

May 26, 2023

National Stock Exchange of India Limited  
Exchange Plaza, 5<sup>th</sup> Floor  
Plot No.C/1, G-Block  
Bandra-Kurla Complex  
Bandra (E)  
MUMBAI – 400051, India

BSE Limited  
1<sup>st</sup> Floor, New Trading Ring  
Rotunda Building  
P.J. Towers, Dalal Street  
Fort  
MUMBAI – 400001, India

***Ref.: Security Cover Certificate (NCD Scrip Code: 959422).***

Dear Sir(s) / Madam(s),

Pursuant to Para 10.1 of SEBI Circular bearing no. SEBI/HO/MIRSD\_CRADT/CIR/P/2022/67 dated May 19, 2022, please find enclosed herewith Security Cover Certificate for secured Non-convertible debentures of the Company for the quarter ended March 31, 2023.

The above is submitted for your kind information and records.

Thanking you,

Yours truly,  
For Samvardhana Motherson International Limited  
(formerly Motherson Sumi Systems Limited)

Alok Goel  
Company Secretary

**Independent Auditor's Report on book value of assets and Compliance with all Covenants as at March 31, 2023 pursuant to Regulation 56(1)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and SEBI Circular dated May 19, 2022 for submission to Axis Trustee Services Limited (the 'Debenture Trustee')**

To

The Board of Directors

Samvardhana Motherson International Limited (formerly Motherson Sumi Systems Limited)

Plot No.1, Sector -127, Noida-Greater Noida, Expressway,

Noida- 201301

1. This report is issued in accordance with the terms of the service scope letter dated May 25, 2023 and master engagement agreement dated October 14, 2022, with Samvardhana Motherson International Limited (formerly Motherson Sumi Systems Limited) (hereinafter the "Company").
2. We S.R. Batliboi & CO. LLP, Chartered Accountants, are the Statutory Auditors of the Company and have been requested by the Company to examine the accompanying Statement showing 'book value of assets and compliance status with all Covenants' for 5,000 (Five Thousand) rated, listed, unsecured, redeemable non-convertible debentures having face value of INR 10,00,000 (Rupees ten lakh only) each, for an aggregate nominal value of INR 5,00,00,00,000 (Rupees Five Hundred Crore Only) of the Company as at March 31, 2023 (hereinafter the "Statement") which has been prepared by the Company from the Board approved audited standalone and consolidated financial statements, underlying books of account other relevant records and documents maintained by the Company as at and for the period ended March 31 2023 pursuant to the requirements contained in the Regulation 56(1)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and SEBI Circular SEBI/HO/MIRSD/MIRSD\_CRADT/CIR/P/2022/67 dated May 19, 2022 on Revised format of security cover certificate, monitoring and revision in timelines (hereinafter the "SEBI Regulations and SEBI Circular") and has been annexed with this report for identification purpose only.
3. This report is required by the Company for the purpose of submission with Axis Trustee Services Limited (hereinafter the "Debenture Trustee") of the Company to ensure compliance with the SEBI Regulations and SEBI Circular in respect of its 5,000 (Five Thousand) rated, listed, secured, redeemable non-convertible debentures having face value of INR 10,00,000 (Rupees ten lakh only) each, for an aggregate nominal value of INR 5,00,00,00,000/- (Rupees Five Hundred Crore Only) ('Debentures'). The Company has entered into an agreement with the Debenture Trustee vide agreement dated July 16, 2020 (as amended) in respect of such Debentures.

**Management's Responsibility**

4. The preparation of the Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
5. The Management of the Company is responsible for ensuring that the Company complies with all the relevant requirements of SEBI Regulations and SEBI Circular including providing all relevant information to the Debenture Trustee and for complying with all the covenants as prescribed in the Debenture Trust Deed dated July 16, 2020 (as amended) entered into between the Company and the Debenture Trustee ('Debenture Trust Deed').

**Auditor's Responsibility**

6. It is our responsibility to provide a limited assurance and conclude as to whether:
  - (a) the book values of assets as included in the Statement are in agreement with the books of account underlying the audited standalone financial statements of the Company as at and for the period ended March 31, 2023; and
  - (b) the Company is in compliance with all the covenants as mentioned in the Debenture Trust Deed as on March 31, 2023.
7. We have audited standalone and consolidated financial statements of the Company as at and for the year ended March 31, 2023, on which we issued as unmodified audit opinion vide our report dated May 26, 2023. Our audit of these financial statements was conducted in accordance with Standards on Auditing, as specified under section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("ICAI"). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.
8. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
10. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the applicable criteria, mentioned in paragraph 5 above. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, our procedures included the following in relation to the Statement:
  - a) With respect to the book value of assets as included in the attached statement, we have performed following procedures:
    - i) Obtained and read the Debenture Trust.
    - ii) Obtained the Board approved audited standalone financial statements of the Company for the period ended March 31, 2023.
    - iii) Traced the book value of assets from the books of accounts underlying the audited standalone financial statements of the Company as at March 31, 2023.
    - iv) Traced and agreed the principal amount and the interest thereon of the secured listed non-convertible debt security outstanding as on March 31, 2023 to the books of accounts underlying the audited standalone financial statements of the Company.
    - v) Obtained and read the list of security cover in respect of secured listed non-convertible debt security outstanding as per the Statement. Traced the value of assets from the Statement to the books of accounts underlying the audited financial statements as on March 31, 2023;
    - vi) Obtained the list of security created in the register of charges maintained by the Company and 'Form No. CHG-9' filed with Ministry of Corporate Affairs ('MCA');

- b) With respect to compliance with all the Covenants included in the attached Statement, we have performed following procedures:
- a) Obtained and read the secretarial records viz., minutes of the meeting of board of directors, shareholders and other committees, memorandum of association, articles of association, register of shareholders, register of directors and register of charges etc.
  - b) Enquired about the internal control environment including compliance of laws and regulations as applicable to the Company.
  - c) Obtained and read the statutory compliance certificate submitted by the Management to the Board of Directors.
  - d) Obtained and read the necessary tax returns filed with government authorities by the Company.
  - e) Obtained and reviewed the documents required to be submitted by the Company with Debenture Trustees which includes quarterly compliance certificate, performance reports, end utilization certificate.
  - f) Obtained and read the credit rating for non-convertible debentures given by India Ratings & Research Private Limited on December 16, 2022.
  - g) Obtained a list of financial covenants applicable to the listed debt securities.
  - h) Obtained and reviewed the computation of earnings before interest, tax, depreciation and amortization and finance charges for the computation of Interest Service coverage ratio from the audited consolidated financial statements of the Company for the period ended March 31, 2023, underlying books of account and other relevant records and documents maintained by the Company.
  - i) Traced and agreed the interest expense, net profit after tax, depreciation from the audited consolidated financial statements of the Company and audited books of account and other relevant records and documents maintained by the Company for the year ended March 31, 2023.
  - j) Traced and agreed the non-current borrowings, current borrowings and unencumbered cash, bank balances from the underlying books of account and other relevant records and documents maintained by the Company.
  - k) Examined the arithmetical accuracy of the computation in the accompanying Statement.
- c) Performed necessary inquiries with the Management and obtained necessary representations.

**Conclusion**

11. Based on the procedures performed by us, as referred to in paragraph 10 above and according to the information and explanations received and management representations obtained, nothing has come to our attention that causes us to believe that
- (a) the book values of assets as included in the Statement are not in agreement with the books of account underlying the audited standalone financial statements of the Company as at and for the period ended March 31, 2023; and
  - (b) the Company is not in compliance with all the covenants as mentioned in the Debenture Trust Deed as on March 31, 2023.

**Restriction on Use**

12. The Report has been issued at the request of the Company, solely in connection with the purpose mentioned in paragraph 2 above and to be submitted with the accompanying Statement to the Debenture Trustee and is not to be used or referred to for any other person. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come. We have no responsibility to update this Report for events and circumstances occurring after the date of this report.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

**ICAI Firm Registration Number:** 301003E/E300005

**PANKAJ  
CHADHA**  
Digitally signed by PANKAJ  
CHADHA  
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o=Personal, email=pankaj.chadha  
@srb.in  
Date: 2023.05.26 23:32:10 +05'30'

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**per Pankaj Chadha**

Partner

Membership Number: 091813

UDIN: 23091813BGQOYA8696

Place of Signature: Gurugram

Date: May 26, 2023



# Samvardhana MotherSON International Limited

(formerly MotherSON Sumi Systems Limited)

Head Office: C-14 A & B, Sector 1, Noida – 201301 Distt. Gautam Budh Nagar, U.P. India

Tel: +91-120-6752100, 6752278, Fax: +91-120-2521866, 2521966, Website: www.motherSON.com

Amounts in INR Millions

Column A	Column B		Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of Asset for which this certificate relates		Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Assets not offered as security and debt not backed by any assets offered as security	Elimination on (Amount in Negative)	(Total C to H)	Related to only those items covered by this certificate				
			Debt for which this certificate is being issued	Other Secured Debt	Debt for which this certificate is being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with par-passu charge)	Other assets on which there is par-passu charge (excluding items covered in column F)		Debt amount considered more than once (due to exclusive plus pari-passu charge)		Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+N)
			Book Value	Book Value	Yes/No	Book Value	Book Value								
<b>Assets</b>								note b							
Property, Plant and Equipment (including Investment Properties)	note c		5,333 note d	-	No	-	-	12,324	-	17,657	4,150 note 1 (i)	5,020 note 1 (ii)	-	-	9,170
Capital Work-in-Progress	-		-	-	No	-	-	658	-	658	-	-	-	-	-
Right of Use Assets	-		-	-	No	-	-	2,552	-	2,552	-	-	-	-	-
Goodwill	-		-	-	No	-	-	-	-	-	-	-	-	-	-
Intangible Assets	-		-	-	No	-	-	28	-	28	-	-	-	-	-
Intangible Assets under Development	-		-	-	No	-	-	-	-	-	-	-	-	-	-
Investments	-		-	24,705 note e	No	-	-	2,85,609	-	3,10,314	-	-	-	-	-
Loans	-		-	-	No	-	-	24,507	-	24,507	-	-	-	-	-

Regd Office:  
Unit – 705, C Wing, ONE BKC,  
G Block Bandra Kurla Complex, Bandra East  
Mumbai – 400051, Maharashtra (India)  
Tel: 022-61354800, Fax: 022-61354801  
CIN No.: L34300MH1986PLC284510

Statement of Security Cover and compliance with Financial covenants pursuant to the requirements of the SEBI Circular dated May 19, 2022 on revised format of security cover certificate, monitoring and revision in timelines with respect to for 5000 (five thousand) listed, rated redeemable non-convertible debentures having face value of INR 10,00,000 (Rupees ten lakh only) each, for an aggregate nominal amount of INR 500,00,00,000 (Rupees five hundred crores only) as at March 31, 2023

Inventories	-		-	-	No	-	-	9,178	-	9,178	-	-	-	-	-
Trade-Receivables	-		-	-	No	-	-	14,647	-	14,647	-	-	-	-	-
Cash and Cash Equivalents	-		-	-	No	-	-	2,122	-	2,122	-	-	-	-	-
Bank Balances other than Cash and Cash Equivalents	-		-	-	No	-	-	68	-	68	-	-	-	-	-
Others (note f)	-		-	-	No	-	-	5,664	-	5,664	-	-	-	-	-
<b>Total</b>			<b>5,333</b>	<b>24,705</b>	-	-	-	<b>357,353</b>	-	<b>387,391</b>	<b>4,150</b>	<b>5,020</b>	-	-	<b>9,170</b>

<b>Liabilities</b>								note b							
Debt securities to which this certificate pertains	-		5,371 note g	-	No	-	-	-	-	5,371	-	-	-	-	-
Other debt sharing pari-passu charge with above debt	-		Not to be filled	-	No	-	-	-	-	-	-	-	-	-	-
Other Debt	-			-	No	-	-	-	-	-	-	-	-	-	-
Subordinated debt	-			-	No	-	-	-	-	-	-	-	-	-	-
Borrowings	-			8,985 note h	No	-	-	5,025 note i (ii)	-	14,010	-	-	-	-	-
Bank	-			-	No	-	-	-	-	-	-	-	-	-	-
Debt Securities	-			-	No	-	-	38,311 note i (i)	-	38,311	-	-	-	-	-
Others	-			-	No	-	-	-	-	-	-	-	-	-	-
Trade Payables	-			-	No	-	-	8,827	-	8,827	-	-	-	-	-
Lease Liabilities	-			-	No	-	-	1,447	-	1,447	-	-	-	-	-
Provisions	-			-	No	-	-	11	-	11	-	-	-	-	-
Others (note j)	-			-	No	-	-	5,007	-	5,007	-	-	-	-	-
<b>Total</b>			<b>5,371</b>	<b>8,985</b>	-	-	-	<b>58,628</b>	-	<b>72,985</b>	-	-	-	-	-
<b>Cover on Book Value</b>			0.99			Nil									
<b>Cover on Market Value</b>			1.71			Nil									
			<b>Exclusive Security Cover Ratio</b>			<b>Pari-Passu Security Cover Ratio</b>									

Notes:

Statement of Security Cover and compliance with Financial covenants pursuant to the requirements of the SEBI Circular dated May 19, 2022 on revised format of security cover certificate, monitoring and revision in timelines with respect to for 5000 (five thousand) listed, rated redeemable non-convertible debentures having face value of INR 10,00,000 (Rupees ten lakh only) each, for an aggregate nominal amount of INR 500,00,00,000 (Rupees five hundred crores only) as at March 31, 2023

- a) This statement is prepared in accordance with requirements of the Regulation 56(1)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and SEBI Circular dated May 19, 2022 on the Revised format of security cover certificate, monitoring and revision in timelines ("the Regulations").
- b) The book value of assets and liabilities has been extracted from the unaudited standalone financial results of the Company and unaudited books of account as on March 31, 2023.
- c) "Property Plant & Equipment" represents the book value of property plant & equipment and investment properties as on March 31, 2023.
- d) Amount represents book value (net of accumulated depreciation) of the Hypothecated Properties and Mortgaged Properties. Hypothecated properties mean the fixed movable assets of the Company located at the manufacturing locations as defined in the Schedule 2 of the deed of hypothecation signed between the Company and Axis Trustee Services Limited dated July 23, 2020 as amended from time to time in relation to non-convertible debentures of INR 500 crores.
- e) The amount represents the book value of investments in the standalone books of account to the extent these are pledged in relation to other secured debts.
- f) The amount represents the book value of remaining assets i.e. "Total Assets" less the book value of assets as captured above separately.
- g) The amount represents principal amount outstanding, and interest accrued in relation to listed, secured, non-convertible debentures to which this certificate pertains
- h) The amount represents the book value of secured borrowings other than non-convertible debentures including interest accrued on it.
- i) i) The amount represents the book value of listed, unsecured, non-convertible debentures including interest accrued on it.  
ii) The amount represents the book value of other unsecured borrowings including interest accrued on it.
- j) The amount represents the book value remaining liabilities i.e. "Total Liabilities" less the book value of liabilities as captured above separately.
- k) (i) It represents the market value of the Mortgaged Properties (calculated in accordance with the Valuation Report that is dated no earlier than 3 (three) years from the Calculation Date) i.e. as on March 31, 2023  
  
(ii) It represents the book value (net of accumulated depreciation) of the Hypothecated Properties not covered in above l(i) for which market value has not been determined.

**For and on behalf of Samvardhana Motherson International Limited (formerly Motherson Sumi Systems Limited)**

**Kunal Malani**  
Chief Financial Officer

Place: Noida  
Date: May 26, 2023

**KUNAL**  
**MALANI**  
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by KUNAL  
MALANI  
Date: 2023.05.26  
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