



MOTHERSON SUMI SYSTEMS LIMITED

(CIN-L34300MH1986PLC284510)

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

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POSTAL BALLOT NOTICE

(Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014)

To,
The Member(s),

NOTICE is hereby given, pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (**"the Act"**), read with Rule 20 (as applicable) and Rule 22 of the Companies (Management and Administration) Rules, 2014 (**"the Rules"**), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"Listing Regulations"**) and other applicable laws and regulations, if any, including any statutory modification or re-enactment(s) thereof for the time being in force that the resolution appended below is proposed as a special business to be passed by the members of Motherson Sumi Systems Limited (**the "Company"**) through postal ballot by way of remote voting by electronic means (**"E-voting"** / **"Remote e-voting"**). The explanatory statement pertaining to the proposed resolution setting out the material facts concerning the resolution and the reasons thereof is annexed hereto with this Postal Ballot Notice for your consideration.

The Ministry of Corporate Affairs, Government of India (the **"MCA"**) in terms of the General Circular No.14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 read with General Circular No. 33/2020 dated September 28, 2020 (collectively the **"MCA Circulars"**), in view of the current extraordinary circumstances due to COVID-19 pandemic requiring social distancing, has advised companies to take all decisions requiring members' approval, other than items of ordinary business or business where any person has a right to be heard, through the mechanism of postal ballot/e-voting in accordance with the provisions of the Act and rules made thereunder, without holding a general meeting that requires physical presence of members at a common venue.

The company will send Postal Ballot Notice by email to all its members who have registered their email addresses with the company or depository / depository participants and the communication of assent / dissent of the members will only take place through the remote e-voting system. This Postal Ballot is accordingly being initiated in compliance with the MCA Circulars.

Hence, in compliance with the requirements of the MCA Circulars, hard copy of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business reply envelope will not be sent to the members for this Postal Ballot and members are required to communicate their assent or dissent through the remote e-voting system only.

In accordance with the provisions of the MCA Circulars, the Company has made arrangements for the shareholders to register their e-mail addresses. Therefore, those shareholders who have not yet registered their e-mail addresses are requested to register the same by following the procedure set out in the notes to this Postal Ballot Notice.

For the purpose of E-voting, the Company has engaged the services of KFin Technologies Private Limited (**"KFintech"**) (formerly Karvy Fintech Private Limited).

Further, the Board of Directors in compliance with Rule 22(5) of aforesaid Rule has appointed Mr. D.P. Gupta, Practicing Company Secretary of SGS Associates (FCS-2411; C.P. No.-1509), as the Scrutinizer (**"Scrutinizer"**) for conducting the postal ballot / e-voting process in a fair and transparent manner.

The Scrutinizer will submit his report to the Chairman of the Company (**"the Chairman"**) or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting for declaration of results. The result of the postal ballot shall be declared on or before January 23, 2021 and communicated to the stock exchanges, registrar and share transfer agents and shall also be displayed on the Company's website, viz., www.motherson.com and the website of e-voting agency, viz., <https://evoting.kfintech.com/>

SPECIAL BUSINESS

1. Creation of charge on the shares of MSSL (GB) Ltd. in respect of loan amounting to Rs. 1000 crores availed by the Company

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and all other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company and all other provisions of applicable laws, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the **“Board”** which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) to mortgage, charge and/or pledge all the shares of MSSL (GB) Ltd., United Kingdom held or to be held directly by the Company, in such form, manner and such terms and conditions as the Board may consider and think fit and proper in the interest of the Company in favour of lender(s) / security trustee(s) to secure the additional financial assistance in form of loan or other financial facilities granted to the Company, for an aggregate principal amount not exceeding Rs. 1,000 Crore (Rupees One Thousand Crore Only) together with interest, additional interest, default interest, revised interest, modified interest, premium on prepayment, compound interest and all costs, charges and expenses and all other monies as may be due and payable by the Company, in that behalf to the lender(s) / security trustee(s).

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board or any committee or person(s) authorized by the Board be and is/are hereby authorized to finalise, settle and execute such documents/ deeds/ writings/ papers/ agreements and to do all acts, deeds, matters and things, as may be required or as the Board may in its absolute discretion deem necessary and/or incidental thereto to give effect to above resolution.”

By Order of the Board

Alok Goel
Company Secretary
Membership No. – FCS 4383

Place : Noida
Date : November 10, 2020

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

Notes:

1. The Special Business as mentioned above requires the consent of the members through Postal Ballot by way of e-voting.
2. Explanatory Statement and reasons for the proposed Special Business pursuant to Section 102 of the Companies Act, 2013 read with Section 110 of the Companies Act, 2013 are given hereunder.
3. The Company has appointed Mr. D.P. Gupta, Company Secretary in practice of SGS Associates (FCS-2411; C.P. No.-1509) as Scrutinizer for conducting the Postal Ballot and e-voting process in a fair and transparent manner.
4. The Postal Ballot Notice is being sent to /published/displayed for all the Members, whose names appear in the Register of Members/ List of Beneficial Owners as received from Depositories i.e. National Securities Depository Limited (“NSDL”) / Central Depository Services (India) Limited (“CDSL”) as on December 11, 2020 in accordance with the provisions of the Companies Act, 2013, read with Rules made thereunder and Ministry of Corporate Affairs, Government of India’s General Circular No. 17/2020 dated April 13, 2020 read with General Circular No. 33/2020 dated September 28, 2020.
5. In terms of Sections 108, 110 and other applicable provisions of the Companies Act, 2013, as amended, read together with the Companies (Management and Administration) Rules, 2014 and in compliance with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the ‘**Listing Regulations**’) as amended from time to time, the Company is pleased to offer remote e-voting facility to all the members of the Company. The Company has appointed KFin Technologies Private Limited (“KFinTech”) (formerly Karvy Fintech Private Limited) for facilitating e-voting to enable the members to cast their votes electronically (hereinafter referred to as the “**E-voting**”/ “**Remote e-voting**”).
6. In accordance with the MCA Circulars, to facilitate such shareholders to receive this notice electronically and cast their vote electronically, the Company has made special arrangement with its Registrar & Share Transfer Agent for registration of email addresses in terms of the General Circular No. 17/2020 issued by Ministry of Corporate Affairs dated April 13, 2020. The process for registration of email addresses is as under:
 - i. Pursuant to the aforesaid Circular issued by Ministry of Corporate Affairs, for remote e-voting for this Postal Ballot, shareholders who have not yet registered their email address and in consequence the e-voting notice cannot be serviced may temporarily get their email address registered with the Company’s Registrar and Share Transfer Agent, KFin Technologies Private Limited, by clicking the link <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx> with following details:
 - Name registered as per records of the Company;
 - DP ID- Client ID / Folio No.;
 - Email ID to be registered for receiving the Postal Ballot Notice.
 - ii. Post successful registration of the email, the shareholder will get soft copy of the notice and the procedure for e-voting along with the User ID and Password to enable e-voting for this Postal Ballot. In case of any queries, shareholder may write to einward.ris@kfintech.com.
 - iii. It is clarified that for permanent registration of email address, shareholders are requested to register their email addresses, in respect of electronic holdings with their concerned Depository Participants and in respect of physical holdings, with the Company’s Registrar and Share Transfer Agent, KFin Technologies Private Limited, Selenium, Tower B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500032, India by following due procedure.
 - iv. Those shareholders who have already registered their email addresses are requested to keep their email addresses validated with their Depository Participants / the Company’s Registrar and Share Transfer Agent, KFin Technologies Private Limited to enable servicing of notices / documents / Annual Reports electronically to their email address.
7. The procedure and instructions for E-voting are as follows:
 - (a) Date and time of commencement of voting through electronic means: Tuesday, December 22, 2020 from 0900 Hours (IST).
 - (b) Date and time of end of voting through electronic means beyond which voting will not be allowed: Wednesday, January 20, 2021 upto 1700 Hours (IST).
 - (c) Details of Website: <https://evoting.kfintech.com/>

- (d) Details of persons to be contacted for issues relating to e-voting: KFin Technologies Private Limited, Selenium Building , Tower B, Plot No. 31-32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telengana, India - 500032. Tel. No.: +91 40 6716 2222; Toll Free No: 1800 345 4001; Fax No. : +91 40 2300 1153; E-mail: evoting@kfintech.com.
 - (e) Details of Scrutinizer: Mr. D.P. Gupta, Company Secretary in practice of SGS Associates (FCS2411; C.P. No.1509).
8. The instructions for e-voting are as under:
- (i) Launch internet browser by typing the URL: <https://evoting.kfintech.com/> .
 - (ii) Enter the login credentials (i.e. User ID and password mentioned in the email). Member(s) Folio No. /DP ID – Client ID will be the User ID. However, if member(s) are already registered with Kfintech for e-voting, such member(s) can use their existing User ID and password for casting your vote.
 - (iii) After entering these details appropriately, click on “LOGIN”.
 - (iv) Member(s) will then reach password change Menu wherein member(s) are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, \$, etc.). The system will prompt Member(s) to change password and update their contact details like mobile number, email ID, etc., on first login. Member(s) may also enter a secret question and answer of their choice to retrieve their password in case they forget. **It is strongly recommended that the member(s) do not share their password with any other person and to take utmost care to keep password confidentiality.**
 - (v) Members(s) now need to login again with the new credentials.
 - (vi) On successful login, the system will prompt to select the E-Voting Event Number for **Motherson Sumi Systems Limited**.
 - (vii) On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date i.e. December 11, 2020, under “FOR/AGAINST” or alternatively, a member may partially enter any number in “FOR” and partially in “AGAINST” but the total number in “FOR/AGAINST” taken together should not exceed the total shareholding as on the cut-off date. A member may also choose the option “ABSTAIN” and the shares held will not be counted under either head.
 - (viii) Member(s) holding multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.
 - (ix) Member(s) may then cast their vote(s) by selecting an appropriate option and click on “Submit”.
 - (x) A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once confirmed, member(s) will not be allowed to modify their vote(s). During the voting period, member(s) can login any number of times till they have voted on the Resolution(s).
 - (xi) Corporate/Institutional Members (i.e. other than Individuals, HUF, NRIs, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: support@dpgupta.com with a copy to evoting@kfintech.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format “Corporate Name_EVENT NO.”
9. Once the vote on a resolution is cast by a member, member shall not be allowed to change it subsequently.
10. In case of any query pertaining to e-voting, please visit Help & FAQ’s section available at Kfintech’s website <https://evoting.kfintech.com/>
11. The voting rights of the members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date, being December 11, 2020. A person who is not a member as on the cut-off date is requested to treat this Notice for information purposes only.
12. The Scrutinizer shall within a period not exceeding three (3) days from the last date of receipt of conclusion of the e-voting period make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman or to any other person authorized by the Chairman of the Company.
13. The result of the Postal Ballot will be announced on or before January 23, 2021 at the Registered / Corporate Office of the Company. The result of the Postal Ballot and Report of Scrutinizer will also be displayed at Company’s website www.motherson.com and on Kfintech’s website <https://evoting.kfintech.com/> and shall also be communicated to BSE Limited and National Stock Exchange of India Limited.
14. The date of declaration of the results of the Postal Ballot shall be the date on which the resolution(s) would be deemed to have been passed by the Members, if approved by requisite majority.
15. As per MCA Circulars it has been clarified that for companies that are required to provide e-voting facility under the Act, while transacting any business(es) only by e-voting, due to COVID-19, the requirements provided in

Rule 20 of the Rules as well as the framework provided in the MCA Circulars will be applicable mutatis mutandis.

16. Subject to applicable law and regulation of Government and / or local authority due to COVID-19, a copy each of the documents referred to in the accompanying Explanatory Statement including Articles of Association of the Company is open for inspection at the Registered Office of the Company on all working days, except holidays, between 1100 Hours to 1300 Hours up to January 21, 2021.
17. Members are requested to carefully read the instructions mentioned in the notes before exercising their vote.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013.

Item No. 1

The members of the Company through postal ballot resolution passed on May 19, 2017, authorized the Board of Directors to mortgage, charge and/or pledge over shares of MSSL (GB) Ltd. held or to be held directly by the Company, in favour of lender(s) / security trustee(s) for securing all amount in connection with credit facilities which may be availed by the Company and/or MSSL (GB) Ltd., up to a maximum of principal amount of Rs. 2,200 crores in foreign currency and/or Indian Rupees including hedging / derivative facilities upto a maximum of Rs. 500 crores, as mentioned in the said resolution passed on April May 19, 2017. The aforesaid loan up to Rs. 2,200 crores was obtained by the Company in connection with acquisition of the PKC Group Plc., Finland and other financial requirements. The outstanding principal amount of loan as on March 31, 2020 was Rs. 1,179 Crores and as on September 30, 2020 was Rs. 1,165 Crores.

The Board of Directors of the Company in its meeting held on September 30, 2020 had approved and availed a Rupee Term Loan up to Rs. 1,000 Crores (Rupees One Thousand Crores Only), *inter-alia*, for acquisition of equity/Cumulative Convertible Preference shares (CCPS) in overseas joint ventures / wholly owned subsidiaries or in other overseas companies, new or existing, as strategic investment and / or any other *bona-fide* business purposes including capital expenditure and/or as acceptable to the lender. As per terms and conditions of the aforesaid loan of Rs. 1,000 crores, the principal amount together with interest, fees, commission, costs, expenses and all other monies needs to be secured by an extension / fresh creation of pledge on a first *pari-passu* basis over shares of MSSL (GB) Ltd., United Kingdom, held by the Company.

Under provisions of Section 180(1)(a) of the Companies Act, 2013, the power to create charge / mortgage / hypothecation on the Company's assets, both present and future, in favour of the lenders / trustees for lenders, to secure the repayment of monies borrowed by the Company can be exercised by the Board with the consent of the shareholders obtained by way of a Special Resolution. Further, since mortgaging / pledging by the Company of its properties as aforesaid in favour of the lender(s) / security trustee(s) etc. may be regarded as disposal of the Company's undertaking, as specifically mentioned in the enabling resolution the approval of the members been sought herewith under Section 180(1)(a) of the Companies Act, 2013.

The Board accordingly recommends the Resolution set out under Item No. 1 for approval by the members of the Company as a Special Resolution.

None of the Directors and Key Managerial Personnel and their relatives is concerned or interested, financially or otherwise in the aforesaid resolution.

By Order of the Board

Place: Noida
Date: November 10, 2020

Alok Goel
Company Secretary
Membership No. – FCS 4383

Regd Office:
Unit 705, C Wing, ONE BKC,
G Block, Bandra Kurla Complex,
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