

SEC:015:20-21/GN
June 24, 2020

The Manager - Listing
National Stock Exchange of India Limited
Capital Market – Listing
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra-Kurla Complex
Bandra (E), Mumbai 400 051

Sub: Acquisition of Shares in Wheels India Limited from Titan Europe Limited, U.K
Ref: Your e-mail dated 23rd June 2020

This has reference to your e-mail dated 23rd June 2020 on the captioned subject. Please find herein-below, our replies to the queries raised:

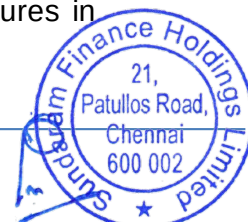
Query 1: Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)

Reply:

Sundaram Finance Holdings Limited (SFHL) is an investment company, which has investments in companies engaged in the manufacture of automotive components, including the target entity, i.e. Wheels India Limited (WIL). These investments were transferred from Sundaram Finance Limited (SFL) to SFHL pursuant to a demerger that was sanctioned by the Hon'ble NCLT, Chennai, during January 2018. Pursuant to the demerger, SFHL has been categorised as a Promoter of WIL in the place of SFL, along with the other Indian Promoters, viz. T V Sundram Iyengar and Sons Private Limited and Southern Roadways Limited. The Indian Promoters jointly held 43.27% in WIL as on 31st March 2020.

The foreign promoter of Wheels India Limited, viz., Titan Europe Limited (Titan), whose shareholding in WIL as on 31st March 2020 was 20%, had expressed their intention to divest their stake in WIL during May 2020 and offered the same to the Indian Promoters, in accordance with the provisions of the Joint Venture Agreement. To consolidate our position, the Board of Directors of SFHL delegated the authority to the Investment Committee (IC) of SFHL, to explore the opportunity to acquire about 10% stake in WIL by investing an amount not exceeding ₹100 cr. Accordingly, based on the approval granted by the IC, SFHL acquired 4.99% in WIL from Titan on 4th June 2020 by way of an inter-se transfer through the block deal window mechanism of the stock exchange at a total cost of ₹51.49 cr. and increased its stake from 13.58% to 18.57%. Necessary disclosures in

Sundaram Finance Holdings Limited



this regard, under Reg. 7(2) of the SEBI (PIT) Regulations, 2015 and Reg. 29(2) of the SEBI (SAST) Regulations, 2011, have been made to the NSE.

The proposed acquisition of upto 5.09% in WIL from Titan in the form of an inter-se transfer through the block deal window mechanism of the stock exchange, which has been announced on 22nd June 2020, is the next tranche in continuation of the earlier acquisition made.

Since the proposed acquisition by way of an inter-se transfer between the promoters would result in a total acquisition in excess of 5% in WIL during the current financial year, SFHL has submitted a disclosure in the applicable format to NSE on 22nd June, 2020, in accordance with the provisions of Regulation 10(5) of the SEBI (substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Pursuant to the completion of the proposed acquisition, WIL will become an associate company of SFHL, in accordance with S. 2(6) of the Companies Act, 2013.

Query 2: Indicative time period for completion of the acquisition

Reply:

The transaction is proposed to be executed on Monday, 29th June, 2020. This has been stated in the disclosure submitted to NSE under Reg. 10(5) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 in the prescribed format.

Thanking you,

Yours truly,
For Sundaram Finance Holdings Limited



P.N. Srikant
Secretary & Compliance Officer

