



MOTHERSON SUMI SYSTEMS LIMITED

Regd. Office: Unit – 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051
CIN: L34300MH1986PLC284510

NOTICE OF POSTAL BALLOT

Dear Shareholder(s),

Notice is hereby given that the following Resolution is circulated for approval of members of the Company to be accorded by Postal Ballot in accordance with the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014 including any statutory modification or re-enactment thereof for the time being in force and pursuant to other applicable laws and regulations:

SPECIAL BUSINESS:

To consider and if thought fit, to pass with or without modification(s), the following 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 the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force, and unrepealed provisions of the Companies Act, 1956, if any), and the constitutional documents of the Company and all other provisions of applicable laws, consent 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., UK held or to be held directly by the Company, in such form and in such manner and on such terms and conditions as the Board may consider and think fit and proper in the interest of the Company, in favour of the lender(s) / security trustee(s) to secure the financial assistance in form of loans (in foreign currency and/or INR and including in the form of hedging / derivative facilities) or other financial facilities granted to the Company and/or MSSL (GB) Ltd., for an aggregate principal amount not exceeding Rs. 2,200 Crores 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 and/or MSSL (GB) Ltd., in that behalf to the lender(s) / security trustee(s), of the Company or MSSL (GB) Ltd., as applicable.

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 to give effect to this resolution.”

By Order of the Board

Sd/-

(G. N. Gauba)

CFO & Company Secretary

Membership No. – A9299

Place : NOIDA

Date : March 18, 2017

NOTES

1. The Special Business as mentioned above requires the consent of the members through Postal Ballot.
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 whole-time practice as Scrutinizer for conducting the Postal Ballot voting process in a fair and transparent manner.
4. The notice is being sent to all the Members, whose name would appear in the Register of Members / Record of Depositories as on 31st March, 2017.
5. A Member desiring to exercise vote by Postal Ballot may complete the Postal Ballot Form and send it to the Scrutinizer in the enclosed self-addressed Business Reply Envelop. Postage will be borne and paid by the Company. However, envelope containing Postal Ballots, if sent by Courier or by Registered Post/speed post at the expense of the registered Member will also be accepted. The Envelop may also be deposited personally at the address given thereon. However the Envelop of **the Postal Ballot should reach the Company not later than the close of working hours on 16th May, 2017.** If the ballots are received thereafter they shall be treated as no reply has been received from the members.
6. **E-voting:** In compliance with the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility for all its Members to enable them to cast their votes electronically as an alternative to dispatch the Postal Ballot Forms. Please note that e-voting is entirely optional for the Member(s) and that the Member(s) can opt only for one mode of voting. If a Member has opted for e-voting, then he/she/it is not required to send the physical Postal Ballot Form. In case a Member votes through e-voting facility as well as sends his vote through physical ballot, the vote cast through e-voting shall only be considered and the voting through physical Postal Ballot shall not be considered by the Scrutinizer.
7. The procedure and instructions for E-voting are as follows:
 - a) Date and time of commencement of voting through electronic means: 17th April, 2017 at 9:30 A.M.
 - b) Date and time of end of voting through electronic means beyond which voting will not be allowed: 16th May, 2017 till 5:30 P.M.
 - c) Details of Website: **<https://evoting.karvy.com>**
 - d) Details of persons to be contacted for issues relating to e-voting: Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032. Tel. No.: +91 40 6716 2222; Toll Free No.:1800 345 4001; Fax No. : +91 40 2300 1153; **E-mail: evoting@karvy.com.**
 - e) Details of Scrutinizer: Mr. D.P. Gupta, Company Secretary in whole-time practice (FCS2411; C.P. No.1509).

The instructions for e-voting are as under:

A. In case of Members receiving an email from Karvy [for Members whose email IDs are registered with the Company/ Depository Participant]:

- i) Launch internet browser by typing the URL: **<https://evoting.karvy.com>**
- ii) Enter the login credentials (i.e. User ID and password mentioned in the email). Your Folio No. /DP ID – Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
- iii) After entering these details appropriately, click on “LOGIN”.
- iv) You will now reach password change Menu wherein you 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 you to change your password and update your contact details like mobile number, email ID, etc., on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.**

- v) You need to login again with the new credentials.
- vi) On successful login, the system will prompt you 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. 31st March, 2017 under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
- viii) Members holding multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.
- ix) You may then cast your vote 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 you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution.
- 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: sgsdel@gmail.com with a copy to evoting@karvy.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."

B. In case of Members receiving physical copy of the Postal Ballot Notice and Form [for Members whose email IDs are not registered with the Company/Depository Participant or requesting physical copy]:

- i) Launch internet browser by typing the URL: <https://evoting.karvy.com>
 - ii) Initial Password is provided in the Postal Ballot Form.
 - iii) Please follow all the steps from (iii) to (xi) as mentioned in (A) above, to cast your vote.
8. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently.
 9. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website <https://evoting.karvy.com>.
 10. 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 31st March, 2017. A person who is not a Member as on the cut-off date is requested to treat this Notice for information purposes only.
 11. **In line with the "Green initiative in the Corporate Governance" launched by the Ministry of Corporate Affairs allowing paperless compliances by recognizing e-mails as one of the modes of service of notice/documents on the shareholders, the Company is sending this Notice electronically on the e-mail addresses as provided by the members/ as obtained from the Depositories/ other sources to the Members. Such Members may exercise their voting electronically as per the procedure given above.**
 12. **In case, the Members who have been sent this Notice electronically and who do not want to avail the e-voting facility organised through Karvy, such members may send a request to the Company on investorrelations@motherson.com for obtaining the Notice and Postal Ballot in physical form. On receipt of such requests, the Company will dispatch the same in physical form to enable the Members to send back the Postal Ballot by 16th May, 2017.**

13. The Scrutinizer shall within a period not exceeding three (3) days from the last date of receipt of Postal Ballot Forms/ 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 Whole-time Director of the Company.
14. The result of the Postal Ballot will be announced on 19th May, 2017 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 Karvy's website <https://evoting.karvy.com> and shall also be communicated to BSE Limited and National Stock Exchange of India Limited.
15. The date of declaration of the results of the Postal Ballot shall be the date on which the resolution would be deemed to have been passed by the Members, if approved by requisite majority.
16. A copy each of the documents referred to in the accompanying Explanatory Statement is open for inspection at the Registered Office of the Company on all working days, except holidays, between 11.00 A.M. to 1.00 P.M. up to the date of declaration of the results of Postal Ballots.
17. Members voting through Postal Ballot are requested to carefully read the instructions printed on the Postal Ballot Form before exercising their vote.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

In connection with the acquisition of PKC Group Plc., Finland and keeping in view the Company's financial requirements, the Company is proposing to borrow by way of long term funds.

Section 180 (1)(a) of the Companies Act, 2013, provides inter alia, that the Board of Directors of the Company shall not, except with the consent of the Company through Special Resolution, sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, the whole or substantially the whole of any such undertakings.

In view of borrowings and other financial facilities including hedging / derivative facilities etc. which may be availed by the Company and/or MSSL (GB) Ltd., UK from lenders in India or outside, it is proposed to pass a Special Resolution 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 the all amounts in connection with credit facilities which may be availed by the Company and/or MSSL (GB) Ltd., upto a maximum of principal amount of Rs. 2,200 Crores in foreign currency and/or INR including hedging / derivative facilities upto a maximum of Rs. 500 Crores (all facilities converted into INR @EUR/INR reference rate of Rs. 70.6074 and USD/INR reference rate of Rs. 65.5411 as at 17th March 2017).

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 undertakings, it is necessary for the members to pass Special Resolution under Section 180 (1)(a) of the Companies Act, 2013.

The Board recommends the passing of the resolution by the Members of the Company, as set out above, by casting their vote through the Postal Ballot Form/E-Voting as explained in the notes appended herewith.

None of the Director, Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution except as members of the Company.

By Order of the Board

Sd/-

(G. N. Gauba)

CFO & Company Secretary

Membership No. – A9299

Place : NOIDA

Date : March 18, 2017