% (One Hundred Per Cent) of the shareholding in SMRP BV in MSSL along with consolidation of all joint ventures and subsidiaries of SMRP BV under MSSL;
  - (viii) consolidation of Amalgamating Company with MSSL resulting in consolidation of the group's shareholdings in various entities and simplification of the group structure resulting in higher stakeholder accountability; and
  - (ix) to ensure standalone focus on the Domestic Wiring Harness Business of the Transferor Company.

**The salient features of the Scheme are as follows:**

1. Demerger of the DWH Undertaking of the Transferor Company and vesting of the same with the Resulting Company, pursuant to which the shareholders of the Transferor Company, as of the record date, will be issued 1 (One) Equity Share of INR 1 (Indian Rupees One Only) each of the Resulting Company, for every 1 (One) Equity Share of INR 1 (Indian Rupees One Only) each of the Transferor Company. Further, the Equity Shares held by the Transferor Company in the Resulting Company shall stand cancelled. The equity shares issued by the Resulting Company, pursuant to the Scheme, will be listed on BSE and NSE (collectively "**Stock Exchanges**"), post the effectiveness of the Scheme, pursuant to the SEBI Circular.
2. Amalgamation of the Amalgamating Company into and with the Transferor Company, by absorption, subsequent to the completion of the demerger referred to in (1) above, pursuant to which, the shareholders of the Amalgamating Company, as of the record date, will be issued 51 (Fifty One) Equity Share of INR 1 (Indian Rupees One Only) each of the Transferor Company, for every 10 (Ten) Equity Share of INR 10 (Indian Rupees Ten Only) each of the Amalgamating Company. Further, the Equity Shares held by the Amalgamating Company

in the Transferor Company shall stand cancelled. Upon effectiveness of the Scheme, the Amalgamating Company shall stand dissolved, without being wound up. Further, the Scheme provides for the Transferor Company to be renamed as ‘Samvardhana Motherson International Limited’, or such other name as may be decided by the board of directors of the Amalgamated Company, post the effectiveness of the Scheme.

3. The appointed date in respect of the transfer of the DWH Undertaking from the Transferor Company to the Resulting Company means April 1, 2021 (“**Appointed Date 1**”) and the appointed date in respect of the amalgamation of the Amalgamating Company with MSSL means the Effective Date 2 (“**Appointed Date 2**”).
4. The Scheme approved by the Tribunal shall become effective from Appointed Date 1 and Appointed Date 2, as the case may be, but shall be operative from the Effective Date 1 and the Effective Date 2, respectively.
5. After the effectiveness of the Scheme, the listing of: (a) from Effective Date 1, the Equity Shares of the Resulting Company shall be listed and shall be admitted for trading on the Stock Exchanges by virtue of the Scheme and in accordance with the provisions of the SEBI Circular; and (b) from Effective Date 2, Equity Shares of the Amalgamated Company issued to the shareholders of the Amalgamating Company as on Record Date 2 shall be listed and shall be admitted for trading on the Stock Exchanges by virtue of the Scheme and in accordance with Applicable Laws.

#### **Approvals with respect to the Scheme of Arrangement**

The NCLT *vide* its order dated December 22, 2021, subject to the conditions set out therein, has sanctioned the Scheme. In accordance with the Scheme, the Equity Shares of our Company, issued subject to applicable regulations, shall be listed and admitted to trading on the BSE and NSE. Such listing and admission for trading is not automatic and will be subject to such other terms and conditions as may be prescribed by the Stock Exchanges at the time of application by our Company seeking listing.

## OUR MANAGEMENT

The Articles of Association require that our Board shall comprise of not less than 3 (three) and not more than 11 (eleven) Directors or such other number as determined by the Board. As on the date of filing this Information Memorandum, we have 10 (ten) Directors on our Board of whom 5 (five) are Independent Directors, of which 1 (one) Independent Director is a women director. Our Company is in compliance with the corporate governance norms prescribed under the SEBI (LODR) Regulations and the Companies Act in relation to the composition of our Board and constitution of committees thereof.

### Board of Directors

The following table sets forth the details of our Board as of the date of filing of this Information Memorandum with the Stock Exchanges:

Sr. No.	Name, Designation, Date of Birth, Age, Address, DIN, Occupation, Date of appointment, Nationality and Tenure <sup>3</sup>	Directorship / Partnership in other entities (including foreign companies)
1.	<p>Mr. Vivek Chaand Sehgal</p> <p><b>Designation:</b> Chairman (Non Executive Director)</p> <p><b>Date of birth:</b> September 28, 1956</p> <p><b>Age:</b> 65 years</p> <p><b>Address:</b> Villa No. 40, Dubai Creek Villas Dubai Creek Golf and Yacht Club, Port Saeed Deira, Dubai</p> <p><b>Nationality:</b> Australian</p> <p><b>DIN:</b> 00291126</p> <p><b>Occupation:</b> Business</p> <p><b>Date of appointment:</b> July 2, 2020</p> <p><b>Tenure:</b> Not liable to retire by rotation</p>	<p>(i) Motherson Sumi Systems Limited</p> <p>(ii) Marelli Motherson Automotive Lighting India Private Limited</p> <p>(iii) Fritzmeier Motherson Cabin Engineering Private Limited</p> <p>(iv) Kyungshin Industrial Motherson Private Limited</p> <p>(v) Renu Farms Private Limited</p> <p>(vi) Motherson Auto Limited</p> <p>(vii) Hero Fincorp Limited</p> <p>(viii) Motherson Techno Tools Limited</p> <p>(ix) Shri Sehgal's Trustee Company Private Limited</p> <p>(x) MSSL Mauritius Holdings Limited</p> <p>(xi) Samvardhana Motherson Holding (M) Private Ltd.</p> <p>(xii) Motherson Electrical Wires Lanka Pvt. Ltd.</p> <p>(xiii) A Basic Concepts Designs Pty. Ltd.</p> <p>(xiv) MSSL Mideast (FZE)</p> <p>(xv) MSSL (S) Pte. Ltd</p> <p>(xvi) MSSL (GB) Ltd.</p> <p>(xvii) Global Environment Management (FZE)</p> <p>(xviii) Motherson Techno Tools Mideast (FZE)</p>

<sup>3</sup>Appointment of Directors is subject to confirmation of the shareholders of the Company.

Sr. No.	Name, Designation, Date of Birth, Age, Address, DIN, Occupation, Date of appointment, Nationality and Tenure <sup>3</sup>	Directorship / Partnership in other entities (including foreign companies)
		<p>(xix) Motherson Wiring System (FZE)</p> <p>(xx) Samvardhana Motherson Finance Services Cyprus Ltd.</p> <p>(xxi) Samvardhana Motherson Global Holdings Limited</p> <p>(xxii) SMR Automotive Technology Holding Cyprus Limited</p> <p>(xxiii) SMR Automotive Holding Hong Kong Limited</p> <p>(xxiv) SMR Automotive Mirror Parts and Holdings UK Ltd.</p> <p>(xxv) Samvardhana Motherson Reflectec Group Holdings Limited</p> <p>(xxvi) SCCL Global Project (FZE)</p> <p>(xxvii) SMR Automotives Systems Macedonia Dooel Skopje</p> <p>(xxviii) SCCL Infra Projects Limited</p> <p>(xxix) MSSL Consolidated Inc., USA</p> <p>(xxx) Samvardhana Motherson Global (FZE)</p> <p>(xxxi) MSSL Estonia WH OU</p> <p>(xxxii) PKC Group Ltd., Finland</p> <p>(xxxiii) Samvardhana Motherson Employees Benefit Limited, Mauritius</p> <p>(xxxiv) SMRC Automotive Holdings B.V.</p> <p>(xxxv) SMP Deutschland GmbH</p> <p>(xxxvi) Samvardhana Motherson Automotive Systems Group B.V.</p> <p>(xxxvii) Motherson PKC Harness Systems FZ-LLC</p> <p>(xxxviii) Motherson (Partnership Firm)</p> <p>(xxxix) Son Grows System Limited</p>
2.	<p>Mr. Laksh Vaaman Sehgal</p> <p><b>Designation:</b> Non Executive Director</p> <p><b>Date of Birth:</b> November 29, 1982</p>	<p>(i) Advantedge Investment Advisors LLP</p> <p>(ii) Motherson Sumi Systems Limited</p> <p>(iii) Samvardhana Motherson Adsys Tech Limited</p>

Sr. No.	Name, Designation, Date of Birth, Age, Address, DIN, Occupation, Date of appointment, Nationality and Tenure <sup>3</sup>	Directorship / Partnership in other entities (including foreign companies)
	<p><b>Age:</b> 39 years</p> <p><b>Address:</b> 48, Queens Grove, London, NW86HH, United Kingdom</p> <p><b>Nationality:</b> Australian</p> <p><b>DIN:</b> 00048584</p> <p><b>Occupation:</b> Business</p> <p><b>Date of appointment:</b> July 02, 2020</p> <p><b>Tenure:</b> Liable to retire by rotation.</p>	<p>(iv) Mothersonsumi Infotech And Designs Limited</p> <p>(v) Advantedge Technology Partners Private Limited</p> <p>(vi) Renu Farms Private Limited</p> <p>(vii) Motherson Auto Limited</p> <p>(viii) Motherson Air Travel Agencies Limited</p> <p>(ix) Motherson Auto Solutions Limited</p> <p>(x) Shri Sehgal's Trustee Company Private Limited</p> <p>(xi) Global Environment Management (FZE)</p> <p>(xii) Samvardhana Motherson Employees Benefit Limited</p> <p>(xiii) MSSL Mauritius Holdings Limited</p> <p>(xiv) Samvardhana Motherson Holding (M) Private Limited</p> <p>(xv) SMR Automotive Holding Hong Kong Ltd.</p> <p>(xvi) SMRC Automotive Holdings B.V.</p> <p>(xvii) SMR Automotive Mirrors Stuttgart GmbH</p> <p>(xviii) SMR Automotive Beteiligungen Deutschland GmbH</p> <p>(xix) SMR Automotive Mirror Systems Holding Deutschland GmbH</p> <p>(xx) SMR Automotive Mirrors UK Ltd.</p> <p>(xxi) SMR Automotive Mirror Part and Holdings UK Limited</p> <p>(xxii) SMR Mirror UK Limited</p> <p>(xxiii) Motherson Sintermetal Products S.A.</p> <p>(xxiv) MSSL Consolidated Inc., USA</p> <p>(xxv) Samvardhana Motherson Automotive Systems Group B.V.</p> <p>(xxvi) SMR Automotive Technology Holdings Cyprus Limited</p> <p>(xxvii) Samvardhana Motherson Reflectec Group</p>

Sr. No.	Name, Designation, Date of Birth, Age, Address, DIN, Occupation, Date of appointment, Nationality and Tenure <sup>3</sup>	Directorship / Partnership in other entities (including foreign companies)
		<p>Holdings Ltd.</p> <p>(xxviii) Motherson Innovations Company Limited, U.K.</p> <p>(xxix) Motherson Innovations Deutschland GmbH</p> <p>(xxx) MSSL Estonia WH OÜ</p> <p>(xxxii) Motherson Ossia Innovations LLC</p> <p>(xxxiii) Motherson Innovations LLC</p> <p>(xxxiiii) Ganpati Auto Industries (Partnership Firm)</p> <p>(xxxv) Vaaman Auto Industry (Partnership Firm)</p> <p>(xxxvi) Motherson (Partnership Firm)</p> <p>(xxxvii) SMP Deutschland GmbH</p> <p>(xxxviii) ATAR Mauritius Pvt. Ltd.</p> <p>(xxxix) JSRR Holdings (M) Pvt. Ltd.</p> <p>(xl) Radha Rani Holdings Pte. Ltd.</p> <p>(xli) Advance Technologies and Automotive Resources Pte. Ltd.</p> <p>(xlii) Yujin SMRC Automotive Techno Corp.</p> <p>(xliii) Samvardhana Motherson Corp. Management Shanghai Co. Ltd.</p> <p>(xliv) Son Grows System Limited</p> <p>(xlv) SMR Plast Met Molds and Tools Turkey Kalp Imalat Anonim Sirketi</p> <p>(xlvi) SMR Plast Met Automotive Tec Turkey Plastik Imalat Anonim Sirketi</p>
3.	<p>Mr. Norikatsu Ishida</p> <p><b>Designation:</b> Non Executive Director</p> <p><b>Date of birth:</b> March 13,1961</p> <p><b>Age:</b> 61 years</p> <p><b>Address:</b> 1-509 Hoshimigaoka, Kuwana, Japan - 5110912</p> <p><b>Nationality:</b> Japanese</p>	(i) Motherson Sumi Systems Limited

Sr. No.	Name, Designation, Date of Birth, Age, Address, DIN, Occupation, Date of appointment, Nationality and Tenure <sup>3</sup>	Directorship / Partnership in other entities (including foreign companies)
	<p><b>DIN:</b> 09443998</p> <p><b>Occupation:</b> Employment</p> <p><b>Date of appointment:</b> January 28, 2022</p> <p><b>Tenure:</b> Liable to retire by rotation.</p>	
4.	<p>Mr. Yoshio Matsushita</p> <p><b>Designation:</b> Non Executive Director</p> <p><b>Date of birth:</b> November 19,1964</p> <p><b>Age:</b> 57 years</p> <p><b>Address:</b> 120, Sotobori, Kuwana, Mie-pref., Japan - 5110041</p> <p><b>Nationality:</b> Japanese</p> <p><b>DIN:</b> 09480897</p> <p><b>Occupation:</b> Employment</p> <p><b>Date of appointment:</b> January 28, 2022</p> <p><b>Tenure:</b> Liable to retire by rotation.</p>	Nil.
5.	<p>Mr. Arjun Puri</p> <p><b>Designation:</b> Independent Director</p> <p><b>Date of birth:</b> August 01,1956</p> <p><b>Age:</b> 65 years</p> <p><b>Address:</b> ECO House, Certitude Auroville Villupuram, Tamil Nadu- 605101, India</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 00211590</p> <p><b>Occupation:</b> Retired</p> <p><b>Date of appointment:</b> January 28, 2022</p> <p><b>Tenure:</b> From January 28, 2022 till March 31, 2024 and is not liable to retire by rotation.</p>	<p>(i) MothersonSumi Infotech &amp; Designs Limited</p> <p>(ii) Motherson Techno Tools Limited</p> <p>(iii) Systematic Conscom Limited</p> <p>(iv) Varuna Energy &amp; Water Pvt. Ltd.</p> <p>(v) For All – Pour Tous Trust (Trustee)</p>
6.	<p>Ms. Geeta Mathur</p> <p><b>Designation:</b> Independent Director/ Woman Director</p>	<p>(i) NIIT Limited</p> <p>(ii) IFL Finance Limited</p> <p>(iii) Info Edge (India) Limited</p>

Sr. No.	Name, Designation, Date of Birth, Age, Address, DIN, Occupation, Date of appointment, Nationality and Tenure <sup>3</sup>	Directorship / Partnership in other entities (including foreign companies)
	<p><b>Date of birth:</b> November 21,1966</p> <p><b>Age:</b> 56 years</p> <p><b>Address:</b> B-1/8, Vasant Vihar-1, South West Delhi, Vasant Vihar, Delhi- 110057, India</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 02139552</p> <p><b>Occupation:</b> Professional</p> <p><b>Date of appointment:</b> January 28, 2022</p> <p><b>Tenure:</b> From January 28, 2022 till March 31, 2024 and is not liable to retire by rotation.</p>	<p>(iv) IIFL Wealth Management Limited</p> <p>(v) Onmobile Global Limited</p> <p>(vi) Healthcare Global Enterprises Limited</p> <p>(vii) Tata Communication Transformation Services Ltd.</p> <p>(viii) Canara HSBC Oriental bank of Commerce Life Insurance Company Ltd</p> <p>(ix) Sentiss Pharma Private Limited</p> <p>(x) Ummeed Housing Finance Private Limited</p> <p>(xi) IPE Global Centre for Knowledge and Development</p> <p>(xii) SMP Deutschland GmbH</p> <p>(xiii) Samvardhana Motherson Automotive Systems Group B.V.</p> <p>(xiv) Saajha (NGO member)</p>
7.	<p>Mr. Anupam Mohindroo</p> <p><b>Designation:</b> Independent Director</p> <p><b>Date of birth:</b> September 30,1960</p> <p><b>Age:</b> 61 years</p> <p><b>Address:</b> H-34,Block H, South City-1,Gurgaon, Industrial Estate, Haryana, 122007</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 06544719</p> <p><b>Occupation:</b> Retired</p> <p><b>Date of appointment:</b> January 28, 2022</p> <p><b>Tenure:</b> 5 years from January 28, 2022 and is not liable to retire by rotation</p>	Nil.
8.	<p>Colonel Virendra Chand Katoch (Retd.)</p> <p><b>Designation:</b> Independent Director</p> <p><b>Date of Birth:</b> August 27, 1956</p> <p><b>Age:</b> 65 years</p> <p><b>Address:</b> 1K,302, Gurjinder Vihar, AWHO</p>	(i) Samvardhana Motherson Adsys Tech Limited



Sr. No.	Name, Designation, Date of Birth, Age, Address, DIN, Occupation, Date of appointment, Nationality and Tenure <sup>3</sup>	Directorship / Partnership in other entities (including foreign companies)
	<p>Colony, Pocket-5, Ch- I Kasna, Gautam Budh Nagar, Greater Noida- 201301, Uttar Pradesh</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 08452183</p> <p><b>Occupation:</b> Retired</p> <p><b>Date of appointment:</b> January 28, 2022</p> <p><b>Tenure:</b> 5 years from January 28, 2022 and is not liable to retire by rotation</p>	
9.	<p>Mr. Rajesh Kumar Seth</p> <p><b>Designation:</b> Independent Director</p> <p><b>Date of birth:</b> September 20,1963</p> <p><b>Age:</b> 58 years</p> <p><b>Address:</b> 37/2, West Patel Nagar, Near Community Centre, Patel Nagar S.O., Delhi-110008, India</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 09477684</p> <p><b>Occupation:</b> Retired</p> <p><b>Date of appointment:</b> January 28, 2022</p> <p><b>Tenure:</b> 5 years from January 28, 2022 and is not liable to retire by rotation</p>	Nil.
10.	<p>Mr. Anurag Gahlot</p> <p><b>Designation:</b> Whole Time Director/ Chief Operating Officer</p> <p><b>Date of birth:</b> July 25,1974</p> <p><b>Age:</b> 47 years</p> <p><b>Address:</b> Flat No. -507, F-21A, Mahagun Maestro, Sector-50, Noida – 201301, Uttar Pradesh</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 09455743</p> <p><b>Occupation:</b> Employment</p> <p><b>Date of appointment:</b> January 28, 2022</p>	<p>(i) MSSL Ireland Private Limited</p> <p>(ii) MSSL (GB) Limited.</p>

Sr. No.	Name, Designation, Date of Birth, Age, Address, DIN, Occupation, Date of appointment, Nationality and Tenure <sup>3</sup>	Directorship / Partnership in other entities (including foreign companies)
	Tenure: 5 years from January 28, 2022 and is liable to retire by rotation	

### **Brief Profile of our Directors:**

#### **Mr. Vivek Chaand Sehgal (Designation: Chairman (Non Executive Director))**

Mr. V. C. Sehgal, Chairman of Motherson Group, established Motherson in 1975 along with his mother. In 1977 he entered the field of manufacturing with a cable and wire manufacturing unit. Today Motherson is a USD 9.80 billion Group present in 41 countries with over 270 facilities across the globe. Motherson Sumi Systems Limited (MSSL), the flagship company of the Group, is one of the largest auto ancillary companies in India.

The Group has a diversified product range covering wiring harnesses, rear view mirrors, integrated plastic modules, lighting systems and a wide range of modules and components. The Group today is one of the leading suppliers of rear view mirrors globally & the leading supplier of polymer modules in Europe, market leadership positions in wiring harnesses for heavy duty commercial vehicles in the American & European markets along with market leader positions in most of the other product verticals in India.

Under the leadership of Mr. Sehgal, Motherson has evolved as a leading full system solutions provider to the global automotive industry. MSSL features among the Forbes Asia Fab 50 companies. The Group is ranked 21st among the 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 or acquisitions is legendary. Today the Group has 26 partners for its various product ranges and has 27 successful acquisitions to date.

Among the many accolades he has received, some of them include 'Man of the Year 2010' by Auto Car Professional Magazine, Ernst & Young's 'Entrepreneur of the Year Award for Manufacturing' in 2012, 'Best CEO, 2013 for Auto Ancillaries' by Business Today Magazine in India and 'CEO of the Year 2015' by Business Standard. He has also received the 'Best CEO Award' in the 2016 and 2018 All Asia Executive Team Rankings for Autos and Auto Parts sector by Institutional Investor Magazine and 'Entrepreneur of the Year 2016, India' by Ernst & Young. Mr. Sehgal was also declared ETAuto Global Indian of the Year Award at the ETAuto Global Auto Business Summit 2018 and Entrepreneur of the year 2018 by Forbes India.

Mr. Sehgal's clear vision to establish Motherson as a full system solutions provider and a preferred vendor to all customers has propelled the expansion of the Group in new business areas. Firmly believing that "We are a NOT YET company", Mr. V C Sehgal is always open to new ideas and has successfully spread this philosophy of openness down the line in Motherson.

#### **Mr. Laksh Vaaman Sehgal (Designation: Non Executive Director)**

Laksh Vaaman Sehgal is a Director on the boards of Motherson Sumi Systems Limited (MSSL), the flagship Company of Motherson Group. He is also the Vice Chairman of the USD 9.80 Billion Motherson Group, which has over 150,000 employees across 41 countries

He has a MBA degree from Columbia Business School (USA) and also holds a degree from Keio University, Tokyo, Japan. He has a rich experience of working with the major Companies of the Motherson Group.

He has also spent 3 years working with the group's collaborators in Germany and Japan.

Post-acquisition of Visiocorp (now known as Samvardhana Motherson Reflectec - SMR) he lead the company as the CEO and was instrumental in turnaround of the company.

He has now moved to strategic management at group level. He is closely involved in all the new ventures and a key member of the core strategic team, which is responsible for the overall management of the group.

He is also the director on board for Motherson Innovations, the cross divisional team for support, development and production of the enhanced solutions for the future requirement of the transport industry.

#### **Colonel Virendra Chand Katoch (Retd.) (Designation: Independent Director)**

Colonel Virendra Chand Katoch (Retd.) (Born: 1956) is an officer with Indian Army with over 40 years of experience. He has served as Directing Staff (Instructor class A) at Army War College at Madhya Pradesh from 1978 till October 2014 and has retired from Service in October 2014.

An alumnus of BPS, Pilani from where he did his schooling, he graduated from Govt College Ajmer in 1976. He started his career with Indian Army in 1978. He commanded a tank unit with over 800 personnel & equipment worth 1000 crores, total 16 years of experience in commanding troops at various levels. He has successfully led an Armoured Regiment to perform exceedingly well on International Border during Operation Parakram.

He has been instrumental in implementing training policies and developing new concepts for training army personnel on leadership and human resource management. As an Instructor at National Defence Academy, Pune, for two years, he was responsible for training, discipline, administration & building of overall personality & leadership qualities of approximately 500 young cadets to lead the troops from the front in adverse situation. During his posting at Army HQ in weapons & equipment directorate for 3 years, he was dealing in procurement of tanks and all related equipment from Israel, UK, France, Germany, Belgium & Russia. He was associated with tanks and related equipped trials for approx. 8 years. He was also member of the delegation to France & Belgium, ascertaining the manufacturing capabilities of specific defence equipment in 2001.

He has effectively trained Officers and Junior Commissioned Officers in operations of war, logistics, administration, and human resource management / development in the Army. He has approx. 11 years of instructional experience in various prime training institutions of the Indian Army vis. Armed Corps Centre & School, Ahmednagar, National Defence Academy – Khadakwasla and Army War College – Mhow. He has functioned as Trial Officer & head of trials during introduction of tanks & connected equipment for the Indian Army.

During his long and distinguished career, he has undergone many professional trainings, like he is an Alumnus of Officers Training Academy, Chennai, where he was rated amongst top 4. He has also successfully completed 10 courses related to training, management, administration, and security at progressive levels in the army to augment decision making and administrative capabilities of staying abreast in the latest tactical security and management techniques. He is also Qualified in Tank Technology Course (1986-1987) & Technical Staff Course (1992-1994) on design & development of tanks, vehicles, missiles, and armament technology at Institute of Armament Technology, Girinagar – Pune Defence Research & Development Organization (DRDO), Ministry of Defence, Govt. Of India.

He is skilled in handling large workforces, maintaining peaceful & amicable work environment in the organisation and initiating measures for the benefit of people in the organisation. He has very good experience in managing modern HR Systems with deftness in maintaining harmonious relations among management and workers through efficient administration and resolution of employees' grievances. He has strong ability to master a situation quickly. He is highly knowledgeable in a wide variety of professional disciplines and an expert at organising & directing turnaround situations.

#### **Anupam Mohindroo (Designation: Independent Director)**

Mr. Anupam Mohindroo, (Born 1960) has 39 years of rich experience in the Indian automotive industry. His core competence is in material management and supply chain management.

He holds a Mechanical Engineering degree from Punjab Engineering College, Chandigarh

He started his career with Eicher Tractors, as Assistant Manager, Purchase where he contributed significantly to enhancing the supplier base of the company. He has been instrumental in framing policies as well as business strategies from time to time for the company.

He then joined Yamaha Motors India as Dy.General Manager, Purchase for 14 years & during this tenure, he achieved many milestones in the purchase function.

He was appointed as Director on Honda Motorcycle & Scooter India Pvt. Ltd. (HMSI) Board in April 2013 & since then, he was instrumental in framing Policies as well as Business Strategies from time to time for the company. His

operating domain was widened to Honda's overseas operations and was assigned the additional responsibility of Director, Bangladesh Honda Limited.

He joined HMSI at the time of its establishment and had been instrumental in establishing a strong & competitive supplier base, thereby realizing a stringent challenge of 100% localization and increase production capacity which led to new models being launched in quick succession over the years. Material management being his core competence, he developed a cost-competitive and quality-focused supplier base. In response to the implementation of Govt. regulations on safety and environment, he contributed at HMSI towards making strategy for Part & Process as well as Procurement Structure refinement, for a smooth switch-over to BS6.

After completing the term with HONDA on 31-Mar-2020, started his proprietorship firm, 'Aspire Business Solutions' and is currently providing Business Management Consultancy to a few auto parts' manufacturing companies (Japanese & local) to improve their business efficiency.

#### **Arjun Puri (Designation: Independent Director)**

Education: Economics (Honours) from Shri Ram College of Commerce, University of Delhi.

#### Professional Expertise:

Financial advice and risk assessment of socioeconomic factors analysis by Mr. Arjun Puri has been of immense use during various overseas acquisitions.

#### Professional Career:

For the past 38 years, Mr. Puri has been associated with Auroville, Pondicherry and has vast experience of inspiring and implementing many initiatives for sustainable life styles. He has been member of Central Coordination Committee, responsible for day to day affairs of Auroville.

#### **Geeta Mathur (Designation: Independent Director)**

Education: Bachelor Degree of Commerce with Honours from Sri Ram College of Commerce, University of Delhi and a qualified Chartered Accountant.

#### Professional Expertise:

More than 20 years of experience in the field of finance, treasury, strategic planning, investor relations. Ms. Geeta Mathur possess strong understanding of processes and systems with ability to identify key success/risk factors across several industries. Besides finance, Ms. Geeta Mathur is equipped with strong understanding and experience in operations and commercial contracts.

#### Professional Career:

April 1990 – October 2000	Senior Vice President, ICICI Bank
November 2000 – November 2001	Regional Manager – North and East, IBM Global Finance
January 2002 – March 2004	General Manager, DSCM
July 2007- November 2008	Vice President, Emaar MGF
April 2012- January 2015	Chief Financial officer, HelpAge India

#### **Norikatsu Ishida (Designation: Non Executive Director)**

Mr. Norikatsu Ishida (born 1961) has extensive accounting experience and expertise, having worked for Sumitomo Wiring Systems, Ltd. for over 30 years (SWS).

He is a Bachelor of Economics from Chuo University, Japan.

He began his career in 1984 as a member of the cost planning department at Sumitomo Wiring Systems, Ltd., where his primary responsibilities included cost planning for overseas companies. He has been assigned to SWS's group companies in Indonesia, Thailand, and the United Kingdom for a total of more than ten years, handling international business and multi-cultural communication as well as accounting.

From 2017 to 2019, he was the Executive Officer / General Manager of the Wiring Harness Business Planning Department (SWS), where his main responsibilities included planning the wiring harness business of Toyota, Suzuki, and others. From 2019 to 2021, he was Deputy Managing Director, Vice President Sumitomo Electric Wiring Systems (Europe) Ltd. in the United Kingdom, where he managed SWS group companies in the United Kingdom and the European continent, as well as accounting, tax, and finance.

He has been the Executive Officer and General Manager of the Indian Business Planning Office since 2021, where he supports the management of group companies in India and plans for the Indian business.

**Yoshio Matsushita (Designation: Non Executive Director)**

Mr. Yoshio Matsushita (born 1964) is an automotive industry veteran with extensive experience in quality assurance and production engineering.

He has a degree in Bachelor of Engineering from Aichi Institute of Technology, Japan.

He started his career in 1987 with Sumitomo Wiring Systems, Ltd. He has majorly been engaged in quality assurance and production engineering of wiring harnesses for Toyota, Honda and Nissan. His assignment also included a 12 year stint in the USA and Mexico where he looked after production / factory management and international business in addition to quality assurance.

He was the Vice President, Production and Factory Management (2016-2018) in Sumitomo Electric Wiring System, a subsidiary of SWS in USA. From 2018-2021, he was the President, Production and Factory Management in Autosistemas de Torreon S.A de C.V., a subsidiary of SWS in Mexico.

Since 2021 he is General Manager, Western Customers Group, Division 2 (Suzuki Business Group) where his major responsibilities include management of Suzuki, Mazda and Mitsubishi Business.

**Mr. Rajesh Kumar Seth (Designation: Independent Director)**

Mr. Rajesh Kumar Seth, has vast and varied experience of over 34 years in Cost & Sourcing, Purchasing Operations and Corporate Strategy Planning.

He holds a Mechanical Engineering degree and is an MBA in Operations management. He is well-versed and fluent in Hindi, English, Japanese, and Thai.

Mr. R. K. Seth started his career with the Shriram Group where he served for 6 years as the Department Manager at Honda India power products, where he was responsible for strategic planning, product pricing & business development. He has spent time at Honda Motors Japan, learning various purchasing techniques & best practices.

He joined Honda Cars India Ltd in 1996 as an Asst. Manager in the Purchasing Department, where he held key positions within the Purchasing Operations. He also received several trainings in Japan, China, Indonesia, Malaysia, Thailand, Vietnam, Philippines and served at Asian Honda, Thailand from 2007-2010 at the New Model Centre. He has travelled extensively to various Honda plants worldwide.

In his preceding professional assignment, Mr. Rajesh Kumar Seth was GM & Sr. Divisional Head of Cost & Sourcing (Purchasing Operations) of Honda Cars India Ltd. comprising of two manufacturing plants at Greater Noida and Tapukara respectively. In this role, Mr. R.K. Seth was responsible for all the Cost and Sourcing aspects including the strategy, evaluation of various operational capabilities of suppliers and finalising the business. During the last 3 years, he was interacting with the Central & State Government for GST Taxation, QCO's and Land related matters. He is also a corporate member of FICCI, CII, ASSOCHAM, SIAM & ACMA.

**Anurag Gahlot (Designation: Whole Time Director/ Chief Operating Officer)**

Mr. Anurag Gahlot was born on 25th July 1974. He completed his diploma in Electrical Engineering from the Board of Technical Education, Uttar Pradesh, India in 1994. He also holds a Certification in Financial Analysis & Financial Management from IIM Kozhikode, India.

He started his career in 1994 with Motherson Sumi Systems Ltd (MSSL) as Engineer Trainee Design with responsibilities of Design & Development of wiring harnesses for Passenger Vehicle, SUV and Off-road Equipment. In 1997 he was moved to the Quality department as Engineer Parts Inspection. From 1998 till 2001, he was seconded to KIML, Chennai to set up a joint venture as member of core management team. He underwent training at KIC Korea for 5 weeks and handled marketing, quality, production in various capacities.

In 2002, as Motherson group did its first acquisition, he was seconded as plant head to MSSL Mideast Sharjah, which was set up to acquire business of Wexford Electronix, Ireland. He successfully transitioned the manufacturing from Ireland to Sharjah in record time. This was an important step as this laid the foundation of future expansions in the UAE & Europe.

In 2004, he was shifted to Europe (Ireland) to set up an engineering centre and as worked as the interface between the company's UAE operations and its European customers. In 2006, he was seconded as Director to MSSL GB Limited which acquired business of ASL Systems Limited. He was overall responsible for P&L of the business and established warehousing for MSSL India export to Europe.

In 2010, he came back to India and since 2011 he is heading the Human Resource Management team of MSSL, looking after its people and their requirements including talent management, industrial relations, resource development etc. He holds Extensive experience in HR due diligence and integration of acquired companies. He has assisted these entities in assimilating the organizational culture smoothly. He has over 27 years of experience in the automobile sector.

#### **Relationship between Directors**

None of our Directors are related to each other, in terms of Companies Act, except the following:

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Related to</b>	<b>Nature of Relationship</b>
1.	Mr. Vivek Chaand Sehgal	Mr. Laksh Vaaman Sehgal	Father-Son

#### **Details of Directorship in Companies suspended or delisted**

None of the Directors is or was a director of any listed company whose shares have been / were suspended from being traded on any of the Stock Exchanges during the last five years prior to the date of this Information Memorandum, during the term of her/his directorship in such company.

None of our Directors is, or was, a director of any listed company, which has been or was delisted from any stock exchange, during the term of her/his directorship in such company.

#### **Arrangement or understanding with major shareholders, customers, suppliers or others**

None of our Directors has been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

#### **Service contracts with Directors**

There are no service contracts entered into between any of our Directors and our Company for provision of any benefits upon termination of directorship.

#### **Borrowing Powers of our Board of Directors**

In accordance with our Articles of Association and subject to the provisions of the Companies Act, the Board may, from time to time, at its discretion, by a resolution passed at a meeting of the Board, borrow any sum of money for the purpose of our Company and the Board may secure repayment of such money in such manner and upon such terms and conditions in all respects as it thinks fit.

#### **Remuneration of our Directors**

Sr. No.	Name	Remuneration
1.	Mr. Vivek Chaand Sehgal	Nil
2.	Mr. Laksh Vaaman Sehgal	Nil
3.	Mr. Norikatsu Ishida	Nil
4.	Mr. Yoshio Matsushita	Nil
5.	Mr. Arjun Puri	Nil
6.	Ms. Geeta Mathur	Nil
7.	Colonel Virendra Chand Katoch (Retd.)	Nil
8.	Mr. Rajesh Kumar Seth	Nil
9.	Mr. Anurag Gahlot	INR 1,20,27,500*

\*Cost to Company. The remuneration of Rs. 1,20,27,500 (p.a) is to be paid on and from his date of appointment i.e. January 28, 2022 and is subject to the approval of the shareholders of the Company. In addition to the remuneration and perquisites to be paid, Mr. Anurag Gahlot would be entitled to other benefits and increments as per the policy/ rules of the Company.

#### Bonus or profit sharing plan for our Directors

None of our Directors is party to any bonus or profit sharing plan of our Company.

#### Shareholding of our Directors as on date the Information Memorandum

Sr. No.	Name	No. of Equity Shares	% of total Equity Shareholding
1.	Mr. Vivek Chaand Sehgal	7,31,65,402	2.32%
2.	Mr. Laksh Vaaman Sehgal	123	Negligible
3.	Mr. Arjun Puri	3,750	Negligible
4.	Ms. Geeta Mathur	10,125	Negligible
5.	Mr. Rajesh Kumar Seth	77,545	Negligible
6.	Mr. Anurag Gahlot	24,200	Negligible
<b>Total</b>		<b>7,32,77,395</b>	<b>2.32%</b>

#### Interest of Directors

All of our Directors may be deemed to be interested to the extent of their shareholding, remuneration / fees, if any, payable to them, for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration paid in their professional capacity and / or reimbursement of expenses, if any, payable to them and to the extent of related party transactions.

Our Directors may also be interested to the extent of any dividend payable to them and other distributions in respect of such shareholding. Our Directors may also be interested to the extent of shareholding of the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives. For more details, see and “Details of Shareholding of our Promoters, members of the Promoter Group and directors of corporate Promoters in our Company” and “Shareholding of Key Managerial Personnel of our Company as on date the Information Memorandum” on pages 49 and 109, respectively.

Our Directors may also be deemed to be interested in the contracts, agreements / arrangements entered into or to be entered into by our Company with any company in which they hold directorships or any partnership firm in which they are partners as declared in their respective capacity.

Except as stated above our Directors do not have any other interest in our business.

### Changes in the Board of Directors

Except the following, there has been no change in the Board of Directors of our Company:

Name of Director	Designation	Date of Appointment	Change in Designation	Date of cessation
Mr. Naveen Ganzu	Director	July 17, 2020	-	January 28, 2022
Mr. Gautam Mukherjee	Director	July 17, 2020	-	January 28, 2022
Mr. Kunal Malani	Director	July 17, 2020	-	January 28, 2022
Mr. Sanjay Mehta	Director	July 2, 2020	-	January 28, 2022
Mr. Vivek Chaand Sehgal	Chairman (Non Executive Director)	July 2, 2020	-	N.A.
Mr. Laksh Vaaman Sehgal	Non Executive Director	July 2, 2020	-	N.A.
Mr. Norikatsu Ishida*	Non Executive Director	January 28, 2022	-	N.A.
Mr. Yoshio Matsushita*	Non Executive Director	January 28, 2022	-	N.A.
Mr. Arjun Puri*	Independent Director	January 28, 2022	-	N.A.
Ms. Geeta Mathur*	Independent Director/ Woman Director	January 28, 2022	-	N.A.
Mr. Anupam Mohindroo*	Independent Director	January 28, 2022	-	N.A.
Colonel Virendra Chand Katoch (Retd.)*	Independent Director	January 28, 2022	-	N.A.
Mr. Rajesh Kumar Seth*	Independent Director	January 28, 2022	-	N.A.
Mr. Anurag Gahlot*	Whole Time Director/ Chief Operating Officer	January 28, 2022	-	N.A.

\*Appointment is subject to confirmation of the shareholders of the Company.

### Corporate Governance

The provisions of the Companies Act along with the SEBI (LODR) Regulations 2015, with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of the applicable regulations in respect of corporate governance in accordance with the SEBI (LODR) Regulations and the Companies Act, pertaining to the constitution of the Board and committees thereof.

As on the date of filing this Information Memorandum, we have 10 (ten) Directors on our Board, of whom 5 (five) are Independent Directors. We have 1 (one) woman director, namely Ms. Geeta Mathur, who is also an Independent Director.

The Board functions either as a full board or through various committees constituted to oversee specific operational areas. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI (LODR) Regulations and the Companies Act.

In terms of the SEBI (LODR) Regulations and the provisions of the Companies Act, our Company has constituted the following Board-level committees:

#### 1. Audit Committee



The Audit Committee was constituted by our Board in its meeting held on January 28, 2022 in accordance with the requirements of Section 177 of the Companies Act and Regulation 18 of SEBI (LODR) Regulations. The Audit Committee presently comprises:

<b>Sr. No.</b>	<b>Name of Member</b>	<b>Designation</b>	<b>Remarks</b>
1.	Ms. Geeta Mathur	Independent Director	Chairperson of the Committee
2.	Mr. Arjun Puri	Independent Director	Member of the Committee
3.	Mr. Anupam Mohindroo	Independent Director	Member of the Committee
4.	Mr. Rajesh Kumar Seth	Independent Director	Member of the Committee
5.	Mr. Laksh Vaaman Sehgal	Non-executive Director	Member of the Committee
6.	Mr. Norikatsu Ishida	Non-executive Director	Member of the Committee

Our Company Secretary is the Secretary to the Committee. All members of the Audit Committee have requisite accounting and financial management expertise.

#### *Scope and terms of reference*

The terms of reference of the Audit Committee comprises the following:

- (a) Reviewing, with the management, the quarterly/ half yearly/ yearly financial statements before submission to the board for their approval;
- (b) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of section 134 of the Companies Act, 2013;
- (c) Any changes in accounting policies and practices and reasons for such change;
- (d) Major accounting entries involving estimates based on exercise of judgment by management;
- (e) Analysis of the effects of alternative GAAP methods on the financial statements;
- (f) Qualification(s), if any, in the draft audit report(s);
- (g) Significant adjustments made in the financial statements arising out of audit findings;
- (h) Compliance with accounting standards and applicable legal requirements relating to financial statements;
- (i) Disclosure and/or approval of any related party transactions;
- (j) Disclosure of contingent liabilities;
- (k) The effect of regulatory and accounting initiatives as well as off-balance-sheet structures, on the financial statements;
- (l) Company's earnings press releases, as well as financial information and earnings guidance, if any, provided to analysts and rating agencies;
- (m) Recommendation for appointment, remuneration and terms of appointment of auditors
- (n) Annual Budget review;
- (o) Review and recommendation of the valuation reports to the Board of Directors;
- (p) Review of Management Discussion and Analysis of financial condition and results of operations;
- (q) Review the functioning of the whistle blower mechanism;
- (r) Review of Insider Trading Portal;
- (s) The statement for uses/applications of funds including funds raised through Private Placement with the financial results and annually the statement of funds utilized for purposes other than as mentioned in the offer document / prospectus / notice (if applicable);
- (t) Reviewing the findings of any internal audit reports by the internal auditors;
- (u) Any other document required to be reviewed by the Committee (or a similar body) as per the applicable laws of the Company;
- (v) Carrying out any other function as is mentioned in the terms of reference of the audit committee and/ or as mentioned in Schedule II Part C of the Listing Regulations.

## **2. Nomination and Remuneration Committee**

The Nomination and Remuneration Committee was constituted by our Board in its meeting held on January 28, 2022 in accordance with the requirements of Section 178 of Companies Act, and Regulation 19 of SEBI (LODR) Regulations. The Nomination and Remuneration Committee presently comprises:

<b>Sr. No.</b>	<b>Name of Member</b>	<b>Designation</b>	<b>Remarks</b>
1.	Colonel Virendra Chand	Independent Director	Chairman of the Committee

	Katoch (Retd.)		
2.	Mr. Laksh Vaaman Sehgal	Non-executive Director	Member of the Committee
3.	Ms. Geeta Mathur	Independent Director	Member of the Committee
4.	Mr. Anupam Mohindroo	Independent Director	Member of the Committee

Our Company Secretary is the Secretary to the Committee.

*Scope and terms of reference*

The terms of reference of the Nomination and Remuneration Committee shall include the following:

- (a) To identify persons who, in accordance with the criteria laid down are qualified to become Directors and who may be appointed in the senior management, recommend to the Board about their appointment and removal and carry out evaluation of every Director's performance;
- (b) Formulation of criteria for determining qualifications, positive attributes and independence of the Director and recommend to the Board a policy, relating to remuneration of the Directors, Key Managerial Personnel and other employees;
- (c) Formulation of criteria for evaluation of Independent Directors and the Board of Directors;
- (d) To evaluate and recommend terms of appointment of the Independent Director, on the basis of their report of performance evaluation of the Independent Director;
- (e) To decide whether to extend or continue the term of appointment of the Independent Director on the basis of the report of performance evaluation of Independent Directors.
- (f) Devising a Policy on Board Diversity; and
- (g) Recommend to the Board, all remuneration, in whatever form, payable to senior management.

### 3. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted by our Board in its meeting held on January 28, 2022 in accordance with the requirements of section 178 of the Companies Act and Regulation 20 of SEBI (LODR) Regulations. The Stakeholders' Relationship Committee presently comprises:

Sr. No.	Name of Member	Designation	Remarks
1.	Mr. Rajesh Kumar Seth	Independent Director	Chairman of the Committee
2.	Mr. Norikatsu Ishida	Non-executive Director	Member of the Committee
3.	Mr. Laksh Vaaman Sehgal	Non-executive Director	Member of the Committee
4.	Colonel Virendra Chand Katoch (Retd.)	Independent Director	Member of the Committee

Our Company Secretary is the Secretary to the Committee.

*Scope and terms of reference:*

The terms of reference of the Stakeholders' Relationship Committee shall include the following:

- (a) To review and redress the grievances of shareholders, debenture holders and other security holders which may include complaints related to transfer of shares, non-receipt of annual reports, non-receipt of declared Dividends, approve issue of duplicate certificates and new certificate on split/ consolidation/renewal etc.
- (b) Approve transfer/transmission, dematerialization and re-materialization of equity shares / securities of the Company in a timely manner;
- (c) To oversee the performance of Registrar and Share Transfer Agent and recommend measures for overall improvement in the quality of investors services;
- (d) To deal with all aspects relating to issue and allotment of shares of the Company;
- (e) To monitor and review any investor complaints received by the Company or through regulatory authorities and ensure its timely and speedy resolution, in consultation with the Board's Secretary or Compliance Officer and Registrar and Share Transfer Agent; and
- (f) To update the Board of Directors to redress various investor complaints and functioning of the Committee.
- (g) To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

- (h) To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company.

#### 4. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted by our Board in its meeting held on January 28, 2022 in accordance with the requirements of section 135 of the Companies Act. The Corporate Social Responsibility Committee presently comprises:

Sr. No.	Name of Member	Designation	Remarks
1.	Mr. Vivek Chaand Sehgal (Chairman)	Non-executive Director	Chairman of the Committee
2.	Mr. Anupam Mohindroo	Independent Director	Member of the Committee
3.	Mr. Arjun Puri	Independent Director	Member of the Committee

Our Company Secretary is the Secretary to the Committee.

*Scope and terms of reference:*

The terms of reference of the Corporate Social Responsibility Committee shall include the following:

- (a) To formulate and recommend to the Board, a CSR Policy and activities to be undertaken by the Company in areas or subject, specified in Schedule VII to the Companies Act, 2013;
- (b) To recommend amount of expenditure on activities referred to in (i);
- (c) To monitor CSR Policy of the Company from time to time and recommend for the amendments in the Policy, as and when required.
- (d) To report on Projects or programmes in accordance with Companies Act, 2013 and Rules therein;
- (e) To formulate and/or recommend alteration in annual action plan in pursuance of CSR Policy which includes the following:
  - the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
  - the manner of execution of such projects or programmes as specified in sub-rule (1) of Rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014;
  - the modalities of utilisation of funds and implementation schedules for the projects and programmes;
  - monitoring and reporting mechanism for the projects or programmes; and
  - details of need and impact assessment, if any, for the projects undertaken by the Company;
- (f) To recommend the Budget to the Board for approval, in pursuance of the Companies Act, 2013;
- (g) To be accountable for spending the allocated CSR Budget;
- (h) To recommend for undertaking CSR activities in partnership / collaboration with Implementing Partner (if any);
- (i) To create transparent monitoring mechanisms for implementation of CSR initiatives;
- (j) To submit reports to the Board in respect of CSR Initiatives undertaken by the Company;
- (k) To monitor charter or MOUs for the partnership and implementation of Projects or Programmes under partnerships.

#### 5. Risk Management Committee

The Risk Management Committee was constituted by our Board in its meeting held on January 28, 2022 in accordance with the requirements of Regulation 21 of SEBI (LODR) Regulations. The Risk Management Committee presently comprises:

Sr. No.	Name of Member	Designation	Remarks
1.	Ms. Geeta Mathur	Independent Director	Chairperson of the Committee
2.	Mr. Laksh Vaaman Sehgal	Non-executive Director	Member of the Committee
3.	Mr. Anurag Gahlot	Whole Time Director	Member of the Committee
4.	Mr. Norikatsu Ishida	Non-executive Director	Member of the Committee
5.	Mr. G.N. Gauba	Chief Financial Office	Member of the Committee

Our Company Secretary is the Secretary to the Committee.

*Scope and terms of reference:*

The terms of reference of the Risk Management Committee shall include the following:

- (a) To review the risk philosophy, strategy, policies and risk tolerance and appetite recommended by management. The Committee will ensure compliance with such policies in accordance with the overall risk profile of the Company. Risk in the widest sense, i.e. enterprise-wide risk, will be considered by the Committee;
- (b) To review management reports detailing the adequacy and overall effectiveness of risk management, its implementation by management, reports on internal control and any recommendations and confirm that appropriate action has been taken;
- (c) To review key risk areas and key performance indicators of the company, and monitor these factors as part of a regular review of processes and procedures to ensure the effectiveness of its internal systems of control;
- (d) To review the risk bearing capacity of the company in light of its reserves, insurance coverage, guarantee funds or other such financial structures.
- (e) To assist the Board in setting risk strategy policies, including annually agreeing risk tolerance and appetite levels, in liaison with management and in the discharge of its duties relating to corporate accountability and associated risk in terms of management assurance and integrated reporting;
- (f) To ensure that an appropriate policy and plan for a system of risk management is developed by management, approved by the Board and distributed throughout the Company;
- (g) To annually review, assess the quality, integrity and effectiveness of the risk management plan and systems and ensure that the risk policies and strategies are effectively managed by management and that risks taken are within the agreed tolerance and appetite levels;
- (h) To review and assess the nature, role, responsibility and authority of the risk management function within the company and outline the scope of risk management work;
- (i) To ensure that the company has implemented an effective ongoing process to identify risk, to measure its potential impact against a broad set of assumptions and then to activate what is necessary to pro-actively manage these risks, and to decide the company's appetite or tolerance for risk. A framework and process to anticipate unpredictable risks should also be implemented;
- (j) To ensure that a systematic, documented assessment of the processes and outcomes surrounding key risks is undertaken at least annually. This assessment should as a minimum cover risks affecting the income streams of the company, IT risks, the critical dependencies of the business., the sustainability and the legitimate interest and expectations of shareholders; A framework and process to anticipate unpredictable;
- (k) To oversee formal reviews of activities associated with the effectiveness of risk management and internal control processes. A comprehensive system of control should be established to ensure that risks are mitigated and that the company's objectives are attained;
- (l) To review processes and procedures to ensure the effectiveness of internal systems of control so that decision-making capability and accuracy of reporting and financial results are always maintained at an optimal level;
- (m) To monitor external developments relating to the practice of corporate accountability and the reporting of specifically associated risk, including emerging and prospective impacts; and
- (n) To provide an independent and objective oversight and view of the information presented by management on corporate accountability and specifically associated risk, also taking account of reports by management and the Audit Committee to the Board on all categories of identified risks.
- (o) To assist the Board in its responsibility for disclosure in relation to risk management in the annual report, and acknowledgement that it is accountable for the risk management function.

## 6. Share Transfer Committee

The Share Transfer Committee was constituted by our Board in its meeting held on January 28, 2022 in accordance with the requirements of Regulation 40 of SEBI (LODR) Regulations. The Share Transfer Committee presently comprises

Sr. No.	Name of Member	Designation	Remarks
1.	Mr. Laksh Vaaman Sehgal	Non-executive Director	Chairman of the Committee
2.	Mr. Anurag Gahlot	Whole Time Director	Member of the Committee
3.	Mr. Norikatsu Ishida	Non-executive Director	Member of the Committee
4.	Colonel Virendra Chand Katoch (Retd.)	Independent Director	Member of the Committee

Our Company Secretary is the Secretary to the Committee.

*Scope and terms of reference:*

The terms of reference of the Share Transfer Committee shall include the following:

- (a) To approve transfer/transmission of shares and debentures, dematerialization of shares and re-materialization of shares, split and issue of duplicate/consolidated share certificates.
- (b) To ensure compliance with all the requirements related to shares, debentures and other securities from time to time after duly complying with all applicable provisions

#### **7. Committee of Directors (Administrative Matters)**

The Committee of Directors (Administrative Matters) was constituted by our Board in its meeting held on January 28, 2022. The Committee of Directors (Administrative Matters) presently comprises

<b>Sr. No.</b>	<b>Name of Member</b>	<b>Designation</b>	<b>Remarks</b>
1.	Mr. Laksh Vaaman Sehgal	Non-executive Director	Chairman of the Committee
2.	Mr. Arjun Puri	Independent Director	Member of the Committee
3.	Mr. Norikatsu Ishida	Non-executive Director	Member of the Committee
4.	Mr. Anurag Gahlot	Whole Time Director	Member of the Committee

Our Company Secretary is the Secretary to the Committee.

*Scope and terms of reference:*

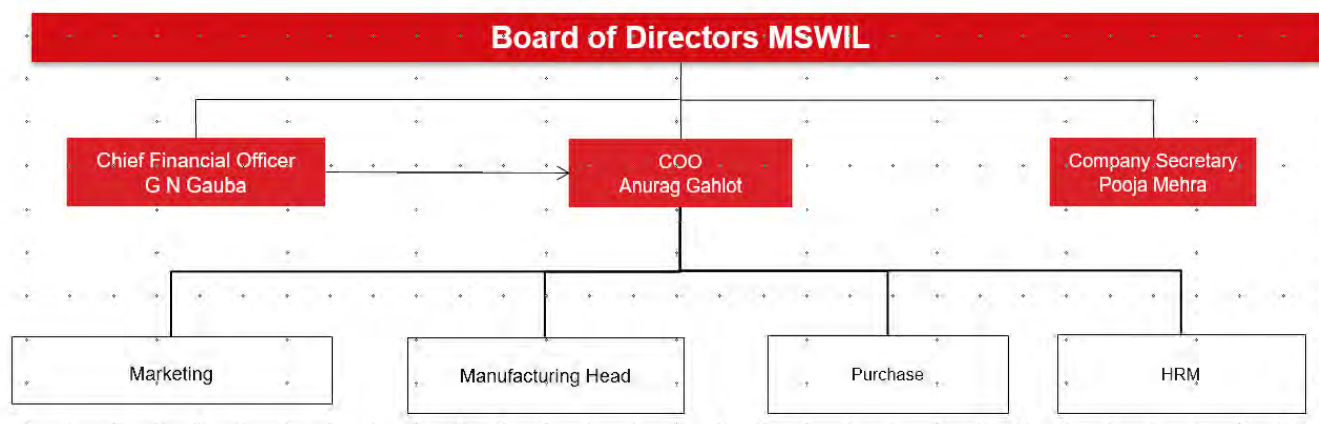
The terms of reference of the Administrative Committee shall include the following:

- (a) To open bank accounts special or otherwise for the purposes of business of the Company including for the purposes of payment of interest, dividend on shares etc. and for the said purpose authorize Directors and/or Officers to operate said accounts and for time to time vary such authorization and also to close such accounts as it may deem fit.
- (b) To authorise Directors and/or Officers of the Company to represent the Company before Government Authorities and other Authorities for setting up the units / factory of the Company, transfer of unit and also to close such units as it may deed fit.
- (c) To appoint Occupier for the factory(ies) of the Company under the Factories Act, 1948 and also appoint the Factory manager, if any.
- (d) To authorise Officials of the Company to sign and execute the necessary documents, invoices pertaining to Excise, Service Tax, Customers, Sales Tax, Goods and Service Tax, Commercial Tax, Income Tax matters.
- (e) To authorise Director and/or Officers of the Company to acquire land and sign and execute the Lease Agreement, Sub-lease Agreement and other document(s) as may be required.
- (f) To authorize Directors and/or officials of the Company to represent he Company before the Government and/or Non-Government Bodies and authorize them to do all such acts, deeds and things as it may deem fit in connection with the matters pertaining to such bodies and/or otherwise issue and execute power of attorney(s) in favour of any Director and/or officials of the Company or any other person for any general or specific purpose relating to the business and affairs of the Company.
- (g) To authorize any Director and/or officer of the Company and/or any person to attend and represent the Company at any Extraordinary General Meeting and/or Annual General Meeting or any other meetings of shareholders, Debentureholders or Creditors of the Companies in which the Company is a shareholders or Debentureholders or Creditor including signing the Postal Ballot form and other documents as may be required.
- (h) To file proceedings against any person and to defend proceedings against the Company, its Directors and officials by any person before any court of law, tribunal or any other authority with power to apply for compounding or offences / matters alleging violation of law by the Company or its officers to the Company Law Board, Income Tax Tribunal or court(s) or any other authority anywhere in India or abroad and to appoint Advocate(s), issue Power of Attorney and other documents.
- (i) To change trustee(s) of the Gratuity Trust(s) being maintained by the Company and its division and/or signatories to their bank accounts and further authorize officials of the Company person all matters related and/on incidental thereto.

- (j) To authorize any Director and/or officer of the Company for any other Administrative items required for the smooth operation not covered herein in the best interest of the Company.
- (k) To delegate any of the aforesaid powers to any Director and/or Officers of the Company.
- (l) To authorize such other power as are delegated to it from time to time by the Board of Directors.

**Management Organization Structure:**

As on the date of this Information Memorandum, our management organization structure is as below:



**Key Management Personnel-**

**Status of Key Managerial Personnel**

As on the date of this Information Memorandum, all our Key Managerial Personnel are permanent employees of our Company.

**Brief Profile of Key Management Personnel:**

**Mr. Anurag Gahlot**

Brief profile of Mr. Anurag Gahlot has been included under “Brief Profile of our Directors”, as provided under “Our Management” on page 96.

He has been appointed as the Chief Operating Officer/ Whole Time Director of the Company w.e.f. January 28, 2022

**Mr. G.N. Gauba**

Mr. G.N. Gauba has been appointed as the Chief Financial Officer of the Company w.e.f. January 28, 2022. After completing his B. Com (Hons.) in 1980 and M. Com (Hons.) from the University of Delhi, he qualified as a member of the Institute of Cost and Works Accountants in 1983, an Associate Company Secretary with the Institute of Company Secretaries and did his Diploma in Banking Finance from ICFAI. Mr. Gauba joined the Motherson group in 1997 and has 41 years of experience. He has been instrumental in setting up many overseas subsidiaries and joint venture companies. In his earlier role as the CFO of MSSL, he has been responsible for implanting the financial philosophy and discipline of the Group into the newly acquired companies. The organization has grown inorganically with 17 acquisitions under his watch.

In his earlier role, he has been involved in preparation and finalisation of annual accounts including dealing with statutory auditors, cost auditors, internal auditors etc, coordinating and finalisation of revenue and capital expenditure budgets including setting up of performance standards, development & operation of Management Information system covering reporting of monthly profit & loss, exceptions & comparison of actuals vs. standards, preparation of project reports and conducting post projects audit, monitoring management funds and worked capital requirement and dealing with Bank for Foreign Exchange L/C’ s, remittance, forward covers etc., associated with secretarial matters relating to agenda, minutes etc.

Mr. Gauba has also handled 2 public issues of group aggregating over Rs. 55 crores. He has also been responsible for the

investor relations programs of the company. He is a keen analyst with exceptional relationship management & negotiation skills with proven abilities in liaising with Banks, Financial Institutions, and various regulatory authorities. An Astute Finance Professional having experience in Financial Planning & Control, Audits. Proficient in conceptualizing and implementing financial procedures, including working capital management, internal financial controls, and costing. He has been an instrumental figure during entire growth phase, global expansion, and global acquisitions by the Group.

### **Ms. Pooja Mehra**

Ms. Pooja Mehra brings with her over 2 decades of Company Secretarial experience in Corporate Advisory Services, Secretarial Functions, Debt Raising, Restructuring, M&A and Compliance. Pooja has been associated with Motherson group since 1999 and presently working as Assistant Vice President in Group General Counsel Team. Pooja has done her B Com (Hons) from Delhi University and is a member of Fellow Institute of Company Secretaries of India. She has undertaken Cyber Laws and Intellectual Property Laws certification from Indian Law Institute. Ms. Pooja Mehra joined the Motherson Group in 1999.

### ***Relationship of Key Managerial Personnel***

None of our Key Management Personnel are related to each other or to the Directors.

### **Arrangement or understanding with major shareholders, customers, suppliers or others**

None of our Key Management Personnel have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

### **Shareholding of Key Managerial Personnel of our Company as on date the Information Memorandum**

<b>Sr. No.</b>	<b>Name</b>	<b>No. of Equity Shares</b>	<b>% of Equity Shareholding holding</b>
1.	Mr. Anurag Gahlot	24,200	Negligible
2.	Mr. G.N. Gauba	36,450	Negligible
3.	Ms. Pooja Mehra	1,708	Negligible

### **Change in our Key Management Personnel since incorporation**

<b>Name</b>	<b>Designation</b>	<b>Date of appointment</b>	<b>Date of cessation</b>
Mr. Anurag Gahlot	Chief Operating Officer/ Whole Time Director	January 28, 2022	-
Mr. G.N. Gauba	Chief Financial Officer	January 28, 2022	-
Ms. Pooja Mehra	Company Secretary	January 28, 2022	-

### ***Service Contracts with Key Managerial Personnel***

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company, including Key Managerial Personnel, is entitled to any benefit upon termination of such officer's employment or superannuation.

### ***Contingent and deferred compensation payable to Key Managerial Personnel***

As on the date of this Information Memorandum, there is no contingent or deferred compensation payable to Key Managerial Personnel, which does not form part of their remuneration.

### ***Bonus or profit sharing plan of the Key Managerial Personnel***

Our Company does not have a formal bonus or profit sharing plan. Our Key Managerial Personnel are entitled to certain retention incentives, performance based variable payments and long term incentive plans as per the terms of appointment approved by the Board of directors of the Company, in compliance with the provisions of Companies Act.

### ***Interest of Key Managerial Personnel***

None of our Key Managerial Personnel have any interest in our Company except to the extent of their remuneration,

benefits, reimbursement of expenses incurred by them in the ordinary course of business or loans, if any, availed from our Company or Equity Shares held by them in our Company, if any. The Key Managerial Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held by them in our Company.

#### **Payment or benefit to Key Management Personnel of our Company**

No amount or benefit has been paid or given since incorporation or is intended to be paid or given to any of our Key Management Personnel except the remuneration for services rendered in the capacity of being an employee.

#### **Employees**

Upon the demerger of the DWH Undertaking from Motherson Sumi Systems Limited to the Company becoming effective, in terms of the Scheme, all employees of the DWH Undertaking were deemed to become employees of the Company, without any interruption of service and on the basis of continuity of service and on the same terms and conditions as those applicable to them with reference to the Company, on the Effective Date 1. The services of such employees with the Company up to the Effective Date 1 were taken into account for the purposes of all benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, severance pay, gratuity and other terminal benefits. In these circumstances, the rights of such employees of the Company would in no way be affected by the Scheme

As on date of this Information Memorandum, our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme.



## OUR PROMOTERS, PROMOTER GROUP AND GROUP COMPANIES

### PROMOTERS

The Promoters of our Company are:

#### Individual Promoters

- Mr. Vivek Chaand Sehgal
- Mr. Laksh Vaaman Sehgal

#### Corporate Promoters

- Motherson Sumi Systems Limited
- Sumitomo Wiring Systems Limited

#### Details of our Promoters are as follows:

##### *Individual Promoters*

**Mr. Vivek Chaand Sehgal**, aged 65 years, is one of our Promoters.

**Date of birth:** September 28, 1956

**Address:** Villa No. 40, Dubai Creek Villas Dubai Creek Golf and Yacht Club, Port Saeed Deira, Dubai, United Arab Emirates

**Permanent Account Number:** AFDPS4265B

**Passport No.:** PE0414598

**Educational Qualification:** Graduate, University of Delhi

**Past experience:** Please see "Our Management" in page 89

**Mr. Laksh Vaaman Sehgal**, aged 39 years, is one of our Promoters.

**Date of birth:** November 29, 1982

**Address:** 48, Queens Grove, London, NW86HH, United Kingdom

**Permanent Account Number:** AOAPS1364K

**Passport No.:** PA9076832

**Educational Qualification:** MBA degree from Columbia Business School (USA) and also holds a degree from Keio University, Tokyo, Japan

**Past experience:** Please see "Our Management" in page 89.

##### *Corporate Promoters*

#### **Motherson Sumi Systems Limited**

##### *Corporate Information and History*

Motherson Sumi Systems Limited was incorporated on December 19, 1986 under the Companies Act, 1956. The registered office of Motherson Sumi Systems Limited is situated at Unit 705, C Wing, One BKC, G Block, Bandra Kurla Complex, Mumbai 400 051, Maharashtra.

Motherson Sumi Systems Limited is primarily engaged in the business of manufacturing of automotive components, inter alia, wiring harness, manufacturing of vision system, manufacturing of moulded and polymer products etc., directly and / or through its subsidiaries.

#### *Promoters of Motherson Sumi Systems Limited*

The promoters of Motherson Sumi Systems Limited are Mr. Vivek Chaand Sehgal, Mr. Laksh Vaaman Sehgal and Sumitomo Wiring Systems Limited.

#### *Board of directors of Motherson Sumi Systems Limited*

The directors of Motherson Sumi Systems Limited are Mr. Vivek Chaand Sehgal, Mr. Laksh Vaaman Sehgal, Mr. Shunichiro Nishimura, Mr. Gautam Mukherjee, Mr. Naveen Ganzu, Ms. Rekha Sethi, Mr. Norikatsu Ishida, Mr. Veli Matti Ruotsala, Mr. Robert Joseph Remenar and Mr. Pankaj Mittal.

#### *Change in control of Motherson Sumi Systems Limited*

There has been no change in the control of Motherson Sumi Systems Limited during the last three years preceding the date of this Information Memorandum.

### **Sumitomo Wiring Systems Limited**

#### *Corporate Information and History*

Sumitomo Wiring Systems Limited (“SWS”) was incorporated on December 22, 1917 under the laws of Japan. The registered office of SWS is situated at 1-14 Nishisuehiro-Cho, Yokkaichi, Mie, Japan, 510-8503.

#### *Promoters of Sumitomo Wiring Systems Limited*

The promoter of Sumitomo Wiring Systems Limited is Sumitomo Electric Industries Limited.

#### *Change in control of Sumitomo Wiring Systems Limited*

There has been no change in the control of Sumitomo Wiring Systems Limited during the last three years preceding the date of this Information Memorandum.

### **Interest of Promoters**

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their respective shareholding in our Company and the dividends payable and any other distributions in respect of their respective shareholding in our Company. Our individual Promoters may deem to be interested to the extent of the shareholding of their relatives in our Company. For further details, see section titled “*Details of Shareholding of our Promoters, members of the Promoter Group and directors of corporate Promoters in our Company*” on page 49.

For further details of interest of our Promoters in our Company, see “*Financial Statements – Related Party Transactions*” on page 131.

Except as stated above and in the section titled “*Financial Statements*” on page 131 of the Information Memorandum, and to the extent of shareholding in our Company, our Promoters do not have any other interest in our business.

Our Promoters have no interest, whether direct or indirect, in any property acquired by our Company within the preceding three years from the date of this Information Memorandum or proposed to be acquired by it as on the date of filing of this Information Memorandum, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person either to induce the such person to

become, or qualify him as a director, or otherwise for services rendered by him or by such firm or company in connection with the promotion or formation of our Company.

Our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company.

#### **Payment or benefit to Promoters of our Company**

Except as disclosed herein and as stated in the section titled “*Financial Statements*” on page 131, there has been no amounts paid or benefits granted by our Company to our Promoters or any of the members of the Promoter Group in the preceding two years nor is there any intention to pay any amount or provide any benefit to our Promoters or Promoter Group as on the date of this Information Memorandum.

#### **Disassociation by Promoters in the last three years**

Except as stated below, our Promoters have not disassociated themselves from any Indian companies or firms or firm during the three years preceding the date of filing of this Information Memorandum:

<b>Sr. No.</b>	<b>Name of Promoter</b>	<b>Name of the entity</b>	<b>Date of disassociation</b>	<b>Reason / circumstances and terms of disassociation</b>
1.	Mr. Vivek Chaand Sehgal	Sun Pharmaceutical Industries Limited	September 1, 2021	Resigned as Director
		Motherson Bergstrom Hvac Solutions Private Limited	March 29, 2019	Resigned as Director
		Calsonic Kansei Motherson Auto Products Private Limited	April 2, 2019	Resigned as Director
		Anest Iwata Motherson Private Limited	May 1, 2019	Resigned as Director
		Mothersonsumi Infotech And Designs Limited	April 24, 2019	Resigned as Director
2.	Mr. Laksh Vaaman Sehgal	SMR Automotive Systems India Limited	May 23, 2019	Resigned as Director
		Motherson Techno Tools Limited	April 1, 2019	Resigned as Director
		Samvardhana Motherson Auto System Private Limited	November 29, 2021	Resigned as Director

## Promoter Group

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations are set out below:

S. No.	Definition	Promoter Group																																										
i)	Promoter	Mr. Vivek Chaand Sehgal Mr. Laksh Vaaman Sehgal Sumitomo Wiring Systems Limited, Japan Motherson Sumi Systems Limited																																										
ii)	an immediate relative of the promoter (i.e. any spouse of that person, or any parent, brother, sister or child of the person or of the spouse)	<p><u>Relatives of Mr. Vivek Chaand Sehgal</u></p> <table border="1"> <tr> <td>Spouse</td> <td>Mrs. Renu Alka Sehgal (will be holding shares in the Company)</td> </tr> <tr> <td>Mother</td> <td>NA</td> </tr> <tr> <td>Father</td> <td>NA</td> </tr> <tr> <td>Brother</td> <td>NA</td> </tr> <tr> <td>Sister</td> <td>Ms. Geeta Soni Ms. Neelu Mehra</td> </tr> <tr> <td>Son</td> <td>Mr. Laksh Vaaman Sehgal</td> </tr> <tr> <td>Daughter</td> <td>Ms. Vidhi Sehgal</td> </tr> <tr> <td>Spouse`s Father</td> <td>-</td> </tr> <tr> <td>Spouse`s Mother</td> <td>-</td> </tr> <tr> <td>Spouse`s Brother</td> <td>Mr Sanjay Prakash</td> </tr> <tr> <td>Spouse`s Sister</td> <td>Ms.Anjali Gujral</td> </tr> </table> <p><u>Relatives of Mr. Laksh Vaaman Sehgal:</u></p> <table border="1"> <tr> <td>Spouse</td> <td>Mrs. Samriddhi Sehgal</td> </tr> <tr> <td>Mother</td> <td>Mr. Renu Alka Sehgal (will be holding shares in the Company)</td> </tr> <tr> <td>Father</td> <td>Mr. Vivek Chaand Sehgal (will be holding shares in the Company)</td> </tr> <tr> <td>Brother</td> <td>NA</td> </tr> <tr> <td>Sister</td> <td>Ms. Vidhi Sehgal</td> </tr> <tr> <td>Son</td> <td>Siddh Vaasav Sehgal Ganan Yuvaan Sehgal</td> </tr> <tr> <td>Daughter</td> <td>NA</td> </tr> <tr> <td>Spouse`s Father</td> <td>Mr. Sanjay Bhalla</td> </tr> <tr> <td>Spouse`s Mother</td> <td>Mrs. Amita Vyas Bhalla</td> </tr> <tr> <td>Spouse`s Brother</td> <td>Mr. Abhinav Bhalla</td> </tr> </table>	Spouse	Mrs. Renu Alka Sehgal (will be holding shares in the Company)	Mother	NA	Father	NA	Brother	NA	Sister	Ms. Geeta Soni Ms. Neelu Mehra	Son	Mr. Laksh Vaaman Sehgal	Daughter	Ms. Vidhi Sehgal	Spouse`s Father	-	Spouse`s Mother	-	Spouse`s Brother	Mr Sanjay Prakash	Spouse`s Sister	Ms.Anjali Gujral	Spouse	Mrs. Samriddhi Sehgal	Mother	Mr. Renu Alka Sehgal (will be holding shares in the Company)	Father	Mr. Vivek Chaand Sehgal (will be holding shares in the Company)	Brother	NA	Sister	Ms. Vidhi Sehgal	Son	Siddh Vaasav Sehgal Ganan Yuvaan Sehgal	Daughter	NA	Spouse`s Father	Mr. Sanjay Bhalla	Spouse`s Mother	Mrs. Amita Vyas Bhalla	Spouse`s Brother	Mr. Abhinav Bhalla
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		Spouse's Sister	-
iii)	in case promoter is a body corporate		
A)	a subsidiary or holding company of such body corporate	<p>For Motherson Sumi Systems Limited</p> <ol style="list-style-type: none"> <li>1. MSSL Mauritius Holdings Limited</li> <li>2. Motherson Electrical Wires Lanka Pvt. Ltd.</li> <li>3. MSSL Mideast (FZE)</li> <li>4. MSSL (S) Pte Ltd.</li> <li>5. Motherson Innovations Tech Limited</li> <li>6. Samvardhana Motherson Polymers Ltd.</li> <li>7. MSSL (GB) Limited</li> <li>8. Motherson Wiring System (FZE)</li> <li>9. MSSL GmbH</li> <li>10. MSSL Tooling (FZE)</li> <li>11. Samvardhana Motherson Invest Deutschland GmbH</li> <li>12. MSSL Advanced Polymers s.r.o</li> <li>13. Motherson Techno Precision GmbH</li> <li>14. MSSL s.r.l Unipersonale</li> <li>15. Motherson Techno Precision México, S.A. de C.V</li> <li>16. MSSL Australia Pty Ltd</li> <li>17. MSSL Ireland Pvt. Ltd.</li> <li>18. Global Environment Management (FZE)</li> <li>19. Motherson Elastomers Pty Limited</li> <li>20. Motherson Investments Pty Limited</li> <li>21. MSSL Global RSA Module Engineering Limited</li> <li>22. MSSL Japan Limited</li> <li>23. Vacuform 2000 (Proprietary) Limited.</li> <li>24. MSSL México, S.A. De C.V.</li> <li>25. MSSL WH System (Thailand) Co., Ltd</li> <li>26. MSSL Korea WH Limited</li> <li>27. MSSL Consolidated Inc., USA</li> <li>28. MSSL Wiring System Inc., USA</li> <li>29. Alphabet de Mexico, S.A. de C.V.</li> <li>30. Alphabet de Mexico de Monclova, S.A. de C.V.</li> <li>31. Alphabet de Saltillo, S.A. de C.V.</li> <li>32. MSSL Wirings Juarez S.A. de C.V.</li> <li>33. MSSL Manufacturing Hungary Kft</li> <li>34. Motherson Air Travel Pvt. Ltd.</li> <li>35. MSSL Estonia WH OÜ</li> <li>36. Samvardhana Motherson Global Holdings Ltd.</li> <li>37. Samvardhana Motherson Automotive Systems Group B.V.</li> <li>38. Samvardhana Motherson Reflectec Group Holdings Limited</li> <li>39. SMR Automotive Technology Holding Cyprus Ltd.</li> <li>40. SMR Automotive Mirror Parts and Holdings UK Ltd.</li> <li>41. SMR Automotive Holding Hong Kong Limited</li> <li>42. SMR Automotive Systems India Limited</li> <li>43. SMR Automotive Systems France S. A.</li> <li>44. SMR Automotive Mirror Technology Holding Hungary Kft</li> <li>45. SMR Patents S.a.R.L.</li> <li>46. SMR Automotive Technology Valencia S.A.U.</li> <li>47. SMR Automotive Mirrors UK Limited</li> <li>48. SMR Automotive Mirror International USA Inc.</li> <li>49. SMR Automotive Systems USA Inc.</li> <li>50. SMR Automotive Beijing Co. Limited</li> <li>51. SMR Automotive Yancheng Co. Limited</li> <li>52. SMR Automotive Mirror Systems Holding Deutschland GmbH</li> <li>53. SMR Holding Australia Pty Limited</li> <li>54. SMR Automotive Australia Pty Limited</li> <li>55. SMR Automotive Mirror Technology Hungary Bt</li> </ol>	

		<p>56. SMR Automotive Modules Korea Ltd</p> <p>57. SMR Automotive Beteiligungen Deutschland GmbH</p> <p>58. SMR Hyosang Automotive Ltd.</p> <p>59. SMR Automotive Mirrors Stuttgart GmbH</p> <p>60. SMR Automotive Systems Spain S.A.U.</p> <p>61. SMR Automotive Vision Systems Mexico S.A. de C.V.</p> <p>62. SMR Grundbesitz GmbH &amp; Co. KG</p> <p>63. SMR Automotive Brasil LTDA</p> <p>64. SMR Automotive System (Thailand) Limited</p> <p>65. SMR Automotives Systems Macedonia Dooel Skopje</p> <p>66. SMR Automotive Operations Japan K.K.</p> <p>67. SMR Automotive (Langfang) Co. Ltd.</p> <p>68. SMR Automotive Vision System Operations USA INC</p> <p>69. SMR Mirror UK Limited</p> <p>70. Samvardhana Motherson Peguform GmbH</p> <p>71. SMP Automotive Interiors (Beijing) Co. Ltd</p> <p>72. SMP Deutschland GmbH</p> <p>73. SMP Logistik Service GmbH</p> <p>74. SMP Automotive Solutions Slovakia s.r.o</p> <p>75. Changchun Peguform Automotive Plastics Technology Co. Ltd</p> <p>76. Foshan Peguform Automotive Plastics Technology Co. Ltd.</p> <p>77. SMP Automotive Technology Management Services (Changchun) Co. Ltd. (Deregistered effective from May 8, 2021)</p> <p>78. SMP Automotive Technology Iberica S.L</p> <p>79. Samvardhana Motherson Peguform Barcelona S.L.U</p> <p>80. SMP Automotive Technologies Teruel Sociedad Limitada</p> <p>81. Samvardhana Motherson Peguform Automotive Technology Portugal S.A</p> <p>82. SMP Automotive Systems Mexico S.A. de C.V</p> <p>83. SMP Automotive Produtos Automotivos do Brasil Ltda.</p> <p>84. SMP Automotive Exterior GmbH</p> <p>85. Samvardhana Motherson Innovative Autosystems B.V. &amp; Co. KG</p> <p>86. Samvardhana Motherson Innovative Autosystems Holding Company BV</p> <p>87. SM Real Estate GmbH</p> <p>88. Samvardhana Motherson Innovative Autosystems de México, S.A. de C.V</p> <p>89. SMP Automotive Systems Alabama Inc.</p> <p>90. Motherson Innovations Company Limited, U.K.</p> <p>91. Motherson Innovations Deutschland GmbH</p> <p>92. Samvardhana Motherson Global (FZE)</p> <p>93. SMR Automotive Industries RUS Limited Liability Company</p> <p>94. Celulosa Fabril (Cefa) S.A.</p> <p>95. Modulos Ribera Alta S.L.</p> <p>96. Motherson Innovations Lights GmbH &amp; Co KG</p> <p>97. Motherson Innovations Lights Verwaltungs GmbH</p> <p>98. PKC Group Oy</p> <p>99. PKC Wiring Systems Oy</p> <p>100. PKC Group Poland Sp. z o.o.</p> <p>101. PKC Wiring Systems Llc</p> <p>102. PKC Group APAC Limited</p> <p>103. PKC Group Canada Inc.</p> <p>104. PKC Group USA Inc.</p> <p>105. PKC Group Mexico S.A. de C.V.</p> <p>106. Project del Holding S.a.r.l.</p> <p>107. PK Cables do Brasil Ltda</p> <p>108. PKC Eesti AS</p> <p>109. TKV-sarjat Oy</p> <p>110. PKC SEGU Systemelektrik GmbH</p> <p>111. Groclin Luxembourg S.à r.l.</p> <p>112. PKC Vehicle Technology (Suzhou) Co., Ltd.</p> <p>113. AEES Inc.</p> <p>114. PKC Group Lithuania UAB</p>
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		<p>115. PKC Group Poland Holding Sp. z o.o.</p> <p>116. OOO AEK</p> <p>117. Kabel-Technik-Polska Sp. z o.o.</p> <p>118. AEES Power Systems Limited partnership</p> <p>119. T.I.C.S. Corporation</p> <p>120. Fortitude Industries Inc.</p> <p>121. AEES Manufactuera, S. De R.L de C.V.</p> <p>122. Cableodos del Norte II, S. de R.L de C.V.</p> <p>123. Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V.</p> <p>124. Arnese y Accesorios de México, S. de R.L de C.V.</p> <p>125. Asesoria Mexicana Empresarial, S. de R.L de C.V.</p> <p>126. Arnese de Ciudad Juarez, S. de R.L de C.V.</p> <p>127. PKC Group de Piedras Negras, S. de R.L. de C.V.</p> <p>128. PKC Group AEES Commercial S. de R.L de C.V</p> <p>129. Jiangsu Huakai-PKC Wire Harness Co., Ltd.</p> <p>130. PKC Vechicle Technology (Hefei) Co, Ltd.</p> <p>131. Shanjdong Huakai-PKC Wireharness Co. Ltd.</p> <p>132. Shenyang SMP Automotive Plastic Component Co. Ltd.</p> <p>133. PKC Vehicle Technology (Fuyang) Co., Ltd.</p> <p>134. Tianjin SMP Automotive Component Company Limited</p> <p>135. SMRC Automotive Holdings B.V. (formerly Reydel Automotive Holdings B.V.)</p> <p>136. SMRC Automotive Holdings Netherlands B.V. (formerly Reydel Automotive B.V.)</p> <p>137. SMRC Automotives Techno Minority Holdings B.V. (formerly Reydel Automotive Minority Holdings B.V.)</p> <p>138. SMRC Smart Automotive Interior Technologies USA, LLC (formerly Reydel Automotive USA, LLC) (dissolved effective June 28, 2021)</p> <p>139. SMRC Automotive Modules France SAS (formerly Reydel Automotive France SAS)</p> <p>140. Samvardhana Motherson Reydel Automotive Parts Holding Spain, S.L.U. (formerly Reydel Automotive Holding Spain , S.L.U)</p> <p>141. SMRC Automotive Interiors Spain S.L.U. (formerly Reydel Automotive Spain, S.L.U)</p> <p>142. SMRC Automotive Interior Modules Croatia d.o.o (formerly Reydel Automotive Croatia d.o.o.)</p> <p>143. Samvardhana Motherson Reydel Autotecc Morocco SAS (formerly Reydel Automotive Morocco SAS)</p> <p>144. SMRC Automotive Technology RU LLC (formerly Reydel Automotive Rus LLC)</p> <p>145. SMRC Smart Interior Systems Germany GmbH (formerly Reydel Automotive Germany GmbH)</p> <p>146. SMRC Automotive Interiors Products Poland SA (formerly Reydel Automotive poland SA) (dormant)</p> <p>147. SMRC Automotive Solutions Slovakia s.r.o. (formerly Reydel Automotive Slovakia s.r.o.)</p> <p>148. SMRC Automotive Holding South America B.V. (formerly Reydel Automotive South America B.V.)</p> <p>149. SMRC Automotive Modules South America Minority Holdings B.V. (formerly Reydel Automotive South America Minority Holdings B.V.)</p> <p>150. SMRC Automotive Tech Argentina S.A. (formerly Reydel Automotive Argentina SA)</p> <p>151. SMRC Fabricação e Comércio de Produtos Automotivos do Brasil Ltda (formerly Reydel Automotive Brazil)</p> <p>152. SMRC Automotive Products Limited (formerly SMRC Automotive Products Private Ltd.)</p> <p>153. SMRC Automotive Smart Interior Tech (Thailand) Ltd. (formerly Reydel Automotive Thailand Ltd.)</p> <p>154. SMRC Automotive Interiors Japan Ltd. (formerly Reydel Automotive Japan Ltd.)</p>
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155. Shanghai SMRC Automotive Interiors Tech Consulting Co. Ltd.  
(formerly Shanghai Reydel Automotive Technology Consulting Co. Ltd.)
156. PT SMRC Automotive Technology Indonesia  
(formerly PT Reydel Automotive Indonesia)
157. Yujin SMRC Automotive Techno Corp.  
(formerly Yujin- Reydel Corp.)
158. SMRC Automotives Technology Phil Inc.  
(formerly Reydel Automotive Phils Inc.)
159. Motherson Innovations LLC, USA
160. Motherson Ossia Innovations LLC, USA
161. Samvardhana Motherson Corp Management Shanghai Co Ltd.
162. Motherson Rolling Stock Systems GB Ltd. (under liquidation)
163. Motherson PKC Harness Systems FZ-LLC
164. Wisetime Oy
165. Re-time Pty Limited
166. SMP Automotive Interior Modules d.o.o. Čuprija, Serbia
167. Motherson Rolling Stocks S. de R.L. de C.V.
168. Shenyang SMP Automotive Trim Co., Ltd., China
169. Motherson Business Service Hungary Kft.
170. SMR Plast Met Molds & Tools Turkey
171. SMR Plast Met Automtoive Tec Turkey
172. Motherson Machinery and Automations Limited
173. Motherson Molds and Diecasting Limited
174. SAKS Ancillaries Limited
175. Samvardhana Motherson Virtual Analysis Limited
176. Motherson Auto Solutions Limited
177. MothersonSumi INFotech and Designs Limited
178. MSID U.S. Inc. (held by Motherson Sumi INFotech & Designs Ltd.)
179. MothersonSumi Infotekk And Designs GmbH (held by Motherson Sumi INFotech & Designs Ltd.),
180. MothersonSumi Infotech and Designs SG Pte Ltd
181. MothersonSumi Infotech and Designs KK
182. Motherson Consultancies Service Limited
183. Motherson Auto Engineering Service Limited
184. Motherson Techno Tools Limited
185. Samvardhana Motherson Health Solution Limited
186. Samvardhana Motherson Innovative Solutions Limited
187. Samvardhana Motherson Refrigeration Product Limited
188. SMI Consulting Technologies Inc.
189. Samvardhana Motherson Auto Component Private Limited
190. Samvardhana Motherson Auto System Private Limited
191. Samvardhana Motherson Finance Services Cyprus Limited
192. Samvardhana Motherson Holding (M) Private Limited
193. Motherson Sintermetal Technology B.V.
194. Motherson Techno Tools Mideast FZE
195. Samvardhana Motherson Global Holding Limited
196. Motherson Information Technologies Spain S.L.U.
197. Motherson Infotekk Designs Mid East FZ-LLC
198. Motherson Air Travel Agency GmbH
199. Motherson Invenzen XLab Private Limited
200. Ms Global India Automotive Private Limited
201. Samvardhana Motherson Global Carriers Limited
202. Samvardhana Motherson Maadhya International Limited
203. Motherson Infotech & Solutions UK Limited
204. Motherson Sinternetal Products SA

For SWS:

1. Sumitomo Electric Industries Limited (*being the holding company of SWS*)
2. Sumitomo Electric Wiring Systems, Inc.



		<ol style="list-style-type: none"> <li>3. Sumidenso do Brasil Industrias Eletricas Ltda.</li> <li>4. Sumitomo Wiring Systems (U.S.A.) Inc.</li> <li>5. Fuzhou Zhu Wiring Systems Co.,Ltd</li> <li>6. Huizhou Zhurun Wiring Systems Co., Ltd.</li> <li>7. Jiang Xi Wiring Systems Co.,Ltd.</li> <li>8. Sumidenso Mediatech(Huizhou), Ltd</li> <li>9. Sumidenso Mediatech Suzhou Co., Ltd.</li> <li>10. Wuhan Sumiden Wiring Systems Co., Ltd</li> <li>11. SEWS-Components Changshu, Ltd.</li> <li>12. Suzhou Sumiden Automotive Wire Co.,Ltd</li> <li>13. H.K. Wiring Systems, Ltd. (will be holding shares in the Company)</li> <li>14. SDL-China Co., Ltd.</li> <li>15. SWS China Ltd.</li> <li>16. Sumi (Cambodia) Wiring Systems Co., Ltd.</li> <li>17. SWS India Management Support &amp; Service Pvt. Ltd.</li> <li>18. P.T. Sumitomo Wiring Systems Batam Indonesia</li> <li>19. SWS-Korea Co., Ltd.</li> <li>20. International Wiring Systems (Phils.) Corporation</li> <li>21. Pilipinas Kyohritsu Inc.</li> <li>22. Sumi Philippines Wiring Systems Corporation</li> <li>23. Sumi North-Philippnes Wiring Systems Corporation</li> <li>24. Sumidenso Automotive Technologies Asia Corporation</li> <li>25. Sumitomo Electric Automotive Products Singapore Pte. Ltd</li> <li>26. Sews-Components (Thailand) Ltd.</li> <li>27. SEWS Asia Technical Center,Ltd.</li> <li>28. SWS Sales &amp; Marketing (Thailand) Co., Ltd.</li> <li>29. Sumidenso Vietnam Co., Ltd.</li> <li>30. Sumi Vietnam Wiring System Co., Ltd.</li> <li>31. SEWS-Components Vietnam Co., Ltd.</li> <li>32. Sumiden Vietnam Automotive Wire Co., Ltd.</li> <li>33. SEWS South Africa Pty Ltd.</li> <li>34. SWS East Japan, Ltd.</li> <li>35. SWS West Japan, Ltd.</li> <li>36. Chuetsu Sumidenso,Ltd</li> <li>37. Sumidenso Platech, Ltd.</li> <li>38. Sumidenso Service, Ltd.</li> <li>39. S.D. Engineering, Ltd.</li> <li>40. SWS Management Support, Ltd.</li> <li>41. SWS Smile,Ltd.</li> <li>42. Huaiji Zhurun Wiring Systems Co., Ltd.</li> <li>43. CHONGQING JIN ZHU WIRING SYSTEMS CO.,LTD</li> <li>44. Zhongxiang Wu Sumiden Wiring Systems Co., Ltd.</li> <li>45. Jingshan Wu Sumiden Wiring Systems Co., Ltd.</li> <li>46. Gang Dian Trading(Shenzhen)Co.,Ltd.</li> <li>47. SEWT Korat Ltd.</li> <li>48. SEWT Kanchanaburi Ltd.</li> <li>49. SEAPS(Thailand)Co.,Ltd</li> <li>50. SEAPS Vietnam Co.,Ltd.</li> <li>51. Sumidenso da Amazonia Industrias Eletricas Ltda.</li> <li>52. SUMIDENSO Paraguay S.R.L.</li> <li>53. Autosistemas de Torreon S.A. de C.V.</li> <li>54. Conductores Tecnologicos de Juarez, S.A. de C.V.</li> </ol>
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		<ol style="list-style-type: none"> <li>55. Sistemas de Arnese K&amp;S Mexicana, S.A. de C.V.</li> <li>56. SEWS Canada, Ltd.</li> <li>57. SEWS Mexico S.A. De C.V.</li> <li>58. Changchun SE Bordnetze Co.,Ltd.</li> <li>59. Chengdu SE Bordnetze Co., Ltd.</li> <li>60. Wuzhou SE Bordnetze Co., Ltd.</li> <li>61. Tianjin SE Bordnetze Co., Ltd.</li> <li>62. Qingdao SE Bordnetze Co., Ltd.</li> <li>63. Suzhou Bordnetze Electrical Systems,Ltd.</li> <li>64. Changsha Bordnetze Electrical Systems Ltd.</li> <li>65. SE Bordnetze-Bulgaria EOOD</li> <li>66. SE Bordnetze Morocco S.A.R.L.</li> <li>67. S.R.L. SE Bordnetze</li> <li>68. SE Bordnetze-Mexico S.A. de C.V</li> <li>69. SE Bordnetze Polska Sp.zo.o.</li> <li>70. SE Bordnetze S.R.L.</li> <li>71. LLC SE Bordnetze</li> <li>72. SE Bordnetze-Slovakia s.r.o.</li> <li>73. SE Bordnetze-Tunisia S.A.R.L.</li> <li>74. SE Bordnetze El Fejja</li> <li>75. SE Bordnetze-Ukraine TOV</li> <li>76. Ludmila LTD.</li> <li>77. SE Otomotive Teknolojileri A.S.</li> <li>78. SEWS Hungary Wiring Harness Ltd.</li> <li>79. SEWS-Automotive Wire Hungary Ltd.</li> <li>80. SEWS-Components Europe, B.V.</li> <li>81. SEWS-Components &amp; Electronics Europe,KFT.</li> <li>82. SE Wiring Systems Egypt S.A.E</li> <li>83. SE Wiring Systems Egypt Trading Ltd.</li> <li>84. SEWS-Maroc, S.A.R.L.</li> <li>85. SEWS MFZ SARL (AU)</li> <li>86. SEWS Romania S.R.L.</li> <li>87. LLC SEWS RUS</li> <li>88. SEWS-Slovakia S.r.o.</li> <li>89. SEWS-Tunisia S.A.R.L.</li> <li>90. SE Wiring Systems TR Trading and Services Limited</li> <li>91. URAL WIRING SYSTEMS B.V.</li> <li>92. SEWS-Cabind Maroc S.A.S.</li> <li>93. SEWS-CABIND Poland Sp.zo.o.</li> <li>94. SEWS-CABIND Albania Sh.p.k</li> <li>95. J.K. Sumi Wire Harness Sdn. Bhd.</li> <li>96. PT Karanganyar Indo Auto Systems</li> </ol>
B)	any body corporate in which the promoter holds twenty per cent. or more of the equity share capital; and/or any body corporate which holds twenty per cent. or more of the equity share capital of the promoter	<ol style="list-style-type: none"> <li>1. Hubei Zhengao PKC Automotive Wiring Company Ltd</li> <li>2. Kyungshin Industrial Motherson Pvt. Ltd.</li> <li>3. Calsonic Kansei Motherson Auto Products Pvt. Ltd.</li> <li>4. Ningbo SMR Huaxiang Automotive Mirrors Co. Limited</li> <li>5. Chongqing SMR Huaxiang Automotive Products Limited</li> <li>6. Eissmann SMP Automotive interieur Slovakia s.r.o.</li> <li>7. Tianjin SMR Huaxiang Automotive Parts Co., Ltd.</li> <li>8. Anest Iwata Motherson Coating Equipment Private Limited</li> <li>9. Anest Iwata Motherson Private Limited</li> <li>10. Aes (India) Engineering Limited</li> <li>11. Valeo Motherson Thermal Commercial Vehicles India Limited</li> </ol>

		<p>12. Matsui Technologies India Limited  13. Fritzmeier Motherson Cabin Engineering Private Limited  14. Nissin Advanced Coating Indo Co. Private Limited  15. Marelli Motherson Automotive Lighting India Private Limited  16. Ctm India Limited  17. Marelli Motherson Auto Suspension Parts Private Limited  18. Motherson Bergstrom Hvac Solutions Private Limited  19. Youngshin Motherson Auto Tech Limited  20. Samvardhana Motherson Hamakyorex Engineered Logistics Limited  21. Frigel Intelligent Cooling Systems India Private Limited</p> <p>For SWS:</p> <p>22. Sumitomo Electric Industries Limited (<i>being the holding company of SWS</i>)  23. Sumitomo Electric Wiring Systems, Inc.  24. CHONGQING XINMINKANG TECHNOLOGY CO.,LTD  25. FUJIAN JK WIRING SYSTEMS CO., LTD.  26. Huizhou Zhucheng Wiring Systems, Co., Ltd.  27. Huizhou Sumiden Wiring Systems Co.,Ltd  28. Kaifeng Rijin Wiring Systems Co.,Ltd.  29. Kaifeng Zhucheng Wiring Systems, Co., Ltd.  30. Tianjin Jin Zhu Wiring Systems Co., Ltd.  31. SEWS-COMPONENTS (HUIZHOU), LTD.  32. Huizhou Zhurun Automotive Wire Co., Ltd.  33. SD Engineering -Huizhou, Ltd.  34. SEWS-STC Co.,Ltd.  35. SWS Australia Pty. Ltd.  36. MothersonSumi INFotech &amp; Designs Limited  37. P.T. Sumi Indo Wiring Systems  38. Kyungshin Corporation  39. J.K. Wire Harness Sdn. Bhd.  40. INTERNATIONAL ELECTRIC WIRES PHILS. CORP.  41. SDE (PHILIPPINES) CORP.  42. SEWS Taiwan Ltd.  43. Sumitomo Electric Wiring Systems (Thailand) Ltd.  44. SUMI-HANEL Wiring Systems Co., Ltd.  45. Sumitomo Electric Bordnetze SE  46. SEI ANTech-Europe GmbH  47. SEAUTO-E GmbH  48. SUMI REMA EV Solutions GmbH  49. SEWS-CABIND S.p.A.  50. Sumitomo Electric Wiring Systems (Europe) Limited  51. S&amp;S Components Co., Ltd.  52. S&amp;S Advanced Technologies Co., Ltd.  53. AutoNetworks Technologies, Ltd.  54. Sumitomo Electric Information Systems Co., Ltd.  55. SEI Logistics Network Co., Ltd.  56. Huizhou Xin-JinRun Technology Co.Ltd.  57. H.K. Wiring Systems Limited</p>
C)	any body corporate in which a group of individuals or companies or combinations thereof acting in concert, which	NA

	hold twenty per cent. or more of the equity share capital in that body corporate and such group of individuals or companies or combinations thereof also holds twenty per cent. or more of the equity share capital of the issuer and are also acting in concert	
iv)	in case the promoter is an individual:	
A)	any body corporate in which twenty per cent. or more of the equity share capital is held by the promoter or an immediate relative of the promoter or a firm or Hindu Undivided Family in which the promoter or any one or more of their relative is a member;	<ol style="list-style-type: none"> <li>1. Motherson Auto Limited</li> <li>2. Shri Sehgal's Trustee Company Private Limited</li> <li>3. Moon Meadows Private Limited</li> <li>4. Motherson Engineering Research &amp; Integrated Technologies Limited</li> <li>5. Field Motor Private Limited</li> <li>6. Sisbro Motor &amp; Workshop Private Limited</li> <li>7. Spirited Auto Cars (I) Limited</li> <li>8. Southcity Motors Private Limited</li> <li>9. Motherson Innovative Technologies and Research</li> <li>10. Nirvana Niche Products Private Limited</li> <li>11. Nirvana Foods GmbH</li> <li>12. Radha Rani Holdings Pte Ltd.</li> <li>13. Advance Technologies &amp; Automotive Resources Pte Ltd.</li> <li>14. Son Grows Systems Limited, Dubai</li> <li>15. Advantedge Technology Partners Private Limited</li> <li>16. Advantedge Incubators Private Limited</li> <li>17. Motherson Spirited Auto Retail Limited</li> <li>18. Spirited Motots Vehicles Limited</li> </ol>
B)	any body corporate in which a body corporate as provided in (A) above holds twenty per cent. or more, of the equity share capital; and	<ol style="list-style-type: none"> <li>1. Motherson Lease Solution Limited</li> <li>2. FDO Holidays Pvt. Ltd.</li> <li>3. Renu Farms private Limited</li> <li>4. Samvardhana Motherson Adsys Tech Limited</li> <li>5. Motherson Air Travel Agencies Limited</li> <li>6. Systematic Conscom Limited</li> <li>7. CTM India Limited</li> <li>8. Prime Auto Cars Limited</li> <li>9. Adventure Auto Car India Limited</li> </ol>
C)	any Hindu Undivided Family or firm in which the aggregate share of the promoter and their relatives is equal to or more than twenty per cent. of the total capital;	<ol style="list-style-type: none"> <li>1. Motherson (Partnership Firm)</li> <li>2. Vaaman Auto Industry (Partnership Firm)</li> <li>3. Ganpati Auto Industries (Partnership Firm)</li> </ol>
v)	All persons whose shareholding is aggregated under the heading "shareholding of the promoter group":  Provided that a financial	NA.

<p>institution, scheduled bank, foreign portfolio investor other than Category III foreign portfolio investor, mutual fund, venture capital fund, alternative investment fund, foreign venture capital investor, insurance company registered with the Insurance Regulatory and Development Authority of India or any other category as specified by the Board from time to time, shall not be deemed to be promoter group merely by virtue of the fact that twenty per cent. or more of the equity share capital of the promoter is held by such person or entity:</p> <p>Provided further that such financial institution, scheduled bank, foreign portfolio investor other than Category III foreign portfolio investor, mutual fund, venture capital fund, alternative investment fund and foreign venture capital investor insurance company registered with the Insurance Regulatory and Development Authority of India or any other category as specified by the Board from time to time shall be treated as promoter group for the subsidiaries or companies promoted by them or for the mutual fund sponsored by them;</p>	
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**Other confirmation**

No material guarantees have been given to third parties by our Promoters with respect to Equity Shares of our Company.

Our Promoters have not been declared as willful defaulters by the RBI or any other Governmental authority and there are no violations of securities laws committed by them in the past or are pending against them.

Our Promoters and Promoter Group entities have not been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoters are not and have never been a promoter, director or person in control of any other company which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

None of the Promoter Group Companies have made any public issue in the preceding three years. None of Promoter Group Companies fall under the definition of a sick company within the meaning of the erstwhile Sick Industrial Companies (Special Provisions) Act, 1985, as amended or have been declared insolvent or bankrupt under the provisions of the Insolvency and Bankruptcy Code, 2016, as amended or have any insolvency or bankruptcy proceedings initiated against any of them and is not under winding up.

For details on litigations and disputes pending against the Promoters, please refer to the section titled '*Outstanding Litigations and Material Development*' on page 166 of the Information Memorandum.

## **GROUP COMPANIES**

In terms of the SEBI (ICDR) Regulations, the term ‘group companies’, includes (a) such companies (other than promoter(s) and subsidiary(ies)) with which there were related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and (b) any other companies considered material by the board of directors of the relevant issuer company.

The Company has not entered into any transactions with Group Companies during the period for which financial information is disclosed in this Information Memorandum. Accordingly, there are no Group Companies as on date of the Information Memorandum.-

However, it may be noted that, while the DWH Undertaking was housed in MSSSL (prior to the Scheme becoming effective), MSSSL undertook various related party transactions in relation to the DWH Undertaking with companies which were considered as Group Companies, in terms of the SEBI (ICDR) Regulations,. Since the DWH Undertaking has now been transferred to the Company pursuant to the Scheme, going forward, the Company will undertake such related party transactions with companies which will be considered as its Group Companies, including the Related Party Transactions described in page 126. All such related party transactions with Group Companies will be undertaken by the Company at arm’s length and in accordance with the requirements of Applicable Laws.

## RELATED PARTY TRANSACTIONS

All related party transactions entered by the Company are made on terms equivalent to those that prevail in arm's length transactions. There have been no guarantees provided or received for any related party receivables or payables. In terms of the Companies Act read with the rules made thereunder, all such related parties transactions entered by the Company shall be approved by the Audit Committee and the Board, as applicable, from time to time.

For details of the related party transactions of our Company for the period ended September 30, 2020, for the period ended March 31, 2021 and for the Audit Period ended September 30, 2021, as per the requirements under Indian Accounting Standard 24 “*Related Party Disclosures*”, see the section titled “*Financial Statements*” on page 131 of this Information Memorandum.

The DWH Business, has various inter-dependencies with *inter alia* the remaining business of MSSL. The DWH Business sources various goods or materials, including such as sourcing of various goods or materials, wires, various tools, jigs, fixtures, rubber parts, connectors and certain other components which are used to manufacture/ assemble wiring harnesses along with procurement of certain capital items as required for the DWH Business. Further, MSSL (either directly or through its subsidiaries or joint ventures) has a central team for some of the key functions in the areas of design and development services, finance, procurement engineering services, human resource, travel management, infrastructure support etc. To ensure that, the benefit of the in-house value chain continues to be available to the DWH Business, certain related party transactions have been entered into between the Company and MSSL (including its subsidiaries and joint venture companies), which are effective on and from Effective Date 1.

Further, as on date, Motherson Lease Solution Limited (“**MLSL**”), extends car leasing services to MSSL and other entities under the Motherson group, for use by the employees of such companies and for other corporate purposes. This gives such entities availing services from MLSL a distinct cost advantage. The car leasing services is being extended to the Company.

In addition to the above-mentioned transactions with MSSL (including its subsidiaries and joint ventures) and MLSL, there are various agreements and arrangements between the Company and Sumitomo Wiring Systems Limited, Japan (“**SWS**”), which include arrangements in relation, **(a)** purchase of components, such as wiring harness component and child parts, from SWS, as required for the DWH Business, **(b)** sale of wiring harness, and know-how and technical assistance to be provided by SWS, in relation to the manufacture and sale of domestic wiring harness and its components.

The above agreements and arrangements are effective on and from Effective Date 1. On the demerger becoming effective, the shareholding of the Company is a mirror-image of MSSL. Given the criticality of the transactions to be undertaken by the Company with such related parties, to the functioning of the DWH Business and to ensure smooth functioning of the DWH Business of the Company, as a good governance practice, the shareholders of MSSL has approved the related party transactions by way of a shareholders resolution dated April 29, 2021, notice for which was published on March 25, 2021. At the time of the shareholders of MSSL approving the related party transaction, the Company was a wholly owned subsidiary of MSSL. As per Regulation 23(5) of the SEBI (LODR) Regulations, the requirement of a shareholders’ approval was not applicable for transactions entered into between a holding company and its wholly owned subsidiary. However, given that the said related party transaction was to come into effect on the demerger of the DWH Business into the Company coming into effect as per the terms of the Scheme, MSSL nonetheless sought approval for the transactions by way of an ordinary resolution for purposes of SEBI (LODR) Regulations, as a matter of abundant caution and good corporate governance. Upon the said related party transactions being approved by the shareholders of MSSL, being the then ultimate shareholders of the Company (i.e. prior to the Scheme becoming effective), it was deemed to be an approval obtained by the Company as per the requirements of the SEBI (LODR) Regulations. As mentioned above, the transactions by the Company, on the one hand, and among others, MSSL, MLSL, SWS and their respective subsidiaries and joint ventures, on the other hand, are vital to the functioning of the DWH Business and *vice-versa*.

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

### A. Purchase of components and capital goods by the Company

Particulars	Information
<b>Name of the Related Party</b>	(a) Motherson Sumi Systems Limited its subsidiaries including



Motherston Electrical Wires Lanka Private Limited, Sri Lanka; MSSL (GB) Limited, United Kingdom; MSSL Mideast (FZE), UAE; MSSL Tooling (FZE), UAE; MSSL Japan Limited, Japan; MSSL México S.A. De C.V., Mexico; MSSL WH System (Thailand) Co. Limited, Thailand; SMR Automotive Systems India Limited; MSSL Wiring System Inc, USA; PKC Group Poland Holding Sp. z.o.o., Poland; PKC Eesti AS, Estonia; PKC Vehicle Technology (Suzhou) Co. Ltd., China; PK Cables do Brasil Indústria e Comercio Ltda, Brasil; AEES Inc. USA; PKC SEGU Systemelektrik GmbH, Germany; MotherstonSumi Infotech and Designs Limited; Valeo Motherston Thermal Commercial Vehicles India Limited, Matsui Technologies India Limited, Anest Iwata Motherston Private Limited, Motherston Invenzen XLab Private Limited and joint venture(s) including Kyungshin Industrial Motherston Private Limited and its' joint venture partner Kyungshin Corporation, Korea

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

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

**Monetary value**

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

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

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

**B. Sale of products by the Company**

Particulars	Information
<b>Name of the Related Party</b>	<p>(a) Motherston Sumi Systems Limited, its subsidiaries including SMR Automotive Systems India Limited, SMRC Automotive Products India Limited, Samvardhana Motherston Auto System Private Limited, Motherston Invenzen XLab Private Limited, and joint ventures including Calsonic Kansei Motherston Auto Products Private Limited, Fritzmeier Motherston Cabin Engineering Private Limited, Motherston Bergstrom HVAC Solutions Private Limited, and Marelli Motherston Automotive Lighting India Private Limited, Kyungshin Industrial Motherston Private Limited and Anest Iwata Motherston Private Limited.</p> <p>(b) SWS, its subsidiaries and joint ventures.</p>

<b>Monetary value</b>	<p>The supply of components by the Company to MSSL and SWS, and their subsidiaries and joint ventures and its respective subsidiaries and joint ventures, shall not, in aggregate, exceed 2% of the annual revenues of the Company (i.e., the DWH Business).</p> <p>The aggregate thresholds prescribed above factors in the future growth potential of the MSSL and its subsidiaries and joint ventures, which currently procure wiring harness from the DWH Business</p>
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**C. Lease rentals**

<b>Particulars</b>	<b>Information</b>
<b>Name of the Related Party</b>	Motherson Sumi Systems Limited
<b>Monetary value</b>	<p>The Company will pay an aggregate monthly rent as per the respective lease / sub-lease agreements, subject to an escalation of 5% per annum. The monthly rents have been determined by way of independent reports prepared by Knight Frank. Further, in case of change in leased area, the rental will vary and such change in rental will be supported by an independent third-party report on an arm's length justification.</p> <p>The estimated lease rental, for the financial year 2021-2022, is expected to be approximately INR 60,00,00,000.</p>

**D. Functional Support Services**

<b>Particulars</b>	<b>Information</b>
<b>Name of the Related Party</b>	Motherson Sumi Systems Limited, its subsidiaries including Motherson Consultancies Service Limited; Samvardhana Motherson Global Carriers Limited, Samvardhana Motherson Auto System Private Limited; Motherson Air Travel Agencies Limited, Motherson Techno Tools Limited, Motherson Invenzen Xlab Private Limited, MothersonSumi Infotech and Designs Limited and joint ventures.
<b>Monetary value</b>	<p>The aggregate value of all functional support availed by the Company, shall not exceed 5% of the annual revenues of the Company (i.e., the DWH Business).</p> <p>This monetary threshold of 5% is aligned with historical levels i.e., the cost of the services availed by DWH Business and will also include any reimbursement of employee costs incurred by the company rendering the services.</p>

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

<b>Particulars</b>	<b>Information</b>
<b>Name of the Related Party</b>	Sumitomo Wiring Systems Limited, Japan ("SWS")
<b>Monetary value</b>	The value of the technical services to be availed by the Company from SWS, shall not, in aggregate, exceed 1% of the annual revenues of the Company (i.e. the DWH Business)

**F. Management Services**

<b>Particulars</b>	<b>Information</b>
<b>Name of the Related Party</b>	Motherson Sumi Systems Limited
<b>Monetary value</b>	The value of the management services to be availed by the Company from SWS, shall not, in aggregate, exceed 1% of the annual revenues of the Company (i.e. the DWH Business)

G. Car leasing arrangements with Motherson Lease Solution Limited

<b>Particulars</b>	<b>Information</b>
<b>Name of the Related Party</b>	Motherson Lease Solution Limited (“MLSL”)
<b>Monetary value</b>	The value of the agreement for the purpose of leasing of cars from MLSL shall not, in aggregate, exceed 0.5% of the annual revenues of the Company (i.e. the DWH Business), and this threshold is as per historical levels.

## **DIVIDEND POLICY**

The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, in accordance with provisions of our Articles of Association and applicable laws, including the Companies Act.

The dividend, if any, will depend on a number of factors, including but not limited to our earnings, capital requirements, contractual obligations, results of operations, financial condition, cash requirements, business prospects and any other financing arrangements, applicable legal restrictions and overall financial position of our Company. Our Board may also, from time to time, declare interim dividends from the profits of the Financial Year in which such interim dividend is sought to be declared. In addition, our ability to pay dividends may be impacted by restrictive covenants under the loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities.

Our Company has not declared any dividend on the Equity Shares, since its incorporation.

## SECTION VI- FINANCIAL INFORMATION

### FINANCIAL INDEBTEDNESS

A brief summary of the financial indebtedness of our Company as of September 30, 2021 is disclosed below:

*(Figures in ₹ million)*

<b>Nature of Borrowing</b>	<b>Amount Sanctioned</b>	<b>Amount Outstanding</b>
<i>Secured Borrowings</i>	Nil	Nil
<i>Unsecured Borrowings</i>	5.00	4.30

*As on September 30, 2021, our Company was a wholly owned subsidiary of MSSL. In order to meet its day to day expenses and/or statutory fees and charges, a loan was extended by MSSL at 5.5% (p.a.), initially for a period of 1 year, which was further extended for a period upto 6 months.*

### FINANCIAL STATEMENTS

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of Motherson Sumi Wiring India Limited

**Opinion**

We have audited the accompanying special purpose interim Ind AS financial statements of Motherson Sumi Wiring India Limited ("the Company"), which comprise the interim Balance Sheet as at September 30, 2021, and the interim Statement of Profit and Loss, including other comprehensive income, interim Cash Flow Statement and the interim Statement of Changes in Equity for the period then ended, and notes to the special purpose interim financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose interim Ind AS financial statements give a true and fair view in conformity with the accounting principle generally accepted in India including the Indian Accounting Standard (Ind AS) 34 specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

**Basis for Opinion**

We conducted our audit of the special purpose interim Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Special Purpose Interim Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the special purpose interim Ind AS financial statements.

**Management's Responsibility for the Special Purpose Interim Financial Statements**

The Company's Board of Directors is responsible for the preparation and presentation of these special purpose interim financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The Board of Directors are also responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the special purpose interim Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the special purpose interim financial statements, Board of Directors are responsible for assessing the ability of the Company's to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Special Purpose Interim Financial Statements**

Our objectives are to obtain reasonable assurance about whether the special purpose interim financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these special purpose interim Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the special purpose interim financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the special purpose interim financial statements, including the disclosures, and whether the special purpose interim financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Other matter - restriction of use**

The accompanying special purpose interim Ind AS financial statements have been prepared, and this report thereon issued, solely for use by the management for its inclusion in the information memorandum to be filed by the Company with the relevant stock exchanges for the proposed listing of equity shares of the Company post NCLT approval of the scheme of demerger of Domestic Wiring harness business of Motherson Sumi Systems Limited ("Holding Company") into the Company. Accordingly, this report should not be used, referred to or distributed for any other purpose without our prior written consent. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**per Rajeev Sawhney**

Partner

Membership Number: 096333

UDIN: 21096333AAAABD9024

Place of Signature: Gurugram

Date: November 20, 2021

**MOTHERSON SUMI WIRING INDIA LIMITED**  
**Special Purpose Interim Financial Statements**  
**Interim Balance Sheet**  
**(All amounts in INR million, unless otherwise stated)**

	Notes	As at September 30, 2021	As at March 31, 2021
<b>Assets</b>			
<b>Non-current assets</b>			
Financial assets			
Other financial assets	3	0.01	0.01
<b>Total non-current assets</b>		<b>0.01</b>	<b>0.01</b>
<b>Current assets</b>			
Financial assets			
Cash and cash equivalents	4	0.34	0.28
Other current assets	5	0.15	0.08
<b>Total current assets</b>		<b>0.49</b>	<b>0.36</b>
<b>Total assets</b>		<b>0.50</b>	<b>0.37</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	6	0.50	0.50
<b>Other equity</b>			
Reserves and surplus	7	(4.45)	(4.11)
<b>Total equity</b>		<b>(3.95)</b>	<b>(3.61)</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	8	4.03	3.53
Trade Payables	9		
Total outstanding dues of micro, small and medium enterprises and		-	-
Total outstanding dues of creditors other than micro, small and medium enterprises		0.24	0.34
Other financial liabilities	10	0.18	0.08
Other current liabilities	11	-	0.03
<b>Total current liabilities</b>		<b>4.45</b>	<b>3.98</b>
<b>Total liabilities</b>		<b>4.45</b>	<b>3.98</b>
<b>Total equity and liabilities</b>		<b>0.50</b>	<b>0.37</b>
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the special purpose interim financial statements.

As per our report of even date

For **S.R.Batliloi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

For and on behalf of the Board of Directors

per **Rajeev Sawhney**  
Partner  
Membership No.: 096333

**Sanjay Mehta**  
Director  
DIN: 03215388

**Kunal Malani**  
Director  
DIN: 07309466

Place: Gurugram  
Date: November 20, 2021

Place: Faridabad  
Date: November 20, 2021

Place: Mumbai  
Date: November 20, 2021



**MOTHERSON SUMI WIRING INDIA LIMITED**  
**Special Purpose Interim Financial Statements**  
**Interim Statement of Profit and Loss**  
**(All amounts in INR million, unless otherwise stated)**

	Notes	For the period ended September 30, 2021	For the period starting from the date of the incorporation i.e. July 02, 2020 and ended as of September 30, 2020
<b>Revenue</b>			
Revenue from operations		-	-
<b>Total income</b>		-	-
<b>Expenses</b>			
Finance costs	13	0.10	-
Other expenses	12	0.24	3.65
<b>Total expenses</b>		<b>0.34</b>	<b>3.65</b>
<b>Loss before tax</b>		<b>(0.34)</b>	<b>(3.65)</b>
Tax expenses		-	-
<b>Loss for the period</b>		<b>(0.34)</b>	<b>(3.65)</b>
Other comprehensive income for the period, net of tax		-	-
<b>Total comprehensive income for the period, net of tax</b>		<b>(0.34)</b>	<b>(3.65)</b>
<b>Earnings per share:</b>			
Nominal value per share: INR 1/- (not annualised)	14		
Basic and diluted		(0.68)	(10.70)
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the special purpose interim financial statements.

As per our report of even date

For **S.R.Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

For and on behalf of the Board of Directors

per **Rajeev Sawhney**  
Partner  
Membership No.: 096333

**Sanjay Mehta**  
Director  
DIN: 03215388

**Kunal Malani**  
Director  
DIN: 07309466

Place: Gurugram  
Date: November 20, 2021

Place: Faridabad  
Date: November 20, 2021

Place: Mumbai  
Date: November 20, 2021

**MOTHERSON SUMI WIRING INDIA LIMITED**  
**Special Purpose Interim Financial Statements**  
**Interim Statement of Changes in Equity**  
**(All amounts in INR million, unless otherwise stated)**

**A Equity share capital**

	Notes	Amount
As at July 02, 2020		-
Issue of equity share capital		0.50
<b>As at March 31, 2021</b>	<b>6</b>	<b>0.50</b>
Issue of equity share capital		-
<b>As at September 30, 2021</b>	<b>6</b>	<b>0.50</b>

**B Other equity**

	Notes	Reserves and surplus Retained Earnings	Items of OCI	Total
Balance as at April 01, 2021		(4.11)	-	(4.11)
Loss for the period		(0.34)	-	(0.34)
<b>Balance as at September 30, 2021</b>	<b>7</b>	<b>(4.45)</b>	<b>-</b>	<b>(4.45)</b>

	Notes	Reserves and surplus Retained Earnings	Items of OCI	Total
Balance as at July 02, 2020		-	-	-
Loss for the period		(3.65)	-	(3.65)
<b>Balance as at September 30, 2020</b>		<b>(3.65)</b>	<b>-</b>	<b>(3.65)</b>

Summary of significant accounting policies 2

The accompanying notes are an integral part of the special purpose interim financial statements.

As per our report of even date

For **S.R.Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

For and on behalf of the Board of Directors

per **Rajeev Sawhney**  
Partner  
Membership No.: 096333

**Sanjay Mehta**  
Director  
DIN: 03215388

**Kunal Malani**  
Director  
DIN: 07309466

Place: Gurugram  
Date: November 20, 2021

Place: Faridabad  
Date: November 20, 2021

Place: Mumbai  
Date: November 20, 2021

**MOTHERSON SUMI WIRING INDIA LIMITED**  
**Special Purpose Interim Financial Statements**  
**Interim Cash Flow Statement**  
**(All amounts in INR million, unless otherwise stated)**

	For the period ended September 30, 2021	For the period starting from the date of the incorporation i.e. July 02, 2020 and ended as of September 30, 2020
<b>A Cash flow from operating activities:</b>		
Loss before tax	(0.34)	(3.65)
Adjustments to reconcile profit before tax to net cash flow:		
Finance costs	0.10	-
<b>Operating profit before working capital changes</b>	<b>(0.24)</b>	<b>(3.65)</b>
<b>Change in working Capital:</b>		
Increase/(Decrease) in trade payables	(0.10)	3.65
Increase/(Decrease) in other current liabilities	(0.03)	-
Decrease/(Increase) in other current assets	(0.07)	-
<b>Cash generated from operations</b>	<b>(0.44)</b>	-
- Income taxes paid	-	-
<b>Net cash flows from operating activities</b>	<b>(0.44)</b>	-
<b>B Cash flow from Investing activities:</b>	-	-
<b>C Cash flow from financing activities:</b>		
Proceeds from issue of shares	-	0.50
Proceeds from current borrowings	0.50	-
<b>Net cash flow from financing activities</b>	<b>0.50</b>	<b>0.50</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>0.06</b>	<b>0.50</b>
<b>Net cash and cash equivalents at the beginning of the period</b>	<b>0.28</b>	-
<b>Cash and cash equivalents as at current period end</b>	<b>0.34</b>	<b>0.50</b>
<b>Cash and cash equivalents comprise of the following</b>		
Balances with banks	0.34	0.50
<b>Cash and cash equivalents as per balance sheet (note 4)</b>	<b>0.34</b>	<b>0.50</b>

Summary of significant accounting policies (note 2)

Notes:

- i) The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".
- ii) Figures in brackets indicate Cash Outflow.

The accompanying notes are an integral part of the special purpose interim financial statements.

As per our report of even date

For **S.R.Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

For and on behalf of the Board of Directors

per **Rajeev Sawhney**  
Partner  
Membership No.: 096333

**Sanjay Mehta**  
Director  
DIN: 03215388

**Kunal Malani**  
Director  
DIN: 07309466

Place: Gurugram  
Date: November 20, 2021

Place: Faridabad  
Date: November 20, 2021

Place: Mumbai  
Date: November 20, 2021

# MOTHERSON SUMI WIRING INDIA LIMITED

## Notes to the Special Purpose Interim Financial Statements

(All amounts are in INR million, unless otherwise stated)

### 1. Corporate Information

Motherson Sumi Wiring India Limited ('the Company') was incorporated on July 02, 2020 and domiciled in India. It is a wholly owned subsidiary of Motherson Sumi Systems Limited ("MSSL" or "Holding Company"). The address of its registered office is Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra. The Company is a public limited company and is planning to be engaged primarily in the manufacture and sale of components to automotive original equipment manufacturers.

The Board of Directors of the holding company in their meeting dated July 02, 2020, approved the Composite Scheme of Amalgamation and Arrangement (scheme) amongst Motherson Sumi Systems Limited ("MSSL" or "Amalgamated company"), Samvardhana Motherson International Limited ("SAMIL" or "Amalgamating company"), the Company (Resulting company), and their respective shareholders and creditors. SAMIL is one of the shareholders of MSSL. The scheme among other things, entails demerger of Domestic Wiring Harness ("DWH") business from MSSL into this newly incorporated entity and subsequent merger of SAMIL into MSSL. This scheme was also approved by the board of directors of the Company as well in their meeting dated July 17, 2020 and is currently pending with NCLT for its final approval.

The special purpose interim financial statements were authorised for issue in accordance with a resolution of the Board of directors on November 20, 2021.

### 2.1 Significant accounting policies

#### (a) Basis of preparation

The special purpose interim financial statements for the period April 01, 2021 to September 30, 2021, which comprise the interim Balance Sheet as at September 30, 2021, and the interim Statement of Profit and Loss, including other comprehensive income, interim Cash Flow Statement and the interim Statement of Changes in Equity for the period then ended, and notes to the special purpose interim financial statements, including a summary of significant accounting policies and other explanatory information.

The special purpose interim financial statements have been prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standard (Ind AS) 34 specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, for the use by the management for its inclusion in the information memorandum to be filed by the Company with the relevant stock exchanges for the proposed listing of equity shares of the Company post NCLT approval of the Scheme as mentioned above in note 1.

Since the Company has been incorporated on July 02, 2020, hence the comparatives given in the interim statement of profit and loss and interim cash flow statement is for the period July 02, 2020 to September 30, 2020.

The special purpose interim financial statements have been prepared on a historical cost basis.

Upon the Scheme becoming effective, the entity will carry on business activities of DWH business of MSSL, hence these financial statements have been prepared on a going concern basis.

The Company's functional currency is Indian Rupee (INR). The special purpose interim financial statements are presented in Indian Rupee (INR) and all values are rounded to the nearest millions (INR 000,000), except when otherwise indicated.

#### (b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

The Company classifies all other assets as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

# MOTHERSON SUMI WIRING INDIA LIMITED

## Notes to the Special Purpose Interim Financial Statements

(All amounts are in INR million, unless otherwise stated)

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

### (c) Cash and cash equivalents

Cash and cash equivalent include cash on hand, cash at banks and short term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

### (d) Provisions

Provisions are recognised when the Company has a present (legal or constructive) obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

### (e) Borrowing Costs

Borrowing costs consist of interest cost that an entity incurs in connection with the borrowing of funds which are expensed in the period in which they occur.

### (f) Earnings per share

#### (i) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

#### (ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

## 2.2 Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In preparation of financials statement, the Company has not used significant judgements, accounting estimates and assumptions.

**MOTHERSON SUMI WIRING INDIA LIMITED**  
**Notes to Special Purpose Interim Financial Statements**  
**(All amounts in INR million, unless otherwise stated)**

**3 Other financial assets - non current**

	As at September 30, 2021	As at March 31, 2021
<b>Unsecured, considered good</b>		
- Security deposits	0.01	0.01
<b>Total</b>	<b>0.01</b>	<b>0.01</b>

**4 Cash and cash equivalents**

	As at September 30, 2021	As at March 31, 2021
Balances with banks:		
- in current accounts	0.34	0.28
<b>Total</b>	<b>0.34</b>	<b>0.28</b>

\* There are no repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting period.

**Changes in liabilities arising from financing activities**

Opening balance	3.53	-
Cash flow		
- current borrowings	0.50	3.53
Non cash flow	-	-
<b>Total liabilities from financing activities</b>	<b>4.03</b>	<b>3.53</b>

**5 Other current assets**

	As at September 30, 2021	As at March 31, 2021
<b>Unsecured, considered good, unless otherwise stated</b>		
Balances with government authorities	0.15	0.08
<b>Total</b>	<b>0.15</b>	<b>0.08</b>

**6 Share capital**

	As at September 30, 2021	As at March 31, 2021
<b>Authorised:</b>		
330,000,000 Equity shares of INR 1 each	330.00	330.00
<b>Issued, subscribed and paid up:</b>		
500,000 Equity shares of INR 1 each	0.50	0.50

**a Movement in equity share capital**

	Number	Amount
As at July 02, 2020	-	-
Add: Issued during the period	500,000	0.50
<b>As at March 31, 2021</b>	<b>500,000</b>	<b>0.50</b>
Add: Issued during the period	-	-
<b>As at September 30, 2021</b>	<b>500,000</b>	<b>0.50</b>

**b Rights, preferences and restrictions attached to shares**

**Equity Shares:**

The Company has only one class of equity shares having a par value of INR 1 per share. Each holder of equity is entitled to one vote per share held.

In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

**MOTHERSON SUMI WIRING INDIA LIMITED**  
**Notes to Special Purpose Interim Financial Statements**  
**(All amounts in INR million, unless otherwise stated)**

**c Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.**

	As at September 30, 2021		As at March 31, 2021	
	Number	%	Number	%
<b>Equity shares:</b>				
Motherson Sumi Systems Limited (including 6 shares held by its nominees)	500,000	100%	500,000	100%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**d Shareholding of Promoters**

**Shares held by promoters at the end of the period**

Promoter name	No. of shares	% of total shares	% Change during the period
Motherson Sumi Systems Limited	500,000*	100%	0%

\* including 6 shares held by nominees of Motherson Sumi Systems Limited

**7 Reserves and surplus**

	As at September 30, 2021	As at March 31, 2021
<b>Retained earnings</b>		
Opening balance	(4.11)	-
Loss during the period	(0.34)	(4.11)
<b>Closing balance</b>	<b>(4.45)</b>	<b>(4.11)</b>

**8 Current borrowings**

	As at September 30, 2021	As at March 31, 2021
<b>Unsecured, considered good</b>		
Indian rupee loan from related party (refer note 15)	4.03	3.53
<b>Total</b>	<b>4.03</b>	<b>3.53</b>

Indian rupee loan is unsecured and taken from holding company @ 5.5% p.a for one year.

**9 Trade payables**

	As at September 30, 2021	As at March 31, 2021
Total outstanding dues of micro, small and medium enterprises (refer note 17)	-	-
Total outstanding dues of creditors other than micro, small and medium enterprises	0.24	0.34
<b>Total</b>	<b>0.24</b>	<b>0.34</b>

**Trade Payables aging as at September 30, 2021**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	0.24	-	-	-	0.24
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

**MOTHERSON SUMI WIRING INDIA LIMITED**  
**Notes to Special Purpose Interim Financial Statements**  
**(All amounts in INR million, unless otherwise stated)**

**Trade Payables aging as at March 31, 2021**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	0.34	-	-	-	0.34
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

**10 Other financial liabilities**

	As at September 30, 2021	As at March 31, 2021
<b>Current</b>		
Interest accrued but not due on borrowings (refer note 15)	0.18	0.08
<b>Total</b>	<b>0.18</b>	<b>0.08</b>

**11 Other current liabilities**

	As at September 30, 2021	As at March 31, 2021
Statutory dues including tax deducted at source	-	0.03
<b>Total</b>	<b>-</b>	<b>0.03</b>

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**MOTHERSON SUMI WIRING INDIA LIMITED**  
**Notes to Special Purpose Interim Financial Statements**  
**(All amounts in INR million, unless otherwise stated)**

**12 Other expenses**

	For the period ended September 30, 2021	For the period starting from the date of the incorporation i.e. July 02, 2020 and ended as of September 30, 2020
Rates & taxes	0.03	3.25
Legal & professional expenses	0.01	-
Payment to auditor:		
- Audit fees	0.20	0.10
- Other services (certification)	-	0.30
<b>Total</b>	<b>0.24</b>	<b>3.65</b>

**13 Finance costs**

	For the period ended September 30, 2021	For the period starting from the date of the incorporation i.e. July 02, 2020 and ended as of September 30, 2020
Other finance costs	0.10	-
<b>Total</b>	<b>0.10</b>	<b>-</b>

**14 Earnings per share**

	For the period ended September 30, 2021	For the period starting from the date of the incorporation i.e. July 02, 2020 and ended as of September 30, 2020
Net loss after tax available for equity Shareholders	(0.34)	(3.65)
Weighted average number of equity shares used to compute basic and diluted earnings per share	500,000	340,659
Basic and diluted earnings per share of INR 1 each	(0.68)	(10.70)

The Company does not have any potential equity shares and thus, weighted average number of shares for computation of basic EPS and diluted EPS remains same.

**15 Related party disclosures**

**I. Related party disclosures, as required by Ind AS 24, "Related Party Disclosures", are given below:**

**Entity with control over the Company**

Name	Ownership interest	Ownership interest
	As at September 30, 2021	As at March 31, 2021
Motherson Sumi Systems Limited ("MSSL")	100%	100%

**II. Details of transactions, in the ordinary course of business at commercial terms, and balances with related parties as mentioned in 15 (I) above:**

**Transactions with related parties**

	For the period ended September 30, 2021	For the period starting from the date of the incorporation i.e. July 02, 2020 and ended as of September 30, 2020
<b>Holding company</b>		
Issue of share capital	-	0.50
Loan received	0.50	-
Interest expense	0.10	-

**Outstanding balances**

	As at September 30, 2021	As at March 31, 2021
<b>Holding company</b>		
Loan payable	4.03	3.53
Interest accrued but not due on borrowings	0.18	0.08

**MOTHERSON SUMI WIRING INDIA LIMITED**  
**Notes to Special Purpose Interim Financial Statements**  
**(All amounts in INR million, unless otherwise stated)**

**16 Financial ratios**

	As at September 30, 2021	As at March 31, 2021
Current Ratio	0.11	0.09

17 As per information available with the Company there are no dues payable to enterprises covered under micro, small and medium enterprises development Act, 2006.

**18 Financials Risk and Capital management**

Since, the Company does not have business operations hence the Company is not exposed to any liquidity risk and foreign currency risk.

In order to meet its funding requirements, the Company is generally funded by its shareholder, either as equity or debt.

19 Cash and Cash equivalents and short term borrowing, trade payable are the only financials assets and financials liability respectively, which have been recorded at amortised cost. The carrying value of cash and cash equivalents, short term borrowings and other financial liabilities are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

20 Amounts appearing as zero "0.00" in financials are below the rounding off norm adopted by the Company

As per our report of even date

For **S.R.Batliloi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

For and on behalf of the Board of Directors

per **Rajeev Sawhney**  
Partner  
Membership No.: 096333

**Sanjay Mehta**  
Director  
DIN: 03215388

**Kunal Malani**  
Director  
DIN: 07309466

Place: Gurugram  
Date: November 20, 2021

Place: Faridabad  
Date: November 20, 2021

Place: Mumbai  
Date: November 20, 2021

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Motherson Sumi Wiring India Limited

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of Motherson Sumi Wiring India Limited ("the Company"), which comprise the Balance sheet as at March 31, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the period then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss including other comprehensive income, its cash flows and the changes in equity for the period ended on that date.

#### **Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### **Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibility of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's

report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act based on our audit, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) No managerial remuneration has been paid during the current period, therefore no matter to be reported under section 143(3) of the Act ;

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

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**per Pankaj Chadha**  
Partner  
Membership Number: 091813  
UDIN: 21091813AAAACK7853

Place of Signature: Gurugram  
Date: May 14, 2021

**Annexure “1” referred to in paragraph 1 of “Report on Other Legal and Regulatory Requirements” of our report of even date**

**Re: Motherson Sumi Wiring India Limited (the “Company”)**

- (i) The Company does not hold any property, plant and equipment during the period ended March 31, 2021. Therefore, the provisions of clause 3(i)(a), (b) and (c) of the said Order are not applicable to the Company.
- (ii) The Company does not hold any inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) Since the Company has not carried out any business operations, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, goods and service tax and other statutory dues applicable to it.
- (vii) (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, goods and service tax and other statutory dues were outstanding, at the period end, for a period of more than six months from the date they became payable.
- (vii)(c) According to the information and explanations given to us, there are no dues of income tax, goods and service tax, customs duty, and cess which have not been deposited on account of any dispute.
- (viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the period.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the period.

- (xi) The Company has not provided for any managerial remuneration in the current period. Accordingly, the provisions of clause 3(xi) of the Order are not applicable to the Company.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management and audit procedures performed by us, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review and hence, reporting requirements under clause 3(xiv) of the Order are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

**per Pankaj Chadha**  
Partner  
Membership Number: 091813

Place of Signature: Gurugram  
Date: May 14, 2021



## **ANNEXURE “2” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MOTHERSON SUMI WIRING INDIA LIMITED**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls with reference to financial statements of Motherson Sumi Wiring India Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the period ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to these financial statements.

#### **Meaning of Internal Financial Controls With Reference to these Financial Statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and

procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls With Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & CO. LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

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**per Pankaj Chadha**  
Partner  
Membership Number: 091813

Place of Signature: Gurugram  
Date: May 14, 2021

**MOTHERSON SUMI WIRING INDIA LIMITED**  
**Balance sheet**  
**(All amounts in INR million, unless otherwise stated)**

	Notes	As at March 31, 2021
<b>Assets</b>		
<b>Non-current assets</b>		
Financial assets		
Other financial assets	3	0.01
<b>Total non-current assets</b>		<b>0.01</b>
<b>Current assets</b>		
Financial assets		
Cash and cash equivalents	4	0.28
Other current assets	5	0.08
<b>Total current assets</b>		<b>0.36</b>
<b>Total assets</b>		<b>0.37</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Equity share capital	6	0.50
<b>Other equity</b>		
Reserves and surplus	7	(4.11)
<b>Total equity</b>		<b>(3.61)</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Financial liabilities		
Borrowings	8	3.53
Trade Payables	9	
Total outstanding dues of micro, small and medium enterprises and		-
Total outstanding dues of creditors other than micro, small and medium enterprises		0.34
Other financial liabilities	10	0.08
Other current liabilities	11	0.03
<b>Total current liabilities</b>		<b>3.98</b>
<b>Total liabilities</b>		<b>3.98</b>
<b>Total equity and liabilities</b>		<b>0.37</b>
Summary of significant accounting policies	2	

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **S.R.Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

For and on behalf of the Board of Directors

per **Pankaj Chadha**  
Partner  
Membership No.: 091813

**Sanjay Mehta**  
Director  
DIN: 03215388

**V.C. Sehgal**  
Director  
DIN: 00291126

Place: Gurugram  
Date: May 14, 2021

Place: Faridabad  
Date: May 14, 2021

Place: Dubai  
Date: May 14, 2021

**MOTHERSON SUMI WIRING INDIA LIMITED**  
**Statement of profit and loss**  
**(All amounts in INR million, unless otherwise stated)**

	Notes	For the period starting from the date of the incorporation i.e. July 02, 2020 and ended as of March 31, 2021
<b>Revenue</b>		
Revenue from operations		-
<b>Total income</b>		<b>-</b>
<b>Expenses</b>		
Finance costs	13	0.08
Other expenses	12	4.03
<b>Total expenses</b>		<b>4.11</b>
<b>Loss before tax</b>		<b>(4.11)</b>
Tax expenses		-
<b>Loss for the period</b>		<b>(4.11)</b>
Other comprehensive income for the period, net of tax		-
<b>Total comprehensive income for the period, net of tax</b>		<b>(4.11)</b>
<b>Earnings per share:</b>	14	
Nominal value per share: INR 1/- (not annualised)		
Basic and diluted		(9.20)
Summary of significant accounting policies	2	

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **S.R.Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

For and on behalf of the Board of Directors

per **Pankaj Chadha**  
Partner  
Membership No.: 091813

**Sanjay Mehta**  
Director  
DIN: 03215388

**V.C. Sehgal**  
Director  
DIN: 00291126

Place: Gurugram  
Date: May 14, 2021

Place: Faridabad  
Date: May 14, 2021

Place: Dubai  
Date: May 14, 2021

**MOTHERSON SUMI WIRING INDIA LIMITED**  
**Statement of change in equity**  
**(All amounts in INR million, unless otherwise stated)**

**A Equity share capital**

	Notes	Amount
As at July 02, 2020		-
Issue of equity share capital	6	0.50
<b>As at March 31, 2021</b>		<b>0.50</b>

**B Other equity**

	Notes	Reserves and surplus Retained Earnings	Items of OCI	Total
Balance as at July 02, 2020		-	-	-
Loss for the period	7	(4.11)	-	(4.11)
<b>Balance as at March 31, 2021</b>		<b>(4.11)</b>	-	<b>(4.11)</b>

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **S.R.Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

For and on behalf of the Board of Directors

per **Pankaj Chadha**  
Partner  
Membership No.: 091813

**Sanjay Mehta**  
Director  
DIN: 03215388

**V.C. Sehgal**  
Director  
DIN: 00291126

Place: Gurugram  
Date: May 14, 2021

Place: Faridabad  
Date: May 14, 2021

Place: Dubai  
Date: May 14, 2021

**MOTHERSON SUMI WIRING INDIA LIMITED**  
**Cash flow statement**  
**(All amounts in INR million, unless otherwise stated)**

**For the period starting from the date of the incorporation i.e. July 02, 2020 and ended as of March 31, 2021**

<b>A Cash flow from operating activities:</b>	
Loss before tax	(4.11)
Adjustments to reconcile profit before tax to net cash flow:	
Finance cost	0.08
<b>Operating profit before working capital changes</b>	<b>(4.03)</b>
<b>Change in working Capital:</b>	
Increase in trade payables	0.34
Increase in other current liabilities	0.03
Increase in other financial assets	(0.01)
Increase in other current assets	(0.08)
<b>Cash generated from operations</b>	<b>(3.75)</b>
- Income taxes paid	-
<b>Net cash flows from operating activities</b>	<b>(3.75)</b>
<b>B Cash flow from Investing activities:</b>	-
<b>C Cash flow from financing activities:</b>	
Proceeds from issue of shares	0.50
Proceeds from short term borrowing	3.53
<b>Net cash flow from financing activities</b>	<b>4.03</b>
<b>Net increase in cash and cash equivalents</b>	<b>0.28</b>
<b>Net cash and cash equivalents at the beginning of the period</b>	-
<b>Cash and cash equivalents as at current period end</b>	<b>0.28</b>
<b>Cash and cash equivalents comprise of the following</b>	
Balances with banks	0.28
<b>Cash and cash equivalents as per balance sheet (note 4)</b>	<b>0.28</b>

Summary of significant accounting policies (note 2)

Notes:

- The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".
- Figures in brackets indicate Cash Outflow.

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **S.R.Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

For and on behalf of the Board of Directors

per **Pankaj Chadha**  
Partner  
Membership No.: 091813

**Sanjay Mehta**  
Director  
DIN: 03215388

**V.C. Sehgal**  
Director  
DIN: 00291126

Place: Gurugram  
Date: May 14, 2021

Place: Faridabad  
Date: May 14, 2021

Place: Dubai  
Date: May 14, 2021

# MOTHERSON SUMI WIRING INDIA LIMITED

## Notes to the financial statements

(All amounts are in INR million, unless otherwise stated)

### 1. Corporate Information

Motherson Sumi Wiring India Limited ('the Company') was incorporated on July 2, 2020 and domiciled in India. It is a wholly owned subsidiary of Motherson Sumi Systems Limited ("MSSL" or "Holding Company"). The address of its registered office is Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra. The Company is a public limited company and is planning to be engaged primarily in the manufacture and sale of components to automotive original equipment manufacturers.

The Board of Directors of the holding company in their meeting dated July 02, 2020, approved the Composite Scheme of Amalgamation and Arrangement (scheme) amongst Motherson Sumi Systems Limited ("MSSL" or "Amalgamated company"), Samvardhana Motherson International Limited ("SAMIL" or "Amalgamating company"), the Company (Resulting company), and their respective shareholders and creditors. SAMIL is one of the shareholders of MSSL. The scheme among other things, entails demerger of Domestic Wiring Harness ("DWH") business from MSSL into this newly incorporated entity and subsequent merger of SAMIL into MSSL.

This scheme has also been approved by the board of directors of the Company as well in their meeting dated July 17, 2020. The transaction is being contemplated pursuant to a composite scheme of amalgamation and arrangement under the Companies Act, 2013 ("Scheme") and is subject to regulatory approvals and other approvals inter-alia from shareholders, creditors, NCLT etc. as may be applicable. Subsequent to the Balance Sheet date, the scheme has been approved by the shareholders of the MSSL on April 29, 2021 in the meeting convened by the NCLT.

The financial statements were authorised for issue in accordance with a resolution of the Board of directors on May 14, 2021.

### 2.1 Significant accounting policies

#### (a) Basis of preparation

The first financial statements for the period July 02, 2020 (date of incorporation) to March 31, 2021, which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss, including other comprehensive income, Cash Flow Statement and the Statement of Changes in Equity for the period then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statement.

These are the first year end financial statements prepared after its incorporation, thus the corresponding amounts (comparatives) for the immediately preceding reporting period for all items shown in the financial Statements are not required to be furnished.

The financial statements have been prepared on a historical cost basis.

The Company's functional currency is Indian Rupee (INR). The financial statements are presented in Indian Rupee (INR) and all values are rounded to the nearest millions (INR 000,000), except when otherwise indicated.

#### (b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

The Company classifies all other assets as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

# MOTHERSON SUMI WIRING INDIA LIMITED

## Notes to the financial statements

(All amounts are in INR million, unless otherwise stated)

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

### (c) Cash and cash equivalents

Cash and cash equivalent include cash on hand, cash at banks and short term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

### (d) Provisions

Provisions are recognised when the Company has a present (legal or constructive) obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

### (e) Borrowing Costs

Borrowing costs consist of interest cost that an entity incurs in connection with the borrowing of funds which are expensed in the period in which they occur.

### (f) Earnings per share

#### (i) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

#### (ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

## 2.2 Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In preparation of financials statement, the Company has not used significant judgements, accounting estimates and assumptions.



**MOTHERSON SUMI WIRING INDIA LIMITED**  
**Notes to financial statements**  
**(All amounts in INR million, unless otherwise stated)**

**3 Other financial assets - non current**

	As at March 31, 2021
<b>Unsecured, considered good</b>	
- Security deposits	0.01
<b>Total</b>	<b>0.01</b>

**4 Cash and cash equivalents**

	As at March 31, 2021
Balances with banks:	
- in current accounts	0.28
<b>Total</b>	<b>0.28</b>

\* There are no repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting period.

**Changes in liabilities arising from financing activities**

Opening balance as on July 02, 2020	-
Cash flow	
- current borrowings	3.53
Non cash flow	-
<b>Total liabilities from financing activities</b>	<b>3.53</b>

**5 Other current assets**

	As at March 31, 2021
<b>Unsecured, considered good, unless otherwise stated</b>	
Balances with government authorities	0.08
<b>Total</b>	<b>0.08</b>

**6 Share capital**

	As at March 31, 2021
<b>Authorised:</b>	
330,000,000 Equity shares of INR 1 each	330.00
<b>Issued, subscribed and paid up:</b>	
500,000 Equity shares of INR 1 each	0.50

**a Movement in equity share capital**

	Number	Amount
As at July 02, 2020	-	-
Add: Issued during the period	500,000	0.50
<b>As at March 31, 2021</b>	<b>500,000</b>	<b>0.50</b>

**b Rights, preferences and restrictions attached to shares**

**Equity Shares:**

The Company has only one class of equity shares having a par value of INR 1 per share. Each holder of equity is entitled to one vote per share held.

In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

**c Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.**

	As at March 31, 2021	
	Nos.	%
<b>Equity shares:</b>		
Motherson Sumi Systems Limited (including 6 shares held by its nominees)	500,000	100%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**MOTHERSON SUMI WIRING INDIA LIMITED**  
**Notes to financial statements**  
**(All amounts in INR million, unless otherwise stated)**

<b>7 Reserves and surplus</b>	
	<b>As at March 31, 2021</b>
<b>Retained earnings</b>	
As at July 02, 2020	-
Loss during the period	(4.11)
<b>As at March 31, 2021</b>	<b>(4.11)</b>
<b>8 Current borrowings</b>	
	<b>As at March 31, 2021</b>
<b>Unsecured, considered good</b>	
Indian rupee loan from related party (refer note 15)	3.53
<b>Total</b>	<b>3.53</b>
Indian rupee loan is unsecured and taken from holding company @ 5.5% p.a for one year.	
<b>9 Trade payables</b>	
	<b>As at March 31, 2021</b>
Total outstanding dues of micro, small and medium enterprises (refer note 16)	-
Total outstanding dues of creditors other than micro, small and medium enterprises	0.34
<b>Total</b>	<b>0.34</b>
<b>10 Other financial liabilities</b>	
	<b>As at March 31, 2021</b>
<b>Current</b>	
Interest accrued but not due on borrowings	0.08
<b>Total</b>	<b>0.08</b>
<b>11 Other current liabilities</b>	
	<b>As at March 31, 2021</b>
Statutory dues including tax deducted at source	0.03
<b>Total</b>	<b>0.03</b>
<b>12 Other expenses</b>	
	<b>For the period starting from the date of the incorporation i.e. July 02, 2020 and ended as of March 31, 2021</b>
Rates & taxes	3.25
Legal & professional expenses	0.16
Payment to auditor:	
- Audit fee	0.22
- Other services (certification)	0.40
<b>Total</b>	<b>4.03</b>
<b>13 Finance costs</b>	
	<b>For the period starting from the date of the incorporation i.e. July 02, 2020 and ended as of March 31, 2021</b>
Other finance costs	0.08
<b>Total</b>	<b>0.08</b>
<b>14 Earnings per share</b>	
	<b>As at March 31, 2021</b>
Net loss after tax available for equity Shareholders	(4.11)
Weighted average number of equity shares used to compute basic and diluted earnings per share	446,886
<b>Basic and diluted earnings per share of INR 1 each</b>	<b>(9.20)</b>
The Company does not have any potential equity shares and thus, weighted average number of shares for computation of basic EPS and diluted EPS remains same.	

**MOTHERSON SUMI WIRING INDIA LIMITED**  
**Notes to financial statements**  
**(All amounts in INR million, unless otherwise stated)**

**15 Related party disclosures**

I. Related party disclosures, as required by Ind AS 24, "Related Party Disclosures", are given below:

**Entity with control over the Company**

Name	Ownership interest
	As at March 31, 2021
Motherson Sumi Systems Limited ("MSSL")	100%
<b>Relationship where control exists</b>	

II. Details of transactions, in the ordinary course of business at commercial terms, and balances with related parties as mentioned in 15 (I) above:

**Transactions with related parties**

	For the period starting from the date of the incorporation i.e. July 02, 2020 and ended as of March 31, 2021
<b>Holding company</b>	
Issue of share capital	0.50
Loan received	3.53
Interest accrued but not due on borrowings	0.08

**Outstanding balances arising from sales / purchases of goods and services**

	As at March 31, 2021
<b>Holding company</b>	
Loan received	3.53
Interest accrued but not due on borrowings	0.08

16 As per information available with the Company there are no dues payable to enterprises covered under micro, small and medium enterprises development Act, 2006.

**17 Financials Risk management**

The Company is not exposed to any liquidity risk as it borrows money from holding Company (Shareholder).

The Company is not exposed to any foreign currency risk and accordingly, there is no market risk.

Regarding credit risk on balances with banks, the Company maintains relationship only with high rated banks.

**18 Capital Management**

In order to meet its capital requirement, the Company is generally funded by its shareholder, either as equity or debt.

The Company doesn't monitor any ratio as such.

19 Cash and Cash equivalents and short term borrowing, trade payable are the only financials assets and financials liability respectively, which have been recorded at amortised cost. The carrying value of cash and cash equivalents, short term borrowings and other financial liabilities are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

As per our report of even date

For **S.R.Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

For and on behalf of the Board of Directors

per **Pankaj Chadha**  
 Partner  
 Membership No.: 091813

Place: Gurugram  
 Date: May 14, 2021

**Sanjay Mehta**  
 Director  
 DIN: 03215388

Place: Faridabad  
 Date: May 14, 2021

**V.C. Sehgal**  
 Director  
 DIN: 00291126

Place: Dubai  
 Date: May 14, 2021

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our Financial Statements which appear elsewhere in this Information Memorandum. You should also read the section titled "Risk Factors" on page 13, which discusses a number of factors and contingencies that could impact our financial condition and results of operations. The following discussion relates to the financial statements of our Company.*

*Our audited financial statements, which are included in this Information Memorandum under "Financial Information", have been prepared in accordance with Ind AS. Our fiscal year ends on March 31 of each year; therefore, all references to a particular fiscal are to the twelve-month period ended March 31 of that year.*

*This discussion contains forward-looking statement and reflects our current plans and expectations. Actual results may differ materially from those anticipated in these forward-looking statements. By their nature certain risk disclosures are only estimates and could be materially different from those that have been estimated. Given these uncertainties, readers are cautioned not to place undue reliance on such forward looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in the sections titled ", "Forward-Looking Statements", "Risk Factors" and "Our Business" on pages 7,13, and 68 respectively. The Financial figures for financial year ended March 31, 2021, period ended September 30, 2020 and Audit Period provided in this Chapter are based on audited financial statements as given in the section titled "Financial Statements" on page 131 of the Information Memorandum.*

### **Overview:**

Our Company was incorporated as an unlisted public company on July 2, 2020 under the Companies Act, 2013 with the Registrar of Companies, Maharashtra at Mumbai. The Company is authorized, by its Memorandum of Association, *inter alia*, to carry on the business of manufacture, produce, develop, fabricate, assemble, buy, sell, distribute, import, export, alter, repair, remodel, hire, exchange, repair, service and otherwise deal in wiring harness of every kind and description, component and parts thereof including electrical parts and electronic parts, spare parts, developing software's, accessories, tools, implements, materials and products thereof, including for the automobiles or any other application(s), within India.

Prior to the Effective Date of the Scheme, our Company was a wholly owned subsidiary of Motherson Sumi Systems Limited. Pursuant to the Scheme becoming effective, the Domestic Wiring Harness Business (DWH Undertaking) of Motherson Sumi Systems Limited has been demerged from Motherson Sumi Systems Limited and vested into our Company from the Appointed Date 1 of the Scheme, i.e. April 1, 2021.

Pursuant to the vesting of aforesaid DWH Undertaking of Motherson Sumi Systems Limited in the Company, the Company is now engaged in the Domestic Wiring Harness Business.

### **Significant developments subsequent to the last financial year:-**

- The NCLT, Mumbai bench, *vide* its order dated December 22, 2021 approved the Scheme.
- Our Board of Directors was reconstituted and KMPs were appointed on January 28, 2022.

Other than the above, after the date of last audited accounts i.e. September 30, 2021, the Directors of our Company confirm that there have not been any significant developments having material affect or likely to have adverse affect within the next twelve months towards the trading or profitability of our Company, the value of our assets or our ability to pay the liabilities.

### **Impact of Covid-19 on our business:**

Some of the important factors affecting our results are discussed in the section "Risk Factors" titled "*The COVID-19 pandemic, or a similar public health threat, could adversely affect our business, financial condition, and results of operations*" beginning on page 13.

### **Significant factors affecting our results of operations:**

Some of the important factors affecting our results are discussed in the section "Risk Factors" beginning on page 13.

## **Significant Accounting Policies:**

### **(i) Basis of preparation**

The special purpose interim financial statements for the period April 01, 2021 to September 30, 2021, which comprise the interim Balance Sheet as at September 30, 2021, and the interim Statement of Profit and Loss, including other comprehensive income, interim Cash Flow Statement and the interim Statement of Changes in Equity for the period then ended, and notes to the special purpose interim financial statements, including a summary of significant accounting policies and other explanatory information.

The special purpose interim financial statements have been prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standard (Ind AS) 34 specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, for the use by the management for its inclusion in the information memorandum to be filed by the Company with the relevant stock exchanges for the proposed listing of equity shares of the Company post NCLT approval of the Scheme as mentioned above in note 1. Since the Company has been incorporated on July 02, 2020, hence the comparatives given in the interim statement of profit and loss and interim cash flow statement is for the period July 02, 2020 to September 30, 2020.

The special purpose interim financial statements have been prepared on a historical cost basis. Upon the Scheme becoming effective, the entity will carry on business activities of DWH business of MSSL, hence these financial statements have been prepared on a going concern basis.

The Company's functional currency is Indian Rupee (INR). The special purpose interim financial statements are presented in Indian Rupee (INR) and all values are rounded to the nearest millions (INR 000,000), except when otherwise indicated.

### **(ii) Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

The Company classifies all other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

### **(iii) Cash and cash equivalents**

Cash and cash equivalent include cash on hand, cash at banks and short term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(iv) **Provisions**

Provisions are recognised when the Company has a present (legal or constructive) obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

(v) **Borrowing Costs**

Borrowing costs consist of interest cost that an entity incurs in connection with the borrowing of funds which are expensed in the period in which they occur.

(vi) **Basic earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

(vii) **Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(viii) **Results of Operations**

For details of the Statement of Profit and Loss of the Company for the period ended September 30, 2020, the period ended March 31, 2021 and the Audit Period, the components of which are also expressed in absolute terms and as a percentage of total revenue for such periods, please refer to Chapter on “*Financial Statements*” on page 131 of this Information Memorandum.

(ix) **Discussion on our Results of Operations:**

Our Company was incorporated as an unlisted public company on July 2, 2020. Subsequently, pursuant to the Scheme becoming effective, the DWH Undertaking of Motherson Sumi Systems Limited has been vested into our Company with effect from the Appointed Date 1 of the Scheme. For further details, see the Chapters titled “*Scheme of Arrangement*” and “*Financial Statements*” on pages 86 and 131, respectively.

**Revenue**

Nil.

**Revenue from operations:** Nil

**Other Income:** Nil.

**Total Expense:**

Our total expense for the Audit Period was ₹0.34 million which primarily comprised rates & taxes, and payment to statutory auditors.

***Profit before Tax:***

Our Company had incurred a loss before Tax of ₹0.34 million for the Audit Period.

***Tax Expense:***

Our Total tax expense for the Audit Period was *Nil*.

***Profit for the Year:***

Our Net Loss was ₹0.34 million for the Audit Period.

***Cash flows***

For further details, see the Chapter titled “*Financial Statements*” on page 131.

***Borrowing***

Our borrowings were ₹4.03 million for the Audit Period.

***Related Party Transactions***

For details of Related Party Transactions, please refer to Chapter on “*Financial Statements*” on page 131 of this Information Memorandum.

***Summary of Changes to Significant Accounting Policies***

There is no change in Significant Accounting Policies of our Company.

## SECTION VII - LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

In terms of Schedule VI, Part A, para (12), sub-para (A) of the ICDR Regulations, our Board has approved the Materiality Policy for Determination of Group Companies and Litigation. Pursuant to the Policy and except as stated below, there are no outstanding (1) criminal proceedings involving our Company, Directors and Promoters and Subsidiaries; (2) actions taken by statutory or regulatory authorities involving our Company, Directors, Promoters and Subsidiaries; (3) claims involving our Company, Directors, Promoters and Subsidiaries for any direct or indirect tax liabilities (disclosed in a consolidated manner giving the total number of claims and total amounts involved); (4) proceedings involving our Company, Directors, Promoters and Subsidiaries (other than proceedings covered under (1) to (3) above); and (5) litigation involving the Group Companies which has a material impact on our Company. Further, except as discussed in this chapter, there are no disciplinary actions including penalties imposed by SEBI or stock exchanges against our Promoters in the last five financial years including any outstanding action.

Unless stated to the contrary, the information provided below is as of the date of Information Memorandum.

**A. *Litigation involving our Company (including litigations related to the DWH Undertaking which now stands transferred to the Company):***

Pursuant to and in accordance with the terms of the Scheme, the Company shall bear the burden and the benefits of any legal or other proceedings initiated in respect of the DWH Undertaking. If any suit, appeal or other proceeding of whatever nature by or against Motherson Sumi Systems Limited in respect of the DWH Undertaking be pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of the transfer of the DWH Undertaking or of anything contained in the Scheme but the proceedings shall be continued, prosecuted and enforced by or against the Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against Motherson Sumi Systems Limited. The Company shall have such legal or other proceedings initiated by or against Motherson Sumi Systems Limited in respect of the DWH Undertaking, transferred in its name and to have the same continued, prosecuted and enforced by or against the Company to the exclusion of Motherson Sumi Systems Limited. The Company shall also handle all legal or other proceedings which may be initiated against Motherson Sumi Systems Limited after Demerger pursuant to the Scheme becoming effective, relating to the DWH Undertaking in respect of the period up to the Effective Date 1 (as defined in the Scheme), in its own name and account and further undertaken to pay all amounts including interest, penalties, damages, etc. which Motherson Sumi Systems Limited may be called upon to pay or secure in respect of any liability or obligation relating to Motherson Sumi Systems Limited for the period up to the Effective Date 1, in respect of the DWH Undertaking.

As on the date of Information Memorandum, there are no legal or other proceedings initiated by or against the Company other than those relating to DWH Undertaking of Motherson Sumi Systems Limited which now stands transferred to the Company pursuant to Demerger pursuant to the Scheme. Further, these legal or other proceedings do not have a material impact on the financials of the Company. The details of such litigations are provided below:

**I. Litigation initiated against our Company**

*(a) Criminal proceedings*

As on date of this Information Memorandum, there are no criminal proceedings against our Company.

*(b) Actions by statutory or regulatory authorities*

As on date of this Information Memorandum, there are no statutory or regulatory proceedings against our Company.

*(c) Claims related to direct and indirect taxes*

As on date of this Information Memorandum, there are no direct or indirect tax proceedings against our Company.

*(d) Other pending proceedings*



**Labour:**

There are approximately 8 labour cases which pertain to the DWH Undertaking out of which 7 cases are pending adjudication at labour courts of Noida and Gurgaon. These cases are on account of different labour disputes such as dismissal for wrong bill submission, dismissal for wilful damages to the property of DWH Undertaking, termination of services due to prolonged absenteeism, reinstatement with back wages initiated by the workmen, disobeying law and order etc. The total amount of claim involved in the aforesaid cases is estimated to be INR 17.05 Million.

**II. Litigation initiated by our Company**

*(a) Criminal proceedings*

As on date of this Information Memorandum, there are no criminal proceedings initiated by our Company.

*(b) Actions by statutory or regulatory authorities*

As on date of this Information Memorandum, there are no statutory or regulatory proceedings initiated by our Company.

*(c) Claims related to direct and indirect taxes*

As on date of this Information Memorandum, there are no direct or indirect tax proceedings initiated by our Company.

*(d) Other pending proceedings*

As on date of this Information Memorandum, there are no civil or other proceedings initiated by our Company.

**B. Litigation involving our Directors**

**I. Litigation initiated against our Directors**

*(a) Criminal proceedings*

As on date of this Information Memorandum, there are no criminal proceedings against our Directors.

*(b) Actions by statutory or regulatory authorities*

As on date of this Information Memorandum, there are no statutory or regulatory proceedings against our Directors.

*(c) Claims related to direct and indirect taxes*

As on date of this Information Memorandum, there are no direct or indirect tax proceedings against our Directors.

*(d) Other pending proceedings*

As on date of this Information Memorandum, there are no civil or other proceedings against our Directors.

**II. Litigation initiated by our Directors**

*(a) Criminal proceedings*

As on date of this Information Memorandum, there are no criminal proceedings initiated by our Directors.

*(b) Actions by statutory or regulatory authorities*

As on date of this Information Memorandum, there are no statutory or regulatory proceedings by our Directors.

*(c) Claims related to direct and indirect taxes*

As on date of this Information Memorandum, there are no direct or indirect tax proceedings by our Directors.

*(d) Other pending proceedings*

As on date of this Information Memorandum, there are no civil or other proceedings initiated by our Directors.

**C. *Litigation involving our Promoters:***

**I. Litigation initiated against our Promoters**

*(a) Criminal proceedings*

As on date of this Information Memorandum, there are no criminal proceedings against our Promoters.

*(b) Pending action by statutory or regulatory authorities against our Promoters and disciplinary action including penalty imposed by SEBI or Stock Exchanges against the Promoters in the last 5 Financial Years*

As on date of this Information Memorandum, there are no statutory or regulatory proceedings against our Promoters.

*(c) Other pending proceedings*

As on date of this Information Memorandum, there are no civil or other proceedings against our Promoters.

*(d) Claims related to direct and indirect taxes*

As on date of this Information Memorandum, there are no civil or other proceedings initiated against our Promoters.

**II. Litigation initiated by our Promoters**

*(a) Criminal proceedings*

As on date of this Information Memorandum, there are no criminal proceedings initiated by our Promoters.

*(b) Actions by statutory or regulatory authorities*

As on date of this Information Memorandum, there are no statutory or regulatory proceedings initiated by our Promoters.

*(c) Claims related to direct and indirect taxes*

As on date of this Information Memorandum, there are no direct or indirect tax proceedings initiated by our Promoters.

*(d) Other pending proceedings*

As on date of this Information Memorandum, other than the following there are no civil or other proceedings initiated by our Promoters.

**D. *Litigation involving our Subsidiaries***

As on the date of the Information Memorandum, the Company does not have any subsidiaries.

**E. *Litigation involving our Group Companies:***

As on date of this Information Memorandum, there are no Group Companies of our Company.

**F. *Outstanding dues to creditors***

As on date of this Information Memorandum, outstanding due to creditors are as below:

<b>Particulars</b>	<b>Amount involved (in ₹ million)</b>
Unsecured loan from MSSL at 5.5% per annum interest	4.30
<b>Total</b>	4.30

## GOVERNMENT APPROVALS

*Pursuant to the Scheme becoming effective with effect from the Appointed Date 1, all permits, licenses, permissions, approvals, consents, municipal permissions, benefits, registrations, rights, entitlements, certificates, clearances, authorities, allotments, quotas, no-objection certificates, trademarks, trademark applications, trade names and other intellectual property rights, contracts, tenancies, agreements, memorandum of understanding, leases, leave and licenses, bids, tenders, expressions of interest, letters of intent, commitments (including to clients and other third parties), hire purchase arrangements, assignments, grants, engagements, powers of attorney, other arrangements, undertakings, deeds, bonds, insurance covers and claims, clearances, income tax benefits and exemptions, and all other benefits, privileges, interests in connection with or relating to the DWH Undertaking of Motherson Sumi Systems Limited, shall stand transferred to and vested in or shall be deemed to be transferred to and vested in our Company as if the same were originally given or issued to or executed in favour of our Company, and the rights and benefits under the same shall be available to our Company.*

### **Material approvals in relation to the business and operations of our Company:**

#### **A. Corporate Approvals**

- (i) Certificate of incorporation dated July 2, 2020, issued to our Company by the Registrar of Companies.

#### **B. Approvals from Tax Authorities**

- (i) The Permanent Account Number (PAN) of our Company is AANCM5330P.
- (ii) The Tax Deduction and Collection Account Number (TAN) is MUMM57912B.
- (iii) The Goods and Service Tax (GST) registration number of our Company is 27AANCM5330P1ZV.

#### **C. Labour / employment related approvals**

Our Company is required to obtain following approvals and licenses under various laws, rules and regulations in order to carry on the business in India in relation to its offices and business units:

- (i) Registration under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, issued by the Employees' Provident Fund Organisation.
- (ii) Registration under the Employees' State Insurance Act, 1948, issued by the Employees' State Insurance Corporation.
- (iii) Certificate issued under the Contract Labour (Regulation and Abolition) Act, 1971 issued by the labour commissioners of relevant states.
- (iv) Registration under the applicable shops and establishments legislation for our network facilities, issued by the ministry or department of labour of relevant State government, wherever applicable.

#### **D. Other Approvals**

- (i) License issued under the Factories Act, 1948.
- (ii) Consent to operate under the Air (Prevention and Control of Pollution) Act, 1981 and the Water (Prevention and Control of Pollution) Act, 1974, and authorisation under the Hazardous Waste Management Rules, 2016 issued by the state pollution control board.
- (iii) Fire NOC.

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority of Listing**

Our Board of Directors had approved the Scheme at its meeting held on July 17, 2020. The National Company Law Tribunal, Mumbai bench, *vide* its order dated December 22, 2021 approved the Scheme. For further details, see the sections titled '*History and Certain Corporate Matters*' and '*Scheme of Arrangement*' on pages 80 and 86 of this Information Memorandum, respectively.

In accordance with the Scheme, the Equity Shares of our Company, issued pursuant to the Scheme, shall be listed and admitted to trading on BSE and NSE. Such admission and listing is not automatic and will be subject to fulfilment by our Company of the respective listing criteria of the Stock Exchanges and also subject to such other terms and conditions as may be prescribed by the respective Stock Exchanges at the time of the application made by our Company seeking approval for listing.

### **Eligibility Criteria**

The eligibility criteria prescribed under the SEBI (ICDR) Regulations is not applicable since this is not an initial public offering or a rights issue. Our Company submitted this Information Memorandum, containing information about our Company, making disclosures in line with the disclosure requirement for public issues, as applicable to BSE and NSE and the Information Memorandum shall be made available to public through the respective websites of the Stock Exchanges i.e., [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com). Our Company shall make the Information Memorandum available on its website at [www.msnil.motherson.com](http://www.msnil.motherson.com). Our Company has published an advertisement on March 16, 2022 in the newspapers containing its details as per the SEBI Circular with the details required in terms of of the SEBI Circular.

Pursuant to the SEBI Circular, our Company has obtained an exemption on March 11, 2022 from SEBI, with respect to the strict enforcement of the requirement of Rule 19(2)(b) of the SCRR for the purpose of listing of the Equity Shares of our Company.

### **Prohibition by Securities and Exchange Board of India**

Our Company, Directors, Promoters and Promoter Group are not prohibited or debarred from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority / court.

Further, none of our Directors or Promoters is a director or promoter of any other company which is currently debarred from accessing the capital markets by SEBI.

### **Compliance with Companies (Significant Beneficial Ownership) Rules, 2018**

Our Company, Promoters, Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent applicable.

### **Fugitive Economic Offences**

None of our Promoters or Directors is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

### **Association with the Securities Market**

None of our Directors are associated with the securities market in any manner except to the extent of their shareholding / directorships in other listed companies. No action has been initiated by SEBI against any such Directors during the five years preceding the date of this Information Memorandum.

### **Willful defaulter by Reserve Bank of India**

Our Company, Promoters and Directors have not been identified as wilful defaulters by any bank and / or financial institution in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

### **Disclaimer Clause – BSE**

BSE *vide* its letter dated December 4, 2020 approved the Scheme under Regulation 37 of the SEBI (LODR) Regulations and by virtue of the said approval, BSE's name has been included in this Information Memorandum as one of the stock exchanges on which our Company's Equity Shares are proposed to be listed.

As required, a copy of this Information Memorandum has been submitted to BSE.

### **Disclaimer Clause – NSE**

NSE has *vide* its letter dated December 7, 2020 approved the Scheme under Regulation 37 of the SEBI (LODR) Regulations and by virtue of the said approval, NSE's name is included in this Information Memorandum as one of the stock exchanges on which this Company's Equity securities are proposed to be listed.

As required, a copy of this Information Memorandum has been submitted to NSE.

### **General Disclaimer from the Company**

Our Company accepts no responsibility for statements made otherwise than in this Information Memorandum or in the advertisement which has been published on March 16, 2022 in terms of the SEBI Circular or any other material issued by or at the instance of our Company and anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by our Company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner.

### **Listing**

Applications have been made to BSE and NSE for an official quotation of the Equity Shares of our Company. Our Company has nominated BSE Limited as the Designated Stock Exchange for the aforesaid listing of the Equity Shares.

Our Company has taken steps for completion of necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above within a period as approved by SEBI.

### **Listing Approval from BSE and NSE**

Our Company has obtained in – principle listing approvals from BSE and NSE on February 28, 2022 and March 2, 2022, respectively. Our Company shall make the applications for final listing and trading approvals from BSE and NSE.

### **Demat Credit**

Our Company has executed tripartite agreements with CDSL and NSDL on January 24, 2022 and December 7, 2020, respectively, for admitting its securities in demat form. Our Company has been allotted the ISIN INE0FS801015.

### **Expert Opinions**

We have not obtained any expert opinions.

### **Allotment of Equity Shares**

Pursuant to the Scheme, the Company has on January 19, 2022, issued and allotted 315,79,34,237 Equity Shares of the Company to all eligible shareholders holding shares in demat form of Motherson Sumi Systems Limited on the Record Date 1 i.e. January 17, 2022 in demat form.

As per the Companies (Prospectus and Allotment of Securities) (Third Amendment) Rules, 2018, the Company is required to issue securities in dematerialized form only. Accordingly, the Company was unable to allot shares to those shareholders holding shares in physical form due to aforesaid mentioned reason.

In respect of those shareholders who were holding shares in Motherson Sumi Systems Limited in physical form as on Record Date 1 i.e. January 17, 2022, the Company has transferred the relevant shares allotted to these shareholders in the separate Demat Account of the Company viz. Motherson Sumi Wiring India Limited -Scheme of Arrangement Suspense Account maintained with Axis Bank Limited .

We further confirm / undertake that as soon as these shareholders would share the details of their demat accounts and prove their credentials to the satisfaction of the Company's registrar and the registrar would take steps to credit the eligible shares of our company into demat account of concerned shareholder out of suspense account as mentioned above. For this purpose, all such shareholders have been requested *vide* newspaper advertisement published on March 16, 2022, in Business Standard (English), Navshakti (Marathi) and Business Standard (Hindi), to approach the Registrar and Transfer Agent (RTA) by forwarding a request letter duly signed by all the shareholders furnishing their complete postal address along with PIN code, original share certificate issued by Motherson Sumi Systems Limited, a copy of PAN card & proof of address, and for delivery in demat form, a copy of Demat Account - Client Master Report duly certified by the Depository Participant (DP) and a recent Demat Account Statement, to enable the Company to release the said shares to the rightful owner.

### **Previous rights and public issues**

Since incorporation, our Company has not issued any Equity Shares to the public or undertaken any rights issue to the public.

### **Capital issuances since incorporation**

For details of the issuances of Equity Shares by our Company since incorporation, see "*Capital Structure – Notes to the Capital Structure*" at page 37.

### **Performance vis-a-vis objects**

This is the first time the Equity Shares of our Company are getting listed on the Stock Exchanges.

### **Issuances for consideration other than cash**

The Company has not undertaken any issuances for consideration other than cash since its incorporation other than as a part of the Scheme.

### **Commission and Brokerage on Previous Issues**

No sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares by our Company.

### **Outstanding Debentures or Bonds and Redeemable Preference Shares and other Instruments issued by our Company**

There are no outstanding debentures or bonds and redeemable preference shares and other instruments issued by our Company.

### **Stock Market Data for Equity Shares of our Company**

The Equity Shares of our Company are not listed on any stock exchange. Through this Information Memorandum, our Company is seeking approval for listing of its Equity Shares from the Stock Exchanges.

### **Disposal of Investor Grievances by our Company**

M/s. KFin Technologies Pvt. Ltd. is the Registrar and Transfer Agent of the Company to accept the documents / requests / complaints from the investors / shareholders of the Company. All documents are received at the inward department, where the same are classified based on the nature of the queries / actions to be taken and coded accordingly. The documents are then electronically captured before forwarding to the respective processing units. The documents are processed by professionally trained personnel. The Company / RTA has set up service standards for each of the various processes involved such as effecting the transfer/dematerialization of securities / change of address ranging from 3-7 days.

Pooja Mehra, Company Secretary and Compliance Officer of the Company is vested with responsibility of addressing the Investor Grievance in coordination with Registrar & Transfer Agents.

Alternatively, shareholders can express their grievances by sending mails to [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com) or raise complaints in SCORES (common portal introduced by SEBI). Further, the Shareholders can also raise their grievances with our Company Secretary and Compliance Officer As on the date of this Information Memorandum, our Company has not

received any investor complaints.

**Name and Contact Address of the Company Secretary and Compliance Officer**

**Pooja Mehra**

Company Secretary and Compliance Officer

11<sup>th</sup> Floor, Plot No. 1, Sector -127, Noida, Noida Greater Noida Expressway, U.P. – 201301

Tel.: 0120-6679293

Email: [investorrelations@mswil.motherson.com](mailto:investorrelations@mswil.motherson.com)

Website: [www.mswil.motherson.com](http://www.mswil.motherson.com)

**Capitalisation of reserves or profits or revaluation of assets**

Other than pursuant to the Scheme, there has been no capitalization of our reserves or profits. Further, there has been no revaluation of our assets since incorporation.



## SECTION VIII– OTHER INFORMATION

### MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

*Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below.*

#### 1. **Authorised Share Capital**

- 1.1. The authorised share capital of the Company shall be as specified from time to time, in the Memorandum of Association of the Company. The share capital of the Company shall comprise of equity shares and / or preference shares of such amount as may be determined by the Board, from time to time, with power to issue-re-issue preference shares of one or more classes on such terms determined by the Board, in accordance with the Act.

#### 2. **New Capital Part of the Existing Capital**

- 2.1. Except as so far as otherwise provided by the terms of issue of by these Articles, any Capital raised by issuance of new shares shall be considered part of the initial capital and shall be subject to the provision herein contained, with reference to payments of calls and instalments, transfer and transmission, forfeiture, lien, voting and otherwise.

#### 3. **Share Certificates**

- 3.1. **Members right to certificate:** Every member shall be entitled, free of charge to one certificate under the common seal of the Company, for all the shares of each class registered in his name, or if the Board so approves, to several certificates each for one or more of such class of shares. Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. When a person opts to hold any shares with a depository, the Company shall intimate such depository, details of allotment of share to enable depository to enter in its records, name of such person as beneficial owner of such share(s).
- 3.2. **Issuance of new certificates:** If any share certificate is worn out, defaces, torn to be otherwise mutilated or if there be no further space on back for endorsement of transfer or rendered useless from and cause whatsoever then upon production and surrender thereof to the Company, the Board or Committee thereof, may order same to be cancelled and issue a new certificate in lieu thereof and if any certificate be lost or destroyed, then upon proof thereof to the satisfaction of the Board and on payment of fees and indemnity as the Board deems adequate being given, a new certificate in lieu thereof shall be given to the person entitled to such lost of destroyed certificate.

#### 4. **Commission in Respect of Securities**

- 4.1. The Company may exercise the powers of paying commissions conferred by applicable provisions of Section 40 of the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

#### 5. **Members' Rights**

- 5.1. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), subject to the provisions of section 48, and whether or not the company is being wound up, shall not be varied without the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. The provisions of these Articles relating to general meeting apply *mutatis mutandis* to every such separate meeting.
- 5.2. However, the rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

6. **Unpaid Capital**

- 6.1. The money (if any) which the Board shall, on allotment of any shares being made by it, require or direct to be paid by way of deposit, call, or otherwise, in respect of any shares allotted by it, shall immediately on inscription of name of allottee to registrar of members as name of holders of such shares, become a debt due to and recoverable by the Company from allottee thereof and shall be paid by him accordingly.
- 6.2. Every member, or his executor, administrator or other legal representative shall pay to the Company a proportion of capital represented by his shares, which may for time being remain unpaid, in such amounts, at such time or times, and in such manner as the Board shall from time to time in accordance with the Articles require or fix for the payment thereof.

7. **Lien**

- 7.1. The Company shall have a first and paramount lien –
- (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
  - (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company.
- 7.2. The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
- 7.3. Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien for such transfer.
- 7.4. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien. Provided that no sale shall be made –
- (a) unless a sum in respect of which the lien exists is presently payable; or
  - (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
- 7.5. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- 7.6. The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

8. **Calls on Shares**

- 8.1. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times or through instalments.
- 8.2. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereto.
- 8.3. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.

- 8.4. The Board may, at its discretion, revoke, postpone or extend the time fixed for payment of any call. Provided that, no member shall be entitled to such extension save as a matter of grace and favour.
- 8.5. If any member fails to pay any call due from him on the day appointed for payment thereof or any extension thereof as aforesaid, such member shall be liable to pay interest on the same, for the day appointed for the actual payment and at such rate as shall from time to time be determined by the Board.
- 8.6. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 8.7. The Board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him, subject to the terms of the Articles.

9. **Transfer of Equity Shares**

- 9.1. No transfer of a share shall be registered unless a proper instrument of transfer duly stamped and executed, in accordance with the Act and the rules framed thereunder, by or on behalf of the transferor and by or on behalf of the transferee has been delivered to the Company together with the certificate or, if no such certificate is in existence, the letter of allotment of the share.

10. **Restriction on Transfers**

- 10.1. The Company may refuse to register the transfer of its shares on any of the following grounds:
- (a) that any requirement under law(s) relating to the registration of transfer of the shares has not been complied with;
  - (b) that transfer of shares is in contravention of any law; or
  - (c) that the transfer of shares is prohibited by any order of any court, Tribunal, or any other authority under any law for the time being in force.

Provided that, the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on shares.

11. **Transmission of Equity Shares**

- 11.1. **Title of shares:** In case of the death of a member, survivor or survivors, where the deceased was a registered joint holder of any share, and the executor or administrator of a deceased member, or a holder of a succession certificate where he was sole or only surviving holder, shall be the only person recognized by the Company as having any title to such share and the Company shall not be bound to recognize such executor or administrator unless he shall have first obtained probate or letters of administration, as the case may be, from a duly constituted court in India. Provided that, in any case where the Board in its absolute discretion thinks fit, the Board may dispense with production of probate or letters of administration or a succession certificate and register as a member any person who claims to be absolutely entitled to the share standing in the name of the deceased member.
- 11.2. **Rights of persons entitled to transmission of shares:** A person so becoming entitled for the transmission of shares under the Articles by reason of the death, lunacy, bankruptcy or insolvency of the holder shall subject to the provisions of the Articles, may with the consent of the Board, given at its discretion, and upon furnishing such proof as the Board deems sufficient, either be registered himself as the holder of the shares or elect a nominee.

12. **Forfeiture of shares**

- 12.1. **Forfeiture of shares**: If a member fails to pay whole or any part of any call or instalment of a call or any money due in respect of any shares by way of either principal or interest on or before the day appointed for the payment of the same, the Board may, at any time thereafter, during such time as call or instalment or any part thereof or other moneys remain unpaid or a judgment or decree in respect thereof remain unsatisfied in whole or in part, serve a notice on such member or on the person (if any) entitled to shares by transmission requiring him to pay such call or instalment or such part thereof or other moneys as remains unpaid together with that may have accrued and all expenses (legal or otherwise) that may have been incurred by the Company by reason of such non-payment.
- 12.2. **Notice of forfeiture**: In case of forfeiture of any shares, a notice, in the manner and particulars as prescribed by the Articles, shall be given to the relevant member and an entry of forfeiture with the day thereof shall forthwith be made in the register of members.
- 12.3. A forfeited share becomes the property of the Company and may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. However, at any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
- 12.4. A person whose shares have been forfeited shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares. The forfeiture of shares extinguishes all interests in and claims / demands against the Company in respect of such shares, except as specifically saved by the Articles.

13. **Alteration of Capital**

- 13.1. The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution. Subject to the provisions of the Act, the Company may:
- (a) Increase share capital by such sum, to be divided into shares of such amount as it thinks expedient;
  - (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - (c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
  - (d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; and
  - (e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
- 13.2. Where shares are converted into stock, --
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
  - (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

- (c) such provisions of the Articles as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

13.3. **Reduction of Capital:** The Company may, by a resolution in accordance with the Act, reduce in any manner and with, and subject to, any incident authorised and consent required by law:

- (a) its share capital;
- (b) any capital redemption reserve account;
- (c) any share premium account; or
- (d) any other reserves in the nature of share capital.

14. **Capitalization of Profits**

14.1. Subject to the provisions of the Act, the Board may capitalize any part of the amount for the time being standing to credit of any of the Company’s reserve accounts or to credit of the profit and loss account or securities premium account or the capital redemption reserve account or otherwise available for distribution. Accordingly, such moneys shall be set free for distribution amongst such of the members as would be entitled to receive the same if distributed by way of footing that they become entitled thereto as capital and that all or any part of such capitalised fund applied on behalf of such members in paying up in full any unissued shares which shall be distributed accordingly or towards payment of the uncalled liability on any issued shares, and that such distribution or payment shall be accepted by the shareholders in full satisfaction of their interest in the said capitalised sum. Provided that any sum standing to the credit of a share premium account or a capital redemption reserve account may, for the purpose of this Article, only be applied in the paying up of unissued shares to be issued to member of the Company as fully paid bonus shares.

15. **Buy-back of Equity Shares**

15.1. Notwithstanding anything contained in these articles but subject to the provisions of Sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

16. **General Meetings**

16.1. **Periodicity of Annual General Meeting:** The Company shall hold a general meeting every year at the intervals prescribed by the Act (“**Annual General Meeting**”) Subject to the applicable provisions of the Act, the Company shall hold such general meeting within 6 months of expiry of the financial year. Every general meeting other than the Annual General Meeting will be called an ‘Extraordinary General Meeting’.

16.2. **Notice of a general meeting:** The Board may, whenever it thinks fit, call an extraordinary general meeting, subject to a 21 (twenty-one) day notice. The Board may also, hold an extraordinary general meeting may be called after giving shorter notice, if consent, in the case of an: (a) Annual General meeting, of at least 95% (ninety-five per cent.) of members entitled to vote; and (b) Extraordinary General Meeting, of members holding majority and representing not less that 95% (ninety-five per cent.) of the paid-up share capital of the Company.

16.3. **Quorum:** Quorum be present when business commenced: No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. If within half an hour from the time appointed for the meeting a quorum be not present, the meeting, if convened upon such requisition as aforesaid, shall be dissolved; but in any other case it shall stand adjourned in accordance with the provisions of the Articles and the Act.

16.4. **Chairman of General Meeting:** The Chairman of the Board shall be entitled to take the chair at every general meeting and is entitled to a casting vote. If there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act, the members present shall choose another Director as Chairman, and if no Director be present or if all the Directors present decline to

take the chair, then the members present shall, on a show of hands or on a poll if properly demanded, elect one of their number being a member entitled to vote, to be the Chairman of the meeting.

16.5. Voting right:

- (a) Subject to any rights or restrictions for the time being attached to any class or classes of shares: (a) on a show of hands, every member present in person shall have one vote; and (b) on a poll and / or any other electronic voting mode (as prescribed under the Act), the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company. A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.
- (b) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
- (c) However, no member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid. In case of a member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

16.6. Proxy: The instrument, in the prescribed form, appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.

16.7. Adjournment of a general meeting: The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, and as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

17. Board of Directors

17.1. Unless otherwise determined by a general meeting, the number of directors shall not be less than 3 (three) and not more than 11 (eleven). The first directors of the Company are: (a) Mr. Vivek Chaand Sehgal; (b) Mr. Laksh Vaaman Sehgal; and (c) Mr. Sanjay Mehta.

17.2. The Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the limit prescribed by the Articles. Any director so appointed shall hold office only till the following Annual General Meeting and shall be eligible for election as a Director.

17.3. The Board shall have power at any time and from time to time to appoint any other qualified person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board as per the provisions of the Act.

17.4. At every Annual General Meeting, not less than 1/3<sup>rd</sup> (one-third) of the 2/3<sup>rd</sup> (two-third) of the total number of directors of the Company, for the time being, are liable to retire by rotation and who shall be eligible for re-appointment by the Company.

17.5. The remuneration of the directors shall be in accordance with the policy of the Company and the same shall be as per the discretion of Board and subject to the applicable provisions of the Act.

18. **Proceedings of the Board**

- 18.1. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. Meetings of the Board are to be convened by the Chairperson or any person authorized by the Board in this regard, on the requisition of a director and in consultation with the Chairman, or in his absence, the Managing Director or in his absence, the Whole-time Director.
- 18.2. **Quorum**: The quorum for meetings of the Board shall be as provided in the Act.
- 18.3. **Voting**: Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
- 18.4. **Chairman**: The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within 15 (Fifteen) minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
- 18.5. **Powers of the directors**: The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act or by any other law, or by the Memorandum of Association of the Company or these Articles, required to be exercised by the Company in general meeting of the holders of a class, classes or shares, subject nevertheless of these Articles, to the provisions of the Act or any other law and to such regulations being not inconsistent with the aforesaid regulation or provisions, as may be prescribed by the Company in a general meeting. Provided that no regulation made by the Company in a general meeting shall invalidate any prior act of the Board which would have been valid had the regulation not been made.
- 18.6. **Delegation of powers**: The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members and Chairperson of its body as it thinks fit. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

19. **The Seal**

- 19.1. The Board shall provide for the safe custody of the seal, and the seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of a director or of the secretary or such other person as the Board may appoint for the purpose; and that director or the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in his presence.

20. **Dividends and Reserve**

- 20.1. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.
- 20.2. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit. Further, the Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

## MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered in the ordinary course of business carried on by our Company or entered into more than two years before the date of the Information Memorandum), which are or may be deemed material have been entered or are to be entered into by our Company. These contracts and also the documents for inspection referred to hereunder, may be inspected on our website [www.mswil.motherson.com](http://www.mswil.motherson.com) and at the Registered Office of our Company situated at Unit No. 705, C Wing, ONE BKC, G Block Bandra Kurla Complex, Bandra East, Mumbai -400051 from 10:00 a.m. to 3:00 p.m. on working days.

### Material contracts and documents for inspection

- Certificate of Incorporation of the Company.
- Memorandum and Articles of Association, as amended till date.
- Letter under Regulation 37 of the SEBI (LODR) Regulations issued by BSE (DCS/AMAL/BA/R37/1859/2020-21 dated December 4, 2020) and NSE (NSE/LIST/24260\_II dated December 7, 2020) according their no-objection to the Scheme.
- Composite Scheme of Arrangement amongst Motherson Sumi Systems Limited, Samvardhana Motherson International Limited, and the Company and their respective shareholders and creditors.
- Order dated December 22, 2021 (certified copy received on December 23, 2021) of the Hon'ble National Company Law Tribunal, Mumbai Bench - IV sanctioning the Composite Scheme of Arrangement amongst Motherson Sumi Systems Limited, Samvardhana Motherson International Limited, and the Company and their respective shareholders and creditors under sections 230 to 232 and other applicable provisions of the Companies Act.
- Audited Financials of the Company for the financial year ended March 31, 2021, for the period ended September 30, 2020 and the Audit Period ended September 30, 2021.
- Statement of tax benefits dated February 7, 2022 issued by S.R. Batliboi & Co. LLP.
- Tripartite Agreement dated December 7, 2020 with NSDL, RTA and the Company. -
- Tripartite Agreement dated January 24, 2022 with CDSL, RTA and the Company.-
- BSE letter no. DSC/AMAL/TL/IP/2241/2021-22 dated February 28, 2022 granting in-principle approval for listing.
- NSE letter no. NSE/LIST/69 dated March 2, 2022 granting in- principle approval for listing.
- SEBI's letter no. SEBI/HO/CFD/DIL-1/10437/2022/1 dated March 11, 2022 granting relaxation from the applicability of Rule 19(2)(b) of SCRR for listing of the shares of the Company.


Any of the contracts or documents mentioned in the Information Memorandum may be amended or modified at any time if so required in the interest of the Company or if required by the other parties, without reference to the shareholders subject to compliance with the provisions contained in the Companies Act and other relevant statutes.



## DECLARATION

All relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Information Memorandum is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements made in this Information Memorandum are true and correct.

**For and on behalf of the Board of Directors of Motherson Sumi Wiring India Limited**

  
Name: Anurag Gahlot

Designation: Whole Time Director and Chief Operating Officer

Place: Noida, Uttar Pradesh

Date: March 17, 2022.