

Press Release

For immediate publication

At the Board Meeting of Motherson Sumi Systems Limited (MSSL) held on 28th April, 2011, the Board of Directors of the Company has approved the following:

1. The merger of Sumi Motherson Innovative Engineering Limited (SMIEL), a company engaged in the manufacture of components for wiring harnesses and other plastic components with Motherson Sumi Systems Limited (MSSL). The Board further approved appointment of independent valuer for determining fair exchange ratio for the merger.
2. The merger of company's wholly owned subsidiary, MSSL Global Wiring Limited, a company engaged in the manufacture of wiring harnesses at SEZ Kandla with Motherson Sumi Systems Limited (MSSL).
3. The merger of India Nails Manufacturing Pvt. Ltd., wholly owned subsidiary having mainly land and building, with Motherson Sumi Systems Limited (MSSL).

Sumi Motherson Innovative Engineering Limited (SMIEL):

2009-10 : Net sales : Rs 135.92 Crores
(audited) Profit before tax : Rs 13.68 crores
Profit after Tax : Rs 8.59 crores

The merger of SMIEL into MSSL will add significant value to MSSL's existing business of wiring harness and plastic molding. SMIEL is presently subsidiary of Sumitomo Wiring Systems (SWS). The proposed merger of SMIEL into MSSL will bring the entire business of wiring harness into one entity.

In particular, it will add value into the following areas:

1. Further strengthen MSSL's ability to develop and localize components of wiring harnesses: With the changed scenario of vehicles being designed in/for India, this business under one window will help MSSL to service its customers for wiring harness business better. This together with MSSL wire division will help the company to cut down development time.
2. Add non wiring harness business to MSSL's existing plastic business (MATE): SMIEL's non wiring harness business customers list include Maruti Suzuki, GE Healthcare, Schneider Electric, Continental Automotive, Bosch India etc.. This would bring growth as well as further economies of scale for MATE.



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3. Tooling capability: SMIEL has one of the best tool rooms in India, which is primarily used for developing molds for wiring harness components. This will add tremendous capability to MSSL for doing further developments of plastic components.
4. Simplification of structure: MSSL is one of the key customers (about 39 %) of SMIEL. SMIEL is doing similar business of plastic components as well. The merger of SMIEL into MSSL will consolidate the businesses within the Group.

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About Motherson Sumi Systems Limited

Motherson Sumi Systems Limited (MSSL) the flagship company of the Samvardhana Motherson Group, is a joint venture between Samvardhana Motherson Group and Sumitomo Wiring Systems (Japan). MSSL is one of the largest manufacturers of Automotive Rearview Mirrors for passenger cars in the world together with being the largest manufacturer of automotive wiring harnesses in India. It also supplies plastic components and modules to the automotive industry. Other product range of MSSL comprises of rubber components for automotive and industrial applications, high precision machined metal parts, injection molding tools and HVAC Systems. The integration of diverse products and technologies leading to comprehensive solutions is a unique advantage, which makes the company a 'globally preferred solutions provider'. MSSL has presence in 22 countries and has manufacturing bases in six continents across the globe- Asia, Europe, North America, South America, Australia & Africa to support its customers.

For all details about Motherson Sumi Systems Limited / Samvardhana Motherson Group, please contact:-

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