

**Samvardhana Motherson International Ltd (SMIL) and Magneti Marelli Spa
sign a 50/50 joint venture agreement in the field of
shock absorbers for the automotive sector**

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Samvardhana Motherson International Ltd. (SMIL) and Magneti Marelli Spa have signed a Joint Venture (JV) agreement in the field of shock absorbers for the automotive sector.

SMIL will enter the JV through the acquisition of a stake representing the 50% of the share capital of “Magneti Marelli Shock Absorbers India Private Limited”, Magneti Marelli-owned company devoted to the shock absorber business in India.

The JV will leverage Magneti Marelli’s existing shock absorbers manufacturing facility in Chakan, Pune (India), with state of the art product and automation technology.

The JV will also benefit from the global industrial and commercial footprint of Magneti Marelli worldwide shock absorber business, as well as from its portfolio of added value shock absorbers technological solutions like the *Full Displacement Valve*, the *Frequency Dependent Dual Stage* and the *Digressive Curve Valving*, aimed at reaching high level performances in terms of comfort and NVH (Noise, Vibration and Harshness).

In addition, this JV will have synergies with the existing Sintered Metal Components business of SMG which the Samvardhana Motherson group acquired in 2012. The JV will also have access to expertise & capabilities of SMG in the areas of metal working, engineering & design and IT solutions etc.

Concerning SMIL, it’s the 20th acquisition for the group as a whole. The largest acquisitions done so far by SMIL are of mirror business from Visiocorp (now renamed as Samvardhana Motherson Reflectec) in 2009 and Peguform (now named Samvardhana Motherson Peguform) in 2011; both done in collaboration with its flagship company Motherson Sumi Systems Limited (MSSL).

Commenting on the occasion Mr. V.C. Sehgal, Chairman Samvardhana Motherson Group said–

“It is a very significant development for the Group as it further strengthens our relationship with Magneti Marelli, our partner since 2008. In line with our philosophy of increasing content per vehicle, this JV adds a new product line – shock absorbers, to our portfolio. There are strong synergies in terms of input sintered components, customer base, markets, manufacturing geographies and management. We have an existing successful JV with Magneti Marelli and we see a good potential for the new JV.”

Mr. Eugenio Razelli, CEO of Magneti Marelli Spa, stated:

“This new JV is the most appropriate way of maximizing the Magneti Marelli’s investment in the shock absorbers sector in India. The partnership will accelerate the process to become a leader in the shock absorbers Indian market and also a supply source for clients on a global scale. We have a long and

excellent relationship with Samvardhana Motherson group, resulting from the other JV in the Lighting and Powertrain fields, that makes them the ideal partner to join, in this business challenge”

Annexure

Samvardhana Motherson International Limited (SMIL)

Samvardhana Motherson International Limited (SMIL) is the principal holding company of the Samvardhana Motherson Group (SMG). SMIL acts as the central corporate body for managing the Group companies and for their overall co-ordination and providing central support.

Samvardhana Motherson Group (SMG) is a focused, dynamic and progressive global group that is geared towards providing customers with innovative and value-added products, services and solutions. With a turnover of USD 6.1 billion in 2013-14, the group is supplying to all the major automobile manufacturers across the world. The group has over 150 manufacturing facilities supported by design centres and support offices spread over 25 countries.

The group’s automotive product portfolio comprises electrical distribution systems (wiring harnesses), automotive rearview mirrors, molded plastic parts and assemblies, injection moulding tools, molded and extruded rubber components, modules and systems including Cockpits /IPs, door trims, bumpers, lighting systems, air intake manifolds, pedal assemblies, HVAC systems, vehicle air conditioning systems, roof hatches, cabins for off-highway vehicles, machined metal products, cutting tools, thin film coating metals, IT services, design engineering and CAE services. The group has also invested in technologies that provide manufacturing support, including compressors, paint coating equipment, auxiliary equipment for injection moulding machines and automotive manufacturing engineering services.