

**Rating Rationale**

December 15, 2023 | Mumbai

**Samvardhana Motherson International Limited**

*Ratings Reaffirmed*  
A

**Rating Action**

<b>Total Bank Loan Facilities Rated</b>	<b>Rs.200 Crore</b>
<b>Long Term Rating</b>	<b>CRISIL AA+/Positive (Reaffirmed)</b>
<b>Short Term Rating</b>	<b>CRISIL A1+ (Reaffirmed)</b>

<b>Rs.1500 Crore Non Convertible Debentures</b>	<b>CRISIL AA+/Positive (Reaffirmed)</b>
<b>Corporate Credit Rating</b>	<b>CRISIL AA+/Positive (Reaffirmed)</b>

Note: None of the Directors on CRISIL Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.

1 crore = 10 million

Refer to Annexure for Details of Instruments & Bank Facilities

**Detailed Rationale**

CRISIL Ratings has reaffirmed its A ratings on the bank loan facilities and debt instruments of Samvardhana Motherson International Limited (SAMIL; formerly Motherson Sumi Systems Limited (erstwhile MSSSL)) at CRISIL AA+/Positive/CRISIL A1+.

CRISIL Ratings on September 25, 2023 had assigned its CRISIL AA+/Positive rating to the Non Convertible Debentures of Rs 1500 crore of SAMIL. CRISIL Ratings had also revised its outlook on long-term bank loan facilities and corporate credit rating to CRISIL AA+/Positive from CRISIL Stable while reaffirming the rating at CRISIL AA+. The rating on short term bank facilities has been reaffirmed at CRISIL A1+.

The revision in outlook reflects significant improvement in leverage profile of SAMIL with net debt to earnings before interest, depreciation, tax and amortization (EBIDTA) expected to remain in range of 1.1 to 1.5 times, lower than our earlier expectations of 1.5-2.0 times, over the medium term. Improvement in leverage is driven by scale up of cash accruals supported by increasing production volumes led by ramp up of large capacities set up by SAMIL over the last few years, recent acquisitions and improvement in profitability due to easing commodity and energy inflation. Leverage improvement is expected to continue despite new debt availed to fund announced acquisitions. SAMIL had improved its EBITDA margins over fiscal 2023 progressively as commodity inflation pressures & supply chain situation eased in overseas markets. This indicates benefits of SAMIL's diversified presence and their strong integration with customer business plans. Further, SAMIL will continue to garner benefits of its diversification strategy of 3CX10 i.e. no customer, component or country to contribute more than 10% of overall revenues which should offset any recessionary impact in any particular geographies.

In fiscal 2024, revenues are expected to grow by more than 20% y-o-y driven by organic as well as inorganic growth. Organic growth is expected to be driven by both increase in volumes and realisations. Inorganic growth is expected to be driven by acquisitions with SAS Autosystemtechnik GmbH expected to be the primary contributor. Operating profitability has improved in Q1 FY24 and Q4 FY23 as compared to previous fiscal and is expected to remain between 9-10% in the medium term, driven by sharing of inflationary costs with OEMs, scale up of organic capacity expansion completed over the last few years, easing of commodity & energy prices and higher margin acquisitions contributing to accruals. Continued diversification of revenues with increasing contribution from APAC region, healthy orderbook and strong market position in its product segments will drive SAMIL's organic growth in the medium term while announced acquisitions should concurrently contribute to inorganic growth, though demand in certain geographies may remain muted in the medium term.

SAMIL is expected to continue to undertake M&As in the medium term. However, based on established track record of acquisitions of SAMIL, the acquisitions are expected to be primarily driven by customers' requirement with prudent funding philosophy. Though, with improvement in profitability leading to higher accruals should reduce dependence on debt for acquisitions, any significant debt funded acquisition will continue to remain a key monitorable.

SAMIL's organic capex intensity is expected to low over the medium term as production volumes are yet to reach pre-pandemic levels. Annual capex is expected to remain at around Rs 3300 crore in fiscal 2024 and in similar or slightly higher range in the medium term and is expected to be funded primarily through internal accruals.

The rating continues to reflect SAMIL's established market position in the automotive components industry, its diversified revenue profile across customers, geographies, and product segments, healthy relationships with global original equipment manufacturers (OEMs), and strong execution track record of successful turnaround of overseas acquired entities. The ratings also reflect the company's healthy financial profile backed by well-spaced out repayment obligations, and adequate liquidity.

These strengths are partially offset by aggressive acquisition led growth philosophy, moderate albeit reducing, revenue concentration towards Volkswagen Group (VW, rated 'BBB+/Stable/ A-2' by S&P Global Ratings, comprising of Volkswagen, Audi, Seat, Skoda, and Porsche) and exposure to cyclical demand in global automobile industry.

**Analytical Approach**

For arriving at its ratings, CRISIL Ratings has combined the business and financial risk profiles of SAMIL and its subsidiaries, including Samvardhana Motherson Automotive Systems Group B.V (SMRP BV), together referred to as the Motherson group due to the operational and financial linkages among the entities.

Goodwill generated on acquisition of PKC was amortised over a period of 5 years (from April 2017 to March 2022). From FY2023, entire goodwill has been knocked off from net worth.

## **Key Rating Drivers & Detailed Description**

### **Strengths:**

#### **Established market position in the automotive components industry**

SAMIL has an established market position and is amongst the world's largest manufacturers of exterior rear-view mirrors with dominant market share and is a leading global player in polymer-based interior and exterior modules. Its market position is further supported by increasing market share in the premium segment in the polymers division in bumpers, instrument panels and door panels. Moreover, the group is also the largest manufacturer of wiring harnesses for passenger vehicles in India. PKC (acquired in April 2017) has a dominant market share in North American and European heavy truck market. Recent completed and announced acquisitions such as SAS Autosystemtechnik GmbH, Yachiyo Industry and Dr Schneider are likely to strengthen its position in modules and polymer segments globally.

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SAMIL's business risk profile is further supported by the synergies within various business segments, its strong in-house research and development capabilities, and long-term technical collaborations with Sumitomo Wiring Systems Ltd (SWS) and other joint venture (JV) partners.

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#### **Diversified revenue profile across customers, geographies, and product segments**

SAMIL has, over the years, significantly diversified its revenue profile through acquisitions. Ramp up of performance of acquired entities has helped the Motherson group in establishing a global presence across key product segments.

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Further, SAMIL's customer and geographic diversity has been improving with its focus being on increasing content per car. The healthy customer diversity helped SAMIL withstand slowdown in demand multiple times in the past. SAMIL's geographic diversity has also been improving, with exposure to its largest market, Europe, reducing to around 34% in FY2023 from 51% in fiscal 2018 and exposure to Asia Pacific, North America and South America has simultaneously increased. Integration of SMRC has further driven the improvement in geographic and customer diversity. Product diversity has also continued to improve with contribution from wiring harness increasing to around 29% in FY2023 from 16% in FY2016 and concurrently, revenues from modules and polymer products have reduced to around 46% in FY2023 from 56% in FY2016.

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Global light vehicle sales growth is expected to remain subdued between 4-6% in 2023 and 2024 due to sticky inflation in Europe and interest rate hike across all major economies. However, Indian auto component industry is expected to grow by 9-11% in current fiscal driven by healthy demand from OEMs. This is also expected to lead to similar revenue growth at SAMIL which derived around 34% of its revenues from Europe, 18% in USA, 17% in India while remaining from the rest of the world in FY2023. Furthermore, SAMIL plans to increase share of non-auto business over next five years in identified segments such as lighting and electronics, aerospace, logistics, health & medical and technological & industrial solutions through organic and inorganic routes.

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CRISIL Ratings believes that SAMIL will continue to benefit from its diversified customer profile and strong order book, which will enable it to register better than industry growth over the medium term.

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#### **Healthy relationships with global OEMs**

Over the years, SAMIL has forged healthy relationships with major global OEMs, on account of its focus on quality and delivery. The group benefits from a sustained inflow of new orders from OEMs, primarily in its major operating subsidiaries, Samvardhana Motherson Peguform (SMP) and SMR. The holding company of the major international operations of the group, SMRP BV's (rated BB/Stable, by S&P Global Ratings) order book stood at EUR 19.7 billion on March 31, 2023.

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SAMIL has a well-diversified global client base in the passenger vehicles industry. Its customers include leading global OEMs such as VWG and its group companies, Mercedes-Benz Group AG (rated A/Stable/A-1 by S&P Global Ratings), Hyundai Motor Co. (rated 'BBB+/Stable' by S&P Global Ratings), Maruti Suzuki India Ltd (rated 'CRISIL AAA/Stable/CRISIL A1+'), Bayerische Motoren Werke Aktiengesellschaft (BMW) (rated 'A/Stable/A-1' by S&P Global Ratings), Nissan Motor Co. Ltd (rated 'BB+/Stable' by S&P Global Ratings), Renault S.A. (rated 'BB+/Stable' by S&P Global Ratings), Paccar Inc (rated 'A+/Stable/A1' by S&P Global Ratings), Ford Motor Company (rated 'BB+/Positive' by S&P Global Ratings), General Motors Company (rated 'BBB/Stable' by S&P Global Ratings), and Scania AB (rated BBB/Stable/A-2' by S&P Global Ratings), among others.

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#### **Strong execution track record of successful turnaround of, and ramp up of utilisation levels at overseas acquired entities**

SAMIL has a track record of acquiring distressed companies and turning around their operations in a short span of time. The 37 acquisitions (completed and announced) from fiscal 2002 till date have improved its geographical and product profiles, apart from being its growth driver. SAMIL has also successfully integrated and stabilised the operations of the acquired entities. PKC has also demonstrated improvement in operating performance since acquisition in March 2017.

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Over medium term, overall operating profitability is expected at 9-10%, compared with around 8% in FY2023, owing to revenue growth, cooling off of commodity prices and pass on of previously higher input prices.

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#### **Healthy financial risk profile by well-spaced out repayment obligations, and strong liquidity**

While SAMIL group has funded its acquisitions through a combination of debt, equity and accruals, it has also prudently ensured its debt obligations are well spaced out, besides also consistently working on lowering the cost of debt. For instance, the group has replaced high cost debt with longer tenure Euro and USD denominated debt at competitive rates over the past three years.

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The company's long term repayment obligations stand at around Rs 2,100-3,500 crore per year in the medium term which are expected to either refinanced or be met out of cash accruals expected at more than Rs 5,800 crore per year in the medium term.

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Debt protection metrics remain strong with interest coverage estimated at around 8 times in FY2023 as against around 8.8 times in FY2022 on account of higher interest cost due to global increase in benchmark rates. Net debt to EBITDA has reduced to 1.2 times in FY2023 with improvement in profitability. This was owing to controlled organic capex, efficient working capital management as well as cash balances of more than Rs 4000 crore maintained by SAMIL. With improvement in revenues and profitability, the credit metrics are expected to improve over medium term, such as net debt to EBITDA remaining below 1.5 times in the medium term barring any significant debt funded acquisition or capex.

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### **Weakness:**

#### **Exposure to cyclicality in demand in global automobile industry**

While SAMIL's revenue profile benefits from good geographic, customer and product diversity, it remains closely aligned to the performance of key geographies and customers. Due to dependence on large global OEMs, SAMIL's business prospects are exposed to cyclical demand patterns inherent to the global automobile industry and ability of the OEMs to sustain their operating

performance, more so as it has undertaken significant capex to cater to OEMs through greenfield plants in USA as well as Hungary. Delay in earlier envisaged ramp up of these plants impacted the overall operating profitability in fiscal 2019 and first nine months of fiscal 2020.

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### **Aggressive acquisition-led growth strategy**

SAMIL has demonstrated high growth through number of acquisitions since 2002. SAMIL is estimated to achieve revenues over Rs 95000 crore in FY2023. However, enhancement of RoCE is expected to be the main criteria for acquisitions. While SAMIL may continue with its aggressive growth strategy over medium term, demonstration of management intent to prioritise sustenance of RoCE at healthy levels over revenue targets will be critical. Though RoCE has remained suppressed in the past 4 fiscals due to moderation in operating margins, capex undertaken for new plants and Covid, it is started to improve from FY2023 and is expected to improve further going forward with expected improvement in profitability.

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### **Moderate, albeit reducing, revenue concentration towards VWG**

SAMIL's long-term strategy is to ensure that no single customer, country or component contributes more than 10% to the turnover. However, while the customer diversity is improving, VWG remains SAMIL's largest customer. The share of revenues from VWG has reduced to around 21% in FY2023 as against around 33% in FY2018. The share of VWG is expected to reduce with further diversification. Though acquisition of SAS may temporarily increase the share of Volkswagen group in FY2024 and FY2025, it is expected to reduce subsequently.

### **Liquidity: Strong**

Cash and cash equivalents stood at around Rs 5812 crore on September 30, 2023 at consolidated level (mainly in overseas subsidiaries). Fund based working capital limits of Rs 1647 crore remain more than 60% unutilized as on August 31, 2023.

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The company's long term repayment obligations stand at around Rs 2100-3500 crore per year over the medium term. The company has a track record of refinancing of higher cost debt at lower rates in the past. Over medium term, company's cash accruals is expected to remain above Rs 5800 crore which is expected to be sufficient for repayments. Material acquisitions and funding philosophy will continue to remain as key monitorables.

### **Outlook: Positive**

CRISIL Ratings believes that SAMIL's credit profile may improve driven by improving business risk with increase in scale and continued diversification of revenue profile. Financial risk profile will continue to remain strong driven by substantial network and strong liquidity profile.

### **Rating Sensitivity Factors**

#### **Upward factors:**

- Net Debt/EBITDA reduces to below 1.5 times, on sustained basis, due to strong cash generation and lower debt level
- Continued improvement in customer, component and geographic diversity
- Better than expected ramp up of operations, including at new plants, resulting in improved RoCE

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#### **Downward factors:**

- Higher than expected debt funded acquisitions or capex leading to significant deterioration in key credit metrics; for instance, Net debt/EBITDA increases beyond 2.5 times on a sustained basis.
- Greater than expected impact on business operations; for instance, operating margins weakening to below 6% for prolonged time
- Sharp deterioration in liquidity position

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### **ESG Profile of SAMIL:**

CRISIL Ratings believes that Samvardhana Motherson International Limited's (SAMIL) Environment, Social, and Governance (ESG) profile supports its already strong credit risk profile.

The auto component sector has a moderate impact on the environment owing to moderate emissions, water consumption and waste generation. The sector's social impact is also moderate considering the impact of operational activities on the company's own employees.

The company is focusing on mitigating environmental and social risks.

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### **Key ESG highlights:**

- SAMIL has set the target of being Carbon Net Zero across all current global operations by 2040.
- Share of energy from renewal sources was about 10.5% in FY23.
- The company aims to implement water preservation measures at all its facilities across current global operations by 2030.
- SAMIL conducts monthly and quarterly audits to maintain a high standard of safety
- The governance structure is characterized by 50% of its board comprising independent directors. Position of the chairman and CEO are split. It has an investor grievance cell.

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There is growing importance of ESG among investors and lenders. The commitment of SAMIL to ESG principles will play a key role in enhancing stakeholder confidence, given high share of market borrowing in its overall debt and access to both domestic and foreign capital markets.

### **About the Company**

Samvardhana Motherson International Limited (SAMIL; formerly Motherson Sumi Systems Limited (erstwhile MSSL)), the flagship company of the Samvardhana Motherson group, was incorporated as a JV between erstwhile Samvardhana Motherson International Ltd (erstwhile SAMIL) and SWS in 1986.

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On July 02, 2020, board of directors of erstwhile MSSL and erstwhile SAMIL have approved reorganization of business which entails demerger of the domestic wiring harness business from erstwhile MSSL into a new company, with similar shareholding structure as that of MSSL and subsequent merger of erstwhile SAMIL into erstwhile MSSL with the merged entity renamed as SAMIL. SAMIL now holds 100% stake in Samvardhana Motherson Automotive Systems Group BV ('SMRP BV, rated 'BB/Stable' by S&P Global Ratings'). Besides, SAMIL also holds 33.4% stake in the demerged DWH business housed under newly created entity Motherson Sumi Wiring Harness Limited (MSWIL) subsequent to completion of the transaction.

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For the six months ended September 30, 2023, SAMIL (consolidated) reported operating income of Rs 45936 crore and a net profit of Rs 942 crore as against operating income of Rs 35957 crore and a net profit of Rs 470 crore for the corresponding period of the previous year.

### **Key Financial Indicators (CRISIL Ratings adjusted financials)**

Particulars	Unit	2023	2022
Revenue	Rs. Cr.	78476	63510

<b>Profit After Tax* (PAT)</b>	<b>Rs. Cr.</b>	<b>1586</b>	<b>626</b>
<b>PAT margins</b>	<b>%</b>	<b>2.0</b>	<b>1.0</b>
<b>Adjusted Debt/Adjusted Networth</b>	<b>Times</b>	<b>0.63</b>	<b>0.74</b>
<b>Interest Coverage</b>	<b>Times</b>	<b>7.9</b>	<b>8.8</b>

\*Government grants and subsidies not considered in income

**Any other information:** Not Applicable

**Note on complexity levels of the rated instrument:**

CRISIL Ratings` complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

CRISIL Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the CRISIL Ratings` complexity levels please visit [www.crisilratings.com](http://www.crisilratings.com). Users may also call the Customer Service Helpdesk with queries on specific instruments.

**Annexure - Details of Instrument(s)**

ISIN	Name of Instrument	Date of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs.Crs)	Complexity levels	Rating Assigned with Outlook
NA	Fund-Based Facilities%	NA	NA	NA	100.00	NA	CRISIL AA+/Positive
NA	Non-Fund Based Limit %%	NA	NA	NA	100.00	NA	CRISIL A1+
INE775A08097	Non Convertible Debentures	04-Oct-2023	8.10%	04-Oct-2028	1500.00	Simple	CRISIL AA+/Positive

%Interchangeable with CC/WCL/CP

%%Interchangeable with CC/BG and CEL Limits

**Annexure - List of Entities Consolidated**

Names of Entities Consolidated	Extent of Consolidation	Rationale for Consolidation
MSSL Mauritius Holdings Limited (MMHL)	Subsidiary	Full consolidation
Motherson Electrical Wires Lanka Private Limited	Subsidiary	Full consolidation
MSSL Mideast (FZE)	Subsidiary	Full consolidation
MSSL (S) Pte Limited	Subsidiary	Full consolidation
Motherson Innovations Tech Limited (erst MSSL Automobile Component Limited)	Subsidiary	Full consolidation
Samvardhana Motherson Polymers Limited (SMPL)	Subsidiary	Full consolidation
MSSL (GB) Limited	Subsidiary	Full consolidation
Motherson Wiring System (FZE)	Subsidiary	Full consolidation
MSSL Tooling (FZE)	Subsidiary	Full consolidation
MSSL GmbH	Subsidiary	Full consolidation
MSSL Advanced Polymers s.r.o	Subsidiary	Full consolidation
Motherson Air Travel Agency GmbH (formerly known as Motherson Techno Precision GmbH)	Subsidiary	Full consolidation
MSSL Germany Real Estate B.V. & Co. KG	Subsidiary	Full consolidation
MSSL s.r.l Unipersonale	Subsidiary	Full consolidation
Motherson Techno Precision MÃ©xico, S.A. de C.V	Subsidiary	Full consolidation
Motherson Air Travel Pvt Ltd	Subsidiary	Full consolidation
MSSL Australia Pty Limited	Subsidiary	Full consolidation
Motherson Elastomers Pty Limited	Subsidiary	Full consolidation
Motherson Investments Pty Limited	Subsidiary	Full consolidation
MSSL Ireland Private Limited	Subsidiary	Full consolidation
MSSL Global RSA Module Engineering Limited	Subsidiary	Full consolidation
MSSL Japan Limited	Subsidiary	Full consolidation
Vacuform 2000 (Proprietary) Limited	Subsidiary	Full consolidation
MSSL MÃ©xico, S.A. De C.V.	Subsidiary	Full consolidation
MSSLÃ WH System (Thailand) Co., Ltd	Subsidiary	Full consolidation
MSSL Korea WH Limited	Subsidiary	Full consolidation
MSSL Consolidated Inc.	Subsidiary	Full consolidation
MSSL Wiring System Inc.	Subsidiary	Full consolidation
Alphabet de Mexico, S.A. de C.V.	Subsidiary	Full consolidation
Alphabet de Mexico de Monclova, S.A. de C.V.	Subsidiary	Full consolidation
Alphabet de Saltillo, S.A. de C.V.	Subsidiary	Full consolidation
MSSL Wirings Juarez S.A. de C.V.	Subsidiary	Full consolidation
Samvardhana Motherson Global Holdings Ltd. (SMGHL)	Subsidiary	Full consolidation
Samvardhana Motherson Automotive Systems Group B.V. (SMRP BV)	Subsidiary	Full consolidation
Samvardhana Motherson Reflectec Group Holdings Limited (SMR)	Subsidiary	Full consolidation
SMR Automotive Technology Holding Cyprus Ltd.	Subsidiary	Full consolidation
SMR Automotive Mirror Parts and Holdings UK Ltd.	Subsidiary	Full consolidation
SMR Automotive Holding Hong Kong Limited	Subsidiary	Full consolidation
SMR Automotive Systems India Limited	Subsidiary	Full consolidation
SMR Automotive Systems France S.Ã A.	Subsidiary	Full consolidation
SMR Automotive Mirror Technology Holding Hungary Kft	Subsidiary	Full consolidation
SMR Patents S.a.r.l	Subsidiary	Full consolidation
SMR Automotive Technology Valencia S.A.U.	Subsidiary	Full consolidation

SMR Automotive Mirrors UK Limited	Subsidiary	Full consolidation
SMR Automotive Mirror International USA Inc.	Subsidiary	Full consolidation
SMR Automotive Systems USA Inc.	Subsidiary	Full consolidation
SMR Automotive Beijing Company Limited	Subsidiary	Full consolidation
SMR Automotive Yancheng Co. Limited	Subsidiary	Full consolidation
SMR Automotive Mirror Systems Holding Deutschland GmbH	Subsidiary	Full consolidation
SMR Holding Australia Pty Limited	Subsidiary	Full consolidation
SMR Automotive Australia Pty Limited	Subsidiary	Full consolidation
SMR Automotive Mirror Technology Hungary BT	Subsidiary	Full consolidation
Motherson Business Service Hungary Kft.	Subsidiary	Full consolidation
SMR Automotive Modules Korea Ltd	Subsidiary	Full consolidation
SMR Automotive Beteiligungen Deutschland GmbH	Subsidiary	Full consolidation
SMR Hyosang Automotive Ltd.	Subsidiary	Full consolidation
SMR Automotive Mirrors Stuttgart GmbH	Subsidiary	Full consolidation
SMR Automotive Systems Spain S.A.U.	Subsidiary	Full consolidation
SMR Automotive Vision Systems Mexico S.A. de C.V.	Subsidiary	Full consolidation
Samvardhana Motherson Corp Management Shanghai Co Ltd.	Subsidiary	Full consolidation
SMR Grundbesitz GmbH & Co. KG	Subsidiary	Full consolidation
SMR Automotive Brasil Ltda.	Subsidiary	Full consolidation
SMR Automotive System (Thailand) Limited	Subsidiary	Full consolidation
SMR Automotives Systems Macedonia Dooel Skopje	Subsidiary	Full consolidation
SMR Automotive Operations Japan K.K.	Subsidiary	Full consolidation
SMR Automotive (Langfang) Co. Ltd.	Subsidiary	Full consolidation
SMR Automotive Vision System Operations USA INC	Subsidiary	Full consolidation
SMR Mirror UK Limited	Subsidiary	Full consolidation
Motherson Innovations Company Limited	Subsidiary	Full consolidation
Motherson Innovations Deutschland GmbH	Subsidiary	Full consolidation
Samvardhana Motherson Global (FZE)	Subsidiary	Full consolidation
SMR Automotive Industries RUS Limited Liability Company	Subsidiary	Full consolidation
Re-time Pty Limited	Subsidiary	Full consolidation
SMR Plast Met Molds and Tools Turkey KalÄ±p Imalat Anonim Sirketi	Subsidiary	Full consolidation
SMR Plast Met Automotive Tec Turkey Plastik Imalat Anonim Sirketi	Subsidiary	Full consolidation
Samvardhana Motherson Peguform GmbH (SMP)	Subsidiary	Full consolidation
SMP Automotive Interiors (Beijing) Co. Ltd	Subsidiary	Full consolidation
SMP Deutschland GmbH	Subsidiary	Full consolidation
SMP Logistik Service GmbH	Subsidiary	Full consolidation
SMP Automotive Solutions Slovakia s.r.o.	Subsidiary	Full consolidation
Changchun Peguform Automotive Plastics Technology Co. Ltd	Subsidiary	Full consolidation
Foshan Peguform Automotive Plastics Technology Co. Ltd.	Subsidiary	Full consolidation
Tianjin SMP Automotive Component Company Limited	Subsidiary	Full consolidation
Shenyang SMP Automotive Trim Co., Ltd	Subsidiary	Full consolidation
SMP Automotive Technology Iberica S.L	Subsidiary	Full consolidation
Samvardhana Motherson Peguform Barcelona S.L.U	Subsidiary	Full consolidation
SMP Automotive Technologies Teruel Sociedad Limitada	Subsidiary	Full consolidation
Samvardhana Motherson Peguform Automotive Technology Portugal S.A	Subsidiary	Full consolidation
SMP Automotive Systems Mexico S.A. de C.V.	Subsidiary	Full consolidation
SMP Automotive Produtos Automotivos do Brasil Ltda.	Subsidiary	Full consolidation
SMP Automotive Exterior GmbH	Subsidiary	Full consolidation
Samvardhana Motherson Innovative Autosystems B.V. & Co. KG	Subsidiary	Full consolidation
Samvardhana Motherson Innovative Autosystems Holding Company BV	Subsidiary	Full consolidation
SM Real Estate GmbH	Subsidiary	Full consolidation
Samvardhana Motherson Innovative Autosystems de MÃ©xico, S.A. de C.V.	Subsidiary	Full consolidation
SMP Automotive Systems Alabama Inc.	Subsidiary	Full consolidation
Celulosa Fabril (Cefa) S.A.	Subsidiary	Full consolidation
Modulos Ribera Alta S.L. Unipersonal	Subsidiary	Full consolidation
Motherson Innovations Lights GmbH & Co KG	Subsidiary	Full consolidation
Motherson Innovations Lights Verwaltungs GmbH	Subsidiary	Full consolidation
Zhaoqing SMP Automotive Co., Ltd.	Subsidiary	Full consolidation
SMP D Real Estates B.V. & Co. KG	Subsidiary	Full consolidation
SMP Automotive Interior Modules d.o.o. Cuprija	Subsidiary	Full consolidation
MSSL Estonia WH OÄ	Subsidiary	Full consolidation
PKC Group Oy	Subsidiary	Full consolidation
PKC Wiring Systems Oy	Subsidiary	Full consolidation
PKC Group Poland Sp. z o.o.	Subsidiary	Full consolidation
PKC Wiring Systems Llc	Subsidiary	Full consolidation
PKC Group APAC Limited	Subsidiary	Full consolidation
PKC Group Canada Inc.	Subsidiary	Full consolidation
PKC Group USA Inc.	Subsidiary	Full consolidation
PKC Group Mexico S.A. de C.V.	Subsidiary	Full consolidation
Project del Holding S.a.r.l.	Subsidiary	Full consolidation
PK Cables do Brasil Ltda	Subsidiary	Full consolidation
PKC Eesti AS	Subsidiary	Full consolidation
TKV-sarjat Oy	Subsidiary	Full consolidation
Motherson Rolling Stocks S. de R.L. de C.V.	Subsidiary	Full consolidation
PKC SEGU Systemelektrik GmbH	Subsidiary	Full consolidation
Groclin Luxembourg S.Ä r.l.	Subsidiary	Full consolidation
PKC Vehicle Technology (Suzhou) Co., Ltd.	Subsidiary	Full consolidation
AEES Inc.	Subsidiary	Full consolidation
PKC Group Lithuania UAB	Subsidiary	Full consolidation

PKC Group Poland Holding Sp. z o.o.	Subsidiary	Full consolidation
OOO AEK	Subsidiary	Full consolidation
Kabel-Technik-Polska Sp. z o.o.	Subsidiary	Full consolidation
T.I.C.S. Corporation	Subsidiary	Full consolidation
AEES Power Systems Limited partnership	Subsidiary	Full consolidation
Fortitude Industries Inc.	Subsidiary	Full consolidation
AEES Manufactuera, S. De R.L de C.V.	Subsidiary	Full consolidation
Cableodos del Norte II, S. de R.L de C.V.	Subsidiary	Full consolidation
Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V.	Subsidiary	Full consolidation
Arneses y Accesorios de MÃ©xico, S. de R.L de C.V.	Subsidiary	Full consolidation
Asesoría Mexicana Empresarial, S. de R.L de C.V.	Subsidiary	Full consolidation
Arneses de Ciudad Juarez, S. de R.L de C.V.	Subsidiary	Full consolidation
PKC Group de Piedras Negras, S. de R.L. de C.V.	Subsidiary	Full consolidation
PKC Group AEES Commercial S. de R.L de C.V	Subsidiary	Full consolidation
Jiangsu Huakai-PKC Wire Harness Co., Ltd.	Subsidiary	Full consolidation
PKC Vechicle Technology (Hefei) Co, Ltd.	Subsidiary	Full consolidation
PKC Vehicle Technology (Fuyang) Co., Ltd.	Subsidiary	Full consolidation
Shanjdong Huakai-PKC Wireharness Co. Ltd.	Subsidiary	Full consolidation
Jilin Huakai - PKC Wire Harness Co. Ltd.	Subsidiary	Full consolidation
Motherson PKC Harness Systems FZ-LLC	Subsidiary	Full consolidation
Global Environment Management (FZC)	Subsidiary	Full consolidation
SMRC Automotive Holdings Netherlands B.V.	Subsidiary	Full consolidation
SMRC Automotives Techno Minority Holdings B.V.	Subsidiary	Full consolidation
SMRC Automotive Modules France SAS	Subsidiary	Full consolidation
Samvardhana Motherson Reydel Automotive Parts Holding Spain, S.L.U.	Subsidiary	Full consolidation
SMRC Automotive Interiors Spain S.L.U.	Subsidiary	Full consolidation
SMRC Automotive Interior Modules Croatia d.o.o	Subsidiary	Full consolidation
Samvardhana Motherson Reydel Autotecc Morocco SAS	Subsidiary	Full consolidation
SMRC Automotive Technology RU LLC	Subsidiary	Full consolidation
SMRC Smart Interior Systems Germany GmbH	Subsidiary	Full consolidation
SMRC Automotive Solutions Slovakia s.r.o.	Subsidiary	Full consolidation
SMRC Automotive Holding South America B.V.	Subsidiary	Full consolidation
SMRC Automotive Modules South America Minority Holdings B.V.	Subsidiary	Full consolidation
SMRC Automotive Tech Argentina S.A.	Subsidiary	Full consolidation
SMRC FabricaÃo e ComÃ©rcio de Produtos Automotivos do Brasil Ltda	Subsidiary	Full consolidation
SMRC Automotive Products India Limited	Subsidiary	Full consolidation
SMRC Automotive Smart Interior Tech (Thailand) Ltd.	Subsidiary	Full consolidation
SMRC Automotive Interiors Japan Ltd.	Subsidiary	Full consolidation
Shanghai SMRC Automotive Interiors Tech Consulting Co. Ltd.	Subsidiary	Full consolidation
PT SMRC Automotive Technology Indonesia	Subsidiary	Full consolidation
Yujin SMRC Automotive Techno Corp.	Subsidiary	Full consolidation
SMRC Automotives Technology Phil Inc.	Subsidiary	Full consolidation
Wisetime Oy	Subsidiary	Full consolidation
Motherson Consultancies Service Limited	Subsidiary	Full consolidation
Samvardhana Motherson Finance Service Cyprus Limited	Subsidiary	Full consolidation
Samvardhana Motherson Holding (M) Private Limited	Subsidiary	Full consolidation
Samvardhana Motherson Auto Component Private Limited	Subsidiary	Full consolidation
MS Global India Automotive Private Limited	Subsidiary	Full consolidation
Samvardhana Motherson Maadhyam International Limited	Subsidiary	Full consolidation
Samvardhana Motherson Global Carriers Limited	Subsidiary	Full consolidation
Samvardhana Motherson Innovative Solutions Limited	Subsidiary	Full consolidation
Samvardhana Motherson Refrigeration Product Limited	Subsidiary	Full consolidation
Motherson Machinery and Automations Limited	Subsidiary	Full consolidation
Samvardhana Motherson Auto System Private Limited	Subsidiary	Full consolidation
Motherson Sintermetal Technology B.V.	Subsidiary	Full consolidation
Motherson Invenzen XLab Private Limited	Subsidiary	Full consolidation
Motherson Technology Services Limited (formerly MothersonSumi Infotech & Designs Limited)	Subsidiary	Full consolidation
Motherson Technology Services USA Limited (formerly MSID U.S. Inc.)	Subsidiary	Full consolidation
Motherson Technology Services GmbH (formerly MothersonSumi INfotekk And Designs GmbH)	Subsidiary	Full consolidation
Motherson Technology Services Kabushiki Gaisha(formerly known as MothersonSumi INfotech & Designs K.K.)	Subsidiary	Full consolidation
Motherson Technology Service Mid East FZ-LLC (formerly Motherson Infotek Designs Mid East FZ-LLC)	Subsidiary	Full consolidation
Motherson Technology Services United Kingdom Limited (formerly MothersonSumi Infotech & Solutions UK Limited)	Subsidiary	Full consolidation
Motherson Auto Engineering Service Limited	Subsidiary	Full consolidation
Samvardhana Motherson Health Solutions Limited	Subsidiary	Full consolidation
SMI Consulting Technologies Inc.	Subsidiary	Full consolidation
Motherson Technology Services Spain S.L.U. (formerly Motherson Information Technologies Spain S.L.U.)	Subsidiary	Full consolidation
Samvardhana Motherson Virtual Analysis Limited	Subsidiary	Full consolidation
SAKS Ancillaries Limited	Subsidiary	Full consolidation
Samvardhana Motherson Hamakyorex Engineered Logistics Limited	Subsidiary	Full consolidation
Motherson Techno Tools Limited	Subsidiary	Full consolidation
Motherson Techno Tools Mideast FZE	Subsidiary	Full consolidation
Motherson Molds and Diecasting Limited	Subsidiary	Full consolidation
Motherson Air Travel Agencies Limited	Subsidiary	Full consolidation

CTM India Limited	Subsidiary	Full consolidation
Fritzmeier Motherson Cabin Engineering Private Limited	Subsidiary	Full consolidation
CIM Tools Private Limited	Subsidiary	Full consolidation
Aero Treatment Private Limited	Subsidiary	Full consolidation
Motherson Automotive Giken Industries Corp Ltd.	Subsidiary	Full consolidation
Motherson Electronic Components Pvt. Ltd	Subsidiary	Full consolidation

#### Annexure - Rating History for last 3 Years

Instrument	Type	Current		2023 (History)		2022		2021		2020		Start of 2020
		Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT	100.0	CRISIL AA+/Positive	25-09-23	CRISIL AA+/Positive	23-12-22	CRISIL AA+/Stable	16-04-21	CRISIL AA+/Stable / CRISIL A1+	09-07-20	CRISIL AA+/Negative / CRISIL A1+	CRISIL AA+/Stable / CRISIL A1+
Â	Â	Â	--	24-02-23	CRISIL AA+/Stable	02-02-22	CRISIL AA+/Stable / CRISIL A1+	26-02-21	CRISIL AA+/Stable / CRISIL A1+	15-05-20	CRISIL AA+/Negative / CRISIL A1+	--
Â	Â	Â	--	Â	--	Â	--	Â	--	05-02-20	CRISIL AA+/Stable / CRISIL A1+	--
Non-Fund Based Facilities	ST	100.0	CRISIL A1+	25-09-23	CRISIL A1+	23-12-22	CRISIL A1+	16-04-21	CRISIL A1+	09-07-20	CRISIL A1+	CRISIL A1+
Â	Â	Â	--	24-02-23	CRISIL A1+	02-02-22	CRISIL A1+	26-02-21	CRISIL A1+	15-05-20	CRISIL A1+	--
Â	Â	Â	--	Â	--	Â	--	Â	--	05-02-20	CRISIL A1+	--
Fund Based Facilities	LT	0.0	CRISIL AA+/Positive	25-09-23	CRISIL AA+/Positive	23-12-22	CRISIL AA+/Stable	Â	--	Â	--	--
Â	Â	Â	--	24-02-23	CRISIL AA+/Stable	Â	--	Â	--	Â	--	--
Commercial Paper	ST	Â	--	Â	--	23-12-22	Withdrawn	16-04-21	CRISIL A1+	09-07-20	CRISIL A1+	CRISIL A1+
Â	Â	Â	--	Â	--	02-02-22	CRISIL A1+	26-02-21	CRISIL A1+	15-05-20	CRISIL A1+	--
Â	Â	Â	--	Â	--	Â	--	Â	--	05-02-20	CRISIL A1+	--
Non Convertible Debentures	LT	1500.0	CRISIL AA+/Positive	25-09-23	CRISIL AA+/Positive	23-12-22	Withdrawn	Â	--	Â	--	--
Â	Â	Â	--	Â	--	02-02-22	CRISIL AA+/Stable	Â	--	Â	--	--

All amounts are in Rs.Cr.

#### Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Fund-Based Facilities%	100	State Bank of India	CRISIL AA+/Positive
Non-Fund Based Limit%%	100	State Bank of India	CRISIL A1+

%Interchangeable with CC/WCL/CP

%%Interchangeable with CC/BG and CEL Limits

#### Criteria Details

<b>Links to related criteria</b>
<a href="#">CRISILs Approach to Financial Ratios</a>
<a href="#">CRISILs Bank Loan Ratings - process, scale and default recognition</a>
<a href="#">Rating criteria for manufacturing and service sector companies</a>
<a href="#">Rating Criteria for Auto Component Suppliers</a>
<a href="#">CRISILs Criteria for Consolidation</a>
<a href="#">CRISILs Criteria for rating short term debt</a>

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