Sundaram-Clayton Limited

Notice of NCLT Convened Meeting of the Unsecured Creditors

NOTICE

SUNDARAM-CLAYTON LIMITED
Corporate Identity Number (CIN): L35999TN1962PLC004792
Registered Office: "Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai, Tamil Nadu - 600006 India
Phone: 044 - 2833 2115 | Fax: 044 - 2833 2113
Email: corpsec@sundaramclayton.com | Website: www.sundaram-clayton.com

NOTICE CONVENING MEETING OF UNSECURED CREDITORS OF SUNDARAM-CLAYTON LIMITED PURSUANT TO ORDER DATED 9TH NOVEMBER 2022 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, CHENNAI BENCH

MEETING	
Day	Friday
Date	16th December 2022
Time	12.00 p.m. (IST)
Mode of Meeting	As per the directions of the Hon'ble National Company Law Tribunal, Chennai Bench, the meeting shall be conducted through Video Conferencing (**"VC"**)/ Other Audio-Visual Means (**"OAVM"**)
Cut-off date for e-Voting	Monday, 31st October, 2022
Remote e-Voting start date and time	Tuesday, 13th December 2022 from 9.00 a.m. (IST)
Remote e-Voting end date and time	Thursday, 15th December 2022 upto 5.00 p.m. (IST)

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The Notice of the Meeting, Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the CAA Rules (page nos. 2 to 24) and Annexure I to Annexure XVIII (page nos. 25 to 324) constitute a single and complete set of documents and should be read together as they form an integral part of this document.

FORM NO. CAA. 2
[Pursuant to Section 230(3) and Rules 6 and 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016)]

IN THE NATIONAL COMPANY LAW TRIBUNAL, CHENNAI BENCH
CA(CAA)/61(CHE)/2022

IN THE MATTER OF SECTIONS 230 TO 232
AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013
AND
IN THE MATTER OF COMPOSITE SCHEME OF ARRANGEMENT AMONGST SUNDARAM-CLAYTON LIMITED AND TVS HOLDINGS PRIVATE LIMITED AND VS INVESTMENTS PRIVATE LIMITED AND SUNDARAM-CLAYTON DCD LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

Sundaram-Clayton Limited, a company incorporated under the Companies Act, 1956 having Corporate Identity Number: L35999TN1962PLC004792 and having its registered office at "Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam Chennai, Tamil Nadu - 600 006 India

… Company/ Transferee Company/ Demerged Company/ SCL

NOTICE CONVENING MEETING OF UNSECURED CREDITORS

To,

The Unsecured Creditors of Sundaram-Clayton Limited

1. NOTICE is hereby given that, in accordance with the Order dated 9th November 2022 (**"Order"**)in the above mentioned Company Application, passed by the Hon'ble National Company Law Tribunal, Chennai Bench (**"Hon'ble Tribunal"**), a Meeting of the Unsecured Creditors of the Company, will be held for the purpose of their considering, and if thought fit, approving, with or without modification(s), the proposed Composite Scheme of Arrangement amongst Sundaram-Clayton Limited (**"Company"** or **"Transferee Company"** or **"Demerged Company"** or **"SCL"**) and TVS Holdings Private Limited (**"Transferor Company 1"**) and VS Investments Private Limited (**"Transferor Company 2"**) and Sundaram-Clayton DCD Limited (**"Resulting Company"**) and their respective shareholders and creditors (**"Scheme"**) on **16th December 2022, at 12.00 p.m. (IST)**.

2. Pursuant to the said Hon'ble Tribunal Order and as directed therein, the Meeting of the Unsecured Creditors of the Company (**"Meeting"**) will be held through Video Conferencing (**"VC"**) / Other Audio Visual Means (**"OAVM"**), in compliance with the applicable provisions of the Companies Act, 2013 (**"Act"**), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI Listing Regulations"**) and relevant Ministry of Corporate Affairs (**"MCA"**), Circulars, as applicable, to consider, and if thought fit, to pass, with or without modification(s), the following resolution for approval of the Scheme by requisite majority as prescribed under Section 230(1) and (6) read with Section 232(1) of the Act.

   *"**RESOLVED THAT** pursuant to the provisions of Sections 230 and 232 of the Companies Act, 2013, the rules, circulars and notifications made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) and circulars issued thereof, for the time being in force) and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of Hon'ble jurisdictional National Company Law Tribunal, Chennai Bench (**"Hon'ble Tribunal"**) and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be deemed appropriate by the parties to the Scheme, at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or as may be prescribed or imposed by the Tribunal or by any regulatory or other authorities, while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the **"Board"** which term shall be deemed to mean and include one or more Committee(s) constituted / to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the Composite Scheme of Arrangement amongst Sundaram-Clayton Limited and TVS Holdings Private Limited and VS Investments Private Limited and Sundaram-Clayton DCD Limited and their respective shareholders and creditors (**"Scheme"**), be and is hereby approved;*

   ***RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this Resolution and effectively implement the arrangement embodied in the Scheme and to make any modifications or amendments to the Scheme at any time and for any reason whatsoever, and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Hon'ble Tribunal while sanctioning the arrangement embodied in the Scheme or by any*

authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper."

3. TAKE FURTHER NOTICE that the Unsecured Creditors shall have the facility and option of voting on the resolution for approval of the Scheme by casting their votes (a) through e-Voting system available at the Meeting to be held virtually (**"e-Voting at the Meeting"**); or (b) by remote electronic voting ("remote e-Voting") during the period as stated below:

REMOTE E-VOTING PERIOD	
Commencement of e-Voting	Tuesday, 13th December 2022 from 9.00 a.m. (IST)
End of e-Voting	Thursday, 15th December 2022 upto 5.00 p.m. (IST)

4. Unsecured Creditors as on cut-off date, i.e., 31st October, 2022, may cast their votes electronically. Unsecured Creditors will not be allowed to vote again on any resolution on which his vote has already been cast.

5. A copy of the said Scheme, statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the CAA Rules along with all annexures to such statement are appended. A copy of this Notice and the accompanying documents are also placed on the website of the Company and can be accessed at **www.sundaram-clayton.com**; the website of National Securities and Depository Limited (**"NSDL"**) viz. **www.evoting.nsdl.com**, being the agency appointed by the Company to provide the e-Voting and other facilities for convening of the Meeting and the website of the Stock Exchanges i.e., BSE Limited ("BSE") viz. **www.bseindia.com** and the National Stock Exchange of India Limited (**"NSE"**) viz. **www.nseindia.com**.

6. The Hon'ble Tribunal has appointed Mr. N.P. Vijay Kumar, Advocate to be the Chairperson for the Meeting and Mr R Rajesh, Advocate to be the Scrutinizer for the Meeting.

7. The Scheme, if approved at the aforesaid Meeting, will be subject to the subsequent sanction of the Hon'ble Tribunal and such other approvals, permissions and sanctions of regulatory or other authorities, as may be.

N.P. Vijay Kumar
Chairperson appointed by
the Hon'ble Tribunal for the Meeting

Chennai, 14th November 2022

Registered Office:
"Chaitanya", No.12, Khader Nawaz Khan Road,
Nungambakkam, Chennai, Tamil Nadu - 600006 India
CIN: L35999TN1962PLC004792
Website: www.sundaram-clayton.com
E-mail: corpsec@sundaramclayton.com
Tel.: 044 - 2833 2115
Fax: 044 - 2833 2113

Notes for Meeting of Unsecured Creditors of the Company

1. Pursuant to the directions of the Hon'ble National Company Law Tribunal, Chennai Bench (**"Hon'ble Tribunal"**), vide its Order dated 9th November 2022 (**"Order"**) as per the applicable procedure prescribed under Ministry of Corporate Affairs (MCA), MCA General Circular Nos. (i)20/2020 dated 5th May, 2020, (ii) 14/2020 dated 8th April, 2020 and (iii)17/2020 dated 13th April, 2020 and in Compliance with the applicable provisions of the Companies Act, 2013 (**"Act"**) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI Listing Regulations"**), the Meeting of the Unsecured Creditors of the Company is being conducted through Video Conference (**"VC"**)/ Other Audio Visual Means (**"OAVM"**) facility to transact the business set out in the Notice convening this Meeting, which does not require physical presence of the Unsecured Creditors at a common venue.
   The deemed venue for the Meeting shall be the registered office of the Company.
2. The statement pursuant to Sections 230 and 232 read with Section 102 and other applicable provisions of the Companies Act, 2013 (**"Act"**) and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (**"CAA Rules"**) in respect of the business set out in the Notice of the Meeting is annexed hereto.
3. Since this Meeting is being held through VC / OAVM, physical attendance of Unsecured Creditors has been dispensed with. Accordingly, the facility for appointment of proxies by the Unsecured Creditors will not be available for the Meeting and hence the proxy form and attendance slip are not annexed hereto.
4. No route map of the venue of the Meeting is annexed hereto, since this Meeting is being held through VC/ OAVM.
5. Unsecured Creditors attending the Meeting through VC/OAVM shall be reckoned for the purpose of quorum. Quorum for the Meeting shall be in terms of the Hon'ble Tribunal Order.
6. As per directions of the Hon'ble Tribunal Order, the Notice of the Meeting and the accompanying documents mentioned in the index are being sent through electronic mail to those Unsecured Creditors whose email addresses are registered with the Company/ Depositories. The physical copies of Notice of the meeting is being sent through Courier / Registered Post / Speed Post for those Creditors whose e-mail addresses are not registered with the Company / Registrar and Share Transfer Agent (RTA) / Depositories.
7. The Unsecured Creditors may note that the aforesaid documents are also available on the website of the Company at **www.sundaram-clayton.com** and on the website of the Stock Exchanges, i.e., BSE Limited (**"BSE"**) at **www.bseindia.com** and the National Stock Exchange of India Limited (**"NSE**") viz. **www.nseindia.com**, the website of National Securities Depository Limited at **https:// www.evoting.nsdl.com**, being the agency appointed by the Company to provide e-Voting and other facilities for the Meeting.
8. **PROCEDURE FOR JOINING THE MEETING THROUGH VC/OAVM:**
   a) Unsecured Creditors will be provided with a facility to attend the Meeting through VC/OAVM through the NSDL e-Voting system. Unsecured Creditors may access by following the steps mentioned below for "Procedure and Instructions relating to e-Voting" for access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under 'Join Meeting' menu against company name. You are requested to click on "VC/ OAVM link" placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Sundaram-Clayton Limited will be displayed.
   b) Unsecured Creditors who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
   c) Unsecured Creditors are requested to join the Meeting through laptops for better experience and will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connected via mobile hotspot may experience audio / video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of glitches.
   d) Unsecured Creditors who have queries with regard to the Scheme or any other matter placed at the Meeting, may from their registered email address write to the Company, mentioning their name, PAN, Mobile Number to corpsec@sundaramclayton.com. Queries received by the Company on or before Wedneday, 14th December 2022 on the aforementioned e-mail ID shall be considered and responded during the Meeting.
   e) Unsecured Creditors who would like to express their views or ask questions during the Meeting may register themselves as speakers by sending their request from their registered email address mentioning their name, PAN, Mobile Number to corpsec@sundaramclayton.com during the period from Monday, 12th December 2022 to Wednesday, 14th December 2022. Those Unsecured Creditors who have registered themselves as speakers will only be allowed to express their views / ask questions during the Meeting provided they are Creditors as on the cut-off date. Speakers are requested to submit their questions at the time of registration, to enable the Company to respond appropriately.
   f) The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the Meeting.

g) Unsecured Creditors who need assistance before or during the Meeting, may refer to the Frequently Asked Questions (FAQs) available at **www.evoting.nsdl.com** or can contact NSDL at **evoting@nsdl.co.in** or call toll free numbers 1800 1020 990 / 1800 224 430 or contact Ms Pallavi Mhatre, Manager, NSDL or Mr Amit Vishal, Assistant Vice President, NSDL at the designated email ID at **evoting@nsdl.co.in**.

9. INSTRUCTIONS:

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: **https://www.evoting.nsdl.com**/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder / Member' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
4. Your Login ID and password details casting your vote electronically and for attending the Meeting of Creditors through VC/ OAVM are attached in the pdf file enclosed herewith. Please note that the password to open the pdf file is the unique id mentioned above or the first time the system will ask to reset your password.
5. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
6. Now, you will have to click on "Login" button.
7. After you click on the "Login" button, Home page of e-Voting will open.
8. You will be able to see the EVEN no. of the company.
9. Click on "EVEN" of company to cast your vote.
10. Now you are ready for e-Voting as the Voting page opens.
11. Cast your vote by selecting appropriate options i.e. assent or dissent, and click on "Submit" and also "Confirm" when prompted.
12. Upon confirmation, the message "Vote cast successfully" will be displayed.
13. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
14. Once you confirm your vote on the resolution, you will not be allowed to modify your vote
15. If you face any problems / experience any difficulty or If you forgot your password please feel free to contact toll free number 1800 1020 990 /1800 224 430 or contact on email ID **evoting@nsdl.co.in**

THE INSTRUCTIONS FOR UNSECURED CREDITORS FOR E-VOTING ON THE DAY OF THE UNSECURED CREDITORS MEETING ARE AS UNDER:

1) The procedure for e-Voting on the day of the Unsecured Creditors Meeting is same as the instructions mentioned above for remote e-Voting.
2) Only those Creditors, who will be present in the Unsecured Creditors meeting through VC/ OAVM facility and have not cast their vote on the Resolution through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the Unsecured Creditors Meeting.

Instructions for Unsecured Creditors for attending the Unsecured Creditors Meeting through VC/OAVM are as under:

Unsecured Creditors will be provided with a facility to attend the Meeting through VC/OAVM through the NSDL e-Voting system and may access the same at https://**www.evoting.nsdl.com** under Shareholder / Member login by using the remote e-Voting credentials. The link for VC / OAVM will be available in Shareholder / Member login where the EVEN of Company will be displayed.

General Instructions for Unsecured Creditors:

a. Corporate Unsecured Creditors (i.e. other than individuals, HUF, NRI etc.) are required to upload their Board Resolution/ Power of Attorney/ Authority Letter by clicking on **"Upload Board Resolution/ Authority Letter"** displayed under **"e-Voting"** tab on this screen or send legible scanned certified true copy (PDF/ JPG Format) of the relevant Board Resolution/ Power of Attorney/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Company by e-mail to **corpsec@sundaramclayton.com** and to Integrated Registry Management Services Pvt. Ltd, Registrar and Share Transfer Agents at **srirams@integratedindia.in** with a copy marked to **evoting@nsdl.co.in**.

b. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details / Password?" or "Physical User Reset Password?" option available on **www.evoting.nsdl.com** to reset the password.

c. During the Meeting, the Chairperson or any person authorized by the Chairperson shall, after response to the questions raised by the Unsecured Creditors in advance or as a speaker at the Meeting, formally propose to the Unsecured Creditors participating through VC/OAVM facility to vote on the resolutions as set out in the Notice of the Meeting and announce the start of the casting of vote through the e-Voting system. After the Unsecured Creditors participating through VC/OAVM facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be closed with the formal announcement of closure of the Meeting.

Other Information:

a. Pursuant to Hon'ble Tribunal Order, Mr R Rajesh, Advocate, shall act as Scrutinizer to scrutinize the process of remote e-Voting and e-Voting at the Meeting in a fair and transparent manner.

b. The Scrutinizer will, after the conclusion of e-Voting at the Meeting, scrutinize the votes cast at the Meeting and votes cast through remote e-Voting, make a Scrutinizer's Report and submit the same to the Chairperson of the Meeting. The results of the Meeting shall be announced by the Chairperson within three days of the conclusion of the Meeting and the same, along with the Scrutinizer's Report, will be placed on the website of the Company i.e. **www.sundaram-clayton.com** and on the website of NSDL at **https://www.evoting.nsdl.com**. The Company shall also submit the results to the Stock Exchanges and the same be placed on the respective website at **www.bseindia.com** and **www.nseindia.com**.

c. Subject to receipt of requisite majority of votes in favour of the Scheme i.e., majority in number representing three-fourth in value (as per Sections 230 to 232 of the Act), the Resolution shall be deemed to have been passed on the date of the Meeting i.e. 16th December 2022.

Unsecured Creditors are requested to carefully read all the Notes set out herein and in particular, instructions for joining the Meeting, manner of casting vote through remote e-Voting or e-Voting at the Meeting.

EXPLANATORY STATEMENT

IN THE NATIONAL COMPANY LAW TRIBUNAL, CHENNAI BENCH

CA(CAA)/61(CHE)/2022

IN THE MATTER OF SECTIONS 230 TO 232
AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013
AND
IN THE MATTER OF COMPOSITE SCHEME OF ARRANGEMENT AMONGST SUNDARAM-CLAYTON LIMITED AND TVS HOLDINGS PRIVATE LIMITED AND VS INVESTMENTS PRIVATE LIMITED AND SUNDARAM - CLAYTON DCD LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

Sundaram-Clayton Limited, a company incorporated under the Companies Act, 1956 having Corporate Identity Number: L35999TN1962PLC004792 and its registered office at "Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam Chennai, Tamil Nadu - 600 006 India ... Company/ Transferee Company/ Demerged Company/ SCL

STATEMENT UNDER SECTIONS 230 AND 232 READ WITH SECTION 102 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ("ACT") AND RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 ("CAA RULES") TO THE NOTICE OF THE MEETING OF UNSECURED CREDITORS OF SUNDARAM-CLAYTON LIMITED CONVENED PURSUANT TO ORDER OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, CHENNAI BENCH ("TRIBUNAL") DATED 9TH NOVEMBER, 2022 ("HON'BLE TRIBUNAL ORDER")

1. MEETING FOR THE SCHEME

This is a statement accompanying the Notice convening the Meeting of Unsecured Creditors of the Company, for the purpose of their considering and if thought fit, approving, with or without modification(s), the proposed Composite Scheme of Arrangement amongst Sundaram-Clayton Limited ("Company" or "Transferee Company" or "Demerged Company" or "SCL") and TVS Holdings Private Limited ("Transferor Company 1") and VS Investments Private Limited ("Transferor Company 2") and Sundaram - Clayton DCD Limited ("Resulting Company") and their respective shareholders and creditors ("Scheme").

The Scheme provides for the following:

(i) issue of Non-Convertible Redeemable Preference Shares of the Company by way of bonus to the shareholders of the Company by utilising the general reserves/ retained earnings;

(ii) the amalgamation of the Transferor Company 1 with the Company and cancellation of the share capital of the Company held by the Transferor Company 1 and the consideration thereof;

(iii) the amalgamation of the Transferor Company 2 with the Company and cancellation of the share capital of the Company held by the Transferor Company 2 and the consideration thereof; and

(iv) the demerger, transfer and vesting of the Demerged Undertaking (as defined in the Scheme) from the Company into the Resulting Company on a going concern basis, reduction and cancellation of the paid-up share capital of the Resulting Company held by the Company and the consequent issue of shares of the Resulting Company by the Resulting Company to the shareholders of the Demerged Company.

The salient features of the Scheme are given in paragraph 5 of this Statement. The detailed terms of the arrangement may be referred in the Scheme, appended as 'Annexure I'.

2. DATE, TIME AND MODE OF MEETING

Pursuant to an order dated 9th November 2022 passed by the Hon'ble Tribunal in Company Application viz. CA(CAA)/ 61(CHE)/2022, the Meeting of the Unsecured Creditors of the Company, will be held for the purpose of their considering and, if thought fit approving by the Unsecured Creditors, with or without modification(s), the said Scheme through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") on 16th December 2022 at 12.00 p.m. (IST). as per the applicable procedure prescribed under Ministry of Corporate Affairs (MCA), MCA General Circular Nos. (i)20/2020 dated 5th May, 2020, (ii) 14/2020 dated 8th April, 2020 and (iii)17/2020 dated 13th April, 2020 and in Compliance with the applicable provisions of the Companies Act, 2013 (**"Act"**) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI Listing Regulations"**)

3. RATIONALE AND BENEFITS OF THE SCHEME

(The capitalized terms used herein shall have the same meaning as ascribed to them in Clause 1 of Part I of the Scheme)

The circumstances which justify and/or have necessitated the said Scheme and the benefits of the same are, *inter alia*, as follows:

(i) SCL has built up substantial surplus reserves over the years from its retained profits. The surplus reserves are well above SCL's current and likely future business needs. Further, barring unforeseen circumstances, SCL is confident of generating

incremental cash over the next few years. Overall reserves position is expected to improve further even after considering cash requirements for SCL's capex programme and working capital requirements.

(ii) Further, upon taking into consideration SCL's capability to generate strong cash flow and the surplus reserves being more than what is needed to fund SCL's future growth, SCL is of the view that these excess funds can be optimally utilized to reward its shareholders in such difficult and unprecedented times by way of distribution.

(iii) At the same time, in keeping with SCL's tradition of conventional cash management and being mindful of the challenging business environment, SCL is of the view that it would be prudent to retain liquidity as well. Accordingly, SCL has proposed, *inter alia*, to distribute such funds amongst its shareholders by issuing fully paid up Non-Convertible Redeemable Preference Shares ("NCRPS") by way of bonus in terms of this Scheme. Furthermore, these bonus NCRPS will be listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), thereby providing free transferability and liquidity to the shareholders.

(iv) NCRPS while giving near-cash (traded, encashable) instrument in the hands of shareholders, give increased flexibility to SCL in managing its liquidity through options like trading in the market, redemptions, etc.

(v) In view of the aforesaid factors, SCL has concluded that it can optimally utilize its surplus reserves by distributing a considerable portion of the same to the equity shareholders. In order to maintain high level of corporate governance and transparency, SCL proposes issuance of NCRPS by way of bonus under Section 230 of the Act which will be subject to necessary statutory, regulatory and corporate approvals.

(vi) As part of the restructuring exercise, it is proposed to consolidate all the resources of the Transferor Companies with the Transferee Company. The said amalgamation will result in the following benefits:

(a) Streamline the promoter holding structure;

(b) Optimal utilisation of resources and better corporate governance; and

(c) Reduction of administrative responsibilities, multiplicity of records and legal and regulatory compliances.

(vii) Given its diversified business, it has become imperative for the Demerged Company to reorient and reorganize itself in a manner that allows imparting greater focus on each of its businesses. With this repositioning, the Demerged Company is desirous of enhancing its operational efficiency.

(viii) The Scheme proposes to reorganise, segregate and demerge the Demerged Undertaking comprising of manufacturing non-ferrous gravity and pressure die castings from Demerged Company into the Resulting Company and the Demerged Company will be left with group management services' business, trading business and manufacturing of two & three wheeler vehicles through TVS Motor Company Limited.

(ix) The proposed demerger pursuant to this Scheme is expected, *inter alia*, to result in following benefits:

(a) segregation and unbundling of the businesses of the Demerged Company into the Resulting Company, which will enable enhanced focus on the Demerged Company and Resulting Company for exploiting opportunities of each of the said companies;

(b) unlocking of value for the shareholders of the Demerged Company, attracting investors and providing better flexibility in accessing capital, focused strategy and specialisation for sustained growth;

(c) logistics alignment leading to economies of scale for the Resulting Company and creation of sectoral efficiencies and benefitting stakeholders as well as optimization of operation and capital expenditure; and

(d) enhancing competitive strength, achieving cost optimisation, ensuring benefits through focused management of the financial, managerial and technical resources, personnel capabilities, skills, expertise and technologies of the Resulting Company and the Demerged Company thereby significantly contributing to future growth and maximizing shareholders' value.

The proposed restructuring is in the interest of the shareholders, creditors, employees, and other stakeholders in each of the companies.

4. BACKGROUND OF THE COMPANIES:

A. Particulars of the Company (Sundaram - Clayton Limited)

1. Sundaram - Clayton Limited was incorporated on May 24, 1962 under the provisions of the Companies Act, 1956 as a public company limited by shares. The registered office of the Company is situated at "Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai, Tamil Nadu - 600 006 India. The Company is accordingly registered with the Registrar of Companies, Chennai having Corporate Identity Number (CIN) L35999TN1962PLC004792. Its Permanent Account Number with the Income Tax Department is AAACS4920J. The email address of the Company is corpsec@sundaramclayton.com and website is **www.sundaram-clayton.com**. During the last five years, there has been

no change in the name of the Company and the registered office of the Company was shifted from "Jayalakshmi Estates", No. 29 (Old No. 8) Haddows Road, Chennai - 600 006, to "Chaitanya" No. 12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006 with effect from 14th August 2019. The Company is a subsidiary of the Transferor Company 1. The equity shares of the Company are listed on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and the non-convertible debentures issued by the Company are listed on NSE.

2. The extracts of the main objects, *inter alia*, are briefly as under:

   1. To carry on the business of manufacturers of and merchants and dealers in all components and parts and accessories of vehicles of every kind and engines of every kind.
   2. To carry on the business of manufacturers, mechanical engineers, founders, fitters, tool makers, brass founders, metal makers, boiler makers, mill-wrights, machinists, iron and steel converters, smiths, wire drawers, tube makers, metallurgists, saddlers, galvanisers, japanners, annealers, painters, electrical engineers, water supply engineers, gas makers, packing case makers, dealers in steel frames, farmers, printers, carriers, automobile consultants, enamellers, electroplaters, wood -workers, builders, tool makers, pattern makers, refiners, and manufacturers of agricultural implements or other machinery.
   3. To manufacture, produce, repair, export, import, purchase, sell and deal in and generally to carry on business in the manufacture, sale and supply of brake exhausters, compressors, servo units and other components and accessories thereof for vehicles of every kind.

   3A. To carry on the business of designers, developers, manufacturers, distributors, sellers and dealers in all types of internal combustion engines, including oil and petrol engines, diesel engines, engines operating on hybrid power, on gas, turbines, for use as stationary engines or in all kinds of automobiles, including tractors, earthmovers and all kinds of off-highway vehicles, and also for stationary applications, and to buy, sell, repair, convert, alter, export, import, let on hire all types of internal combustion engines.

   4. To carry on the business of manufacturers and dealers in, hirers, repairers, cleaners, storers, and warehousers of motor cars, motor cycles, cycle cars, motor, scooters, cycles, bicycles, and carriages, launches, boats and other conveyances of all descriptions whether propelled or assisted, by means of petrol, spirit, steam, gas, electrical, or through power and all engines, chassis, bodies, component parts, accessories, fittings and other things used in or capable of being used in or in connection with vehicles and engines stationery or otherwise.
   5. To carry on the business of iron and steel founders and founders of non-ferrous metals in all their branches and to carry on business of smelters, and of casting, forming and shaping parts and components of plant, machinery and equipment and articles of every description of ferrous and non-ferrous metals and other materials.

   During the last five years, there has been no change in the objects clause of the Company.

3. The Company is engaged, *inter alia*, in the business of manufacturing non-ferrous gravity and pressure die castings, group management services' business and business of manufacturing and distributing two & three wheeler vehicles through TVS Motor Company Limited and the Company has four manufacturing plants located in Tamil Nadu.

4. The share capital of the Company (as on date of this Notice) is as follows:

Particulars	Amount in INR
Authorised Share Capital	
5,00,00,000 Equity Shares of INR 5 each	25,00,00,000
Total	**25,00,00,000**
Issued, Subscribed and Paid-up Share Capital	
2,02,32,085 Equity shares of INR 5 each, fully paid up	10,11,60,425
Total	**10,11,60,425**

5. The latest annual financial statements of the Company for the financial year ended on March 31, 2022 have been audited. The copy of the financial statements along with the limited review report of the Company as on September 30, 2022 is appended as '**Annexure II**'.

6. The details of Promoters and Directors of the Company (as on the date of the Notice) along with their addresses are mentioned herein below:

Sr. No.	Name	Category	Address
		Promoter	
1.	TVS Holdings Private Limited	Promoter	"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai, Tamil Nadu - 600 006 India

Sr. No.	Name	Category	Address
		Directors	
1.	Mr R Gopalan (DIN: 01624555)	Non-Executive Chairman	House No. D - 256, 3rd Floor, Defence Colony, New Delhi - 110 024
2.	Mr Venu Srinivasan (DIN: 00051523)	Chairman Emeritus & Managing Director	"West Side House", No.3, Adyar Club Gate Road, Chennai - 600 028
3.	Dr. Lakshmi Venu (DIN: 02702020)	Managing Director	No.11/5, Murugappa Road, Kotturpuram, Chennai - 600 085
4.	Mr Sudarshan Venu (DIN: 03601690)	Non-executive Director	84 Binjai Park, Singapore - 589 879
5.	Mr K Gopala Desikan (DIN: 00067107)	Director & Group Chief Financial Officer	Flat No T3, Mithila Apartments, No 15/17, Justice Sundaram Road, Mylapore, Chennai - 600 004
6.	Mr Rajesh Narasimhan (DIN: 07824276)	Non-executive Director	23 Leonie Hill, No. 11-02, Singapore - 239 224
7.	Vice Admiral P J Jacob (Retd.) (DIN: 00173785)	Independent Director	No.274-99, Lakeshore Homes, Kasavanahalli, Off Sarjapur Road, Carmelaram P.O. Bengaluru - 560 035
8.	Ms Sasikala Varadachari (DIN: 07132398)	Independent Director	E-11, Hiranya Apartments, Greenways Road Extension, Chennai - 600 028
9.	Mr Anuj Shah (DIN: 05323410)	Independent Director	53 Grange Road, #14-04 Spring Grove, Singapore - 249 565

B. Particulars of the Transferor Company 1 (TVS Holdings Private Limited)

1. The Transferor Company 1 was incorporated on March 23, 2018 under the provisions of the Act as a company limited by shares. The registered office of the Company is situated at "Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai, Tamil Nadu - 600 006 India. The Company is accordingly registered with the Registrar of Companies, Chennai having Corporate Identity Number U74999TN2018PTC121693. Its Permanent Account Number with the Income Tax Department is AAHCC4874G. The email address of the Transferor Company 1 is phoenix@tvsholdings.in. The Company was incorporated as Cheema Investments and Holdings Private Limited, subsequently the name was changed into TVS Investments and Holdings Private Limited, and the name was again changed into TVS Holdings Private Limited. The registered office of the Company was shifted from "Jayalakshmi Estates", No. 29 (Old No. 8) Haddows Road, Chennai - 600 006, to "Chaitanya" No. 12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006 with effect from 7th September 2020.
2. The extracts of the main objects, *inter alia*, are briefly as under:
    1. To invest, trade, sell, purchase, exchange, convert, subscribe, acquire, hold, and deal in stocks, shares, units, debentures, debenture stocks, bonds, obligations, derivative instruments, financial instruments and securities.
    2. To invest, hold and deal with security receipts, mortgages, obligations, inter-corporate deposits, call money deposits, commercial papers and other financial instruments.
    3. To carry on the business of producing, manufacturing, buying, selling, re-settling, subcontracting, exchanging, hiring, altering, importing, exporting, improving, assembling, supplying, distributing whether wholesale or retail, servicing, overhauling, converting, maintaining and dealing in as original equipment manufacturers as also on jobbing industry basis and in any other capacity, of machineries, motor vehicles and other conveyances of all kinds and descriptions, components, replacement parts, spare parts, accessories, tools, implements and fittings, including of brake systems and all relevant components, parts and accessories, for motor vehicles, which include all types of motorcycles, mini motorcycles, auto-scooters, scooters, scooterates, mopeds, motorcars, motor buses, mini buses, motor lorries, motor trucks, tractors, motor-lorries, motor-cycles, motors, cycle cars, cycles, scooters, buses, omnibuses, jeeps, trolleys, tractors, trailers, power tillers, sprayers, buses, motor vans, pick-up vans, ambulances, vehicles locomotives, tanks, ships, engines, wagons, boats, barges, launches, submarines, aero planes, airships, sea planes, balloons, aircrafts, space-ships, space crafts, rockets, spaceshuttles and other conveyances of all kinds and description, components, parts thereof, spare parts, accessories, implements, materials and products for the transport or conveyances of passengers, merchandise and goods of every description and other vehicles and products, whether propelled or used by means of petrol, spirit, steam, oil, vapour, gas, coal, electricity, petroleum, atoms, or any other motive or mechanical power, in India or elsewhere.

4. (i) To carry on the business of manufacturers of and merchants and dealers in all components and parts and accessories of vehicles of every kind and engines of every kind.

   (ii) To carry on the business of manufacturers, mechanical engineers, founders, fitters, tool makers, brass founders, metal makers, boiler makers, mill-wrights, machinists, iron and steel converters, smiths, wire drawers, tube makers, metallurgists, saddlers, galvanisers, japanners, annealers, painters, electrical engineers, water supply engineers, gas makers, packing case makers, dealers in steel frames, farmers, printers, carriers, automobile consultants, enamellers, electroplaters, wood-workers, builders, tool makers, pattern makers, refiners, and manufacturers of agricultural implements or other machinery.

   (iii) To manufacture, produce, repair, export, import, purchase, sell and deal in and generally to carry on business in the manufacture, sale and supply of brake exhausters, compressors, servo units and other components and accessories thereof for vehicles of every kind.

   (iv) To carry on the business of designers, developers, manufacturers, distributors, sellers and dealers in all types of internal combustion engines, including oil and petrol engines, diesel engines, engines operating on hybrid power, on gas, turbines, for use as stationary engines or in all kinds of automobiles, including tractors, earthmovers and all kinds of off-highway vehicles, and also for stationary applications, and to buy, sell, repair, convert, alter, export, import, let on hire all types of internal combustion engines.

   (v) To carry on the business of manufacturers and dealers in, hirers, repairers, cleaners, storers, and warehousers of motor cars, motor cycles, cycle cars, motor, scooters, cycles, bicycles, and carriages, launches, boats and other conveyances of all descriptions whether propelled or assisted, by means of petrol, spirit, steam, gas, electrical, or through power and all engines, chassis, bodies, component parts, accessories, fittings and other things used in or capable of being used in or in connection with vehicles and engines stationery or otherwise.

   (vi) To carry on the business of iron and steel founders and founders of non-ferrous metals in all their branches and to carry on business of smelters, and of casting, forming and shaping parts and components of plant, machinery and equipment and articles of every description of ferrous and non-ferrous metals and other materials.

   The Company was incorporated with the objects of making or holdings investments and subsequently the objects were altered as specified in Sr No. 2 above.

3. The Transferor Company 1 is engaged in the business of making and holding investments and also trading in automobile spare parts.

4. The share capital of the Transferor Company 1 (as on date of this Notice) is as follows:

Particulars	Amount in INR
Authorised Share Capital	
21,00,00,000 equity shares of INR 1 each	21,00,00,000
Total	**21,00,00,000**
Issued, Subscribed and Paid-up Share Capital	
20,00,31,664 equity shares of INR 1 each, fully paid up	20,00,31,664
Total	**20,00,31,664**

5. The latest annual financial statements of the Transferor Company 1 for the financial year ended on March 31, 2022 have been audited. The copy of the audited financial statements of the Transferor Company 1 as on June 30, 2022 is appended as '**Annexure III**'.

6. The details of Promoters and Directors of the Transferor Company 1 (as on the date of the Notice) along with their addresses are mentioned herein below:

Sr. No.	Name	Category	Address
Promoters			
1.	Mr Venu Srinivasan as trustee of VS Trust	Promoter	"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai, Tamil Nadu - 600 006
2.	Mr Venu Srinivasan		"West Side House", No.3, Adyar Club Gate Road, Chennai 600 028
3.	Mrs Mallika Srinivasan		"West Side House", No.3, Adyar Club Gate Road, Chennai - 600 028
4.	Mr Sudarshan Venu		84 Binjai Park, Singapore - 589 879
5.	Dr. Lakshmi Venu		No.11/5, Murugappa Road, Kotturpuram, Chennai - 600 085
Directors			
1.	Mr H Lakshmanan (DIN: 00057973)	Non-Executive Director	"Palacio", Apartment No. D1 (First Floor), No.408 (Old No.216) TTK Road, Alwarpet, Chennai 600 018
2.	Mr K Gopala Desikan (DIN: 00067107)		Flat No T3, Mithila Apartments, No 15/17, Justice Sundaram Road, Mylapore, Chennai - 600 004
3.	Mr Sameer Sah (DIN:01844078)		Flat 18092, Kohinoor City, Phase - II, Kirol Road, Off Lbs Road Kurla (W), Mumbai - 400 070

C. Particulars of the Transferor Company 2 (VS Investments Private Limited)

1. The Transferor Company 2 was incorporated on September 29, 2021 under the provisions of the Act as a company limited by shares. The registered office of the Company is situated at "Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai, Tamil Nadu - 600 006 India. The Company is accordingly registered with the Registrar of Companies, Chennai having Corporate Identity Number U51100TN2021PTC146623. Its Permanent Account Number with the Income Tax Department is AAICV3043P. The email address of the Transferor Company 2 is corp.secretarial@yahoo.com. Since the incorporation of the Transferor Company 2, there has been no change in the name and registered office.

2. The extracts of the main objects, *inter alia*, are briefly as under:

   (1) To carry on the business of buying, selling, reselling, importing, exporting, transporting, storing, developing, promoting, marketing or supplying, trading, dealing in any manner whatsoever in all type of goods on retail as well as on wholesale basis in India or elsewhere.

   (2) To carry on the business as exhibitors of various goods, services and merchandise and to undertake the necessary activities to promote sales of goods, services and merchandise manufactured/dealt with by the Company.

3. The Company was incorporated with the objects to carry out the business of making and holdings investments. Subsequently, the objects were substituted as specified in Sr. No. 2 above.

4. The share capital of the Transferor Company 2 (as on date of this Notice) is as follows:

Particulars	Amount in INR
Authorised Share Capital	
10,00,000 equity shares of INR 1 each	10,00,000
Total	**10,00,000**
Issued, Subscribed and Paid-up Share Capital	
1,00,000 equity shares of INR 1 each, fully paid up	1,00,000
Total	**1,00,000**

5. The latest annual financial statements of the Transferor Company 2 for the financial year ended March 31, 2022 have been audited. The copy of the audited financial statements of the Transferor Company 2 as on June 30, 2022 is appended as '**Annexure IV**'.

6. The details of Promoters and Directors of the Transferor Company 2 (as on the date of the Notice) along with their addresses are mentioned herein below:

Sr. No.	Name	Category	Address
Promoters			
1.	Mr Venu Srinivasan as trustee of VS Trust	Promoter	"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai, Tamil Nadu - 600 006
2.	Mr Venu Srinivasan		"West Side House", No.3, Adyar Club Gate Road, Chennai - 600 028
Directors			
1.	Mr N Srinivasa Ramanujam (DIN: 07384809)	Non-Executive Director	No.9/4, 3rd Main Road, Krishna Nagar, Chromepet, Chennai - 600 044
2.	Mr Nilanjan Ghose (DIN: 01150833)		Cedar, Tower No. 4, Flat No. 801, M G Link Road Nahur, Bhandup West, Mumbai - 400 078.

D. Particulars of the Resulting Company (Sundaram - Clayton DCD Limited)

1. The Resulting Company was incorporated on August 29, 2017 under the provisions of the Act as a company limited by shares. The registered office of the Company is situated at "Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai, Tamil Nadu - 600 006 India. The Company is accordingly registered with the Registrar of Companies, Chennai having Corporate Identity Number U51100TN2017PLC118316. Its Permanent Account Number with the Income Tax Department is AAGCT4069D. The email address of the Resulting Company is corpsec@sundaramclayton.com. The Company was incorporated as TVS Commodity Financial Solutions Private Limited, and the name was changed into Sundaram-Clayton DCD Private Limited. Subsequently the Company was converted into a Public Company with effect from 24th February 2022. The registered office of the Company was shifted from "Jayalakshmi Estates", No. 29 (Old No. 8) Haddows Road, Chennai - 600 006, to "Chaitanya" No. 12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006 with effect from 28th September 2020. The Resulting Company is a wholly owned subsidiary of the Company.

2. The extracts of the main objects, *inter alia*, are briefly as under:

    1. To carry on the business of manufacturers of and merchants and dealers in all components and parts and accessories of vehicles of every kind and engines of every kind and to carry on the business of manufacturers, mechanical engineers, founders, fitters, tool makers, brass founders, metal makers, boiler makers, mill-wrights, machinists, iron and steel converters, smiths, wire drawers, tube makers, metallurgists, saddlers, galvanisers, japanners, annealers, painters, electrical engineers, water supply engineers, gas makers, packing case makers, dealers in steel frames, farmers, printers, carriers, automobile consultants, enamellers, electroplaters, wood - workers, builders, tool makers, pattern makers, refiners, and manufacturers of agricultural implements or other machinery and to manufacture, produce, repair, export, import, purchase, sell and deal in and generally to carry on business in the manufacture, sale and supply of brake exhausters, compressors, servo units and other components and accessories thereof for vehicles of every kind and to carry on the business of designers, developers, manufacturers, distributors, sellers and dealers in all types of internal combustion engines, including oil and petrol engines, diesel engines, engines operating on hybrid power, on gas, turbines, for use as stationary engines or in all kinds of automobiles, including tractors, earthmovers and all kinds of off-highway vehicles, and also for stationary applications, and to buy, sell, repair, convert, alter, export, import, let on hire all types of internal combustion engines and to carry on the business of manufacturers and dealers in, hirers, repairers, cleaners, storers, and warehousers of motor cars, motor cycles, cycle cars, motor, scooters, cycles, bicycles, and carriages, launches, boats and other conveyances of all descriptions whether propelled or assisted, by means of petrol, spirit, steam, gas, electrical, or through power and all engines, chassis, bodies, component parts, accessories, fittings and other things used in or capable of being used in or in connection with vehicles and engines stationery or otherwise and to carry on the business of iron and steel founders and founders of non-ferrous metals in all their branches and to carry on business of smelters, and of casting, forming and shaping parts and components of plant, machinery and equipment and articles of every description of ferrous and non-ferrous metals and other materials.

    2. To acquire and carry on the business of manufacture of rubber articles and to purchase, take on lease or otherwise acquire, hold and work any lands producing rubber trees or suitable for planting, cultivation and growth of rubber

trees and any concessions, rights, powers and privileges over any such lands and machinery and to generate, develop, accumulate, produce, manufacture, purchase, process, transform, distribute, transmit, sale, supply and / or otherwise import, export, deal in any kind of power of electrical energy using coal, lignite, petroleum products or any other substances, wind energy, solar energy, wave energy, tidal energy, hydro energy, nuclear energy, bio energy or any other form of energy and any products or byproducts derived from any such business of energy and to set up power plants, wind turbines, power stations, hydel power station, wind farms, solar energy systems or any other facility to generate power and to produce, buy, import, sale, treat, exchange, renovate, alter, modernize, install or otherwise deal in any type of machinery, equipment, implement, material, article and stores for generating, distributing, transmitting energy, including electricity and to deal with all persons including companies, government and semi-government bodies for these purpose and to deal with all places including cities, towns, villages, districts, docks, markets, theatres, building, industries, offices or any other place and to all such acts, deeds and things including construction, laying down, establishing, fixing and to carry out all necessary activities for the aforesaid purpose and to generate, acquire by purchase in bulk, accumulate, distribute and supply electricity to cities, towns, streets, docks, markets, theatres, buildings and places, both public and private and to carry on in India or elsewhere the business of establishing, commissioning, setting up, operating and maintaining electric power generating stations based on conventional / renewable sources, tie-lines, sub-stations and transmission lines on build, own and operate (BOO) and / or build, own and transfer (BOT) and / or build, own, lease and transfer (BOLT) and / or build, own, operate and transfer (BOOT) basis and to carry on in India or elsewhere the business of acquiring, operating, managing and maintaining existing power generation stations, tie-lines, sub-stations and transmission lines, either owned by the private sector or public sector or the government or governments or other public authorities and for any or all of the aforesaid purposes, to do all the necessary or ancillary activities, as may be considered necessary or beneficial or desirable and to carry on the business of generating, harnessing, developing, accumulating, producing, manufacturing, purchasing, transforming, processing, distributing, transmitting, trading and supplying of electricity by setting up power plants by use of liquid, gaseous or solid fuels or any other matters / substances or through renewable energy sources such as solar photo voltaic, solar thermal, windmill or deploying hybrid systems utilising two or more of technologies that are renewable or even conventional and or any other means and transmission, distribution, supply and sell such power either directly or through transmission lines and facilities of central / state governments, or, central / state run establishments or private companies or electricity boards to industries and to central / state governments, other consumers of electricity including captive consumption for any industrial projects promoted by this company or companies promoted by the promoters of this company and generally to develop, generate, accumulate power at any other place or places and to transmit, distribute, sell and supply such power.

3. To carry on the business of generation of electrical power by conventional, non-conventional, renewable methods including coal, gas lignite, oil, biomass, waste, thermal, solar, hydel, geo-hydel, wind and tidal waves and also to carry on the business of supply of electricity for the purpose of light, heat, motive power or otherwise and manufacture of and dealers in apparatus and things required for or capable of being used in connection with the generation, distribution, supply, accumulation and employment of electricity (including in the term electricity, solar energy, tidal power or any other natural resources), galvanism, magnetism or otherwise and to carry on the business of construction and establishment, operation, management of power stations, boiler houses, steam turbines, switch yards, transformer yards, sub-stations, transmission lines, accumulators, workshops and all such works necessary for generating, accumulating, distributing and supply of electricity, and for this purpose, to construct, lay down, establish, fix, erect, equip and maintain power generating machineries and all other types of plant and machinery, electrical equipment and cables, computer and control equipments, transmission lines, accumulators, fittings and apparatus in the capacity of principals, contractors or otherwise and to undertake the business of consultants and contractors in setting up all types of plants for production of electricity, electronics and other allied fields and to carry on the business of promoting, owning, acquiring, erecting, constructing, establishing, maintaining, improving, managing, operating, altering, controlling, taking on hire/lease power plants, co-generation power plants, energy conservation projects, power houses, transmission and distribution systems of generation, distribution, transmission and supply of electrical energy and buying, selling, supplying, exchanging, marketing, functioning as a licencee and dealing in electrical power, energy to the State Electricity Board, State Government, appropriate authorities, licencees, specific industrial units and other consumers for industrial, commercial, agricultural, household and any other purpose in India and elsewhere in any area to be specified by the State Government, Central Government, Local Authority, State Electricity Boards and any other competent authority in accordance with the provisions of Indian Electricity Act, 1910 and/or Electricity (Supply) Act, 1948 or any state Act concerning generation, supply and distribution of electricity and any statutory modifications or re-enactment thereof and rules made thereunder and to establish captive power plants on a co-operative basis for a group of industrial and other consumers and

supply power to the participants in the co-operative effort either directly or through the transmission lines of the State Electricity Boards or other authorities by entering into appropriate arrangements, to establish systems that are capable of providing heat and thermal energy that either substitute or lead to saving of electrical energy and energy efficiency and to undertake manufacture of energy efficiency systems and to invest in the equity of the special purpose vehicles or companies set up for power generation through fossil fuels and/or renewable energy sources, and transmission, distribution, supply, distribution and wheel the power generated for captive consumption and or sell such power either directly or through transmission lines and facilities of central / state governments or central / state run establishments or private companies or Electricity Boards to industries and to central / state governments, other consumers of electricity including captive consumption for any industrial projects promoted by this company or companies promoted by the promoters of this company and generally to develop, generate, accumulative power at any other place or places and to transmit, distribute, sell and supply such power.

4. To carry on the business of electricians, electrical engineers, and manufacturers of all kinds of electrical machinery and electrical apparatus for any purpose whatsoever and to manufacture, sell, supply and deal in accumulators, lamps, motors, engines, dynamos, batteries, telephonic or telegraphic apparatus of any kind and manufacturers of and dealers in scientific instruments of any kind and to buy, sell, let on hire, take on hire, repair, alter and deal in machinery, component parts, accessories and fittings of all kinds for motors and vehicles and all articles and things used in or capable of being used in connection with the manufacture, maintenance and working thereof and to carry on the business of garage keepers, filling station operators service station operators and suppliers of and dealers in petrol, diesel, oil, electricity and other motive power to motors and other things and to carry on (either in connection with the aforesaid business or as distinct and separate business) the businesses of garage proprietors and to buy, sell, supply and deal in petrol, oil and petroleum products, electricity, new and used motor vehicles, parts of such vehicles, their accessories and supplies.

5. To bring, buy, sell, manufacture, plant, cultivate, prepare, repair, convert, hire, alter, treat, manipulate, exchange, let on hire, import, export, dispose off and deal in machinery, implements, rolling stock, plant, hardware, ores, metals, iron, carbon-black, rayon, Hessian, store materials, tools, appliances, apparatus, products, substances and articles of all kinds (whether referred to in the Memorandum or not) which may seem to the company capable of being used or required for the purpose of any of the businesses which the company is expressly or by implication authorised to carry on or which are usually supplied or dealt in by persons engaged in any such businesses or which may seem to the company capable of being conveniently carried on in connection with the above or otherwise calculated directly or indirectly to enhance the value of any of the property and rights of the company for the time being.

The Company was incorporated with the objects of providing financial assistance to the entities engaged in Commodity businesses, subsequently the objects were substituted as specified in Sr. No. 2. i.e., to carry on the business of manufacturing non-ferrous gravity and pressure die castings.

3. The share capital of the Resulting Company (as on date of this Notice) is as follows:

Particularss	Amount in INR
Authorised Share Capital	
2,500 equity shares of INR 10 each	25,000
Total	**25,000**
Issued, Subscribed and Paid-up Share Capital	
2,500 equity shares of INR 10 each, fully paid up	25,000
Total	**25,000**

4. The latest annual financial statements of the Resulting Company for the financial year ended on March 31, 2022 have been audited. The copy of the audited financial statements of the Resulting Company as on June 30, 2022 is appended as '**Annexure V**'.

5. The details of Promoters and Directors of the Resulting Company (as on the date of the Notice) along with their addresses are mentioned herein below:

Sr. No.	Name	Category	Address
		Promoter	
1.	Sundaram-Clayton Limited (CIN: L35999TN1962PLC004792)	Promoter	"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006
		Directors	
1.	Mr Venu Srinivasan (DIN: 00051523)	Director Non-Executive	"West Side House", No.3, Adyar Club Gate Road, Chennai - 600 028
2.	Dr. Lakshmi Venu (DIN: 02702020)		No.11/5, Murugappa Road, Kotturpuram, Chennai - 600 085
3.	Mr R Gopalan (DIN: 01624555)		House No. D - 256 3rd Floor, Defence Colony, New Delhi - 110 024
4.	Mr Rajesh Narasimhan (DIN: 07824276)		23 Leonie Hill, No. 11-02, Singapore - 239 224
5.	Ms Sasikala Varadachari (DIN: 07132398)		E-11, Hiranya Apartments, Greenways Road Extension, Chennai - 600 028
6.	Mr Vivek Joshi (DIN: 09522758)		J-11, Culture Crest, Spine Road, Near Spine City Mol, Sector No 6, Santnagar, Moshi Pardhikaran, Alandi Rural, Alandi Devachi Khed, Pune, Maharashtra - 412 105

Note: The Board of Directors of the Company was re-constituted on 7th September 2022.

5. SALIENT FEATURES OF THE SCHEME

(The capitalized terms used herein shall have the same meaning as ascribed to them in Clause 1 of Part I of the Scheme)

(i) The Scheme, *inter alia*, provides for:

a. issue of 116 Non-Convertible Redeemable Preference Shares (NCRPS) of INR 10 each fully paid up of the Company for every 1 equity share of INR 5 each fully paid up, by way of bonus to the shareholders of the Company by utilising its general reserves/retained earnings. The NCRPS to be issued by the Company will be listed on both BSE and NSE;

b. amalgamation of the Transferor Company 1 with the Company, cancellation of the share capital of the Transferee Company held by the Transferor Company 1 and the consequent issue of equity shares and NCRPS in consideration thereof;

c. amalgamation of the Transferor Company 2 with the Company and cancellation of the share capital of the Transferee Company held by the Transferor Company 2 and the consequent issue of equity shares in consideration thereof; and

d. demerger, transfer and vesting of the Demerged Undertaking (as defined in the Scheme) from the Company into the Resulting Company on a going concern basis, reduction and cancellation of the entire existing paid-up share capital of the Resulting Company held by the Demerged Company and the consequent issue of equity shares and preference shares by the Resulting Company, such that the shareholding percentage of the Resulting Company will mirror the shareholding of the Company. The equity shares to be issued by the Resulting Company will be listed on both BSE and NSE and the preference shares to be issued by the Resulting Company will not be listed on any stock exchange.

(ii) The appointed date of each part of the Scheme is the effective date of such part.

(iii) The Scheme is, *inter alia*, subject to receipt of approval from the statutory, regulatory and customary approvals, including approvals, jurisdictional National Company Law Tribunal and the shareholders and creditors (as applicable) of the companies involved in the Scheme.

(iv) The Company has obtained approval from the Stock Exchanges for the Scheme.

Note: The above details are the salient features of the Scheme. The Unsecured Creditors are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.

6. RELATIONSHIP SUBSISTING BETWEEN PARTIES TO THE SCHEME

i. The Company is a subsidiary of the Transferor Company 1; and

ii. The Resulting Company is a wholly owned subsidiary of the Company.

7. BOARD APPROVALS

i. The Board of Directors of the Company at its Meeting held on February 9, 2022, by a resolution passed unanimously approved the Scheme after considering recommendations of its Audit Committee and the Committee of Independent Directors, respectively, as detailed below:

Name of Director	Voted in favour/ against/ did not participate or vote
Mr Venu Srinivasan	in favour
Dr. Lakshmi Venu	in favour
Mr Kamlesh Gandhi *	in favour
Mr K Gopala Desikan	in favour
Mr R Gopalan	in favour
Vice Admiral P J Jacob [Retd.]	in favour
Mr Rajesh Narasimhan	in favour
Mr S Santhanakrishnan *	in favour
Ms Sasikala Varadachari	in favour
Mr V Subramanian *	in favour
Mr Sudarshan Venu	in favour
Mr R Vijayaraghavan *	in favour

* Ceased as Independent Directors upon completion of their respective term on 20th August 2022.

ii. The Board of Directors of the Transferor Company 1 at its Meeting held on February 9, 2022, by a resolution passed unanimously approved the Scheme, as detailed below:

Name of Director	Voted in favour/ against/ did not participate or vote
Mr H Lakshmanan	In favour
Mr K Gopala Desikan	In favour
Mr Sameer Sah	In favour

iii. The Board of Directors of the Transferor Company 2 at its Meeting held on February 9, 2022, by a resolution passed unanimously approved the Scheme, as detailed below:

Name of Director	Voted in favour / against / did not participate or vote
Mr N Srinivasa Ramanujam	In favour
Mr Nilanjan Ghose	In favour
Mr V N Venkatanathan *	In favour

* Demise on 29th September 2022

iv. The Board of Directors of the Resulting Company at its Meeting held on February 9, 2022, by a resolution passed unanimously approved the Scheme, as detailed below:

Name of Director	Voted in favour/ against/ did not participate or vote
Mr V Gopalakrishnan	In favour
Mr N Srinivasa Ramanujam	In favour
Mr R Raja Prakash	In favour

Note: The Board of Directors of the Company as on February 9, 2022, as mentioned-above, approved the Scheme. However, the Board of Directors of the Company were reconstituted with effect from 7th September 2022 as specified in Sr. No. 4 (5) under Particulars of the Resulting Company (Sundaram - Clayton DCD Limited).

8. INTEREST OF DIRECTORS, KEY MANAGERIAL PERSONNEL (KMPS) AND THEIR RELATIVES

Details of shares held by the present Directors and KMPs of the Company, Transferor Company 1, Transferor Company 2 and the Resulting Company either individually or jointly, as a first holder or second holder or as a nominee and by their relatives, in the respective companies, are as under:

i. Company:

Sr. No.	Name of the Director/ KMPs and relatives of directors and KMPs	Category	Number of equity shares held as on 11.11.2022
1.	Mrs Mallika Srinivasan	Relative of Director	1,233
2.	Dr. Malini Srinivasan		66
3.	Mr Gopal Srinivasan		66
4.	Mr K Gopala Desikan	Director & Group Chief Financial Officer	100
5.	Mr Vivek Joshi	Chief Executive Officer	10
6.	Mr R Raja Prakash	Company Secretary	1

ii. Transferor Company 1

Sr. No.	Name of the Director/ KMPs and relatives of directors and KMPs	Designation	Number of equity shares held as on 11.11.2022
Nil			

iii. Transferor Company 2

Sr. No.	Name of the Director/ KMPs and relatives of directors and KMPs	Designation	Number of equity shares held as on 11.11.2022
Nil			

iv. Resulting Company

Sr. No.	Name of the Director/ KMPs and relatives of directors and KMPs	Designation	Number of equity shares held as on 11.11.2022
1.	Mr Vivek Joshi	Director	1 (Nominee of Sundaram-Clayton Limited)

Save as aforesaid, none of the Directors and KMPs of the said companies and their relatives have any concern or interest in the Scheme.

9. EFFECT OF SCHEME ON STAKEHOLDERS

The effect of the Scheme on various stakeholders is summarised below:

i. Shareholders, Key Managerial Personnel, Promoter and Non-Promoter Shareholders

The effect of the Scheme on the Shareholders, key managerial personnel, promoter and non-promoter shareholders of the Company, Transferor Company 1, Transferor Company 2 and the Resulting Company, respectively, are appended in the attached reports i.e. **Annexure VI - IX**, adopted by the respective Board of Directors of the Company, Transferor Company 1, Transferor Company 2 and the Resulting Company, respectively, at their meetings held on February 9, 2022, pursuant to the provisions of Section 232(2)(c) of the Act.

ii. Directors

(a) Pursuant to the Scheme, the Resulting Company will engage, without any interruption in service, all employees engaged in or in relation to the Demerged Undertaking of the Company, including Managing Director of the Demerged Company, on the terms and conditions not less favourable than those on which they are engaged by the Demerged Company. Apart from the above, the Scheme will have no effect on the office of existing Directors of the Company and the Resulting Company and they will continue to be Directors of the Company and the Resulting Company, respectively, as before. Pursuant to the Scheme, the Transferor Company 1 and Transferor Company 2, will be dissolved without winding up. The KMPs concerned of the Transferor Company 1 and Transferor Company 2, shall become employees of the Company without any interruption in their service.

(b) It is clarified that the composition of the Board of Directors of the companies may change by appointments, retirements or resignations or death in accordance with the provisions of the Act, SEBI Listing Regulations and

Memorandum and Articles of Association of such companies but the Scheme itself does not affect the office of Directors of such companies.

(c) The effect of the Scheme on Directors of the respective companies in their capacity as shareholders of such companies are the same as in case of other shareholders of such company, as mentioned in the aforesaid report, appended as **Annexure VI - IX**.

iii. Employees

Pursuant to the Scheme, the Resulting Company will engage, without any interruption in service, all employees engaged in or in relation to the Demerged Undertaking of the Company, including Managing Director of the Demerged Company, on the terms and conditions not less favourable than those on which they are engaged by the Demerged Company. Apart from the above, employees engaged in the Company and the Resulting Company will continue to be employees of the Company and the Resulting Company, respectively, on the same terms and conditions, as before. Further, all employees of the Transferor Company 1 and Transferor Company 2 shall become employees of the Company, without any interruption in service, on terms and conditions no less favourable than those on which they are engaged by the Transferor Company 1 and Transferor Company 2, respectively.

iv. Creditors

Except as stated in the Scheme, the creditors of the Company and the Resulting Company will continue to be creditors of the Company and the Resulting Company, respectively, on the same terms and conditions, post the Scheme becoming effective. Further in terms of Part III and Part IV of the Scheme, all creditors of the Transferor Company 1 and Transferor Company 2 will become creditors of the Company, on the same terms and conditions as were applicable to the Transferor Company 1 and Transferor Company 2, post the Scheme becoming effective. Further in terms of Part V of the Scheme, creditors of the Company forming a part of the Demerged Undertaking will become creditors of the Resulting Company, on the same terms and conditions as were applicable to the Company, post the Scheme becoming effective.

v. Debenture holders and Debenture Trustees

In terms of the Scheme, the debenture holders and debenture trustees of the Company forming a part of the Demerged Undertaking will become the debenture holders and debenture trustees of the Resulting Company, on the same terms and conditions as were applicable to the Company, post the Scheme becoming effective. There are no debentures issued by the Transferor Company 1 and Transferor Company 2.

vi. Depositors and Deposit Trustees

The Company, Transferor Company 1, Transferor Company 2 and the Resulting Company have not taken term deposits from depositors. Hence, no deposit trustees have been appointed by the said companies.

There will be no adverse effect on account of the Scheme on the aforesaid stakeholders. The Scheme is proposed to the advantage of all concerned, including the said stakeholders.

10. NO INVESTIGATION PROCEEDINGS

There are no proceedings pending under Sections 210 to 227 of the Act against the Company, Transferor Company 1, Transferor Company 2 and the Resulting Company.

11. AMOUNTS DUE TO UNSECURED CREDITORS

i. The amount due to unsecured creditors by the respective companies, as on 31st October 2022 is as follows:

Sl. No.	Particularss	Amount in INR
1.	Sundaram - Clayton Limited (Company)	5,68,67,54,424
2.	TVS Holdings Private Limited (Transferor Company 1)	73,58,19,682
3.	VS Investments Private Limited (Transferor Company 2)	122,70,47,423
4.	Sundaram - Clayton DCD Limited (Resulting Company)	1,23,385

ii. The Scheme embodies the arrangement between the Company, Transferor Company 1, Transferor Company 2 and the Resulting Company and their shareholders and creditors. No change in value or terms or any compromise or arrangement is proposed under the Scheme with any of the creditors of the Company, Transferor Company 1, Transferor Company 2 and the Resulting Company. The Scheme does not involve any debt restructuring and therefore the requirement to disclose details of debt restructuring is not applicable.

12. VALUATION REPORT AND FAIRNESS OPINION

i. A copy of the share entitlement ratio report dated February 9, 2022, issued by Ms. Drushti R Desai (Registration No. IBBI/RV/06/2019/10666), Registered Valuer (**"Share Entitlement Ratio Report"**), including addendum(s) issued thereto, in connection with the Scheme is appended as **Annexure X**.

ii. A copy of the fairness opinion report dated February 9, 2022, issued by SBI Capital Markets Limited (Registration No. INM000003531), an Independent SEBI registered Merchant Banker, have also confirmed that the Share Entitlement Ratio Report is fair and proper by presenting their fairness opinion appended as **Annexure XI**.

13. ABRIDGED PROSPECTUS

Abridged prospectus providing information pertaining to the unlisted entities i.e. Transferor Company 1, Transferor Company 2 and the Resulting Company, respectively involved in the scheme as per the format specified in Part E of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations") are appended as **'Annexures XII to XIV'**.

14. SHAREHOLDING PATTERN

A. The pre / post-arrangement shareholding pattern of the parties to the Scheme:

Step 1 - Issue of bonus NCRPS to Shareholders of the Company (Consideration as per Clause 4.1 of the Scheme):

Sl. No.	Name of the Shareholder (M/s.)	Shareholding of SCL (Pre - Bonus NCRPS Issue)		Shareholding of SCL (Post - Bonus NCRPS Issue)			
		No of Equity Shares	% of Holding	No of Equity Shares	% of Holding	No of NCRPS	% of Holding
Promoter & Promoter Group							
1.	TVS Holdings Private Ltd	1,30,94,460	64.72	1,30,94,460	64.72	1,51,89,57,360	64.72
2.	Sundaram Finance Holdings Limited	19,69,600	9.74	19,69,600	9.74	22,84,73,600	9.74
3.	Mallika Srinivasan	1,233	–	1,233	–	1,43,028	–
	Total (A)	**1,50,65,293**	**74.46**	**1,50,65,293**	**74.46**	**1,74,75,73,988**	**74.46**
Public							
4.	Public Shareholders - (B)	51,66,792	25.54	51,66,792	25.54	59,93,47,872	25.54
	Total (A + B)	**2,02,32,085**	**100.00**	**2,02,32,085**	**100.00**	**2,34,69,21,860**	**100.00**

Step 2 - Amalgamation of the Transferor Company 1 with SCL (Consideration as per Clause 10.1 of the Scheme):

Issue and allotment of 1,30,94,460 equity shares of INR 5 each fully paid up and 151,89,57,360 Preference Shares of INR 10 each fully paid up to the shareholders of the Transferor Company 1:

Sl. No.	Name of the Shareholder (M/s.)	Shareholding of SCL			
		No of Equity Shares	% of Holding	No of NCRPS	% of Holding
1.	Venu Srinivasan, as Trustee of VS Trust	1,03,23,104	51.02	1,19,74,80,064	51.02
2.	Venu Srinivasan	23,82,847	11.78	27,64,10,252	11.78
3.	Mallika Srinivasan	56,510	0.28	65,55,160	0.28
4.	Sudarshan Venu	1,65,043	0.82	1,91,44,988	0.82
5.	Dr. Lakshmi Venu	1,65,043	0.82	1,91,44,988	0.82
6.	Others (65 nos.)	1,913	–	2,21,908	–
	Total	**1,30,94,460**	**64.72**	**1,51,89,57,360**	**64.72**

Post shareholding pattern of SCL upon merger of the Transferor Company 1:

Sl. No.	Name of the Shareholder (M/s.)	Shareholding of SCL			
		No of Equity Shares	% of Holding	No of NCRPS	% of Holding
Promoter & Promoter Group					
1.	Venu Srinivasan, as Trustee of VS Trust	1,03,23,104	51.02	1,19,74,80,064	51.02
2.	Venu Srinivasan	23,82,847	11.78	27,64,10,252	11.78
3.	Mallika Srinivasan	57,743	0.28	66,98,188	0.28
4.	Sudarshan Venu	1,65,043	0.82	1,91,44,988	0.82
5.	Dr. Lakshmi Venu	1,65,043	0.82	1,91,44,988	0.82
6.	Sundaram Finance Holdings Limited	19,69,600	9.74	22,84,73,600	9.74
	Total (A)	**1,50,63,380**	**74.46**	**1,74,73,52,080**	**74.46**
Public					
7.	Public Shareholders - (B)	51,68,705	25.54	59,95,69,780	25.54
	Total (A + B)	**2,02,32,085**	**100.00**	**2,34,69,21,860**	**100.00**

Step 3 -

i. Sale of NCRPS to the Transferor Company 2 (Clauses 33.4 & 37.2.3 of the Scheme):

Immediately post amalgamation of the Transferor Company 1 with the Company and prior to amalgamation of the Transferor Company 2 with the Company, few members of the Promoter Group of the Company will effectively surrender their NCRPS held *in lieu* of the monetary obligations of the promoter companies, as enumerated below:

(a) The Transferor Company 2 has extended loan to the promoters of the Transferor Company 1. Further, post the allotment of NCRPS by the Company to the shareholders of the Transferor Company 1 (upon amalgamation of the Transferor Company 1 with the Transferee Company), a portion of such NCRPS will be transferred by the promoters of the Transferor Company 1 to the Transferor Company 2. The reference to this transaction is made under Clause 33.4 and Clause 37.2.3 of the Scheme. The said promoter owned NCRPS will be utilised for settlement of the loan and the balance amount, if any, will be settled by the promoters of the Company with their own funds; and

(b) Accordingly, amalgamation of the Transferor Company 2 with the Company will be cash neutral to the Company and there will not be any adverse impact on financial statements the Company.

ii. Amalgamation of the Transferor Company 2 with SCL (Consideration as per Clause 18.1 of the Scheme):

Issue and allotment of 19 equity shares of INR 5 each fully paid up to the shareholders of the Transferor Company 2

Sl. No.	Name of the Shareholder (M/s.)	No of Equity Shares	% of Holding
1.	Venu Srinivasan, as Trustee of VS Trust	19	–

Post shareholding pattern of SCL upon the amalgamation of the Transferor Company 2:

Sl. No.	Name of the Shareholder (M/s.)	Shareholding of SCL			
		No of Equity Shares	% of Holding	No of NCRPS	% of Holding
Promoter & Promoter Group					
1.	Venu Srinivasan, as Trustee of VS Trust	1,03,23,123	51.02	–	–
2.	Venu Srinivasan	23,82,847	11.78	–	–
3.	Mallika Srinivasan	57,743	0.28	66,98,188	0.77
4.	Sudarshan Venu	1,65,043	0.82	1,91,44,988	2.19
5.	Dr. Lakshmi Venu	1,65,043	0.82	1,91,44,988	2.19
6.	Sundaram Finance Holdings Limited	19,69,600	9.74	22,84,73,600	26.17
	Total (A)	**1,50,63,399**	**74.46**	**27,34,61,764**	**31.32**
Public					
7.	Public Shareholders - (B)	51,68,705	25.54	59,95,69,780	68.68
	Total (A + B)	**2,02,32,104**	**100.00**	**87,30,31,544**	**100.00**

Step 4 - Demerger of Manufacturing Business of the Company to the Resulting Company (Consideration as per Clause 25.1 of the Scheme):

Sl. No.	Name of the Shareholder (M/s.)	Equity		NCRPS	
		No of Shares	% of Holding	No of Shares	% of Holding
Promoter & Promoter Group					
1.	Venu Srinivasan as Trustee of VS Trust	1,03,23,123	51.02	–	–
2.	Venu Srinivasan	23,82,847	11.78	–	–
3.	Mallika Srinivasan	57,743	0.28	6,698	0.77
4.	Sudarshan Venu	1,65,043	0.82	19,145	2.19
5.	Dr. Lakshmi Venu	1,65,043	0.82	19,145	2.19
6.	Sundaram Finance Holdings Limited	19,69,600	9.74	2,28,474	26.17
	Total (A)	**1,50,63,399**	**74.46**	**2,73,462**	**31.32**
Public					
7.	Public Shareholders - (B)	51,68,705	25.54	5,99,570	68.68
	Total (A + B)	**2,02,32,104**	**100.00**	**8,73,032**	**100.00**

It is hereby clarified that pursuant to the Scheme, there will be no change in the equity shareholding of pre-scheme public shareholders of the Company. Further, the rights and interests of the public shareholders of the Company will not be prejudicially affected by the Scheme, and there will be no change in the economic interest of public shareholders of Company, before and after Scheme.

B. Pre/ post Arrangement capital structure of the Company.

i. Company

The pre-arrangement capital structure of the Company is given in paragraph 4.A(4) above.

The post arrangement capital structure of the Company will be as follows:

Class of Shares (Equity Shares)	Authorised Capital	Issued Capital	Subscribed Capital	Paid up Capital
Number of equity shares	9,22,00,000	2,02,32,104	2,02,32,104	2,02,32,104
Nominal value per share (in rupees)	5	5	5	5
Total amount of equity shares (in rupees)	46,10,00,000	10,11,60,520	10,11,60,520	10,11,60,520

Class of Shares (Preference Shares)	Authorised Capital	Issued Capital	Subscribed Capital	Paid up Capital
Number of preference shares	250,00,00,000	234,69,21,860	234,69,21,860	234,69,21,860
Nominal value per share (in rupees)	10	10	10	10
Total amount of equity shares (in rupees)	2500,00,00,000	2346,92,18,600	2346,92,18,600	2346,92,18,600

ii. Transferor Company 1

The pre-arrangement capital structure of the Transferor Company 1 is given in paragraph 4.B(4) above. Post-arrangement, the Transferor Company 1 will be dissolved without winding up.

iii. Transferor Company 2

The pre-arrangement capital structure of the Transferor Company 2 is given in paragraph 4.C(5) above. Post-arrangement, the Transferor Company 2 will be dissolved without winding up.

iv. Resulting Company

The pre-arrangement capital structure of the Resulting Company is given in paragraph 4.D(4) above. The post arrangement capital structure of the Resulting Company will be as follows:

Class of Shares (Equity Shares)	Authorised Capital	Issued Capital	Subscribed Capital	Paid up Capital
Number of equity shares	5,00,00,000	2,02,32,104	2,02,32,104	2,02,32,104
Nominal value per share (in rupees)	5	5	5	5
Total amount of equity shares (in rupees)	25,00,00,000	10,11,60,520	10,11,60,520	10,11,60,520

Class of Shares (Preference Shares)	Authorised Capital	Issued Capital	Subscribed Capital	Paid up Capital
Number of preference shares	25,00,000	8,73,032	8,73,032	8,73,032
Nominal value per share (in rupees)	10	10	10	10
Total amount of preference shares (in rupees)	2,50,00,000	87,30,320	87,30,320	87,30,320

15. CERTIFICATE OF CONFORMITY OF ACCOUNTING TREATMENT IN THE SCHEME WITH ACCOUNTING STANDARDS

The Auditors of the Company, Transferor Company 1, Transferor Company 2 and the Resulting Company, respectively, have confirmed that the accounting treatment in the said Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013.

16. COMPLIANCE OF PRICING PROVISIONS FOR ALLOTMENT OF SHARES OF THE COMPANY

The pricing provisions of chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 have been complied with for the proposed Scheme.

17. APPROVALS AND INTIMATIONS IN RELATION TO THE SCHEME

i. The shares of the Company are listed on BSE and NSE (collectively referred to as **"Stock Exchanges"**). The Company had filed the Scheme with the Stock Exchanges in compliance with the terms of Regulation 37 of the SEBI Listing Regulations read with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 (**"SEBI Master Circular"**) for their observation letters. Apart from the same, the Company also submitted the Report of its Audit Committee and the Committee of Independent Directors, respectively, on the Scheme and various other documents to the Stock Exchanges and also displayed the same on their website in compliance with the terms of the SEBI Master Circular and addressed all queries on the said documents. The Complaints Report required to be filed in terms of the said SEBI Master Circular was also duly filed by the said Company. NSE and BSE by their respective letter dated July 29, 2022 issued to the Company have conveyed their "No Objection" on the Scheme pursuant to the said SEBI Master Circular. A copy of the complaint reports dated April 1, 2022 and April 7, 2022 submitted to NSE and BSE, respectively, are appended as **'Annexure XV and XVI'**. A copy of the observation letters dated July 29, 2022 issued to the Company are appended as **'Annexure XVII and XVIII'**.

ii. A copy of the Scheme has been filed by the Company with the Registrar of Companies, Chennai.

iii. The notice of the Meeting along with the copy of the Scheme in the prescribed form, will be served on all concerned authorities in terms of the Hon'ble Tribunal Order.

iv. All approvals as stated in clause 37 (Conditions Precedent) of the Scheme, in order to give effect to the Scheme will be obtained.

18. DISCLOSURES IN TERMS OF THE OBSERVATION LETTERS OF THE STOCK EXCHANGES

Details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors as on 30th September 2022:

i. There are no ongoing adjudication & recovery proceedings, prosecution initiated, and enforcement action taken, against the promoters and directors of the Company;

ii. There are no ongoing adjudication & recovery proceedings, prosecution initiated, and enforcement action taken, against the Company, which if results in an adverse outcome may materially and adversely affect the Scheme, the Company's operations or its financial position of the Company, as the case may be; and

iii. Further, the Company is involved in various legal proceedings from time to time, arising in the ordinary course of business. These legal proceedings are primarily in the nature of notices for tax/duties disputes, labour disputes/third party claims, writ petitions, civil suits, arbitral proceedings including counter claims, accident compensation/insurance claims/workmen compensation, and disputes related to suppliers dues, pending before various adjudicating forums. Further, in terms of the Company's "Policy on determination of materiality of an event" framed in accordance with Regulation 30 of the SEBI Listing Regulations, there is no outstanding litigation that has not been disclosed to the Stock Exchanges.

19. INSPECTION OF DOCUMENTS

In addition to the documents appended hereto, the electronic copy of following documents will be available for inspection in the investor section of the website of the Company at **www.sundaram-clayton.com**:

a. Copy of the Hon'ble Tribunal Order;

b. Memorandum and Articles of Association of the Company, Transferor Company 1, Transferor Company 2 and the Resulting Company;

c. Audited financial statements of the Company, Transferor Company 1, Transferor Company 2 and the Resulting Company, as on 31st March 2022;

d. Copy of the Scheme;

e. Certificate of the Statutory Auditor of the Company, Transferor Company 1, Transferor Company 2 and the Resulting Company, respectively, confirming that the accounting treatment prescribed under the Scheme is in compliance with Section 133 of the Act and applicable accounting standards; and

f. All other documents displayed on the Company's website in terms of the SEBI Master Circular, including Report of the Audit Committee of the Company.

Based on the above and considering the rationale and benefits, in the opinion of the Board, the Scheme will be of advantage to, beneficial and in the interest of the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable. The Board of Directors of the Company recommend the Scheme for approval of the Equity Shareholders and creditors of the Company.

N.P. Vijay Kumar
Chairperson appointed by
the Hon'ble Tribunal for the Meeting

Chennai, 14th November 2022

Registered Office:
"Chaitanya", No.12, Khader Nawaz Khan Road,
Nungambakkam, Chennai, Tamil Nadu - 600006 India
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Annexure – I to the Notice of NCLT Convened Meeting
COMPOSITE SCHEME OF ARRANGEMENT

COMPOSITE SCHEME OF ARRANGEMENT

AMONGST

SUNDARAM - CLAYTON LIMITED

AND

TVS HOLDINGS PRIVATE LIMITED

AND

VS INVESTMENTS PRIVATE LIMITED

AND

SUNDARAM - CLAYTON DCD LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

A. PREAMBLE

1. This Scheme *(as defined hereinafter)* is presented under Sections 230 to 232 and other applicable provisions of the Act (as defined hereinafter) read with Section 2(1B), Section 2(19AA) and other applicable provisions of the Income Tax Act *(as defined hereinafter)* and provides for the following:
   (i) issue of Preference Shares of SCL *(as defined hereinafter)* by way of bonus to the shareholders of SCL *(as defined hereinafter)* by utilising the general reserves/ retained earnings;
   (ii) the amalgamation of the Transferor Company 1 *(as defined hereinafter)* with the Transferee Company *(as defined hereinafter)* and cancellation of the share capital of the Transferee Company held by the Transferor Company 1 and the consideration thereof;
   (iii) the amalgamation of the Transferor Company 2 *(as defined hereinafter)* with the Transferee Company and cancellation of the share capital of the Transferee Company held by the Transferor Company 2 and the consideration thereof; and
   (iv) the demerger, transfer and vesting of the Demerged Undertaking *(as defined hereinafter)* from the Demerged Company (as defined hereinafter) into the Resulting Company *(as defined hereinafter)* on a going concern basis, reduction and cancellation of the paid-up share capital of the Resulting Company held by the Demerged Company and the consequent issue of shares of the Resulting Company by the Resulting Company to the shareholders of the Demerged Company.
2. This Scheme also provides for various other matters consequent and incidental thereto.

B. BACKGROUND OF THE COMPANIES

(i) **Sundaram-Clayton Limited** (**"Transferee Company"** or **"Demerged Company"** or **"SCL"**) is a public company incorporated under the provisions of the Companies Act, 1956. SCL is engaged, inter alia, in the business of manufacturing non-ferrous gravity and pressure die castings and has four manufacturing plants located in Tamil Nadu, group management services' business and business of manufacturing and distributing two & three wheeler vehicles through TVS Motor Company Limited. The equity shares of SCL are listed on BSE Limited and the National Stock Exchange of India Limited. SCL is a subsidiary of the Transferor Company 1. The non-convertible debentures of SCL are listed on the National Stock Exchange of India Limited.

(ii) **TVS Holdings Private Limited** (**"Transferor Company 1"**) is a private company incorporated under the provisions of the Act. The Transferor Company 1 is engaged in the business of making and holding investments and trading in automobile spare parts.

(iii) **VS Investments Private Limited** (**"Transferor Company 2"**) is a private company incorporated under the provisions of the Act. The Transferor Company 2 is engaged in the business inter alia of making and holding investments and trading in raw materials and components relating to automobiles.

(iv) **Sundaram-Clayton DCD Limited** (**"Resulting Company"**) is a public company incorporated under the provisions of the Act. The Resulting Company is incorporated to carry on the business of manufacturing non-ferrous gravity and pressure die castings. The Resulting Company is a wholly owned subsidiary of SCL.

C. RATIONALE FOR THIS SCHEME

(i) SCL has built up substantial surplus reserves, over the years from its retained profits. The surplus reserves are well above SCL's current and likely future business needs. Further, barring unforeseen circumstances, SCL is confident of generating incremental cash over the next few years. Overall reserves position is expected to improve further even after considering cash requirements for SCL's capex programme and working capital requirements.

(ii) Further, upon taking into consideration SCL's capability to generate strong cash flow and the surplus reserves being more than what is needed to fund SCL's future growth, SCL is of the view that these excess funds can be optimally utilized to reward its shareholders in such difficult and unprecedented times by way of distribution.

(iii) At the same time, in keeping with SCL's tradition of conventional cash management and being mindful of the challenging business environment, SCL is of the view that it would be prudent to retain liquidity as well. Accordingly, SCL has proposed, inter alia, to distribute such funds amongst its shareholders by issuing fully paid up non-convertible redeemable preference shares by way of bonus in terms of this Scheme.

(iv) Non-convertible redeemable preference shares, while giving near-cash (traded, encashable) instrument in the hands of shareholders, give increased flexibility to SCL in managing its liquidity through options like buy back, redemptions, etc.

(v) In view of the aforesaid factors, SCL has concluded that it can optimally utilize its surplus reserves by distributing a considerable portion of the same to the equity shareholders. In order to maintain high level of corporate governance and transparency, SCL proposes issuance of preference shares by way of bonus under Section 230 of the Act which will be subject to necessary statutory, regulatory and corporate approvals.

(vi) As part of the restructuring exercise, it is proposed to consolidate all the resources of the Transferor Companies with the Transferee Company. The said amalgamation will result in the following benefits:

(a) Streamline the promoter holding structure;

(b) Optimal utilisation of resources and better corporate governance; and

(c) Reduction of administrative responsibilities, multiplicity of records and legal and regulatory compliances.

(vii) Given its diversified business, it has become imperative for the Demerged Company to reorient and reorganize itself in a manner that allows imparting greater focus on each of its businesses. With this repositioning, the Demerged Company is desirous of enhancing its operational efficiency.

(viii) The Scheme proposes to reorganise, segregate and demerge the Demerged Undertaking comprising of manufacturing non-ferrous gravity and pressure die castings from Demerged Company into the Resulting Company and the Demerged Company will be left with group management services' business, trading business and manufacturing of two & three wheeler vehicles through TVS Motor Company Limited.

(ix) The proposed demerger pursuant to this Scheme is expected, inter alia, to result in following benefits:

(a) segregation and unbundling of the businesses of the Demerged Company into the Resulting Company, which will enable enhanced focus on the Demerged Company and Resulting Company for exploiting opportunities of each of the said companies;

(b) unlocking of value for the shareholders of the Demerged Company, attracting investors and providing better flexibility in accessing capital, focused strategy and specialisation for sustained growth;

(c) logistics alignment leading to economies of scale for the Resulting Company and creation of sectoral efficiencies and benefitting stakeholders as well as optimization of operation and capital expenditure; and

(d) enhancing competitive strength, achieving cost optimisation, ensuring benefits through focused management of the financial, managerial and technical resources, personnel capabilities, skills, expertise and technologies of the Resulting Company and the Demerged Company thereby significantly contributing to future growth and maximizing shareholders' value.

The proposed restructuring is in the interest of the shareholders, creditors, employees, and other stakeholders in each of the companies.

D. PARTS OF THIS SCHEME

This Scheme is divided into the following parts:

(i) **PART I** deals with the definitions, share capital and date of taking effect and implementation of this Scheme;

(ii) **PART II** deals with the issue of Preference Shares of SCL by way of bonus;

(iii) **PART III** deals with the amalgamation of the Transferor Company 1 with the Transferee Company and cancellation of the share capital of the Transferee Company held by the Transferor Company 1 and the consideration thereof;

(iv) **PART IV** deals with the amalgamation of the Transferor Company 2 with the Transferee Company and cancellation of the share capital of the Transferee Company held by the Transferor Company 2 and the consideration thereof;

(v) **PART V** deals with the transfer and vesting of the Demerged Undertaking from the Demerged Company into the Resulting Company, reduction and cancellation of the existing equity share capital of the Resulting Company held by the Demerged Company and the consideration thereof; and

(vi) **PART VI** deals with the general terms and conditions that would be applicable to this Scheme.

PART I

DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

1.1 In this Scheme, unless inconsistent with the subject or context thereof (a) capitalised terms defined by inclusion in quotations and/ or parenthesis have the meanings so ascribed; (b) all terms and words not defined in this Scheme shall have the meaning ascribed to them under the relevant Applicable Law (as defined hereinafter); and (c) the following expressions shall have the meanings ascribed hereunder:

"Act" means the Companies Act, 2013;

"Appointed Date 1" means the Effective Date 1 or such other date as may be decided by the Board of the Parties;

"Appointed Date 2" means the Effective Date 2 or such other date as may be decided by the Board of the Parties;

"Appointed Date 3" means the Effective Date 3 or such other date as may be decided by the Board of the Parties;

"Appointed Date 4" means the Effective Date 4 or such other date as may be decided by the Board of the Parties;

"Applicable Law" means any applicable central, provincial, local or other law including all applicable provisions of all (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, tribunal having jurisdiction over the Parties; (b) Permits; and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Parties as may be in force from time to time;

"Appropriate Authority" means:

(a) the government of any jurisdiction (including any central, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, central bank, commission or other authority thereof;

(b) any public international organisation or supranational body and its institutions, departments, agencies and instrumentalities;

(c) any governmental, quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing or other governmental or quasi-governmental authority including (without limitation), SEBI, the Tribunal; and

(d) Stock Exchanges.

"Board" in relation to each of the Parties, means the board of directors of such company, and shall include a committee of directors or any person authorized by the board of directors or such committee of directors duly constituted and authorized for the purposes of matters pertaining to this Scheme or any other matter relating thereto;

"Business Day" shall mean any day except Saturday or Sunday on which the banks in Chennai and Mumbai are open for business;

"Demerged Undertaking" shall mean entire Manufacturing Business of the Demerged Company, as on the Appointed Date 4, and shall include (without limitation):

(a) all assets and properties, including all movable or immovable, freehold, leasehold or licensed, tenancy rights, hire purchase and lease arrangements, real or personal, corporeal or incorporeal or otherwise, present, future, contingent, tangible or intangible, and associated capital costs, security deposits, capital work in progress, easmentary rights, rights of way, plant and machinery, furniture, fixtures, office equipment, appliances, accessories, vehicles, investments (in associates, joint ventures, subsidiaries, etc) including investments in Sundaram Holding USA Inc, all stocks, sundry debtors, deposits, provisions, advances, recoverables, receivables, accumulated losses as well as unabsorbed depreciation as per books as well as per Income Tax Act, title, interest, cash and bank balances, bills of exchange, covenants, all earnest monies, security deposits, or other entitlements, funds of the Demerged Company pertaining to the Manufacturing Business, all import quotas and other quota rights, right to use and avail of telephones, telex, facsimile, email, internet, leased lines and other communication facilities, connections, installations and equipment, utilities, electricity and electronic and all other services of every kind, nature and description whatsoever and all the rights, title, interests, goodwill, benefits, fiscal incentives, entitlement and advantages, contingent rights or benefits belonging to or in the ownership, power, possession or the control of or vested in or granted in favor of or held for the benefit of or enjoyed by the Demerged Company pertaining to the Manufacturing Business;

(b) all debts (including debentures), cash flow hedge reserves, liabilities, whether fixed or contingent, matured or unmatured, including indebtedness, employee related, pension, tax and environmental liabilities, of the Demerged Company pertaining to the Manufacturing Business;

(c) all contracts, agreements, schemes, arrangements and any other instruments for the purpose of carrying of the Demerged Company pertaining to the Manufacturing Business;

(d) all refunds, reimbursements, claims, concessions, exemptions, benefits including sales tax deferrals, income tax deducted/ collected at source, goods and service tax credit, minimum alternate tax credit, deductions and benefits under the relevant Law or any other taxation statute with pertaining to the Manufacturing Business;

(e) all Permits, licences, approvals, registrations, quotas, incentives, powers, authorities, allotments, consents, rights, benefits, advantages, municipal permissions, pertaining to the Manufacturing Business;

(f) entire experience, credentials, past record and market share of the Demerged Company pertaining to the Manufacturing Business;

(g) all intellectual property and intellectual property rights (including any applications for the same) of any nature whatsoever, including patents, copyrights, designs, goodwill which includes the positive reputation, all books, records, files, papers, engineering and process information, computer programs, software licenses (whether proprietary or otherwise), drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form in connection with or pertaining to Manufacturing Business;

(h) Trade marks, service names, service marks, used exclusively in relation to the Manufacturing Business; and

(i) all employees (including Joint Managing Director) and contract workers employed exclusively in the conduct of the Manufacturing Business.

It is clarified that the question of whether a specified asset, liability or employee pertains to the Demerged Undertaking or arises out of the activities or operations of Demerged Undertaking shall be decided by the Board of the Demerged Company.

"Effective Date 1" means the date on which last of the conditions specified in Clause 37 (Conditions Precedent) of this Scheme are complied with or waived, as applicable;

"Effective Date 2" means the 1st (first) Business Day after receipt of approval of the Stock Exchanges for the listing and trading Preference Shares of SCL issued in terms of Clause 4 of this Scheme;

"Effective Date 3" means the 5th (fifth) Business Day after receipt of approval of the Stock Exchanges for the listing and trading Preference Shares of SCL and equity shares issued in terms of Clause 10 of this Scheme;

"Effective Date 4" means the 5th (fifth) Business Day after the Effective Date 3;

"Encumbrance" means (a) any charge, lien (statutory or other), or mortgage, any easement, encroachment, right of way, right of first refusal or other encumbrance or security interest securing any obligation of any Person; (b) pre-emption right, option, right to acquire, right to set off or other third party right or claim of any kind, including any restriction on use, voting, selling, assigning, pledging, hypothecating, or creating a security interest in, place in trust (voting or otherwise), receipt of income or exercise; or (c) any equity, assignments hypothecation, title retention, restriction, power of sale or other type of preferential arrangements; or (d) any agreement to create any of the above; the term **"Encumber"** shall be construed accordingly;

"INR" means Indian Rupee, the lawful currency of the Republic of India;

"Income Tax Act" means the Income-tax act, 1961 as may be amended or supplemented from time to time and shall include any statutory replacement or re-enactment thereof, read together with all applicable by-laws, rules, regulations, orders, ordinances, policies, directions, supplements issued thereunder;

"Manufacturing Business" means the entire business of manufacturing non-ferrous gravity and pressure die castings of the Demerged Company;

"Parties" shall mean collectively the Transferor Companies, SCL or the Demerged Company or the Transferee Company and the Resulting Company and **"Party"** shall mean each of them, individually;

"Permits" means all consents, licences, permits, certificates, permissions, authorisations, rights, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, whether governmental, statutory, regulatory or otherwise as required under Applicable Law, excluding, trade marks, service names, service marks;

"Person" means an individual, a partnership, a corporation, a limited liability partnership, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or an Appropriate Authority;

"Preference Shares of SCL" means 9% cumulative non-convertible redeemable preference shares of INR 10 each to be issued by SCL by way of bonus to its equity shareholders as on Record Date 1, pursuant to Part II of this Scheme, and issued to shareholders of the Transferor Company 1, pursuant to Part III of this Scheme, the principal terms and conditions for which have been set out in Schedule 1 to this Scheme;

"Preference Shares of the Resulting Company" means 0.1% cumulative non-convertible redeemable preference shares of INR 10 each to be issued by the Resulting Company in consideration for demerger of Demerged

Undertaking to holders of Preference Shares of SCL as on Record Date 2, pursuant to Part V of this Scheme, the principal terms and conditions for which have been set out in **Schedule 2** to this Scheme;

"Record Date 1" means such date as may be fixed by the Board of SCL, after Effective Date 1, to determine the eligibility of shareholders of SCL to receive the Preference Shares of SCL, pursuant to Part II of this Scheme;

"Record Date 2" means the date to be fixed by the Board of SCL, after Effective Date 4, in consultation with the Resulting Company for the purpose of determining the shareholders of the Demerged Company for issue of the equity shares and Preference Shares of the Resulting Company, pursuant to Part V of this Scheme;

"Remaining Business" means all of the businesses, units, divisions, undertakings, and assets and liabilities of the Demerged Company including in particular group management services' business, trading business and manufacturing of two & three wheeler vehicles through TVS Motor Company Limited, other than the Demerged Undertaking;

"Resulting Company" means Sundaram-Clayton DCD Limited, a company incorporated under the provisions of the Act and having its corporate identity number U51100TN2017PLC118316 and registered office at "Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam Chennai - 600 006, Tamil Nadu;

"RoC" means the Registrar of Companies having jurisdiction over the Parties;

"Scheme" means this composite scheme of arrangement, with or without any modification(s);

"SEBI" means the Securities and Exchange Board of India;

"SEBI Circular" means the circular issued by the SEBI, being SEBI Master Circular No. SEBI/HO /CFD/DIL1/ CIR/P/2021/0000000665 dated November 23, 2021, and any amendments thereof, modifications issued pursuant to regulations 11, 37 and 94 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

"SEBI LODR Regulations" means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and any amendments thereof;

"SCL" or **"Demerged Company"** or **"Transferee Company"** means Sundaram - Clayton Limited, a public company incorporated under the provisions of the Companies Act, 1956 and having its corporate identity number L35999TN1962PLC004792 and registered office at "Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam Chennai - 600006, Tamil Nadu;

"Stock Exchanges" means BSE Limited and National Stock Exchange of India Limited, collectively;

"Taxation" or **"Tax"** or **"Taxes"** includes all forms of taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions, taxes under the Income Tax Act and levies and whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value or otherwise and shall further include payments in respect of or on account of tax, whether by way of deduction or collection at source, advance tax, minimum alternate tax or otherwise or attributable directly or primarily to the Parties or any other Person and all penalties, charges, costs and interest relating thereto;

"Tax Laws" means all applicable laws, acts, rules and regulations dealing with Taxes including but not limited to the income-tax, wealth tax, sales tax / value added tax, service tax, goods and services tax, excise duty, customs duty or any other levy of similar nature;

"Transferor Company 1" means TVS Holdings Private Limited (formerly known as TVS Investments and Holdings Private Limited), a private company incorporated under the provisions of the Act, having its corporate identity number U74999TN2018PTC121693 and registered office at "Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam Chennai - 600 006, Tamil Nadu;

"Transferor Company 2" means VS Investments Private Limited, a private company incorporated under the provisions of the Act, having its corporate identity number U51100TN2021PTC146623 and registered office at "Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam Chennai - 600 006, Tamil Nadu;

"Transferor Companies" means the Transferor Company 1 and the Transferor Company 2, collectively; and

"Tribunal" means the Chennai bench of the National Company Law Tribunal.

1.2 In this Scheme, unless the context otherwise requires:

1.2.1 words denoting the singular shall include the plural and vice versa;

1.2.2 headings, sub-headings, titles, sub-titles to clauses, sub-clauses and paragraphs are for information and convenience only and shall be ignored in construing the same; and

1.2.3 the words "include" and "including" are to be construed without limitation.

2. SHARE CAPITAL

2.1 The share capital of SCL as on 1st March 2022 is as follows:

Particulars	INR
Authorised Share Capital	
5,00,00,000 equity shares of INR 5 each	25,00,00,000
Total	**25,00,00,000**
Issued, Subscribed and Paid Up Capital	
2,02,32,085 equity shares of INR 5 each	10,11,60,425
Total	**10,11,60,425**

2.2 The share capital of the Transferor Company 1 as on 1st March 2022 is as follows:

Particulars	INR
Authorised Share Capital	
21,00,00,000 equity shares of INR 1 each	21,00,00,000
Total	**21,00,00,000**
Issued, Subscribed and Paid Up Capital	
20,00,31,664 equity shares of INR 1 each	20,00,31,664
Total	**20,00,31,664**

2.3 The share capital of the Transferor Company 2 as on 1st March 2022 is as follows:

Particulars	INR
Authorised Share Capital	
10,00,000 equity shares of INR 1 each	10,00,000
Total	**10,00,000**
Issued, Subscribed and Paid Up Capital	
1,00,000 equity shares of INR 1 each	1,00,000
Total	**1,00,000**

2.4 The share capital of the Resulting Company as on 1st March 2022 is as follows:

Particulars	INR
Authorised Share Capital	
2,500 equity shares of INR 10 each	25,000
Total	**25,000**
Issued, Subscribed and Paid Up Capital	
2,500 equity shares of INR 10 each	25,000
Total	**25,000**

3. DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

3.1 This Scheme set out herein in its present form or with any modification(s) and amendment(s) made under Clause 36 of this Scheme duly approved or imposed or directed by the Tribunal shall be effective and operative as under:

3.1.1 Part II of the Scheme shall be operative and effective from the Appointed Date 1;

3.1.2 Part III of the Scheme shall be operative and effective from the Appointed Date 2;

3.1.3 Part IV of the Scheme shall be operative and effective from the Appointed Date 3; and

3.1.4 Part V of the Scheme shall be operative and effective from the Appointed Date 4.

PART II

ISSUE OF PREFERENCE SHARES OF SCL BY WAY OF BONUS

4. ISSUE OF PREFERENCE SHARES OF SCL BY WAY OF BONUS

4.1 Upon the effectiveness of Part II of the Scheme, SCL shall issue and allot Preference Shares of SCL by way of bonus, to each equity shareholder whose name is recorded in the register of members of SCL and/or the records of the depository(ies) as equity shareholder of SCL on the Record Date 1, by utilizing its general reserves/ retained earnings, 116 Preference Shares of SCL of face value of INR 10 each fully paid up for every 1 equity share of INR 5 each fully paid up held by such equity shareholder.

4.2 The issue and allotment of Preference Shares of SCL, is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of SCL or their shareholders and as if the procedure laid down under the Act and such other Applicable Law(s) as may be applicable were duly complied with. It is clarified that the approval of the members of SCL to this Scheme, shall be deemed to be their consent/ approval for the issue and allotment of Preference Shares of SCL.

4.3 Subject to the Applicable Law, the Preference Shares of SCL that are to be issued in terms of this Scheme shall be issued in dematerialised form. The register of members maintained by SCL and/ or, other relevant records, whether in physical or electronic form, maintained by SCL, the relevant depository and registrar and transfer agent in terms of Applicable Law(s) shall (as deemed necessary by the Board of SCL) be updated to reflect the issue of Preference Shares of SCL in terms of this Scheme. The shareholders of SCL who hold equity shares in physical form, should provide the requisite details relating to his/ her/ its account with a depository participant or other confirmations as may be required, to SCL, prior to the Record Date 1 to enable it to issue the Preference Shares of SCL.

However, if no such details have been provided to SCL by the equity shareholders holding equity shares in physical share certificates on or before the Record Date 1, SCL shall deal with the relevant Preference Shares of SCL in such manner as may be permissible under the Applicable Law, including by way of issuing the corresponding Preference Shares of SCL in dematerialised form to a trustee nominated by the Board of SCL ("Trustee of SCL") who shall hold these Preference Shares of SCL in trust for the benefit of such shareholder. The Preference Shares of SCL held by the Trustee of SCL for the benefit of the shareholder shall be transferred to the respective shareholder once such shareholder provides details of his/her/its demat account to the Trustee of SCL, along with such other documents as may be required by the Trustee of SCL. The respective shareholders shall have all the rights that of the preference shareholders of SCL, including the right to receive dividend and other corporate benefits, pending the transfer of Preference Shares of SCL from the Trustee of SCL. All costs and expenses incurred in this respect shall be borne by SCL.

4.4 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of SCL, the Board of SCL shall be empowered in appropriate cases, prior to or even subsequent to the Record Date 1, to effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date 1, in order to remove any difficulties arising to the transferor or transferee of equity shares of SCL or Preference Shares of SCL, after the effectiveness of Part II of this Scheme.

4.5 No Preference Shares of SCL will be issued under this Scheme in respect of any equity shares of SCL that have been forfeited. The issuance of Preference Shares of SCL pursuant to this Scheme in respect of any equity shares of SCL which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall, pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by SCL.

4.6 The equity shares of SCL lying in 'Unclaimed Suspense Account' shall also be eligible for issuance of Preference Shares of SCL and such Preference Shares of SCL shall be dealt with in the same manner as said equity shares lying in the said Unclaimed Suspense Account. The Preference Shares of SCL to be issued by SCL in lieu of the equity shares of SCL held in the investor education protection fund shall be issued to investor education protection fund in favour of such shareholders of SCL.

4.7 In the event, SCL restructures its equity share capital by way of share split / consolidation / issue of bonus shares / any other manner during the pendency of the Scheme, the share entitlement ratio, as per Clause 4.1 above shall be adjusted accordingly, to consider the effect of any such corporate actions.

4.8 The issue of such a bonus to equity shareholders does not involve any release of assets by SCL to shareholders at the time of issuance of Preference Shares of SCL by way of bonus.

4.9 SCL shall apply for listing of Preference Shares of SCL on the Stock Exchanges in terms of and in compliance of SEBI Circular and other relevant provisions as may be applicable. The Preference Shares of SCL, issued pursuant to the

Scheme, shall remain frozen in the depository system till listing/ trading permission is given by the designated Stock Exchange.

4.10 SCL shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchanges.

5. ACCOUNTING TREATMENT

Upon Part II of this Scheme coming into effect and with effect from Appointed Date 1, SCL shall account for issue and allotment of Preference Shares of SCL in its books of account in the following manner:

5.1 SCL shall credit its share capital account in its books of account with the aggregate face value of the Preference Shares of SCL issued by way of bonus pursuant to Clause 4.1 of this Scheme, to the equity shareholder whose name is recorded in the register of members of SCL and/or the records of the depository(ies) as equity shareholder of SCL on the Record Date 1; and

5.2 SCL shall debit its general reserves and/ or retained earnings in its books of account with the aggregate face value of the Preference Shares of SCL issued pursuant to Clause 4.1 of this Scheme to the equity shareholder whose name is recorded in the register of members of SCL and/or the records of the depository(ies) as equity shareholder of SCL on the Record Date 1.

PART III

AMALGAMATION OF TRANSFEROR COMPANY 1 WITH TRANSFEREE COMPANY

6. AMALGAMATION AND VESTING OF ASSETS AND LIABILITIES AND ENTIRE BUSINESS OF THE TRANSFEROR COMPANY 1

6.1 Upon effectiveness of Part III of this Scheme and with effect from the Appointed Date 2 and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(1B) of the Income Tax Act, the Transferor Company 1 shall stand transferred to and vested in the Transferee Company as a going concern and accordingly, all assets, Permits, contracts, liabilities, loan, debentures, duties and obligations of the Transferor Company 1 shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, so as to become as and from the Appointed Date 2, the assets, Permits, contracts, liabilities, loan, debentures, duties and obligations of the Transferee Company by virtue of operation of law, and in the manner provided in this Scheme.

6.2 Upon effectiveness of Part III of this Scheme and with effect from the Appointed Date 2, without prejudice to the generality of the provisions of Clause 6.1 above, the manner of transfer and vesting of assets and liabilities of the Transferor Company 1 under this Scheme, is as follows:

6.2.1 In respect of such of the assets and properties of the Transferor Company 1 which are movable in nature (including but not limited to all intangible assets, brands, trademarks of the Transferor Company 1, whether registered or unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights trademarks and all such other industrial and intellectual property rights of whatsoever nature) or are otherwise capable of transfer by delivery or possession or by endorsement, shall stand transferred upon the Scheme coming into effect and shall, ipso facto and without any other order to this effect, become the assets and properties of the Transferee Company without requiring any deed or instrument of conveyance for transfer of the same. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested, and title to the property shall be deemed to have been transferred accordingly;

6.2.2 With respect to the assets of the Transferor Company 1, other than those referred to in Clause 6.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Appropriate Authority, customers and other persons, whether or not the same is held in the name of the Transferor Company 1 shall, without any further act, instrument or deed, be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company, with effect from the Appointed Date 2, by operation of law as transmission or as the case may be in favour of Transferee Company;

6.2.3 All debts, liabilities, duties and obligations of the Transferor Company 1 shall, without any further act, instrument or deed be transferred to, and vested in, and/ or deemed to have been transferred to, and vested in, the Transferee Company, so as to become on and from the Appointed Date 2, the debts, liabilities, duties and obligations of the

Transferee Company on the same terms and conditions as were applicable to the Transferor Company 1, and it shall not be necessary to obtain the consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause 6;

6.2.4 On and from the Effective Date 2 and till such time that the bank accounts of the Transferor Company 1 have been transferred in favour of the Transferee Company or the Transferor Company 1's name has been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank accounts of the Transferor Company 1 in the name of the Transferor Company 1 and for such time as may be determined to be necessary by the Transferee Company. All cheques and other negotiable instruments (including but not limited to bank guarantee(s), letter(s) of credit), payment orders received or presented for encashment which are in the name of the Transferor Company 1 after the Effective Date 2 shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company;

6.2.5 Unless otherwise agreed between the Parties, the vesting of all the assets of the Transferor Company 1, as aforesaid, shall be along with the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets of the Transferor Company 1 or part thereof on or over which they are subsisting prior to the amalgamation of the Transferor Company 1 with the Transferee Company, and no such Encumbrances shall extend over or apply to any other asset(s) of the Transferee Company;

6.2.6 Unless otherwise stated in this Scheme, all Permits, including the benefits attached thereto of the Transferor Company 1, shall be transferred to the Transferee Company from the Appointed Date 2, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company and the Transferee Company shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company to carry on the operations of the Transferor Company 1 without any hindrance, whatsoever;

6.2.7 Without prejudice to the provisions as stated above, all trade and service names and marks, patents, copyrights, designs, goodwill which includes the positive reputation that the Transferor Company 1 were enjoying to retain its clients, statutory licenses, infrastructural advantages, overall increase in market share, customer base, skilled employees, business claims, business information, business contracts, trade style and name, marketing and distribution channels, marketing or other commercial rights, customer relationship, trade secrets, information on consumption pattern or habits of the consumers in the territory, technical know-how, client records, KYC (know your customer) records/ POAs (power of attorney), authorisations, client details and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company 1 shall be transferred to the Transferee Company from the Appointed Date 2, without any further act, instrument or deed;

6.2.8 All contracts where the Transferor Company 1 is a party, shall stand transferred to and vested in the Transferee Company pursuant to Part III of this Scheme becoming effective. The absence of any formal amendment which may be required by a third party to effect such transfer and vesting shall not affect the operation of the foregoing sentence. The Transferee Company shall, wherever necessary, enter into and/ or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this Clause;

Provided that, upon this Scheme coming into effect, all inter-company transactions including loans, contracts executed or entered into by or inter se between the Transferor Company 1 and the Transferee Company, if any, shall stand cancelled with effect from the Effective Date 2 and neither the Transferor Company 1 and/or Transferee Company shall have any obligation or liability against the other party in relation thereto; and

6.2.9 Without prejudice to the provisions of the foregoing sub-clauses of Clause 6.2, the Parties may execute any and all instruments or documents and do all acts, deeds and things as may be required, including filing of necessary particulars and/ or modification(s) of charge, necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to the Scheme. Any procedural requirements required to be fulfilled solely by the Transferor Company 1, shall be fulfilled by the Transferee Company as if it were the duly constituted attorney of the Transferor Company 1. The Transferee Company shall take such actions as may be necessary and permissible to get the assets, Permits and contracts of the Transferor Company 1 transferred and/ or registered in its name.

7. EMPLOYEES

7.1 With effect from the Effective Date 2, all employees of the Transferor Company 1 shall become employees of the Transferee Company, without any interruption in service, all employees of the Transferor Company 1 on terms and conditions no less favourable than those on which they are engaged by the Transferor Company 1. The Transferee Company undertakes to continue to abide by any agreement/ settlement or arrangement, if any, entered into or deemed to have been entered into by the Transferor Company 1 with any Persons in relation to the employees of the Transferor Company 1. The Transferee Company agrees that the services of all such employees with the Transferor Company 1 prior to the transfer shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retiral/ terminal benefits.

7.2 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing provident fund, gratuity fund and superannuation fund of which they are members, will be transferred respectively to such provident fund, gratuity fund and superannuation funds nominated by the Transferee Company and/ or such new provident fund, gratuity fund and superannuation fund to be established in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities, by the Transferee Company.

8. LEGAL PROCEEDINGS

With effect from the Effective Date 2, if any suit, cause of action, appeal or other legal, quasi-judicial, arbitral or other administrative proceedings of whatsoever nature by or against the Transferor Company 1 pending on the Effective Date 2, the same shall not abate, be discontinued or be in any way prejudicially affected by anything contained in this Scheme, but such proceedings of the Transferor Company 1 may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company 1 as if this Scheme had not been made. On and from the Effective Date 2, the Transferee Company may initiate any legal proceeding for and on behalf of the Transferor Company 1.

9. TAXES/ DUTIES/ CESS

Upon the effectiveness of Part III of this Scheme and with effect from the Appointed Date 2, by operation of law pursuant to the order of the Authority:

9.1 All the profits or income taxes (including but not limited to advance tax, tax deducted at source, tax collected at source, foreign tax credits, dividend distribution tax, minimum alternate tax credit, any credit for dividend distribution tax on dividend received by the Transferor Company 1), all input credit balances (including but not limited to CENVAT/ MODVAT, sales tax, applicable excise and customs duties, SGST, IGST and CGST credits under the goods and service tax laws) or any costs, charges, expenditure accruing to the Transferor Company 1 in India and abroad or expenditure or losses arising or incurred or suffered by the Transferor Company 1 shall for all purpose be treated and be deemed to be and accrue as the profits, taxes (namely advance tax, Tax deducted at source, Tax collected at source, dividend distribution tax & foreign tax credits), tax losses, minimum alternate tax credit, dividend distribution tax credit, input credit balances (namely CENVAT/ MODVAT, sales tax, applicable excise and customs duties, SGST, IGST and CGST credits under the goods and service tax laws, income costs, charges, expenditure or losses of the Transferee Company, as the case may be.

9.2 If the Transferor Company 1 is entitled to any benefits under incentive schemes and policies under Tax Laws, such as tax deferrals, exemptions, benefits and subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and all such benefits under all such incentive schemes and policies as mentioned above shall be available and stand vested in the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

9.3 With effect from the Effective Date 2, the Transferee Company shall have the right to revise its financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/ or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme. The Transferee Company is expressly permitted to revise and file its income tax returns and other statutory returns, even beyond the due date, if required, including tax deducted/ collected at source returns, service tax returns, excise tax returns, sales tax/ value added tax/ goods and service tax returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of tax deducted at source, credit of foreign Taxes paid/ withheld, etc. if any, as may be required for the purposes of implementation of the Scheme.

9.4 It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, etc., the Transferor Company 1, shall, if so required by the Transferee Company, issue notices in such form as the Transferee Company may deem fit and proper stating that pursuant to the Authority having sanctioned this Scheme under Sections 230 to 232 of the Act, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Transferee Company, as the Person entitled thereto, to the end and intent that the right of the Transferor Company 1, to recover or realise the same, stands transferred to the Transferee Company.

10. CONSIDERATION

10.1 Upon Part III of Scheme coming into effect and in consideration of the amalgamation of the Transferor Company 1, the Transferee Company shall, without any further application, act, deed, consent or instrument, issue and allot 1,30,94,460 equity shares of INR 5 each fully paid up and 151,89,57,360 Preference Shares of SCL of INR 10 each fully paid up to shareholders of the Transferor Company 1, in the proportion of the number of shares held by the shareholders in the Transferor Company 1. In the event, the Transferor Company 1, holds less than 1,30,94,460 equity shares of the Transferee Company and/ or 151,89,57,360 Preference Shares of SCL (without incurring additional liability) on the Effective Date 2, the shares to be issued by the Transferee Company in consideration of the amalgamation of the Transferor Company 1, shall stand reduced by such decreased number of shares held by the Transferor Company 1.

The equity shares and Preference Shares of SCL to be issued pursuant to Clause 10.1 shall be referred to as "New Shares".

10.2 The New Shares shall be subject to the provisions of the memorandum of association and articles of association of the Transferee Company and shall rank pari passu in all respects with the existing shares of Transferee Company, as the case may be, including with respect to dividend, bonus, rights shares, voting rights and other corporate benefits attached to the New Shares.

10.3 The issue and allotment of the New Shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Transferee Company or the Transferor Company 1 or their shareholders and as if the procedure laid down under the Act and such other Applicable Law as may be applicable, were duly complied with. It is clarified that the approval of the shareholders of the Transferee Company and/ or the Transferor Company 1 to this Scheme, shall be deemed to be their consent / approval for the issue and allotment of the New Shares.

10.4 In the event, the Parties concerned restructure their share capital by way of share split / consolidation/ issue of bonus shares or any other corporate action during the pendency of the Scheme, the share entitlement ratio set out in Clause 10.1 shall be adjusted accordingly to consider the effect of such corporate action without requirement of any further approval from the Appropriate Authority.

10.5 The Transferee Company shall apply for listing of New Shares on the Stock Exchanges in terms of and in compliance of SEBI Circular and other relevant provisions as may be applicable. The New Shares, issued pursuant to the Scheme, shall remain frozen in the depository system till listing/ trading permission is given by the designated Stock Exchange.

10.6 It is clarified that the approval of the shareholders of the Transferee Company to this Scheme shall be deemed to be their consent/ approval also to the consequential alteration of its memorandum of association and articles of association pursuant to this Scheme and the Transferee Company shall not be required to seek separate consent / approval of its shareholders for such alteration, as required under Sections 13, 14, 42, 61, 64 and other applicable provisions of the Act.

10.7 For the purpose of the allotment of the New Shares pursuant to this Scheme, in case any shareholder's holding in the Transferor Company 1 is such that the shareholder becomes entitled to a fraction of a share of the Transferee Company, the Transferee Company shall not issue fractional shares to such shareholder but shall consolidate all such fractions and round up the aggregate of such fractions to the next whole number and issue consolidated shares to a trustee (nominated by the Transferee Company in that behalf), who shall hold such shares, with all additions or accretions thereto, in trust for the benefit of the respective shareholders to whom they belong for the specific purpose of selling such shares in the market at such price or prices and at any time within a period of 90 days from the date of allotment of New Shares, as the trustee may, in its sole discretion, decide and distribute the net sale proceeds (after deduction of the expenses incurred and applicable income tax) to the respective shareholders in the same proportion of their fractional entitlements. Any fractional entitlements from such net proceeds shall be rounded off to the next Rupee. It is clarified that any such distribution shall take place only on the sale of all the shares of the Transferee Company pertaining to the fractional entitlements.

11. REDUCTION AND CANCELLATION OF SHARES OF THE TRANSFEREE COMPANY

11.1 Upon Part III of this Scheme becoming effective, all shares held by the Transferor Company 1 in the share capital of the Transferee Company immediately before Effective Date 2, shall stand cancelled, without any further act or deed as an integral part of this Scheme.

11.2 Without prejudice to the generality of the foregoing, it is clarified and provided that cancellation of the share capital of the Transferee Company in terms of Clause 11.1 above, shall be effected as an integral part of this Scheme. Such cancellation of the share capital of the Transferee Company in terms of Clause 11.1, does not involve either diminution of liability in respect of unpaid share capital or payment of paid-up share capital of the Transferee Company. Further, since the aforesaid cancellation is an integral part of the Scheme in accordance with the provisions of Sections 230 to 232 of the Act, the provisions of Section 66 of the Act are not applicable. It is further clarified and provided that notwithstanding such cancellation of share capital of the Transferee Company in terms of Clause 11.1, the Transferee Company shall not be required to add "And Reduced" as suffix to its name.

12. ACCOUNTING TREATMENT

Upon Part III of this Scheme becoming effective and with effect from Appointed Date 2, the Transferee Company shall account for the amalgamation of the Transferor Company 1 in the books of accounts in accordance with the "Pooling of Interest Method" of accounting as laid down in Appendix C of Indian Accounting Standard 103 (Business Combinations of entities under common control) as under:

12.1 All assets, liabilities and reserves in the books of the Transferor Company 1 shall stand transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at their carrying amounts as appearing in the Books of the Transferor Company 1 on the Appointed Date 2.

12.2 The Transferee Company shall credit to its Share Capital account, the aggregate face value of the new shares issued by it pursuant to Clause 10.1 of this Scheme.

12.3 The carrying amount of investments in the equity shares of the Transferee Company to the extent held by the Transferor Company 1 shall stand cancelled and there shall be no further obligation on that behalf.

12.4 Upon the Scheme coming into effect, the surplus/ deficit, if any, of the net value of assets, liabilities and reserves of the Transferor Company 1 acquired and recorded by the Transferee Company in terms of Clause 12.1 over the sum of (a) the face value of the new shares on merger issued and allotted pursuant to Clause 10.1 and (b) the value of investments cancelled pursuant to Clause 12.3 shall be adjusted in "Capital Reserve Account" in the financial statements of the Transferee company.

12.5 Inter company transactions and balances including loans, advances, receivable, payable inter se between the Transferor Company 1 and Transferee Company as appearing in their books of accounts, if any, shall stand cancelled.

12.6 In case of any difference in accounting policies between the Transferor Company 1 and Transferee Company, the accounting policies of the Transferee Company will prevail and the impact of the same till Appointed Date 2 of amalgamation shall be quantified and adjusted in the reserves of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the true financial position on the basis of consistent accounting policies.

12.7 Comparative financial information in the financial statements of the Transferee Company shall be restated for the accounting impact of the merger, as stated above, as if the merger had occurred from the beginning of the comparative period.

13. DISSOLUTION OF THE TRANSFEROR COMPANY 1

13.1 Upon the effectiveness of Part III of this Scheme, the Transferor Company 1 shall stand dissolved without winding up and the Board and any committees thereof of the Transferor Company 1 shall without any further act, instrument or deed be and stand discharged. On and from the Effective Date 2, the name of the Transferor Company 1 shall be struck off from the records of the concerned RoC.

PART IV

AMALGAMATION OF TRANSFEROR COMPANY 2 WITH TRANSFEREE COMPANY

14. AMALGAMATION AND VESTING OF ASSETS AND LIABILITIES AND ENTIRE BUSINESS OF THE TRANSFEROR COMPANY 2

14.1 Upon effectiveness of Part IV of this Scheme and with effect from the Appointed Date 3 and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(1B) of the Income Tax Act, the Transferor Company 2 shall stand transferred to and vested in the Transferee Company as a going concern and accordingly, all assets, Permits, contracts, liabilities, loan, debentures, duties and obligations of the Transferor Company 2 shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, so as to become as and from the Appointed Date 3, the assets, Permits, contracts, liabilities, loan, debentures, duties and obligations of the Transferee Company by virtue of operation of law, and in the manner provided in this Scheme.

14.2 Upon effectiveness of Part IV of this Scheme and with effect from the Appointed Date 3, without prejudice to the generality of the provisions of Clause 14.1 above, the manner of transfer and vesting of assets and liabilities of the Transferor Company 2 under this Scheme, is as follows:

14.2.1 In respect of such of the assets and properties of the Transferor Company 2 which are movable in nature (including but not limited to all intangible assets, brands, trademarks of the Transferor Company 2, whether registered or unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights trademarks and all such other industrial and intellectual property rights of whatsoever nature) or are otherwise capable of transfer by delivery or possession or by endorsement, shall

stand transferred upon the Scheme coming into effect and shall, ipso facto and without any other order to this effect, become the assets and properties of the Transferee Company without requiring any deed or instrument of conveyance for transfer of the same. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested, and title to the property shall be deemed to have been transferred accordingly;

14.2.2 With respect to the assets of the Transferor Company 2, other than those referred to in Clause 14.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Appropriate Authority, customers and other persons, whether or not the same is held in the name of the Transferor Company 2 shall, without any further act, instrument or deed, be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company, with effect from the Appointed Date 3, by operation of law as transmission or as the case may be in favour of Transferee Company;

14.2.3 All debts, liabilities, duties and obligations of the Transferor Company 2 shall, without any further act, instrument or deed be transferred to, and vested in, and/ or deemed to have been transferred to, and vested in, the Transferee Company, so as to become on and from the Appointed Date 3, the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company 2, and it shall not be necessary to obtain the consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause 14;

14.2.4 On and from the Effective Date 3 and till such time that the bank accounts of the Transferor Company 2 have been transferred in favour of the Transferee Company or the Transferor Company 2's name has been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank accounts of the Transferor Company 2 in the name of the Transferor Company 2 and for such time as may be determined to be necessary by the Transferee Company. All cheques and other negotiable instruments (including but not limited to bank guarantee(s), letter(s) of credit), payment orders received or presented for encashment which are in the name of the Transferor Company 2 after the Effective Date 3 shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company;

14.2.5 Unless otherwise agreed between the Parties, the vesting of all the assets of the Transferor Company 2, as aforesaid, shall be along with the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets of the Transferor Company 2 or part thereof on or over which they are subsisting prior to the amalgamation of the Transferor Company 2 with the Transferee Company, and no such Encumbrances shall extend over or apply to any other asset(s) of the Transferee Company;

14.2.6 Unless otherwise stated in this Scheme, all Permits, including the benefits attached thereto of the Transferor Company 2, shall be transferred to the Transferee Company from the Appointed Date 3, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company and the Transferee Company shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company to carry on the operations of the Transferor Company 2 without any hindrance, whatsoever;

14.2.7 Without prejudice to the provisions as stated above, all trade and service names and marks, patents, copyrights, designs, goodwill which includes the positive reputation that the Transferor Company 2 were enjoying to retain its clients, statutory licenses, infrastructural advantages, overall increase in market share, customer base, skilled employees, business claims, business information, business contracts, trade style and name, marketing and distribution channels, marketing or other commercial rights, customer relationship, trade secrets, information on consumption pattern or habits of the consumers in the territory, technical know-how, client records, KYC (know your customer) records/ POAs (power of attorney), authorisations, client details and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company 2 shall be transferred to the Transferee Company from the Appointed Date 3, without any further act, instrument or deed;

14.2.8 All contracts where the Transferor Company 2 is a party, shall stand transferred to and vested in the Transferee Company pursuant to Part IV of this Scheme becoming effective. The absence of any formal amendment which

may be required by a third party to effect such transfer and vesting shall not affect the operation of the foregoing sentence. The Transferee Company shall, wherever necessary, enter into and/ or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this Clause.

Provided that, upon this Scheme coming into effect, all inter-company transactions including loans, contracts executed or entered into by or inter se between the Transferor Company 2 and the Transferee Company, if any, shall stand cancelled with effect from the Effective Date 3 and neither the Transferor Company 2 and/or Transferee Company shall have any obligation or liability against the other party in relation thereto; and

14.2.9 Without prejudice to the provisions of the foregoing sub-clauses of Clause 14.2, the Parties may execute any and all instruments or documents and do all acts, deeds and things as may be required, including filing of necessary particulars and/ or modification(s) of charge, necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to the Scheme. Any procedural requirements required to be fulfilled solely by the Transferor Company 2, shall be fulfilled by the Transferee Company as if it were the duly constituted attorney of the Transferor Company 2. The Transferee Company shall take such actions as may be necessary and permissible to get the assets, Permits and contracts of the Transferor Company 2 transferred and/ or registered in its name.

15. EMPLOYEES

15.1 With effect from the Effective Date 3, all employees of the Transferor Company 2 shall become employees of the Transferee Company, without any interruption in service, all employees of the Transferor Company 2 on terms and conditions no less favourable than those on which they are engaged by the Transferor Company 2. The Transferee Company undertakes to continue to abide by any agreement/ settlement or arrangement, if any, entered into or deemed to have been entered into by the Transferor Company 2 with any Persons in relation to the employees of the Transferor Company 2. The Transferee Company agrees that the services of all such employees with the Transferor Company 2 prior to the transfer shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retiral/ terminal benefits.

15.2 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing provident fund, gratuity fund and superannuation fund of which they are members, will be transferred respectively to such provident fund, gratuity fund and superannuation funds nominated by the Transferee Company and/ or such new provident fund, gratuity fund and superannuation fund to be established in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities, by the Transferee Company.

16. LEGAL PROCEEDINGS

With effect from the Effective Date 3, if any suit, cause of action, appeal or other legal, quasi-judicial, arbitral or other administrative proceedings of whatsoever nature by or against the Transferor Company 2 pending on the Effective Date 3, the same shall not abate, be discontinued or be in any way prejudicially affected by anything contained in this Scheme, but such proceedings of the Transferor Company 2 may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company 2 as if this Scheme had not been made. On and from the Effective Date 3, the Transferee Company may initiate any legal proceeding for and on behalf of the Transferor Company 2.

17. TAXES/ DUTIES/ CESS

Upon the effectiveness of Part IV of this Scheme and with effect from the Appointed Date 3, by operation of law pursuant to the order of the Authority:

17.1 All the profits or income taxes (including but not limited to advance tax, tax deducted at source, tax collected at source, foreign tax credits, dividend distribution tax, minimum alternate tax credit, any credit for dividend distribution tax on dividend received by the Transferor Company 2), all input credit balances (including but not limited to CENVAT/ MODVAT, sales tax, applicable excise and customs duties, SGST, IGST and CGST credits under the goods and service tax laws) or any costs, charges, expenditure accruing to the Transferor Company 2 in India and abroad or expenditure or losses arising or incurred or suffered by the Transferor Company 2 shall for all purpose be treated and be deemed to be and accrue as the profits, taxes (namely advance tax, Tax deducted at source, Tax collected at source, dividend distribution tax & foreign tax credits), tax losses, minimum alternate tax credit, dividend distribution tax credit, input credit balances (namely CENVAT/ MODVAT, sales tax, applicable excise and customs duties, SGST, IGST and CGST credits under the goods and service tax laws, income costs, charges, expenditure or losses of the Transferee Company, as the case may be.

17.2 If the Transferor Company 2 is entitled to any benefits under incentive schemes and policies under Tax Laws, such as tax deferrals, exemptions, benefits and subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special

status and all such benefits under all such incentive schemes and policies as mentioned above shall be available and stand vested in the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

17.3 With effect from the Effective Date 3, the Transferee Company shall have the right to revise its financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/ or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme. The Transferee Company is expressly permitted to revise and file its income tax returns and other statutory returns, even beyond the due date, if required, including tax deducted/ collected at source returns, service tax returns, excise tax returns, sales tax/ value added tax/ goods and service tax returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of tax deducted at source, credit of foreign Taxes paid/ withheld, etc. if any, as may be required for the purposes of implementation of the Scheme.

17.4 It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, etc., the Transferor Company 2, shall, if so required by the Transferee Company, issue notices in such form as the Transferee Company may deem fit and proper stating that pursuant to the Authority having sanctioned this Scheme under Sections 230 to 232 of the Act, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Transferee Company, as the Person entitled thereto, to the end and intent that the right of the Transferor Company 2, to recover or realise the same, stands transferred to the Transferee Company.

18. CONSIDERATION

18.1 Upon Part IV of Scheme coming into effect and in consideration of the amalgamation of the Transferor Company 2, the Transferee Company shall, without any further application, act, deed, consent or instrument, issue and allot 19 equity shares of INR 5 each fully paid up of the Transferee Company to shareholders of the Transferor Company 2, in the proportion of the number of equity shares held by the shareholders in the Transferor Company 2, as on the Effective Date 3.

The equity shares to be issued pursuant to Clause 18.1 shall be referred to as "New Equity Shares".

18.2 The New Equity Shares shall be subject to the provisions of the memorandum of association and articles of association of the Transferee Company and shall rank pari passu in all respects with the existing equity shares of Transferee Company, as the case may be, including with respect to dividend, bonus, rights shares, voting rights and other corporate benefits attached to the New Equity Shares.

18.3 The issue and allotment of the New Equity Shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Transferee Company or the Transferor Company 2 or their shareholders and as if the procedure laid down under the Act and such other Applicable Law as may be applicable, were duly complied with. It is clarified that the approval of the shareholders of the Transferee Company and/or the Transferor Company 2 to this Scheme, shall be deemed to be their consent / approval for the issue and allotment of the New Equity Shares.

18.4 All fractional entitlements arising out issuance of equity shares of the Transferee Company pursuant to Clause 18.1 above, if any, shall be ignored.

18.5 The Transferee Company shall apply for listing of New Equity Shares on the Stock Exchanges in terms of and in compliance of SEBI Circular and other relevant provisions as may be applicable. The New Equity Shares, issued pursuant to the Scheme, shall remain frozen in the depository system till listing/ trading permission is given by the designated Stock Exchange.

18.6 It is clarified that the approval of the shareholders of the Transferee Company to this Scheme shall be deemed to be their consent / approval also to the consequential alteration of its memorandum of association and articles of association pursuant to this Scheme and the Transferee Company shall not be required to seek separate consent / approval of its shareholders for such alteration, as required under Sections 13, 14, 42, 61, 64, and other applicable provisions of the Act.

19. REDUCTION AND CANCELLATION OF SHARES OF THE TRANSFEREE COMPANY

19.1 Upon Part IV of this Scheme becoming effective, all shares held by the Transferor Company 2 in the share capital of the Transferee Company as on Effective Date 3, shall stand cancelled, without any further act or deed as an integral part of this Scheme.

19.2 Without prejudice to the generality of the foregoing, it is clarified and provided that cancellation of the share capital of the Transferee Company in terms of Clause 19.1 above, shall be effected as an integral part of this Scheme. Such cancellation of the share capital of the Transferee Company in terms of Clause 19.1, does not involve either diminution of liability in respect of unpaid share capital or payment of paid-up share capital of the Transferee Company. Further, since the aforesaid cancellation is an integral part of the Scheme in accordance with the provisions of Sections 230 to 232 of the Act, the provisions of Section 66 of the Act are not applicable. It is further clarified and provided that notwithstanding such cancellation

of share capital of the Transferee Company in terms of Clause 19.1, the Transferee Company shall not be required to add "And Reduced" as suffix to its name.

20. ACCOUNTING TREATMENT

Upon Part IV of this Scheme coming into effect and with effect from Appointed Date 3, the Transferee Company shall account for the amalgamation of the Transferor Company 2 in the books of accounts in accordance with the "Pooling of Interest Method" of accounting as laid down in Appendix C of Indian Accounting Standard 103 (Business Combinations of entities under common control) as under:

20.1 All assets, liabilities and reserves in the books of the Transferor Company 2 shall stand transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at their carrying amounts as appearing in the Books of the Transferor Company on the Appointed Date 3.

20.2 The Transferee Company shall record the equity shares, issued and allotted by the Transferee Company in accordance with Clause 18.1 of the Scheme, at fair value as on the Appointed Date 3. The face value of the equity shares on such issue shall be credited to the share capital account and the balance shall be credited to the share premium account.

20.3 The carrying amount of investments in the shares of the Transferee Company to the extent held by the Transferor Company 2, if any, shall stand cancelled and there shall be no further obligation on that behalf.

20.4 Upon the Scheme coming into effect, the surplus/ deficit, if any, of the net value of assets, liabilities and reserves of the Transferor Company 2 acquired and recorded by the Transferee Company in terms of Clause 20.1 over the sum of the fair value of the new shares on merger issued and allotted pursuant to Clause 18.1 shall be adjusted in "Capital Reserve Account" in the financial statements of the Transferee Company.

20.5 Inter-company transactions and balances including loans, advances, receivable, payable inter se between the Transferor Company 2 and Transferee Company as appearing in their books of accounts, if any, shall stand cancelled.

20.6 In case of any difference in accounting policies between the Transferor Company 2 and Transferee Company, the accounting policies of the Transferee Company will prevail and the impact of the same till Appointed Date 3 of amalgamation shall be quantified and adjusted in the reserves of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the true financial position on the basis of consistent accounting policies.

20.7 Comparative financial information in the financial statements of the Transferee Company shall be restated for the accounting impact of the merger, as stated above, as if the merger had occurred from the beginning of the comparative period.

21. DISSOLUTION OF THE TRANSFEROR COMPANY 2

Upon the effectiveness of Part IV of this Scheme, the Transferor Company 2 shall stand dissolved without winding up and the Board and any committees thereof of the Transferor Company 2 shall without any further act, instrument or deed be and stand discharged. On and from the Effective Date 3, the name of the Transferor Company 2 shall be struck off from the records of the concerned RoC.

PART V

DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING AND REDUCTION OF SHARE CAPITAL OF THE RESULTING COMPANY

22. DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING

22.1 Upon effectiveness of Part V of this Scheme and with effect from the Appointed Date 4 and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(19AA) of the Income Tax Act, the Demerged Undertaking along with all its assets, Permits, contracts, liabilities, loan, debentures, duties and obligations of the Demerged Company shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company on a going concern basis, so as to become as and from the Appointed Date 4, the assets, Permits, contracts, liabilities, loan, debentures, duties and obligations of the Resulting Company by virtue of operation of law, and in the manner provided in this Scheme.

This Scheme complies with the definition of "demerger" as per Sections 2(19AA), 2(19AAA), 47, 72A and other provisions of the Income Tax Act. If any terms of this Scheme are found to be or interpreted to be inconsistent with provisions of the Income Tax Act, then this Scheme shall stand modified to be in accordance with aforesaid provisions of the Income Tax Act.

22.2 Upon effectiveness of Part V of this Scheme and with effect from the Appointed Date 4, without prejudice to the generality of the provisions of Clause 22.1 above, the manner of transfer and vesting of assets and liabilities forming part of the Demerged Undertaking under this Scheme, is as follows:

22.2.1 In respect of such of the assets and properties forming part of the Demerged Undertaking which are movable in nature (including but not limited to all intangible assets, brands, trademarks of the Demerged Undertaking, whether registered or unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights trademarks and all such other industrial and intellectual property rights of whatsoever nature) or are otherwise capable of transfer by delivery or possession or by endorsement, shall stand transferred upon the Part V of the Scheme coming into effect and shall, ipso facto and without any other order to this effect, become the assets and properties of the Resulting Company without requiring any deed or instrument of conveyance for transfer of the same. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested, and title to the property shall be deemed to have been transferred accordingly;

22.2.2 Subject to Clause 22.2.3 below, with respect to the assets forming part of the Demerged Undertaking other than those referred to in Clause 22.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of the Demerged Company, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Resulting Company, with effect from the Appointed Date 4 by operation of law as transmission in favour of Resulting Company. With regard to the licenses of the properties, the Resulting Company will enter into novation agreements, if it is so required;

22.2.3 In respect of such of the assets and properties forming part of the Demerged Undertaking which are immovable in nature, whether or not included in the books of the Demerged Company, including rights, interest and easements in relation thereto, the same shall stand transferred to the Resulting Company with effect from the Appointed Date 4, without any act or deed or conveyance being required to be done or executed by the Demerged Company and/or the Resulting Company;

22.2.4 For the avoidance of doubt and without prejudice to the generality of Clause 22.2.3 above and Clause 22.2.5 below, it is clarified that, with respect to the immovable properties forming part of the Demerged Undertaking in the nature of land and buildings, the Demerged Company and/ or the Resulting Company shall register the true copy of the orders of the Tribunal approving the Scheme with the offices of the relevant Sub-registrar of Assurances or similar registering authority having jurisdiction over the location of such immovable property and shall also execute and register, as required, such other documents as may be necessary in this regard. For the avoidance of doubt, it is clarified that any document executed pursuant to this Clause 22.2.4 or Clause 22.2.5 below will be for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document under which the transfer of any property of the Demerged Company takes place and the assets and liabilities forming part of the Demerged Undertaking shall be transferred solely pursuant to and in terms of this Scheme and the order of the Tribunal sanctioning this Scheme;

22.2.5 Notwithstanding anything contained in this Scheme, with respect to the immovable properties forming part of the Demerged Undertaking in the nature of land and buildings situated in states other than the state of Tamil Nadu, whether owned or leased, for the purpose of, inter alia, payment of stamp duty and vesting in the Resulting Company, if the Resulting Company so decides, the Demerged Company and/ or the Resulting Company, whether before or after the Effective Date 4, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Resulting Company in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme;

22.2.6 Upon effectiveness of Part V of the Scheme, all debts, liabilities, debentures, loans, obligations and duties of the Demerged Company as on the Appointed Date 4 and forming part of the Demerged Undertaking ("Demerged Undertaking Liabilities") shall, without any further act or deed, be and stand transferred to and be deemed to be transferred to the Resulting Company to the extent that they are outstanding as on the Appointed Date 4 and the Resulting Company shall meet, discharge and satisfy the same. The term "Demerged Undertaking Liabilities" shall include:

22.2.6.1 the debts, liabilities obligations incurred and duties of any kind, nature or description (including contingent liabilities) which arise out of the activities or operations of the Demerged Undertaking;

22.2.6.2 the specific loans or borrowings (including debentures bonds, notes and other debt securities raised, incurred and utilized solely for the activities or operations of the Demerged Undertaking); and

22.2.6.3 in cases other than those referred to in Clauses 22.2.6.1 or 22.2.6.2 above, so much of the amounts of general or multipurpose borrowings, if any, of the Demerged Company, as stand in the same proportion which the value of the assets transferred pursuant to the demerger of the Demerged Undertaking bear to the total value of the assets of the Demerged Company immediately prior to the Appointed Date 4.

However, Tax liabilities and Tax demands or refunds received or to be received by the Demerged Company for a period prior to the Appointed Date 4 in relation to the Demerged Company, shall not be transferred as part of the Demerged Undertaking to the Resulting Company.

22.2.7 The Demerged Company may, at its sole discretion but without being obliged to, give notice in such form as it may deem fit and proper, to such Persons, as the case may be, that any debt, receivable, bill, credit, loan, advance, debenture or deposit, contracts or policies relating to the Demerged Undertaking stands transferred to and vested in the Resulting Company and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes;

22.2.8 Unless otherwise agreed to between the Demerged Company and/ or the Resulting Company, the vesting of all the assets of the Demerged Company forming part of the Demerged Undertaking, as aforesaid, shall be subject to the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets forming part of the Demerged Undertaking of the Demerged Company or part thereof on or over which they are subsisting on and vesting of such assets in the Resulting Company and no such Encumbrances shall extend over or apply to any other asset(s) of Resulting Company. Any reference in any security documents or arrangements (to which Demerged Company is a party) related to any assets of Demerged Company shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of Resulting Company. Similarly, Resulting Company shall not be required to create any additional security over assets vested under this Scheme for any loans, debentures, deposits or other financial assistance already availed of /to be availed of by it, and the Encumbrances in respect of such indebtedness of the Demerged Company shall not extend or be deemed to extend or apply to the assets so vested.

22.2.9 In so far as any Encumbrance in respect of Demerged Undertaking Liabilities is concerned, such Encumbrance shall without any further act, instrument or deed being required to be modified and, if so agreed, shall be extended to and shall operate over the assets of the Resulting Company. For the avoidance of doubt, it is hereby clarified that in so far as the assets comprising the Remaining Business are concerned, the Encumbrance, if any, over such assets relating to the Demerged Undertaking Liabilities, without any further act, instrument or deed being required, be released and discharged from the obligations and Encumbrances relating to the same. Further, in so far as the assets comprised in the Demerged Undertaking are concerned, the Encumbrance over such assets relating to any loans, borrowings or other debts which are not transferred to the Resulting Company pursuant to this Scheme and which shall continue with the Demerged Company, shall without any further act or deed be released from such Encumbrance and shall no longer be available as security in relation to such liabilities.

22.2.10 Taxes, if any, paid or payable by the Demerged Company after the Appointed Date 4 and specifically pertaining to Demerged Undertaking shall be treated as paid or payable by the Resulting Company and the Resulting Company shall be entitled to claim the credit, refund or adjustment for the same as may be applicable.

22.2.11 If the Demerged Company is entitled to any unutilized credits (including unutilised credits and unabsorbed depreciation, minimum alternate tax credit), balances or advances, benefits under the incentive schemes and policies including Tax holiday or concessions relating to the Demerged Undertaking under any Tax Laws or Applicable Law(s), the Resulting Company shall be entitled as an integral part of the Scheme to claim such benefit or incentives or unutilised credits, as the case may be, without any specific approval or permission.

22.2.12 Upon the Part V of this Scheme becoming effective, the Demerged Company and/ or the Resulting Company shall have the right to revise their respective financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme. It is further clarified that the Resulting Company shall be entitled to claim deduction under Section 43B of the Income Tax Act in respect of unpaid liabilities transferred to it as part of the Demerged Undertaking to the extent not claimed by the Demerged Company.

22.2.13 Subject to this Clause 22 and any other provisions of the Scheme, in respect of any refund, financial benefit, incentive, grant or subsidy in relation to or in connection with the Demerged Undertaking, the Demerged Company shall, if so required by the Resulting Company, issue notices in such form as the Resulting Company may deem fit and proper, stating that pursuant to the Tribunal having sanctioned this Scheme, the relevant refund, financial benefit, incentive, grant or subsidy be paid or made good to or held on account of the Resulting Company, as the Person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realise the same stands transferred to the Resulting Company and that appropriate entries should be passed in their respective books to record the aforesaid changes;

22.2.14 On and from the Effective Date 4, all cheques and other negotiable instruments and payment orders received or presented for encashment which are in the name of the Demerged Company and are in relation to or in connection with the Demerged Undertaking, shall be accepted by the bankers of the Resulting Company and credited to the account of Resulting Company, if presented by Resulting Company;

22.2.15 Permits, including the benefits attached thereto of the Demerged Company, in relation to the Demerged Undertaking, shall be transferred to the Resulting Company from the Appointed Date 4, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of Resulting Company as if the same were originally given by, issued to or executed in favour of Resulting Company and the Resulting Company shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to the Demerged Company to carry on the operations of the Demerged Undertaking without any hindrance, whatsoever; and

22.2.16 Contracts in relation to the Demerged Undertaking, where the Demerged Company is a party, shall stand transferred to and vested in the Resulting Company pursuant to Part V of this Scheme becoming effective. The absence of any formal amendment which may be required by a third party to effect such transfer and vesting shall not affect the operation of the foregoing sentence. The Demerged Company and Resulting Company shall, wherever necessary, enter into and/or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this Clause.

22.3 Without prejudice to the provisions of the foregoing sub-clauses of this Clause, the Demerged Company and/ or the Resulting Company may execute any and all instruments or documents and do all the acts, deeds and things as may be required, including executing necessary confirmatory deeds for filing with the trademark registry and Appropriate Authorities, filing of necessary particulars and/ or modification(s) of charge, necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to the Scheme. Any procedural requirements required to be fulfilled solely by the Demerged Company or upon Part V of this Scheme becoming effective, shall be fulfilled by the Resulting Company as if it were the duly constituted attorney of the Demerged Company. The Resulting Company shall take such actions as may be necessary and permissible to get the assets, Permits and contracts forming part of the Demerged Undertaking transferred and/ or registered in its name.

23. EMPLOYEES

23.1 With effect from the Effective Date 4, the Resulting Company ("Sundaram - Clayton DCD Limited", to be renamed as "Sundaram - Clayton Limited" (SCL) pursuant to the Scheme) undertakes to engage, without any interruption in service, all employees engaged in or in relation to the Demerged Undertaking, including Joint Managing Director of the Demerged Company ("Sundaram - Clayton Limited", to be renamed as "TVS Holdings Limited" (THL) pursuant to the Scheme), on the terms and conditions not less favourable than those on which they are engaged by the Demerged Company.

23.2 Further, upon transfer of the employees of the Demerged Company (THL) to the Resulting Company (SCL), the Joint Managing Director of the Demerged Company (THL) will be designated as the Joint Managing Director of the Resulting Company (SCL) on such terms and conditions which are no less favourable than the existing terms of appointment on which the Joint Managing Director was engaged by the Demerged Company (THL), and the Demerged Company (THL) will appoint a new Managing Director after following the due process of law.

23.3 The Resulting Company (SCL) undertakes to continue to abide by any agreement/ settlement or arrangement, if any, entered into or deemed to have been entered into by the Demerged Company (THL) with any of the aforesaid employees or union representing them. The Resulting Company (SCL) agrees that the services of all such employees with the Demerged Company (THL) prior to the demerger shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retiral/ terminal benefits.

23.4 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing gratuity fund, superannuation fund or any other fund(s), of which they are members, as the case may be, will be transferred respectively to such gratuity fund and superannuation fund or other fund(s) nominated by the Resulting Company and/ or such new gratuity fund, superannuation fund or any other fund to be established by the Resulting Company in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities. Pending the transfer as aforesaid, the dues of the said employees may be continued to be deposited in the existing gratuity fund, superannuation fund or other fund(s) respectively of the Demerged Company, as may be decided between the Parties.

23.5 Further, in so far as provident fund is concerned, the balances standing to the credit of the said employees in the existing provident fund of the Demerged Company may be retained in such provident fund and subject to provisions of Clause 23.6 below, such provident fund may be continued for the benefit of the said employees who are transferred to the Resulting Company. In relation to the employees being transferred, the Resulting Company shall stand substituted for the Demerged Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions thereof. The rules of such existing provident fund trust shall stand amended accordingly.

23.6 Immediately upon implementation of Part V of the Scheme, in so far as provident fund trust deed, as stated in Clause 23.5 above, shall without any further act or deed, stand modified to include the following provisions:

23.6.1 the expression "Employee" to also include the employees of the Resulting Company;

23.6.2 the Board of the Resulting Company shall solely have the ability to appoint and/ or remove the trustees and shall solely be liable for all acts and omissions in relation thereto; and

23.6.3 such other amendments and modifications to give effect to this Scheme and provisions of any agreement or arrangement entered between the Parties.

24. LEGAL PROCEEDINGS

24.1 With effect from the Effective Date 4, all suits, actions, administrative proceedings, tribunals proceedings, show cause notices, demands and legal proceedings of whatsoever nature by or against the Demerged Company pending and/or arising on or before the Appointed Date 4 or which may be instituted any time thereafter and in each case relating to the Demerged Undertaking shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme but shall be continued and be enforced by or against the Resulting Company with effect from the Appointed Date 4 in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company. Except as otherwise provided herein, the Demerged Company shall in no event be responsible or liable in relation to any such legal or other proceedings that stand transferred to the Resulting Company. The Resulting Company shall be substituted in place of the Demerged Company or added as party to such proceedings and shall prosecute or defend such proceedings at its own cost, in cooperation with the Demerged Company and the liability of the Demerged Company shall consequently stand nullified. The Demerged Company shall in no event be responsible or liable in relation to any such legal or other proceedings in relation to the Demerged Undertaking.

24.2 The Resulting Company undertakes to have all legal and other proceedings initiated by or against the Demerged Company referred to in Clause 24.1 above transferred to its name as soon as is reasonably practicable after the Effective Date 4 and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company on priority. Both the Demerged Company and/ or the Resulting Company shall make relevant applications and take all steps as may be required in this regard. It is clarified that all income tax proceedings in relation to the Demerged Undertaking for a period prior to the Appointed Date 4 shall be enforced against the Demerged Company and pertaining to the period after the Appointed Date 4 shall be enforced against the Resulting Company.

24.3 Notwithstanding anything contained hereinabove, so far as the claims arising on the Demerged Company on account of on-going income tax disputes or on account of demands that may arise on the Demerged Company under the Income Tax Act, for the period prior to the Effective Date 4, the Resulting Company undertakes and agrees with Demerged Company that the Resulting Company shall take all such steps that may be required to defend such proceedings and/or claims including making payments towards the demands in the proceedings before the Appropriate Authority. However, if the Resulting Company does not and/or is unable to defend the said proceedings or claims, for whatsoever reasons, the Demerged Company shall defend the same or deal with such demand in accordance with the advice of the Resulting Company and at the cost of the Resulting Company and the latter shall reimburse to the Demerged Company all liabilities and obligations incurred by the Demerged Company in respect thereof.

24.4 Further, without prejudice to the aforesaid, if at any time after the Effective Date 4, the Demerged Company is in receipt of any demand, claim, notice and/ or is impleaded as a party in any proceedings before any Appropriate Authority, in each case in relation to the Demerged Undertaking, the Demerged Company shall, in view of the transfer and vesting of the Demerged Undertaking pursuant to this Scheme, take all such steps in the proceedings before the Appropriate Authority to replace the Demerged Company with the Resulting Company. However, if the Demerged Company is unable to get the Resulting Company replaced in such proceedings, the Demerged Company shall defend the same or deal with such demand in accordance with the advice of the Resulting Company and at the cost of the Resulting Company and the latter shall reimburse to the Demerged Company all liabilities and obligations incurred by the Demerged Company in respect thereof.

25. CONSIDERATION

25.1 Upon Part V of the Scheme coming into effect and in consideration of and subject to the provisions of this Scheme, the Resulting Company shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis to each shareholder of the Demerged Company whose name is recorded in the register of members and records of the depository as members of the Demerged Company as on the Record Date 2, as under:

25.1.1 1 fully paid up equity share of INR 5 each fully paid up of the Resulting Company credited as fully paid up, for every 1 equity share of INR 5 each fully paid up of the Demerged Company (and all such equity shares issued by the Resulting Company referred to as "New Equity Shares of the Resulting Company"); and

25.1.2 1 Preference Share of the Resulting Company credited as fully paid up, for every 1,000 Preference Shares of SCL.

The New Equity Shares of the Resulting Company and Preference Shares of the Resulting Company to be issued pursuant to Clause 25.1 shall be referred to as "Resulting Company New Shares".

25.2 The Resulting Company New Shares shall be subject to the provisions of the memorandum of association and articles of association of Resulting Company, as the case may be, and shall rank pari passu in all respects with any existing equity shares and preference shares of Resulting Company (if any), as the case may be, after the Effective Date 4 including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the equity shares and preference shares, if any, of the Resulting Company.

25.3 The issue and allotment of Resulting Company New Shares, is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Resulting Company or the Demerged Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Law(s) as may be applicable were duly complied with. It is clarified that the approval of the members and creditors of the Resulting Company and/ or the Demerged Company to this Scheme, shall be deemed to be their consent/ approval for the issue and allotment of Resulting Company New Shares.

25.4 Subject to the Applicable Law, the Resulting Company New Shares that are to be issued in terms of this Scheme shall be issued in dematerialised form. The register of members maintained by the Resulting Company and/ or, other relevant records, whether in physical or electronic form, maintained by the Resulting Company, the relevant depository and registrar and transfer agent in terms of Applicable Law(s) shall (as deemed necessary by the Board of the Resulting Company) be updated to reflect the issue of Resulting Company New Shares in terms of this Scheme. The shareholders of the Demerged Company who hold shares in physical form, should provide the requisite details relating to his/ her/ its account with a depository participant or other confirmations as may be required, to the Resulting Company, prior to the Record Date 2 to enable it to issue the Resulting Company New Shares.

However, if no such details have been provided to the Resulting Company by the shareholders of the Demerged Company holding shares in physical share certificates on or before the Record Date 2, the Resulting Company shall deal with the relevant shares in such manner as may be permissible under the Applicable Law, including by way of issuing the corresponding shares in dematerialised form to a trustee nominated by the Board of Resulting Company ("Trustee of Resulting Company") who shall hold these shares in trust for the benefit of such shareholder. The Resulting Company New Shares held by the Trustee of Resulting Company for the benefit of the shareholder shall be transferred to the respective shareholder once such shareholder provides details of his/her/its demat account to the Trustee of Resulting Company, along with such other documents as may be required by the Trustee of Resulting Company. The respective shareholders shall have all the rights of the shareholders of the Resulting Company, including the right to receive dividend, voting rights and other corporate benefits, pending the transfer of shares from the Trustee of Resulting Company. All costs and expenses incurred in this respect shall be borne by Resulting Company.

25.5 For the purpose of the allotment of the Resulting Company New Shares pursuant to this Scheme, in case any shareholder's holding in any of the Demerged Company is such that the shareholder becomes entitled to a fraction of a share of the Resulting Company, the Resulting Company shall not issue fractional shares to such shareholder but shall consolidate all such fractions and round up the aggregate of such fractions to the next whole number and issue consolidated shares to a trustee (nominated by the Resulting Company in that behalf), who shall hold such shares, with all additions or accretions thereto, in trust for the benefit of the respective shareholders to whom they belong for the specific purpose of selling such shares in the market at such price or prices and at any time within a period of 90 days from the date of allotment of Resulting Company New Shares, as the trustee may, in its sole discretion, decide and distribute the net sale proceeds (after deduction of the expenses incurred and applicable income tax) to the respective shareholders in the same proportion of their fractional entitlements. Any fractional entitlements from such net proceeds shall be rounded off to the next Rupee. It is clarified that any such distribution shall take place only on the sale of all the shares of the Resulting Company pertaining to the fractional entitlements.

25.6 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of the Demerged Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date 2, to effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date 2, in order to remove any difficulties arising to the transferor or transferee of shares in the Demerged Company, after effectiveness of Part V of this Scheme.

25.7 The Resulting Company New Shares to be issued pursuant to this Scheme in respect of any shares of the Demerged Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by the Resulting Company.

25.8 The shares to be issued by the Resulting Company in lieu of the shares of the Demerged Company held in the unclaimed suspense account shall be issued to a new unclaimed suspense account created for shareholders of the Demerged

Company. The shares to be issued by the Resulting Company in lieu of the shares of the Demerged Company held in the investor education protection fund shall be issued to investor education protection fund in favour of such shareholders of the Demerged Company.

25.9 In the event, the Parties restructure their share capital by way of share split / consolidation / issue of bonus shares during the pendency of the Scheme, the share entitlement ratio, per Clause 25.1 above shall be adjusted accordingly, to consider the effect of any such corporate actions.

25.10 The Resulting Company shall apply for listing of New Equity Shares of the Resulting Company on the Stock Exchanges in terms of and in compliance of SEBI Circular and other relevant provisions as may be applicable. The New Equity Shares of the Resulting Company, issued pursuant to the Scheme, shall remain frozen in the depository system till listing/ trading permission is given by the designated Stock Exchange.

25.11 The Resulting Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the provisions stated above.

26. ACCOUNTING TREATMENT

26.1 Accounting treatment in the books of the Demerged Company:

26.1.1 Upon coming into effect of this Scheme and after giving effect to the accounting treatment specified in Clause 12 and clause 20 of the Scheme and with effect from the Appointed Date 4, the Demerged Company shall reduce the book value of all assets, liabilities and reserves pertaining to the Demerged Undertaking transferred to the Resulting Company from its books of accounts;

26.1.2 The difference between the book value of assets pertaining to the Demerged Undertaking and the book value of liabilities and reserves pertaining to the Demerged Undertaking transferred to the Resulting Company shall be adjusted in reserves of the Demerged Company; and

26.1.3 Any surplus/ deficit pursuant to the accounting as per Clause 12, Clause 20 and Clause 26.1.1 shall be adjusted against the retained earnings in the books of the Demerged Company.

26.2 Accounting treatment in the books of the Resulting Company:

26.2.1 Upon coming into effect of this Scheme and with effect from the Appointed Date 4, the Resulting Company shall account for the Demerged Undertaking in its books as per the applicable accounting principles under Indian Accounting Standard 103 and/ or any other applicable Indian Accounting Standard as the case may be;

26.2.2 The Resulting Company shall record the assets and liabilities comprised in the Demerged Undertaking transferred to and vested in it pursuant to this Scheme, at the same value appearing in the books of the Demerged Company;

26.2.3 The shareholding (represented by equity shares and preference shares) of the Demerged Company in the Resulting Company as on the Appointed Date 4 will stand cancelled and the difference between the above and share capital of Resulting Company, if any, shall be adjusted in capital reserve(s);

26.2.4 The Resulting Company shall credit its share capital account in its books of account with the aggregate face value of the equity shares issued to the shareholders of the Demerged Company pursuant to Clause 25.1.1 of this Scheme;

26.2.5 The Resulting Company shall credit its share capital account in its books of account with the aggregate face value of the preference shares to the shareholders of the Demerged Company pursuant to Clause 25.1.2 of this Scheme;

26.2.6 The identity of the reserves pertaining to the Demerged Undertaking of the Demerged Company shall be preserved and shall appear in the financial statements of the Resulting Company in the same form and manner, in which they appeared in the financial statements of the Demerged Company;

26.2.7 The surplus/ deficit, if any, of book value of the assets over the liabilities pertaining to the Demerged Undertaking transferred from the Demerged Company and recorded by the Resulting Company in accordance with Clause 26.2.2 above, over the amount credited as share capital as per Clause 26.2.4 and Clause 26.2.5 above, and after giving effect to 26.2.6 above, shall be adjusted in capital reserve;

26.2.8 Loans and advances and other dues outstanding as on the Appointed Date 4 between the Demerged Company pertaining to the Demerged Undertaking and the Resulting Company will stand cancelled and there shall be no further obligation/ outstanding in that behalf;

26.2.9 In case of any differences in accounting policy between the Demerged Company and the Resulting Company, the accounting policies followed by the Resulting Company will prevail and the difference till the Appointed Date 4 shall be adjusted in capital reserves of the Resulting Company, to ensure that the financial statements of the Resulting Company reflect the financial position on the basis of consistent accounting policy; and

26.2.10 Any negative capital reserve pursuant to the accounting as per Clause 26.2 shall be adjusted against the retained earnings in the books of the Resulting Company.

27. REDUCTION AND CANCELLATION OF EXISTING EQUITY SHARES OF THE RESULTING COMPANY

27.1 With effect from Part V of this Scheme becoming effective and upon allotment of Resulting Company New Equity Shares by the Resulting Company, the entire paid up equity share capital, immediately before Effective Date 4, of the Resulting Company ("Resulting Company Cancelled Shares") shall stand cancelled, extinguished and annulled on and from the Effective Date 4 and the paid up equity capital of the Resulting Company to that effect shall stand cancelled and reduced.

27.2 The reduction of the share capital of the Resulting Company under Sections 230 to 232 of the Act shall be effected as an integral part of this Scheme itself.

27.3 On effecting the reduction of the share capital as stated in Clause 27.1 above, the share certificates (if any) in respect of the Resulting Company Cancelled Shares held by their respective holders shall also be deemed to have been cancelled.

27.4 On the Effective Date 4, the Resulting Company shall debit its share capital account in its books of account with the aggregate face value of the Resulting Company Cancelled Shares.

27.5 The capital reserve in the books of the Resulting Company shall be increased to the extent of the amount of the Resulting Company Cancelled Shares.

27.6 Notwithstanding the reduction in the equity share capital of the Resulting Company, the Resulting Company shall not be required to add 'And Reduced' as suffix to its name.

28. CHANGE IN CHARTER DOCUMENTS OF THE DEMERGED COMPANY

28.1 With effect from the Effective Date 4, the memorandum of association of the Demerged Company shall be deemed to be altered and amended, without any further act or deed. Accordingly, the memorandum of association of the Demerged Company shall be altered and amended and following clauses shall be inserted in the Clause III of the memorandum of association of the Demerged Company:

1. To invest, trade, sell, purchase, exchange, convert, subscribe, acquire, hold, and deal in stocks, shares, units, debentures, debenture stocks, bonds, obligations, derivative instruments, financial instruments and securities.
2. To invest, hold and deal with security receipts, mortgages, obligations, inter-corporate deposits, call money deposits, commercial papers and other financial instruments.
3. To carry on the business of producing, manufacturing, buying, selling, re-settling, sub-contracting, exchanging, hiring, altering, importing, exporting, improving, assembling, supplying, distributing whether wholesale or retail, servicing, overhauling, converting, maintaining and dealing in as original equipment manufacturers as also on jobbing industry basis and in any other capacity, of machineries, motor vehicles and other conveyances of all kinds and descriptions, components, replacement parts, spare parts, accessories, tools, implements and fittings, including of brake systems and all relevant components, parts and accessories, for motor vehicles, which include all types of motorcycles, mini motorcycles, auto-scooters, scooters, scooterettes, mopeds, motorcars, motor buses, mini buses, motor lorries, motor trucks, tractors, motor-lorries, motor-cycles, motors, cycle cars, cycles, scooters, buses, omnibuses, jeeps, trolleys, tractors, trailers, power tillers, sprayers, buses, motor vans, pick-up vans, ambulances, vehicles locomotives, tanks, ships, engines, wagons, boats, barges, launches, submarines, aero planes, airships, sea planes, balloons, aircrafts, space-ships, space crafts, rockets, spaceshuttles and other conveyances of all kinds and description, components, parts thereof, spare parts, accessories, implements, materials and products for the transport or conveyances of passengers, merchandise and goods of every description and other vehicles and products, whether propelled or used by means of petrol, spirit, steam, oil, vapour, gas, coal, electricity, petroleum, atoms, or any other motive or mechanical power, in India or elsewhere.

28.2 Consequential (numbering) changes shall be made to the objects forming part of Clause III of the memorandum of association of the Demerged Company without any act, instrument or deed, in terms per Clause 28.1 above, pursuant to Sections 13, 14 and other applicable provisions of the Act.

28.3 For the purposes of the amendment of the memorandum of association of the Demerged Company as provided in this Clause, the consent/ approval given by the members of the Demerged Company to this Scheme pursuant to Section 232 of the Act and any other applicable provisions of the Act shall be deemed to be sufficient and no further resolution of members of the Demerged Company as required under the applicable provisions of the Act shall be required to be passed for making such change/ amendment in the memorandum of association of the Demerged Company and filing of the certified copy of this Scheme as sanctioned by the Tribunal, in terms of Sections 230 to 232 of the Act and any other applicable provisions of the Act, together with the order of the Tribunal and a printed copy of the memorandum of association for the purposes of the applicable provisions of the Act and the RoC shall register the same and make the necessary

alterations in the memorandum of association of the Demerged Company accordingly and shall certify the registration thereof in accordance with the applicable provisions of the Act.

28.4 The Demerged Company shall file with the RoC, all requisite forms and complete the compliance and procedural requirements under the Act, if any.

PART VI

GENERAL TERMS & CONDITIONS

29. CHANGE IN AUTHORISED SHARE CAPITAL OF SCL AND THE RESULTING COMPANY

29.1 With effect from Effective Date 1, the authorised share capital of SCL will automatically stand increased to INR 2525,00,00,000 (Rupees two thousand five hundred and twenty five crore) by simply filing the requisite forms with the Appropriate Authority and no separate procedure or instrument or deed shall be required to be followed under the Act. SCL will pay necessary stamp duty and registration fees, as may be applicable, for reclassification and increase in authorised preference share capital in terms of the Act.

29.2 Consequently, with effect from Effective Date 1 until a day prior to the Effective Date 2, the memorandum of association and articles of association of SCL shall without any act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13 and other applicable provisions of the Act, and be replaced by the following clause:

"The Authorised Share Capital of the Company is Rs 2525,00,00,000 (Rupees two thousand five hundred and twenty five crore) divided into 5,00,00,000 (Five crore) equity shares of Rs 5 (Rupee five only) each and 250,00,00,000 (two hundred and fifty crore) non-convertible redeemable preference shares of Rs 10 (Rupees ten) each with power to increase and reduce the capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or condition as may be determined by or in accordance with the Articles of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of the Company and the legislative provisions for the time being in force.".

29.3 With effect from Effective Date 2, and as an integral part of this Scheme, the authorised equity share capital of the Transferor Company 1 shall stand merged into and combined with the authorised equity share capital of the Transferee Company pursuant to Part III of this Scheme and the aggregate authorised share capital of the Transferee Company shall stand increased without any further act, instrument or deed on the part of Transferee Company including payment of stamp duty and registration fee or filing fee to the RoC on such combined authorised share capital.

29.4 Consequently, with effect from Effective Date 2 until a day prior to the Effective Date 3, the memorandum of association and articles of association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13 and other applicable provisions of the Act, as per Clause 29.3 above. Consequentially, Clause V of the memorandum of association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended, to reflect the increased combined authorised share capital pursuant to Sections 13, 14, 61, 64, and other applicable provisions of the Act.

29.5 With effect from Effective Date 3, and as an integral part of this Scheme, the authorised equity share capital of the Transferor Company 2 shall stand merged into and combined with the authorised equity share capital of the Transferee Company pursuant to Part III of this Scheme and the aggregate authorised share capital of the Transferee Company shall stand increased without any further act, instrument or deed on the part of Transferee Company including payment of stamp duty and registration fee or filing fee to the RoC on such combined authorised share capital.

29.6 Consequently, with effect from Effective Date 3, the memorandum of association and articles of association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13 and other applicable provisions of the Act, as per Clause 29.5 above. Consequentially, Clause V of the memorandum of association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended, to reflect the increased combined authorised share capital pursuant to Sections 13, 14, 61, 64, and other applicable provisions of the Act.

29.7 With effect from Effective Date 4 and simultaneous to the reduction of share capital of the Resulting Company pursuant to this Scheme and prior to allotment of Resulting Company New Equity Shares pursuant to this Scheme, the face value of equity shares of the Resulting Company will automatically stand altered such that face value of equity shares of the Resulting Company shall be INR 5 each. Further, Upon Part V of this Scheme becoming effective, authorised share capital of the Resulting Company will automatically stand increased to INR 15,00,00,000 (Rupees fifteen crore) by simply filing the requisite forms with the Appropriate Authority and no separate procedure or instrument or deed shall be required to be followed under the Act. The Resulting Company will pay necessary stamp duty and registration fees, as may be applicable, for increase in authorised equity share capital in terms of the Act.

29.8 Consequently, the memorandum of association and articles of association of the Resulting Company shall without any act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 61 and other applicable provisions of the Act, and be replaced by the following clause:

"The Authorised Share Capital of the Company is Rs 15,00,00,000 (Rupees fifteen crore) divided into 2,50,00,000 (two crore and fifty lakhs) equity shares of Rs 5 (Rupee five) each and 25,00,000 (twenty five lakhs) preference shares of Rs 10 (Rupee ten) each with power to increase and reduce the capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or condition as may be determined by or in accordance with the Articles of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of the Company and the legislative provisions for the time being in force.".

29.9 It is clarified that the approval of the members of SCL and the Resulting Company to this Scheme shall be deemed to be their consent/ approval also to the alteration of face value of shares, alteration of the memorandum of association and articles of association of SCL and the Resulting Company and SCL and the Resulting Company shall not be required to seek separate consent/ approval of its shareholders for such alteration of the memorandum of association and articles of association as required under Sections 13, 14, 61, 62 and 64 and other applicable provisions of the Act.

30. REMAINING BUSINESS OF THE DEMERGED COMPANY

30.1 The Remaining Business of the Demerged Company and all the assets, investments, liabilities and obligations of the Demerged Company, shall continue to belong to and be vested in and be managed by the Demerged Company. With effect from the Effective Date 4, only the Demerged Company shall be liable to perform and discharge all liabilities and obligations in relation to the Remaining Business of the Demerged Company and the Resulting Company shall not have any liability or obligation in relation to the Remaining Business of the Demerged Company.

30.2 All legal, Tax and/or other proceedings by or against the Demerged Company under any statute, whether pending on the Effective Date 4 or which may be instituted at any time thereafter, and relating to the Remaining Business of the Demerged Company (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Remaining Business of the Demerged Company) shall be continued and enforced against the Demerged Company. The Resulting Company shall in no event be responsible or liable in relation to any such legal, Tax or other proceedings in relation to the Remaining Business of the Demerged Company.

30.3 If the Resulting Company is in receipt of any demand, claim, notice and/or is impleaded as a party in any proceedings before any Appropriate Authority, in each case in relation to the Remaining Business of the Demerged Company, the Resulting Company shall, in view of the transfer and vesting of the Demerged Undertaking, pursuant to this Scheme, take all such steps in the proceedings before the Appropriate Authority to substitute the Resulting Company with the Demerged Company. However, if the Resulting Company, is unable to get the Demerged Company so substituted in such proceedings, it shall defend the same or deal with such demand in accordance with the advice of the Demerged Company and at the cost of the Demerged Company and the latter shall reimburse the Resulting Company, against all liabilities and obligations incurred by or against the Resulting Company, in respect thereof.

31. DIVIDENDS

31.1 The Parties shall be entitled to declare and pay dividends to their respective shareholders in the ordinary course of business, whether interim or final.

31.2 It is clarified that the aforesaid provisions in respect of declaration of dividends (whether interim or final) are enabling provisions only and shall not be deemed to confer any right on any shareholder of any of the Parties, as the case may be, to demand or claim or be entitled to any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of respective Parties, and subject to approval, if required, of the shareholders of the respective Parties.

32. CONDUCT OF BUSINESS UPTO THE EFFECTIVE DATE

32.1 With effect from the date of approval of the Scheme by the respective Boards of the Parties and up to and including the Effective Date 2, the Effective Date 3 and the Effective Date 4, as may be applicable for each of the respective Parties:

32.1.1 Each of the Transferor Companies, and the Demerged Company with respect to the Demerged Undertaking, shall carry on their respective businesses with reasonable diligence and business prudence and in the same manner as the Transferor Companies and the Demerged Company had been doing hitherto; and

32.1.2 Each of the Transferor Companies, and the Demerged Company with respect to the Demerged Undertaking, shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authorities concerned as necessary under Applicable Law for such consents, approvals and sanctions which the Transferee Company or the Resulting

Company may respectively require to carry on the relevant business of the Transferor Company or the Demerged Undertaking and to give effect to the Scheme.

32.2 For the purpose of giving effect to the order passed under Sections 230 to 232 and other applicable provisions of the Act in respect of this Scheme by the Tribunal, the Transferee Company and Resulting Company shall, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the amalgamation of the Transferor Companies and demerger of the Demerged Undertaking, in accordance with the provisions of Sections 230 to 232 of the Act. The Transferee Company and the Resulting Company shall always be deemed to have been authorized to execute any pleadings, applications, forms, etc, as may be required to remove any difficulties and facilitate and carry out any formalities or compliances as are necessary for the implementation of this Scheme. For the purpose of giving effect to the vesting order passed under Section 232 of the Act in respect of this Scheme, the Transferee Company and Resulting Company shall be entitled to exercise all rights and privileges, and be liable to pay all taxes and charges and fulfil all its obligations, in relation to or applicable to all immovable properties, including mutation and/ or substitution of the ownership or the title to, or interest in the immovable properties which shall be made and duly recorded by the Appropriate Authority(ies) in favour of the Transferee Company and Resulting Company as the case may be pursuant to the sanction of the Scheme by the Tribunal and upon the effectiveness of this Scheme in accordance with the terms hereof, without any further act or deed to be done or executed by the Transferee Company and the Resulting Company as the case may be. It is clarified that the Transferee Company and Resulting Company shall be entitled to engage in such correspondence and make such representations, as may be necessary, for the purposes of the aforesaid mutation and/ or substitution.

33. FACILITATION PROVISIONS

33.1 Immediately upon the Scheme being effective, the concerned Parties shall enter into agreements as may be necessary, inter alia in relation to use by the Parties of office space, infrastructure facilities, information technology services, security personnel, trademarks and other intellectual property rights, legal, administrative and other services, etc. on such terms and conditions that may be mutually agreed between them.

33.2 It is clarified that approval of the Scheme by the shareholders of Demerged Company and Resulting Company under sections 230 to 232 of the Act shall be deemed to have their approval under Section 188 and other applicable provisions of the Act and Regulation 23 and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that no separate approval of the of the Board or audit committee or shareholders shall be required to be sought by the Parties, including, under Section 177 of the Act.

33.3 It is clarified that all guarantees provided by the Demerged Company in respect of the Demerged Undertaking and the Transferor Companies shall be valid and subsisting till adequate arrangements/ guarantees have been provided in respect of the same by the Resulting Company or the Transferee Company, as the case may be.

33.4 Without prejudice to the aforesaid, immediately after the Effective Date 2 but before the Effective Date 3, the redeemable preference shares so issued to the shareholders of the Transferor Company 1 under Part III of this Scheme shall be transferred by them to the Transferor Company 2 at the face value.

34. PROPERTY IN TRUST

Notwithstanding anything contained in this Scheme, on or after Effective Date 4, until any property, asset, license, approval, permission, contract, agreement and rights and benefits arising therefrom forming part of the Demerged Undertaking are transferred, vested, recorded, effected and/ or perfected, in the records of any Appropriate Authority, regulatory bodies or otherwise, in favour of the Resulting Company, the Resulting Company is deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license, approval, permission, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, approval, permission, contract or agreement. It is clarified that till entry is made in the records of the Appropriate Authorities and till such time as may be mutually agreed by the Demerged Company and/ or the Resulting Company, the Demerged Company will continue to hold the property and/or the asset, license, permission, approval, contract or agreement and rights and benefits arising therefrom, as the case may be, in trust for and on behalf of the Resulting Company.

35. APPLICATIONS/ PETITIONS TO THE TRIBUNAL

35.1 The Parties shall dispatch, make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act before the Tribunal, under whose jurisdiction, the registered offices of the respective Parties are situated, for sanction of this Scheme under the provisions of Applicable Law, and shall apply for such approvals as may be required under Applicable Law and for dissolution of the Transferor Company without being wound up.

35.2 The Parties shall be entitled, pending the sanction of the Scheme, to apply to any Appropriate Authority, if required, under any Applicable Law for such consents and approvals which the Transferee Company and the Resulting Company may

require to own the assets and/ or liabilities of the Transferor Companies or the Demerged Undertaking, as the case may be, and to carry on the business of the Transferor Companies or the Demerged Undertaking, as the case may be.

36. MODIFICATION OR AMENDMENTS TO THIS SCHEME

36.1 On behalf of each of the Parties, the Board of the respective Parties acting themselves or through authorized Persons, may consent jointly but not individually, to any modifications or amendments to this Scheme at any time and for any reason whatsoever, or to any conditions or limitations that the Tribunal or any other Appropriate Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by all of them (i.e., the Boards of the Parties) and solve all difficulties that may arise for carrying out this Scheme and do all acts, deeds and things necessary for putting this Scheme into effect.

36.2 For the purposes of giving effect to this Scheme or to any modification hereof, the Boards of the Parties acting themselves or through authorized Persons may jointly but not individually, give and are jointly authorised to give such directions including directions for settling any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all Parties, in the same manner as if the same were specifically incorporated in this Scheme.

37. CONDITIONS PRECEDENT

37.1 Unless otherwise decided (or waived) by the relevant Parties, the Scheme is conditional upon and subject to the following conditions precedent:

37.1.1 obtaining no-objection letter from Stock Exchanges in relation to the Scheme under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;

37.1.2 approval of the Scheme by the requisite majority of each class of shareholders and such other classes of persons of the Parties, as applicable or as may be required under the Act and as may be directed by the Tribunal;

37.1.3 the sanctions and orders of the Tribunal, under Sections 230 to 232 of the Act being obtained by the Parties;

37.1.4 SCL complying with other provisions of the SEBI Circular, including seeking approval of the shareholders of SCL through e-voting, as applicable. The Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders, of SCL, against it as required under the SEBI Circular. The term 'public' shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957; and

37.1.5 certified/ authenticated copies of the orders of the Tribunal, sanctioning the Scheme, being filed with the RoC having jurisdiction over the Parties.

37.2 Without prejudice to Clause 37.1 and subject to the satisfaction or waiver of the conditions mentioned in Clause 37.1 above, the Scheme shall be made effective in the order as contemplated below:

37.2.1 Part II of the Scheme shall be made effective subject to the satisfaction or waiver of conditions mentioned in Clause 37.1 by the Board of SCL;

37.2.2 Part III of the Scheme shall be made effective after the implementation of Part II of the Scheme;

37.2.3 Immediately after Part III of the Scheme is made effective, i.e., after the Effective Date 2 but before the effectiveness of Part IV of the Scheme, i.e. Effective Date 3, a portion of Preference Shares of SCL so issued to the shareholders of the Transferor Company 1 under Part III of this Scheme shall be transferred by them to the Transferor Company 2 at the face value and Transferor Company 2 shall pay consideration for the same to such transferors;

37.2.4 Part IV of the Scheme shall be made effective after the implementation of the step as suggested in 37.2.3 above; and

37.2.5 Part V of the Scheme shall be made effective after the implementation of Part IV of the Scheme.

37.3 It is hereby clarified that submission of this Scheme to the Tribunal and to the Appropriate Authorities for their respective approvals is without prejudice to all rights, interests, titles or defences that the respective Parties may have under or pursuant to all Applicable Law(s).

37.4 On the approval of this Scheme by the shareholders and such other classes of Persons of the said Parties, if any, the shareholders and classes of Persons shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the bonus, demerger, amalgamation, capital reduction set out in this Scheme, related matters and this Scheme itself.

38. CHANGE OF NAME OF THE DEMERGED COMPANY

38.1 Upon Part III of this Scheme becoming effective, the name of the Demerged Company shall stand changed to "TVS Holdings Limited" or such other name which is available and approved by the RoC, by simply filing the requisite forms with the Appropriate Authority and no separate act, procedure, instrument, or deed and registration fees shall be required to be followed under the Act.

38.2 Consequently, subject to Clause 38.1 above, clause I of the memorandum of association of the Demerged Company shall without any act, procedure, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 232 and other applicable provisions of the Act, and be replaced by the following clause:

"The name of the Company is TVS Holdings Limited."

38.3 It is hereby clarified that, for the purposes of acts and events as mentioned in Clause 38.1 and 38.2, the consent of the shareholders of the Demerged Company to this Scheme shall be deemed to be sufficient for the purposes of effecting the aforementioned amendment and that no further resolution under Section 13, Section 14 or any other applicable provisions of the Act, would be required to be separately passed, nor any additional fees (including fees and charges to the relevant RoC) or stamp duty, shall be payable by the Demerged Company.

39. CHANGE OF NAME OF RESULTING COMPANY

39.1 Upon Part V of this Scheme becoming effective, the name of the Resulting Company shall stand changed to 'Sundaram - Clayton Limited' or such other name which is available and approved by the RoC, by simply filing the requisite forms with the Appropriate Authority and no separate act, procedure, instrument, or deed and registration fees shall be required to be followed under the Act.

39.2 Consequently, subject to Clause 39.1 above, Clause I of the memorandum of association of the Resulting Company shall without any act, act, procedure, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 232 and other applicable provisions of the Act, and be replaced by the following clause:

"The name of the Company is Sundaram - Clayton Limited."

39.3 It is hereby clarified that, for the purposes of acts and events as mentioned in Clauses 38.2 and 39.2 above, the consent of the shareholders of the Demerged Company and the Resulting Company to this Scheme shall be deemed to be sufficient for the purposes of effecting the aforementioned amendment and that no further resolution under Section 13, Section 14 or any other applicable provisions of the Act, would be required to be separately passed, nor any additional fees (including fees and charges to the relevant RoC) or stamp duty, shall be payable by the Resulting Company.

40. WITHDRAWAL OF THIS SCHEME, NON-RECEIPT OF APPROVALS

40.1 Parties, acting jointly, shall be at liberty to withdraw the Scheme, any time before the Scheme is effective.

40.2 In the event of withdrawal of the Scheme under Clause 40.1 above, no rights and liabilities whatsoever shall accrue to or be incurred inter se the Parties or their respective shareholders or creditors or employees or any other Person.

40.3 In the event of any of the requisite sanctions and approvals not being obtained on or before such date as may be agreed to by the Parties, this Scheme or relevant part(s) of this Scheme shall become null and void and each Party shall bear and pay its respective costs, charges and expenses for and/ or in connection with this Scheme.

41. VALIDITY OF EXISTING RESOLUTIONS, ETC.

41.1 Upon the coming into effect of Part III, Part IV and Part V of this Scheme, the resolutions/ power of attorneys executed by the Transferor Company 1, the Transferor Company 2 and the Demerged Company (in relation to the Demerged Undertaking), as are considered necessary by the Board of the Transferor Company 1, the Transferor Company 2 and the Demerged Company (in relation to the Demerged Undertaking), and that are valid and subsisting on the Effective Date 1, Effective Date 2, Effective Date 3, or Effective Date 4 as the case may be, shall continue to be valid and subsisting and be considered as resolutions and power of attorney passed/ executed by the Transferee Company or the Resulting Company, as the case may be, and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then such limits as are considered necessary by the Board of the Transferee Company and/ or the Resulting Company, as the case may be, shall be added to the limits, if any, under like resolutions passed by the Transferee Company or the Resulting Company and shall constitute the new aggregate limits for each of the subject matters covered under such resolutions/power of attorneys for the purpose of the Transferee Company or the Resulting Company.

42. COSTS AND TAXES

All costs, charges and expenses (including, but not limited to, any taxes and duties, registration charges, etc.) of the Parties, respectively in relation to carrying out, implementing and completing the terms and provisions of this Scheme and/ or incidental to the completion of: Part II of this Scheme shall be paid by SCL, Part III and Part IV shall be borne by the shareholders of the Transferor Company 1 and Transferor Company 2 respectively, and for the Part IV of this Scheme shall be borne by the Resulting Company.

SCHEDULE 1

PRINCIPAL TERMS AND CONDITIONS FOR ISSUE OF PREFERENCE SHARES OF SCL

Issuer	SCL/ Transferee Company
Type of instrument	Cumulative Non-Convertible Redeemable Preference Shares of SCL
Face value	INR 10 (ten)
Coupon Rate	9% per annum payable at annual rest The payment of coupon will be at completion of 12 month and for the balance period if, the term extends beyond 12 months, the coupon shall be adjusted proportionately for such balance period and paid at the time of the redemption
Tenure	2nd February 2024 or 12 months from the date of allotment, whichever is later
Redemption	SCL shall redeem Preference Shares of SCL at INR 10 of nominal value
Credit Rating	To be obtained from a credit rating agency after Effective Date 1
Market Lot	One Preference Share or as required by Stock Exchanges
Listing	Proposed to be listed on the same stock exchanges on which the equity shares of SCL are listed
Taxation	The allotment, dividend, redemption amount of Preference Shares of SCL issued by way of bonus, are subject to Taxes including any withholding / deduction as may be applicable in accordance with provisions of Income Tax Act as amended from time to time
Lock in Period	There is no lock in for the Preference Shares of SCL

SCHEDULE 2

PRINCIPAL TERMS AND CONDITIONS FOR ISSUE OF PREFERENCE SHARES OF THE RESULTING COMPANY

Issuer	The Resulting Company
Type of instrument	Cumulative Non-Convertible Redeemable Preference Shares of the Resulting Company
Face value	INR 10 (ten)
Coupon Rate	0.1% per annum
Tenure	2nd February 2024 or 12 months from the date of allotment, whichever is later
Redemption	The Resulting Company shall redeem Preference Shares of the Resulting Company at INR 10
Listing	The Preference Shares of the Resulting Company will not be listed on any stock exchanges
Taxation	The allotment, dividend, redemption amount of Preference Shares of the Resulting Company issued by way of bonus, are subject to Taxes including any withholding / deduction as may be applicable in accordance with provisions of Income Tax Act as amended from time to time
Lock in Period	There is no lock in for the Preference Shares of the Resulting Company

Annexure – II - V to the Notice of NCLT Convened Meeting
FINANCIAL STATEMENTS

RAGHAVAN, CHAUDHURI & NARAYANAN
Chartered Accountants

Second Floor, Casa Capitol,
Wood Street, Ashoknagar,
Bangalore - 560 025.
Phone : 2556 7578 /
2551 4771 / 4140 4830

Independent Auditor's Limited Review Report on the Unaudited Standalone Quarterly Financial Results for the Quarter Ended 30th September 2022 and Year to Date Results for the period 1st April 2022 to 30th September 2022 of the Company pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended,

The Board of Directors,
Sundaram Clayton Limited,
Chaitanya, No.12, Khader Nawaz Khan Road,
Nungambakkam, Chennai 600 006.

1. We have reviewed the accompanying statement of Unaudited Standalone Financial Results of **Sundaram Clayton Limited** (the 'Company'), for the Quarter ended 30th September, 2022 and year to date results for the period 1st April 2022 to 30th September 2022 (the 'Statement') and being submitted by the Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended (the 'Listing Regulations').

2. This statement is the responsibility of the Company's Management and approved by the Board of Directors at their meeting held on 7th November 2022 and has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 34 (Ind AS 34) "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013 as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the statement in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel responsible for financial and accounting matters, and applying the analytical and other review procedures to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act 2013 and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

for **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
Firm Regn. No. 007761S

RAGHAVAN CHAUDHURI & NARAYANAN Chartered Accountants

V Sathyanarayanan
Partner
Membership No. 027716
Place: Chennai
Date: 7th November 2022
UDIN: 22027716BCHRRY7553

SUNDARAM-CLAYTON LIMITED

Regd office: "Chaitanya", No.12, Khader Nawaz Khan Road, Chennai 600 006

Tel : 044-2833 2115 Fax : 044 - 2833 2113
Website : www.sundaram-clayton.com Email : corpsec@sundaramclayton.com CIN : L35999TN1962PLC004792

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2022

(Rs. in Crores)

S.No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
		(1)	(2)	(3)	(4)	(5)	(6)
				(Unaudited)			(Audited)
1	**Income**						
	a) Revenue from operations	546.87	512.26	442.03	1,059.13	818.98	1,743.27
	b) Other Income	3.09	0.63	0.72	3.72	1.10	93.59
	Total Income	**549.96**	**512.89**	**442.75**	**1,062.85**	**820.08**	**1,836.86**
2	**Expenditure**						
	a) Cost of materials consumed	275.34	290.31	244.95	565.65	441.58	942.43
	b) Purchase of stock-in-trade	-	-	-	-	-	-
	c) Changes in inventories of finished goods, work-in-process and stock-in-trade	19.02	(13.04)	(32.75)	5.98	(50.84)	(76.51)
	d) Employee benefits expense	57.09	57.85	53.54	114.94	108.61	206.13
	e) Finance Costs	11.51	10.27	10.51	21.78	21.52	44.91
	f) Depreciation and amortisation expense	24.49	23.58	24.22	48.07	48.87	101.74
	g) Other expenses	127.18	120.93	111.81	248.11	206.34	440.27
	Total Expenditure	**514.63**	**489.90**	**412.28**	**1,004.53**	**776.08**	**1,658.97**
3	**Profit/(loss) from Ordinary Activities before Exceptional items (1-2)**	**35.33**	**22.99**	**30.47**	**58.32**	**44.00**	**177.89**
4	Exceptional Items - Gain / (Loss) (net)	27.95	15.72	11.69	43.67	1,500.37	2,122.60
5	**Profit/(loss) from Ordinary Activities before tax (3+4)**	**63.28**	**38.71**	**42.16**	**101.99**	**1,544.37**	**2,300.49**
6	Tax expense						
	a) Current tax	18.18	11.50	4.40	29.68	5.07	22.51
	b) Deferred tax	(4.04)	(1.22)	1.01	(5.26)	1.21	1.29
	Total tax expense	14.14	10.28	5.41	24.42	6.28	23.80
7	**Profit /(loss) for the Period (5-6)**	**49.14**	**28.43**	**36.75**	**77.57**	**1,538.09**	**2,276.69**
8	**Other Comprehensive Income (net of tax)**						
	a) Items that will not be reclassified to profit or loss	(0.08)	2.60	(5.73)	2.52	(2.23)	(5.36)
	b) Items that will be reclassified to profit or loss	0.36	0.67	0.82	1.03	0.69	2.24
9	**Total Comprehensive Income/(loss) for the period (7+8)**	**49.42**	**31.70**	**31.84**	**81.12**	**1,536.55**	**2,273.57**
10	Paid up equity share capital (Face value of Rs.5/- each)	10.12	10.12	10.12	10.12	10.12	10.12
11	Reserves excluding revaluation reserve	-	-	-	-	-	2,890.24
12	**Earnings Per Share (EPS)(Face value of Rs.5/- each)(not annualised)**						
	(i) Basic (in Rs.)	24.29	14.05	18.16	38.34	760.22	1,125.29
	(ii) Diluted (in Rs.)	24.29	14.05	18.16	38.34	760.22	1,125.29

Notes:

1 The operations of the Company relate to only one segment viz., automotive components.

2 The above unaudited financial results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on 7th November 2022. These results have been subjected to limited review by the statutory auditors of the Company.

3 During the quarter ended 30th September 2022, the company has acquired 50.05% stake of Sundaram Holding USA Inc, USA. Consequent to this acquisition Sundaram Holding USA Inc, USA and its four subsidiaries became wholly owned subsidiaries of the Company.

4 (i) Exceptional item for the quarter ended 30.09.2022, Rs.27.95 crores includes interest income Rs.31.16 crores and one time cost associated with voluntary separations Rs.3.21 crores.

(ii) Exceptional item for the half year ended 30.09.2022, Rs.43.67 crores includes interest income Rs.54.14 crores and one time cost associated with voluntary separations Rs. 10.47 crores.

5 Earnings Per Share (EPS) of Rs. 38.34 for the year half year ended 30.09.2022 and Rs.24.29 for the quarter ended 30.09.2022, as given above is after including the exceptional income of Rs. 54.14 crores for the half year ended 30.09.2022 and Rs. 31.16 crores for the quarter ended 30.09.2022. Excluding the exceptional income, EPS for the year half year ended 30.09.2022 is Rs.18.32 and Rs.12.76 for the quarter ended 30.09.2022.

6 Figures for the previous periods have been regrouped, wherever necessary, to conform to the current period's classification.

FOR SUNDARAM-CLAYTON LIMITED

R.Gopalan
Chairman

Place : Chennai
Date : 7th November 2022

RAGHAVAN CHAUDHURI & NARAYANAN Chartered Accountants

SUNDARAM-CLAYTON LIMITED

Regd office: "Chaitanya", No. 12, Khader Nawaz Khan Road, Nungambakkam, Chennai 600 006
Tel : 044-2833 2115 Fax : 044 - 2833 2113
Website : www.sundaram-clayton.com Email : corpsec@sundaramclayton.com CIN : L35999TN1962PLC004792

Additional disclosures as per Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Non-Convertible Debentures of Sundaram - Clayton Limited being listed, below are the details on a standalone basis as per listing regulations :

Particulars	Quarter ended			Half Year Ended		Year ended
	30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
Net Debt to Equity : (no. of times) [Refer note (i)]	0.24	0.25	0.27	0.24	0.27	0.25
Debt service coverage ratio (no. of times) [Refer note (ii)]	1.58	1.67	1.24	1.62	1.41	1.97
Interest service coverage ratio (no. of times) [Refer note (iii)]	6.29	5.68	6.55	6.00	5.54	7.57
Outstanding redeemable preference shares (Qty / Value)	NOT APPLICABLE					
Capital Redemption Reserve	NOT APPLICABLE					
Debenture Redemption Reserve	NOT APPLICABLE					
Net Worth - Rs. In Crores (Refer note (iv))	2,971.23	2,923.07	2,251.42	2,971.23	2,251.42	2,893.66
Net profit after tax - Rs. In Crores	49.14	28.43	36.75	77.57	1,538.09	2,276.69
Earnings per share - Rs Per share (Basic & Diluted - Not annualised)	24.29	14.05	18.16	38.34	760.22	1,125.29
Current ratio [Refer note (v)]	0.96	0.98	0.91	0.96	0.91	0.98
Long term debt to working capital - in times [Refer note (vi)]	9.39	5.91	8.70	9.39	8.70	5.79
Bad debts to Accounts receivable ratio [Refer note (vii)]	-	-	-	-	-	-
Current liability ratio [Refer note (viii)]	0.63	0.62	0.65	0.63	0.65	0.62
Total debts to Total assets ratio [Refer note (ix)]	0.33	0.38	0.36	0.33	0.36	0.38
Debtors Turnover - in times [Refer note (x)]	7.02	7.08	6.92	7.04	6.92	6.74
Inventory Turnover in times [Refer note (xi)]	2.98	2.91	2.39	3.06	2.39	2.58
Operating Margin in % [Refer note (xii)]	12.48	10.97	14.59	11.75	13.83	13.25
Net Profit Margin in % [Refer note (xiii)]	5.13	3.25	5.67	4.22	4.61	8.39
Credit rating issued by CRISIL for NCD	AA-/ Stable					
Previous due dates for payment of interest / principal	18.08.2022					
Next due date for payment of interest for NCD	18.08.2023					

Notes:

(i) Net Debt to Equity : [(Total borrowings - Cash and cash equivalents excluding term deposits) / Equity (including profit from exceptional item)]

(ii) Debt service coverage ratio : (Earnings before Tax , Exceptional item, Depreciation and Interest on non current borrowings) / (Interest on non current borrowings + Principal repayment of Long term borrowings made during the period excluding prepayments)

(iii) Interest service coverage ratio : (Earnings before Tax , Exceptional item , Depreciation and Interest) / (Interest)

(iv) Networth - Rs. In Crores - Networth as per Section 2(57) of the Companies Act, 2013. (Including profit from exceptional item)

(v) Current ratio - [Current Assets (excluding term deposits) / Current Liabilities]

(vi) Long term debt to working capital - [Non Current borrowing including current maturity /(Current Asset - Current Liabilities excluding current maturity of Long term borrowing)]

(vii) Bad debts to Accounts receivable ratio - [Bad debts written off / Trade Receivables]

(viii) Current liability ratio - [Current Liability / Total Liability]

(ix) Total debts to Total assets - [(Non current borrowing including current maturity + Current borrowing) / Total Assets excluding term deposits]

(x) Debtors Turnover - [Annualised Turnover / Average Debtors]

(xi) Inventory Turnover - [Annualised Cost of goods sold / Average Inventory]

(xii) Operating Margin - [Operating EBITDA / Turnover]

(xiii) Net Profit Margin - [Net profit before exceptional items / Total income]

(xiv) The Company has maintained asset cover sufficient to discharge the principal amount at all times for the non-convertible debt securities issued.

FOR SUNDARAM-CLAYTON LIMITED

Place : Chennai
Date : 7th November 2022

RAGHAVAN CHAUDHURI & NARAYANAN Chartered Accountants

R.Gopalan
Chairman

RAGHAVAN, CHAUDHURI & NARAYANAN
Chartered Accountants

Second Floor, Casa Capitol,
Wood Street, Ashoknagar,
Bengaluru - 560 025.
Phone : 2556 7578 /
2551 4771 / 4140 4830

Independent Auditor's Limited Review Report on the Unaudited Consolidated Financial Results of the Company for the Quarter Ended 30th September 2022 and Year to Date Results for the period 1st April 2022 to 30th September 2022 pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

The Board of Directors,
Sundaram Clayton Limited,
Chaitanya, 12, Khader Nawaz Khan Road,
Nungambakkam,
Chennai 600 006.

1. We have reviewed the accompanying statement of Unaudited Consolidated Financial Results of Sundaram Clayton Limited (the 'Parent Company'), its subsidiaries (the Parent Company and its subsidiaries together referred to as "the Group"), and its share of the net loss after tax and total comprehensive loss of its associates for the quarter ended 30th September 2022 and Consolidated year to date results for the period 1st April 2022 to 30th September, 2022 (the 'Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended ("Listing Regulations").

2. This statement which is the responsibility of the Parent Company's Management and approved by the Board of Directors of the parent company at their meeting held on 7th November 2022 has been compiled on the basis of the related Interim Consolidated Financial Statements prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 34 (Ind AS 34) "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013 read with relevant rules thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel responsible for financial and accounting matters, and applying analytical and other review procedures to financial data. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. We have also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

RAGHAVAN CHAUDHURI & NARAYANAN * Chartered Accountants

 # 48, "ISHITA", 2nd and 3rd Floor, 2nd Main Road, Vyalikaval, Bengaluru - 560 003.
Tel/Fax : 2336 1121 / 2336 1030 / 2336 1120

RAGHAVAN, CHAUDHURI & NARAYANAN
Chartered Accountants

Second Floor, Casa Capitol,
Wood Street, Ashoknagar,
Bengaluru - 560 025.
Phone : 2556 7578 /
2551 4771 / 4140 4830

5. We did not review the interim financial information/financial results of the three subsidiaries, included in the unaudited consolidated financial results, whose interim financial information/financial results reflect total assets of Rs. 32,920.72 crores as at 30th September 2022 and total revenues of Rs.8,159.17 crores and Rs.15,474.13 crores, total profit after tax of Rs.546.09 crores and Rs.916.95 crores and total comprehensive income of Rs. 536.16 crores and Rs.906.17 crores, for the quarter ended 30th September, 2022 and for the period from 01st April 2022 to 30th September 2022 respectively and cash inflows (net) of Rs.844.27 crores for the period from 01st April 2022 to 30th September 2022, as considered in the unaudited consolidated financial results. The unaudited consolidated financial results also reflect the Group's share of net loss after tax amounting to Rs.13.01 crores and Rs.20.02 crores and Total Comprehensive Loss of Rs.12.76 crores and Rs.19.99 crores for the quarter ended 30th September, 2022 and for the period from 01st April 2022 to 30th September 2022, respectively, from one associate whose interim financial information were not reviewed by us. These interim financial information / financial results have been reviewed by other auditor's whose report has been furnished to us by the management and our conclusion on the statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and procedures performed by us as stated in paragraph 3 above.

   Our conclusion on the statement is not modified in respect of the above matter.

6. The unaudited consolidated financial results include the interim financial information / financial results of Twenty Two subsidiaries which have not been reviewed by their auditors and are based solely on management certified accounts, whose interim financial information/financial results reflect total assets of Rs. 5,033.75 crores as at 30th September 2022 and total revenues of Rs.645.01 crores and Rs. 850.79 crores, total after tax losses of Rs.177.25 crores and Rs.238.46 crores and total comprehensive loss of Rs. 151.62 crores and Rs.220.64 crores, for the quarter ended 30th September, 2022 and for the period from 01st April 2022 to 30th September 2022, respectively, and cash outflows (net) of Rs. 107.43 crores for the period from 01st April 2022 to 30th September 2022 as considered in the unaudited consolidated financial results. The unaudited consolidated financial results also reflect the Group's share of Net Loss amounting to Rs.3.26 crores and Rs.4.98 crores and total comprehensive loss of Rs.3.26 crores and Rs.4.98 crores for the quarter ended 30th September, 2022 and for the period from 01st April 2022 to 30th September 2022, respectively, as considered in the unaudited consolidated financial results from Eight associates whose interim financial information were not reviewed by their respective auditors and are based solely on their management certified accounts.

   Our conclusion on the statement is not modified in respect of the above matter.

7. Eighteen subsidiaries and four associates are located outside India whose financial information have been prepared in accordance with accounting principles generally accepted in their respective countries. The Company's Management has converted these financial information to Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India from accounting principles generally accepted in their countries. We have reviewed these conversion adjustments made by the Company's Management. Our conclusion in so far as it relates to such subsidiaries and associate located outside India, is based on the aforesaid conversion adjustments prepared by the Company's Management and reviewed by us.

   Our conclusion on the statement is not modified in respect of the above matter.

RAGHAVAN, CHAUDHURI & NARAYANAN
Chartered Accountants

Second Floor, Casa Capitol,
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8. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 above, nothing has come to our attention that causes us to believe that the accompanying Statement of Unaudited Consolidated Financial Results, which includes the result of the subsidiaries, as given in the Annexure to this report, prepared in accordance with the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act 2013 and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Our conclusion on the statement is not modified in respect of the above matter.

for **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
Firm Regn. No. 007761S

V Sathyanarayanan
Partner
Membership No. 027716
Place: Chennai
Date: 7th November 2022

UDIN: 22027716BCHRTN3331

RAGHAVAN, CHAUDHURI & NARAYANAN
Chartered Accountants

Second Floor, Casa Capitol,
Wood Street, Ashoknagar,
Bangalore - 560 025.
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Annexure to Limited Review report

List of Subsidiaries:

I. TVS Motor Company Limited, Chennai
II. Sundaram Holding USA Inc, Delaware, USA – (Wholly owned subsidiary w.e.f 22nd September, 2022)
III. Sundaram – Clayton (USA) Limited, USA
IV. Sundaram – Clayton DCD Limited, Chennai

I. **Subsidiaries of TVS Motor Company Limited:**

1) Sundaram Auto Components Limited, Chennai
2) TVS Housing Limited, Chennai
3) TVS Motor Services Limited, Chennai
4) TVS Credit Services Limited, Chennai

Subsidiaries of TVS Credit Services Limited, Chennai:

i. TVS Two-wheeler Mall Private Limited, Chennai
ii. Harita ARC Private Limited, Chennai
iii. TVS Housing Finance Private Limited, Chennai

5) TVS Electric Mobility Limited, Chennai

6) TVS Motor Company (Europe) B.V., Amsterdam

7) TVS Motor (Singapore) Pte. Limited, Singapore

Subsidiaries of TVS Motor (Singapore) Pte. Limited, Singapore

i. The Norton Motorcycles Co., Ltd, UK
ii. TVS Digital Pte Limited
iii. The GO AG, Zurich

Subsidiary of the GO AG, Zurich

a. EGO Movement Stuttgart Gmbh
iv. Swiss E – Mobility(group) Holding AG, Switzerland

Subsidiary company of Swiss E-mobility (Group) Holding AG, Switzerland

a. Swiss E-Mobility Group (Schweiz) AG Switzerland, Zurich
b. Colag E-Mobility GmBH, Germany, Nuremberg
c. Alexand'Ro Edouard'O Passion Vélo Sàrl, Switzerland (w.e.f 12th April, 2022)
v. EBCO Limited, UK (w.e.f. 1st April, 2022)

8) PT TVS Motor Company Indonesia, Jakarta

9) Intellicar Telematics Private Limited, Bengaluru (Ceased to be subsidiary from 24th May, 2022)

RAGHAVAN CHAUDHURI & NARAYANAN Chartered Accountants

RAGHAVAN, CHAUDHURI & NARAYANAN
Chartered Accountants

Second Floor, Casa Capitol,
Wood Street, Ashoknagar,
Bangalore - 560 025.
Phone : 2556 7578 /
2551 4771 / 4140 4830

II. Subsidiaries of Sundaram Holding USA Inc

1) Green Hills Land Holding LLC, South Carolina, USA
2) Components Equipment Leasing LLC, South Carolina, USA
3) Sundaram – Clayton (USA) LLC, South Carolina, USA
4) Premier Land Holding LLC, South Carolina, USA

List of Associates

I. Associates of Sundaram – Clayton Limited

1. Sundram Non-Conventional Energy Systems Limited, Chennai
2. TVS Training and Services Limited, Chennai

II. Associates of TVS Motor Company Limited

1. Emerald Haven Realty Limited, Chennai
2. Ultraviolette Automotive Private Limited
3. Tagbox Solutions Private Limited. Bengaluru
4. Scienaptics Systems Inc.
5. Predictronics Corp. (Associate of TVS Digital Pte Limited)
6. Tagbox Pte Ltd (Associate of TVS Digital Pte Limited)
7. Altizon Inc. (Associate of TVS Digital Pte Limited)

#48, "ISHITA", 2nd and 3rd Floor,2nd Main Road, Vyalikaval, Bangalore - 560 003.
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SUNDARAM-CLAYTON LIMITED

Regd office: "Chaitanya", No.12, Khader Nawaz Khan Road, Chennai 600 006
Tel : 044-2833 2115 Fax : 044 - 2833 2113
Website : www.sundaram-clayton.com Email : corpsec@sundaramclayton.com CIN : L35999TN1962PLC004792

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2022

(Rs. in Crores)

S.No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
		(1)	(2)	(3)	(4)	(5)	(6)
				(Unaudited)			(Audited)
1	**Income**						
	a) Revenue from operations	8,962.55	7,666.37	6,800.86	16,628.92	11,773.40	25,590.65
	b) Other income	9.19	32.76	2.13	41.95	5.20	34.50
	Total Income	**8,971.74**	**7,699.13**	**6,802.99**	**16,670.87**	**11,778.60**	**25,625.15**
2	**Expenditure**						
	a) Cost of materials consumed	5,725.33	4,759.39	4,540.95	10,484.72	7,762.40	16,429.60
	b) Purchase of stock-in-trade	229.96	218.87	80.93	448.83	130.89	579.04
	c) Changes in inventories of finished goods, work-in-process and stock-in-trade	(68.31)	5.83	(136.31)	(62.48)	(252.43)	(333.71)
	d) Employee benefits expense	809.94	716.44	586.93	1,526.38	1,127.64	2,330.16
	e) Finance Costs	350.01	302.22	233.12	652.23	465.16	985.13
	f) Depreciation and amortisation expense	237.80	222.43	206.52	460.23	395.00	844.58
	g) Other expenses	1,114.04	1,004.19	917.82	2,118.23	1,730.57	3,597.65
	Total Expenditure	**8,398.77**	**7,229.37**	**6,429.96**	**15,628.14**	**11,359.23**	**24,432.45**
3	**Profit/ (loss) from ordinary activities before Share of Profit/(Loss) of associates and Exceptional Items (1-2)**	**572.97**	**469.76**	**373.03**	**1,042.73**	**419.37**	**1,192.70**
4	Share of profit/(loss) of Associates	(16.08)	(8.92)	1.79	(25.00)	2.50	3.45
5	**Profit/(loss) from ordinary activities before Exceptional items (3+4)**	**556.89**	**460.84**	**374.82**	**1,017.73**	**421.87**	**1,196.15**
6	Exceptional Items - Gain / (Loss)	27.86	14.65	10.72	42.51	(32.11)	(11.95)
7	**Profit/(loss) from Ordinary Activities before tax (5+6)**	**584.75**	**475.49**	**385.54**	**1,060.24**	**389.76**	**1,184.20**
8	Tax expense						
	a) Current tax	211.41	168.92	102.45	380.33	121.61	387.06
	b) Deferred Tax	(20.94)	(19.43)	11.81	(40.37)	4.87	(27.35)
	Total tax expense	190.47	149.49	114.26	339.96	126.48	359.71
9	**Profit/(loss) for the Period (7-8)**	**394.28**	**326.00**	**271.28**	**720.28**	**263.28**	**824.49**
10	Other Comprehensive Income (net of tax)						
	a) Items that will not be reclassified to profit or loss	16.29	0.99	(54.24)	17.28	(43.79)	(71.72)
	b) Items that will be reclassified to profit or loss	(0.04)	(7.34)	(4.12)	(7.38)	11.35	71.53
11	**Total Comprehensive Income / (Loss) for the period (9+10)**	**410.53**	**319.65**	**212.92**	**730.18**	**230.84**	**824.30**
12	**Net Profit attributable to**						
	a) Owners of the Company	**212.26**	**160.00**	**148.31**	**372.26**	**149.92**	**440.74**
	b) Non controlling interest	**182.02**	**166.00**	**122.97**	**348.02**	**113.36**	**383.75**
13	**Other Comprehensive income / (Loss) attributable to**						
	a) Owners of the Company	**31.89**	**(16.70)**	**(33.27)**	**15.19**	**(15.18)**	**1.06**
	b) Non controlling interest	**(15.64)**	**10.35**	**(25.09)**	**(5.29)**	**(17.26)**	**(1.25)**
14	**Total Comprehensive income / (Loss) attributable to**						
	a) Owners of the Company	**244.15**	**143.30**	**115.04**	**387.45**	**134.74**	**441.80**
	b) Non controlling interest	**166.38**	**176.35**	**97.88**	**342.73**	**96.10**	**382.50**
15	Paid up equity share capital (Face value of Rs. 5/- each)	10.12	10.12	10.12	10.12	10.12	10.12
16	Reserve excluding Revaluation Reserve	-	-	-	-	-	5,069.12
17	**Earnings Per Share (EPS) (Face value of Rs. 5/- each) (not annualised)**						
	(i) Basic (in Rs.)	104.91	79.08	73.30	184.00	74.10	217.84
	(ii) Diluted (in Rs.)	104.91	79.08	73.30	184.00	74.10	217.84

Notes:

1 The above unaudited financial results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meetings held on 7th November 2022. These results have been subjected to limited review by the statutory auditors of the Company.

2 During the quarter ended 30th September 2022, the company has acquired 50.05% stake of Sundaram Holding USA Inc, USA. Consequent to this acquisition Sundaram Holding USA Inc, USA and its four subsidiaries became wholly owned subsidiaries of the Company.

3 Exceptional item reported in the financials represents interest income, COVID 19 related expenses and one time cost associated with voluntary separations.

4 Figures for the previous periods have been regrouped, wherever necessary, to conform to the current period's classification.

FOR SUNDARAM-CLAYTON LIMITED

Place : Chennai
Date : 7th November 2022

RAGHAVAN CHAUDHURI & NARAYANAN Chartered Accountants

R.Gopalan
Chairman

SUNDARAM-CLAYTON LIMITED

Regd office: "Chaitanya", No.12, Khader Nawaz Khan Road, Chennai 600 006
Tel : 044-2833 2115 Fax : 044 - 2833 2113
Website : www.sundaram-clayton.com Email : corpsec@sundaramclayton.com CIN : L35999TN1962PLC004792

STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Crores)

	Particulars	Standalone		Consolidated	
		As at 30.09.2022	As at 31.03.2022	As at 30.09.2022	As at 31.03.2022
		Unaudited	Audited	Unaudited	Audited
I	**ASSETS**				
	Non-Current Assets				
(a)	Property, plant and equipment	643.32	670.54	5,014.50	5,040.12
(b)	Capital work in progress	22.39	8.93	384.65	329.11
(c)	Investment Properties	-	-	137.70	137.71
(d)	Goodwill	-	-	311.37	290.59
(e)	Other intangible assets	0.34	0.62	789.73	870.91
(f)	Intangibles under development	-	-	289.63	231.35
(g)	Right-to-use assets	-	-	-	-
(h)	Financial assets				
	i. Investments	731.94	404.32	336.60	143.09
	ii. Loans (Receivable from Financing activity)	-	-	8,624.31	6,716.45
	iii. Other financial assets	51.12	13.41	237.62	137.55
(i)	Investments accounted using equity method	-	-	345.86	370.83
(j)	Non-current tax assets (Net)	-	-	27.91	49.60
(k)	Deferred Tax Assets (Net)	-	-	227.39	217.88
(l)	Other non-current assets	21.36	18.77	122.64	134.20
	Total Non-Current Assets	**1,470.47**	**1,116.59**	**16,849.91**	**14,669.39**
	Current Assets				
(a)	Inventories	375.18	371.35	2,047.62	2,013.42
(b)	Financial assets				
	i. Trade receivables	313.15	288.30	1,659.62	1,367.01
	ii. Loans (Receivable from Financing activity)	-	-	9,048.27	7,299.24
	iii. Cash and cash equivalents	2,024.69	2,308.15	4,207.21	3,753.95
	iv. Bank balances other than (iii) above	1.32	90.29	57.38	180.22
	v. Investments	5.65	-	135.88	130.23
	vi. Other financial assets	26.17	16.85	130.14	134.82
(c)	Current tax assets (Net)	11.29	11.29	26.53	12.71
(d)	Other current assets	22.62	24.90	1,062.68	990.90
	Total Current Assets	**2,780.07**	**3,111.13**	**18,375.33**	**15,882.50**
	Total Assets	**4,250.54**	**4,227.72**	**35,225.24**	**30,551.89**
II	**EQUITY AND LIABILITIES**				
	Equity				
(a)	Equity Share capital	10.12	10.12	10.12	10.12
(b)	Other Equity	2,971.36	2,890.24	5,430.69	5,069.12
	Equity attributable to owners	**2,981.48**	**2,900.36**	**5,440.81**	**5,079.24**
	Non controlling interest	-	-	2,557.35	2,202.63
	Total Equity	**2,981.48**	**2,900.36**	**7,998.16**	**7,281.87**
	Liabilities				
	Non-current liabilities				
(a)	Financial liabilities				
	i. Borrowings	408.34	434.86	9,786.61	7,740.63
	ii. Lease liability	14.13	18.44	379.60	421.49
	iii. Other financial liabilities	0.02	0.71	51.59	55.44
(b)	Provisions	32.45	27.96	246.95	224.20
(c)	Deferred tax liabilities (Net)	20.68	23.64	198.89	231.20
	Total Non-Current Liabilities	**475.62**	**505.61**	**10,663.64**	**8,672.96**
	Current Liabilities				
(a)	Financial liabilities				
	i. Borrowings	318.29	297.78	9,375.42	8,289.29
	ii. Lease liability	12.56	14.26	139.54	141.14
	iii. Trade payables	383.08	356.10	5,830.39	4,909.62
	iv. Other financial liabilities	35.92	116.51	380.16	424.38
(b)	Other current liabilities	28.51	16.72	648.17	704.83
(c)	Provisions	10.00	20.38	120.27	127.80
(d)	Current tax liabilities (Net)	5.08	-	69.49	-
	Total Current Liabilities	**793.44**	**821.75**	**16,563.44**	**14,597.06**
	Total Liabilities	**1,269.06**	**1,327.36**	**27,227.08**	**23,270.02**
	Total Equity and Liabilities	**4,250.54**	**4,227.72**	**35,225.24**	**30,551.89**

For Sundaram-Clayton Limited

RAGHAVAN CHAUDHURI & NARAYANAN Chartered Accountants

Place : Chennai
Date : 7th November 2022

R.Gopalan
Chairman

SUNDARAM-CLAYTON LIMITED

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STATEMENT OF UNAUDITED CASH FLOW

(Rs. in Crores)

	Particulars	Standalone		Consolidated	
		As at 30.09.2022	As at 30.09.2021	As at 30.09.2022	As at 30.09.2021
A	**Cash Flow from operating activities:**				
	Net profit before tax	**101.99**	**1,544.37**	**1,060.24**	**389.76**
	Adjustment for:				
	Depreciation and amortisation for the year	48.07	48.87	460.23	395.00
	Loss on sale/scrapping of property, plant and equipment	0.13	0.21	0.55	1.28
	Profit on sale of property, plant and equipment	(0.05)	(0.08)	-	(0.27)
	Unrealised exchange (gain) / loss	(0.08)	4.62	-	5.01
	Dividend income	(0.71)	(0.24)	(0.99)	(0.24)
	Interest income	(54.43)	(17.21)	(56.04)	(22.91)
	Net (profit)/ loss from Associate using equity method	-	-	25.00	-
	Fair value of financial assets & financial liabilities	-	(0.38)	-	(0.38)
	Profit on sale of investment	(0.33)	(1,494.77)	-	-
	Interest expense	21.78	21.52	125.15	102.95
		14.38	**(1,437.46)**	**553.90**	**480.44**
	Operating profit before working capital changes	**116.37**	**106.91**	**1614.14**	**870.20**
	Adjustments for:				
	Inventories	(3.83)	(51.18)	(34.20)	(342.77)
	Trade Receivables	(23.60)	(14.33)	(292.61)	(144.30)
	Other financial assets	70.33	12.16	(112.49)	(66.82)
	Other Bank balances	-	-	122.84	83.84
	Other non-current assets	(2.60)	(0.32)	11.56	22.02
	Other current assets	2.28	(4.11)	(71.78)	(426.48)
	Loans (Receivable from financing activity)	-	-	(3,656.90)	(504.16)
	Trade Payables	26.95	57.98	(2.79)	397.98
	Provisions	4.02	2.57	894.33	6.90
	Other financial liabilities (excluding current maturities of debt)	4.40	2.82	99.23	75.38
	Other current liabilities	11.79	(0.03)	(15.66)	11.90
		89.74	**5.56**	**(3,058.47)**	**(886.51)**
	Cash generated from operations	206.11	112.47	(1,444.33)	(16.31)
	Direct taxes paid	(24.60)	(5.07)	(287.97)	(150.80)
	Net cash from operating activities (A)	**181.51**	**107.40**	**(1,732.30)**	**(167.11)**
B	**Cash flow from investing activities**				
	Additions to property, plant and equipment (including Capital work in progress)	(37.22)	(33.09)	(529.00)	(376.90)
	Sale of property, plant and equipment	0.18	0.51	0.37	3.06
	Investment accounted using equity method	-	-	-	-
	Purchase of investments	(360.67)	1,586.47	(199.16)	1,615.72
	Investment in Term deposits		(1,672.06)	281.81	
	Sale of investments	-	-	-	-
	Closure of Term deposits	281.81	-	-	(1,672.06)
	Investment in subsidiaries / associates	-	-	-	(129.06)
	Contribution from non controlling interest	-	-	44.23	-
	Consideration paid towards business combination	-	-	-	-
	Interest received	54.43	17.21	56.04	22.91
	Dividend received	0.71	38.42	0.99	0.24
	Net Cash from/(used in) investing activities (B)	**(60.76)**	**(62.54)**	**(344.72)**	**(536.09)**
C	**Cash flow from financing activites**				
	Net Borrowings:				
	Term loans availed/(repaid)	(46.37)	(58.91)	2045.98	871.18
	Short term borrowings availed/ (repaid)	40.30	43.28	1,086.13	132.74
	Interest paid	(21.78)	(19.94)	(118.16)	(84.99)
	Dividend and dividend tax paid	(88.86)	(22.26)	(143.28)	(50.59)
	Repayment of lease liabilities	(5.69)	(7.23)	(58.58)	(52.18)
	Net cash from/(used in) financing activities (C)	**(122.40)**	**(65.06)**	**2,812.09**	**816.16**
D	Net increase/(decrease) in cash and cash equivalents (A+B+C)	(1.65)	(20.20)	735.07	112.96
	Cash and cash equivalents at the beginning of the period				
	Cash and Bank balances	5.07	25.20	1,450.87	1,599.08
	Cash credit balance	-	-	-	(10.80)
		5.07	**25.20**	**1,450.87**	**1,588.28**
	Cash and cash equivalents at the end of the period				
	Cash and Bank balances	3.42	5.00	2,185.94	1,724.44
	Cash credit balance	-	-	-	(23.20)
		3.42	**5.00**	**2,185.94**	**1,701.24**

For Sundaram-Clayton Limited

Place : Chennai
Date : 7th November 2022

RAGHAVAN CHAUDHURI & NARAYANAN Chartered Accountants

R.Gopalan
Chairman

SUNDARAM-CLAYTON LIMITED

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CONSOLIDATED SEGMENT INFORMATION FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2022

(Rs. in Crores)

S.No	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
		Unaudited					Audited
1	**Segment Revenue**						
	a) Automotive components	786.58	715.88	619.09	1,502.46	1,120.53	2,402.39
	b) Automotive Vehicles & Parts	7,473.10	6,328.00	5,739.98	13,801.10	9,768.06	21,249.99
	c) Financial Services	961.07	866.56	660.26	1,827.63	1,257.33	2,747.12
	c) Others	0.02	3.77	2.56	3.79	4.76	17.21
	Total	**9,220.77**	**7,914.21**	**7,021.89**	**17,134.98**	**12,150.68**	**26,416.71**
	Less: Inter-Segment Revenue	258.22	247.84	221.03	506.06	377.28	826.06
	Revenue from operations	**8,962.55**	**7,666.37**	**6,800.86**	**16,628.92**	**11,773.40**	**25,590.65**
2	**Segment Results**						
	Profit before tax and interest						
	a) Automotive components	64.49	21.26	32.63	85.75	51.19	98.12
	b) Automotive Vehicles & Parts	471.29	408.19	368.59	879.48	437.53	1,139.55
	c) Financial Services	127.96	110.69	33.87	238.65	(0.48)	148.23
	d) Others	0.02	6.79	2.83	6.81	1.97	(2.15)
	Total	**663.76**	**546.93**	**437.92**	**1,210.69**	**490.21**	**1,383.75**
	Less: Interest	62.41	62.52	54.17	124.93	102.95	203.00
	Add: Share of Profit of Associates	(16.60)	(8.92)	1.79	(25.52)	2.50	3.45
	Profit before tax	**584.75**	**475.49**	**385.54**	**1,060.24**	**389.76**	**1,184.20**
3	**Segment Assets**						
	a) Automotive components	5,188.50	5,083.11	4,195.00	5,188.50	4,195.00	5,088.56
	b) Automotive Vehicles & Parts	10,284.18	10,129.86	9,401.69	10,284.18	9,401.69	9,755.31
	c) Financial Services	19,750.14	17,185.65	13,229.37	19,750.14	13,229.37	15,672.46
	d) Others	2.42	2.41	34.43	2.42	34.43	35.56
	Total	**35,225.24**	**32,401.03**	**26,860.49**	**35,225.24**	**26,860.49**	**30,551.89**
4	**Segment Liabilities**						
	a) Automotive components	1,882.30	1,852.55	1,721.60	1,882.30	1,721.60	1,898.37
	b) Automotive Vehicles & Parts	8,078.24	7,898.84	7,416.77	8,078.24	7,416.77	7,749.13
	c) Financial Services	17,265.04	15,040.92	11,371.24	17,265.04	11,371.24	13,609.43
	d) Others	1.51	1.52	8.63	1.51	8.63	13.09
	Total	**27,227.09**	**24,793.83**	**20,518.24**	**27,227.09**	**20,518.24**	**23,270.02**

FOR SUNDARAM-CLAYTON LIMITED

Place : Chennai
Date : 7th November 2022

RAGHAVAN CHAUDHURI & NARAYANAN Chartered Accountants

R.Gopalan
Chairman

SUNDARAM-CLAYTON LIMITED

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Additional disclosures as per Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Non-Convertible Debentures of Sundaram - Clayton Limited being listed, below are the details on a consolidated basis as per listing regulations :

Particulars	Quarter Ended			Half Year Ended		Year Ended
	30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
Net Debt to Equity : (no. of times) [Refer note (i)]	2.12	2.16	1.28	2.12	1.28	2.00
Debt service coverage ratio (no. of times) [Refer note (ii)]	3.70	2.79	4.48	3.22	3.32	3.08
Interest service coverage ratio (no. of times) [Refer note (iii)]	11.67	11.13	15.09	11.42	9.82	6.90
Outstanding redeemable preference shares (Qty / Value)	NOT APPLICABLE					
Capital Redemption Reserve	NOT APPLICABLE					
Debenture Redemption Reserve	NOT APPLICABLE					
Net Worth - Rs. In Crores (Refer note (iv))	5,372.92	5,244.79	4,217.21	5,372.92	4,217.21	4,950.88
Net profit after tax - Rs. In Crores	394.28	326.00	271.28	720.28	263.28	824.49
Earnings per share - Rs Per share (Basic & Diluted - Not annualised)	104.91	79.08	73.30	184.00	74.10	217.84
Current ratio [Refer note (v)]	0.99	0.96	0.96	0.99	0.96	0.93
Long term debt to working capital - in times [Refer note (vi)]	2.97	4.21	3.13	2.97	3.13	3.69
Bad debts to Accounts receivable ratio [Refer note (vii)]		-		-		-
Current liability ratio [Refer note (viii)]	0.61	0.60	0.64	0.61	0.64	0.63
Total debts to Total assets ratio [Refer note (ix)]	0.54	0.54	0.37	0.54	0.37	0.57
Debtors Turnover - in times [Refer note (x)]	19.76	19.96	18.05	21.98	18.51	19.89
Inventory Turnover in times [Refer note (xi)]	10.81	9.94	7.88	10.77	8.31	9.06
Operating Margin in % [Refer note (xii)]	12.85	12.54	11.96	12.71	10.85	11.68
Net Profit Margin in % [Refer note (xiii)]	3.88	4.38	3.74	4.14	2.44	3.27

Notes:

(i) Net Debt to Equity : [(Total borrowings - Cash and cash equivalents excluding term deposits) / Equity (including profit from exceptional item)]

(ii) Debt service coverage ratio : (Earnings before Tax , Exceptional item, Depreciation and Interest on non current borrowings) / (Interest on non current borrowings + Principal repayment of Long term borrowings made during the period excluding prepayments)

(iii) Interest service coverage ratio : (Earnings before Tax , Exceptional item , Depreciation and Interest) / (Interest)

(iv) Networth - Rs. In Crores - Networth as per Section 2(57) of the Companies Act, 2013. (Including profit from exceptional item)

(v) Current ratio - [Current Assets (excluding term deposits) / Current Liabilities]

(vi) Long term debt to working capital - [Non Current borrowing including current maturity /(Current Asset - Current Liabilities excluding current maturity of Long term borrowing)]

(vii) Bad debts to Accounts receivable ratio - [Bad debts written off / Trade Receivables]

(viii) Current liability ratio - [Current Liability / Total Liability]

(ix) Total debts to Total assets - [(Non current borrowing including current maturity + Current borrowing) / Total Assets excluding term deposits]

(x) Debtors Turnover - [Annualised Turnover / Average Debtors]

(xi) Inventory Turnover - [Annualised Cost of goods sold / Average Inventory]

(xii) Operating Margin - [Operating EBITDA / Turnover]

(xiii) Net Profit Margin - [Net profit before exceptional items / Turnover]

FOR SUNDARAM-CLAYTON LIMITED

RAGHAVAN CHAUDHURI & NARAYANAN Chartered Accountants

Place : Chennai
Date : 7th November 2022

R.Gopalan
Chairman

SUNDARAM-CLAYTON LIMITED
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Annexure 1 : Security Cover Certificate As Per Regulation 54(3) of the Securities and Exchange Board Of India (Listing Obligations and Disclosure Requirements)Regulation,2015 as on September 30,2022 (Rs. In crores)

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 relate	Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari- 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	Total Value(=K+L+M + N)
		Book Value	Book Value	Yes/No	Book Value	Book Value						Relating to Column F		
ASSETS														
Property,Plant and Equipment		NIL												
Capital Work-in- Progress														
Right of Use Assets														
Goodwill														
Intangible Assets														
Intangible Assets under Development														
Investments														
Loans														
Inventories														
Trade Receivables														
Cash and Cash Equivalents														
Bank Balances other than Cash and Cash Equivalents														
Others														
Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LIABILITIES														
Debt securities to which this certificate pertains		NIL												-
Other debt sharing pari-passu charge with above debt														-
Other Debt (ECB+Sec)														-
Subordinated debt														-
Borrowings														-
Bank (TL)														-
Debt Securities (PDI)														-
Others (CP)														-
Trade payables														-
Lease Liabilities														-
Provisions (Incl NPA)														-
Others -Liabilities														-
Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cover on Book Value		-					-							
Cover on Market Valueix														
		Exclusive Security Cover Ratio			Pari-Passu Security Cover Ratio									

Place : Chennai
Date : 7th November 2022

RAGHAVAN CHAUDHURI & NARAYANAN Chartered Accountants

For Sundaram-Clayton Limited

R.Gopalan
Chairman

RAGHAVAN, CHAUDHURI & NARAYANAN
Chartered Accountants

Second Floor, Casa Capitol,
Wood Street, Ashoknagar,
Bengaluru - 560 025.
Phone : 2556 7578/
2551 4771 / 4140 4830

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF TVS HOLDINGS PRIVATE LIMITED (Formerly Known As TVS Investments And Holdings Private Limited & Cheema Investments And Holdings Private Limited)

Report on the Audit of the Interim Standalone Financial Statements

Opinion

We have audited the accompanying interim standalone financial statements of **TVS HOLDINGS PRIVATE LIMITED** (Formerly Known As TVS Investments And Holdings Private Limited & Cheema Investments And Holdings Private Limited) (the "Company"), which comprise the Balance Sheet for the quarter ended **30th June, 2022**, the Statement of Profit and Loss Statement of Cash Flows for the three months ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "interim standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid interim standalone financial statements give a true and fair view in conformity with recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" (" Ind AS 34") prescribed under section 133 of the Companies Act, 2013 (the "Act"), read with relevant rules issued thereunder and other accounting principles generally accepted in India, of the state of affairs of the Company for the quarter ended **30th June, 2022**, the loss for the three months ended on that date and its cash flows for the three months ended on that date.

Basis for Opinion

We conducted our audit of the interim standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Interim Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the interim standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Interim Standalone Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these interim standalone financial statements that give a true and fair view of the financial position, financial performance, including cash flows of the Company in accordance with Ind AS 34 and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the interim condensed standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the interim standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Interim Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the interim standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these interim standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the interim condensed standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of the Company's internal financial controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the interim standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the interim standalone financial statements, including the disclosures, and whether the interim standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the interim standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the interim standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the interim standalone financial statements.

We also communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

for **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
Firm Registration No.:007761S

V. Sathyanarayanan
Partner
Membership No.: 027716

Place: Bangalore
Date: 29th August 2022
UDIN: 22027716ARGEYG5397

TVS HOLDINGS PRIVATE LIMITED
(Formerly Known As TVS Investments And Holdings Pvt Ltd & Cheema Investments And Holdings Pvt Ltd)
(CIN: U74999TN2018PTC121693)
Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

Balance Sheet as at 30th June 2022 **(Rs. In Crores)**

	Particulars	Note No.	As at 30th June 2022	As at 31st Mar 2022
I.	**ASSETS**			
	Non-current assets			
	Property, Plant & Equipment & Intangible Assets			
	a) Property, Plant & Equipment	2	2.89	2.90
	b) Intangible Assets	3	0.02	0.02
	Financial Assets			
	(i) Investments	4	157.38	157.38
	Deferred Tax Assets(net)	5	0.52	-
			160.81	**160.31**
	Current assets			
	Inventories		8.31	8.37
	Financial Assets			
	(i) Trade Receivables	6	7.26	10.46
	(ii) Cash and cash equivalents	7	23.48	20.62
	(iii) Loans & Advances	8	2.17	-
	(iv) Other financial Assets	9	-	51.85
	Other Current Assets	10	5.70	2.39
			46.92	**93.69**
	TOTAL		**207.73**	**254.00**
II.	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Share Capital	11	20.00	20.00
	(b) Other Equity	12	116.92	118.51
			136.92	**138.51**
	Liabilities			
	Non-Current Liabilities			
	Deferred Tax Liability		-	0.01
	Current Liabilities			
	Financial Liabilities			
	(i) Borrowings	13	45.00	80.00
	(ii) Trade payables	14		
	a) Total outstanding to micro and small enterprises		-	-
	b) Total outstanding to other than above (ii)(a)		22.93	24.00
	(iii) Other Financial Liabilities	15	2.68	4.51
	Other Current Liabilities	16	0.20	6.97
			70.81	**115.48**
	TOTAL		**207.73**	**254.00**

See Accompanying notes forming part of the financial statements 1-34

for **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
FRN: 007761S

V. Sathyanarayanan
Partner
Membership No. 027716

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

Place: Bangalore
Date : 29th August, 2022

UDIN: 22027716ARGEYG5397

for **and on behalf of the Board of Directors**

H Lakshmanan
Director
DIN:00057973

K Gopala Desikan
Director
DIN: 00067107

P D Dev Kishan
Company Secretary

Place: Chennai
Date : 29th August, 2022

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(Formerly Known As TVS Investments And Holdings Pvt Ltd & Cheema Investments And Holdings Pvt Ltd)
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Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

Profit & Loss account for the period ended 30th June 2022 **(Rs. In Crores)**

	Particulars	Note No.	Period ended 30th June 2022	Period ended 31st Mar 2022
I	**Income:**			
	Revenue from operations	17	109.36	69.62
	Other Income	18	0.05	57.64
	Total Income		**109.41**	**127.26**
II	**Expenses:**			
	Purchases of Stock in Trade		108.21	67.09
	Change in Inventory	19	0.06	1.84
	Employee Benefit Expense	20	0.13	0.09
	Finance Costs	21	0.92	1.37
	Other expenses	22	2.20	7.65
	Depreciation & Amortization		0.01	0.01
	Total expenses		**111.53**	**78.05**
III	**Profit before exceptional items and tax (I - II)**		(2.12)	49.21
IV	**Exceptional items**		-	-
V	**Profit before tax (III - IV)**		(2.12)	49.21
VI	**Tax expense:**	23		
	Current tax		-	12.41
	Deferred tax charge/ (credit)		(0.53)	0.01
			(0.53)	12.42
VII	**Profit (Loss) for the period (V- VI)**		**(1.59)**	**36.79**
VIII	**Other Comprehensive Income**			
	Items that will not be reclassified to profit and loss			
	Remeasurement of post employment benefit obligations		-	-
	Change in fair value of equity instruments		-	-
	Income tax relating to these items		-	-
	Items that will be reclassified to profit and loss			
	Transactions relating to Derivative instruments		-	-
	Income tax relating to these items		-	-
	Other comprehensive income for the year, net of tax		-	-
IX	**Total comprehensive income for the year (VII+VIII)**		**(1.59)**	**36.79**
X	**Earnings per equity share:**	24		
	Basic earnings per share		(0.08)	4.63
	Diluted earnings per share		(0.08)	4.63

See Accompanying notes forming part of the financial statements 1-34

for **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
FRN: 007761S

V. Sathyanarayanan
Partner
Membership No. 027716

Place: Bangalore
Date : 29th August, 2022
UDIN: 22027716ARGEYG5397

for **and on behalf of the Board of Directors**

H Lakshmanan
Director
DIN: 00057973

K Gopala Desikan
Director
DIN: 00067107

P D Dev Kishan
Company Secretary

Place: Chennai
Date : 29th August, 2022

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Cash Flow Statement for the Period ended 30th June 2022 *(Rs in Crores)*

Particulars	For the Period Ended 30th June 2022		For the Year Ended 31st March 2022	
A Cash Flow from Operating Activities				
Profit/(Loss) Before Tax		(2.12)		49.21
Adjustments For:				
a) Depreciation	0.01		0.01	
b) Interest Expense	0.92		1.37	
c) Dividend Income	-		(57.62)	
		0.93		(56.23)
Operating Loss before Working Capital Changes		**(1.19)**		**(7.02)**
Adjustments For:				
a) Inventory	0.06		1.84	
b) Trade Receivable	3.20		3.73	
c) Other Financial Asset	51.85		9.38	
d) Other Current Asset	(3.31)		(0.35)	
e) Trade Payable	(1.07)		4.86	
f) Other Financial Liabilities	(1.83)		(1.58)	
g) Other Current Liabilities	(6.77)		6.35	
Change in Working Capital		**42.14**		**24.24**
Direct tax paid		-		**(12.41)**
Cash generated from Operations		**40.95**		**4.80**
B. Cash Flow from Investing Activities		-		-
a) Purchase of Property, Plant & Equipments	-		(2.78)	
Net Cash from Investing Activities		-		**(2.78)**
C. Net Cash Flow from Financing Activities				
a) Increase in Share Capital	-		18.84	
b) Repayment of Loan	(35.00)		-	
c) Loan given	(2.17)		-	
d) Interest on Loans availed	(0.92)		(1.37)	
Net Cash from Financing Activities		**(38.09)**		**17.47**
Net Increase/(Decrease) in Cash and Cash Equivalents		**2.86**		**19.49**
Cash and Cash Equivalents at the end of the year		**23.48**		**20.62**
Less: Cash and Cash Equivalents as at Beginning		**(20.62)**		**(1.13)**
		2.86		**19.49**

Note: "The cash flow statement is prepared using the "Indirect Method" set out in Indian Accounting Standard 7- Cash Flow Statement and presents the cash flows by Operating, Investing and Financing activity of the Company."

for **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
FRN: 007761S

V. Sathyanarayanan
Partner
Membership No. 027716

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

for **and on behalf of the Board of Directors**

H Lakshmanan
Director
DIN: 00057973

K Gopala Desikan
Director
DIN: 00067107

P D Dev Kishan
Company Secretary

Place: Bangalore
Date : 29th August, 2022
UDIN: 22027716ARGEYG5397

Place: Chennai
Date : 29th August, 2022

TVS HOLDINGS PRIVATE LIMITED
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Statement of Changes in Equity **(Rs in Crores)**

A. Equity Share Capital (Refer Note No 11)

Particulars	Amount
As at March 31, 2022	**20.00**
Changes in equity share capital during the year	-
As at June 30, 2022	**20.00**
Changes in equity share capital during the year	-

B. Other Equity

Particulars	Retained Earnings	Capital Reserve	Total
Balance as at March 31,2021	**(0.03)**	-	**(0.03)**
Add : Profit for the period	36.79	-	36.79
Add : Other comprehensive income	-	-	-
Total Comprehensive Income for the year	**36.79**	-	**36.79**
Distribution to shareholders :			
Reserve arising on account of demerger	-	81.75	81.75
Balance as at March 31, 2022	**36.76**	**81.75**	**118.51**
Add : Profit for the period	(1.59)	-	(1.59)
Add : Other comprehensive income	-	-	-
Total Comprehensive Income for the year	**(1.59)**	-	**(1.59)**
Balance as at June 30, 2022	**35.17**	**81.75**	**116.92**

for **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
FRN: 007761S

V. Sathyanarayanan
Partner
Membership No. 027716

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

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TVS HOLDINGS PRIVATE LIMITED
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Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

I. Significant Accounting Policies and Notes forming part of Financial Statements

1. Corporate Information

TVS Holdings Pvt Ltd is a private limited company incorporated under the provisions of the Companies Act, 2013 on 23/03/2018. The registered office is situated at "Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

2. Basis of Preparation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The financial statement has been prepared on the historical cost convention under accrual basis of accounting except for certain assets and liabilities (as per the accounting policy below), which have been measured at fair value"

3. Use of Estimates

The preparation of financial statements requires the management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The Management believes that these estimates and assumptions are reasonable and prudent.

4. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and net of returns, trade allowances and rebates and amounts collected on behalf of third parties.

i) Sale of products:
Revenue from sale of products is recognised when significant risk and rewards of ownership pass to the customers, as per the terms of the contract and it is probable that the economic benefits associated with the transaction will flow to the Company.

ii) Revenue from Services:
Revenue from Services is recognised in the accounting period in which the services are rendered and when invoices are raised.

iii) Dividend income:
Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established and it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of dividend can be reliably measured.

5. Property, Plant and Equipment

Freehold Land is stated at historical cost. All other items of Property, Plant and Equipment are stated at cost of acquisition/construction less accumulated depreciation / amortization and impairment, if any. Cost includes:

(i) purchase price,
(ii) taxes and duties,
(iii) labour cost

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

TVS HOLDINGS PRIVATE LIMITED
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I. Significant Accounting Policies and Notes forming part of Financial Statements

(iv) directly attributable overheads incurred upto the date the asset is ready for its intended use, and
(v) Government grants that are directly attributable to the assets acquired.

However, cost excludes excise duty, value added tax, service tax and GST, and to the extent credit of the duty or tax is availed of.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Gains or losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the Statement of Profit and Loss within Other gains/(losses).

6. Depreciation

i) Depreciation on tangible fixed assets is charged over the estimated useful life of the asset or part of the asset (after considering double/triple shifts) as evaluated by a Chartered Engineer and in accordance with Ind AS 16, taking into consideration both usage, useful life and legal limitations on the use of assets, on straight line method, in accordance with Part A of Schedule II to the Companies Act, 2013. Depreciation is adjusted for the proportionate usage with reference to the asset's expected capacity or physical output during the reporting period

ii) The estimated useful life of the tangible fixed assets as assessed by the Chartered Engineer and followed by the Company is furnished below:

Description	Years
Factory building and other buildings	30 to 64
Plant and Equipment	8 to 21
Electrical Equipment	15
Furniture and Fixtures	10
Computers	3
Mobile phones	1
Vehicles	6

iii) The residual value for all the above assets is retained at 5% of the cost except for Mobile phones for which nil residual value is considered. Residual values and useful lives are reviewed, and adjusted, if appropriate, for each reporting period.

RAGHAVAN CHAUDHURI & NARAYANAN * Chartered Accountants

TVS HOLDINGS PRIVATE LIMITED
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I. Significant Accounting Policies and Notes forming part of Financial Statements

iv) On tangible fixed assets added / disposed off during the year, depreciation is charged on pro-rata basis for the period for which the asset was purchased and used.

v) Depreciation in respect of tangible assets costing individually less than Rs.5,000/- is provided at 100%.

7. Amortization of Intangible assets

Intangible assets acquired are accounted at their acquisition cost and are amortised over their useful lives, viz., 2 years in the case of software.

8. Inventories

Inventories are valued at the lower of cost and net realisable value.

Cost of finished goods comprises of costs of purchased inventory determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

9. Investments and Other financial assets

i) Classification:
The Company classifies its financial assets in the following categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit and loss), and
- Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flow.

ii) Measurement:
At initial recognition, the Company measures a financial asset at its fair value plus (in the case of a financial asset not a fair value through profit or loss) transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

iii) Equity instruments:
Subsequent to initial recognition, the Company measures all investments in equity (except of the subsidiaries / associates) at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there will be no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payments is established.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately. Where the Company elects to measure fair value through

I. Significant Accounting Policies and Notes forming part of Financial Statements

profit or loss, changes in the fair value of such financial assets are recognised in the statement of profit and loss.

10. Investment in subsidiaries / associates:

Investment in subsidiaries / associates are measured at cost less provision for impairment.

11. Employee benefits

i) Short term obligations:
Short term obligations are those that are expected to be settled fully within 12 months after the end of the reporting period. They are recognized upto the end of the reporting period at the amounts expected to be paid at the time of settlement.

ii) Other long term employee benefit obligations:
The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are, therefore, recognized and provided for at the present value of the expected future payments to be made in respect of services provided by employee upto the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Other Comprehensive Income.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for atleast twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii) Post-employment obligation:
The Company operates the following post-employment schemes:

a) Defined benefit plans such as gratuity for its eligible employees, pension plan for eligible senior managers; and

b) Defined contribution plan such as provident fund.

iv) Bonus Plans:

The Company recognises a liability and an expense for bonus. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

12. **Borrowings**

Borrowings are initially recognised at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction cost) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings, using the effective interest method. Fees paid on the established loan facilities are recognised as transaction cost of the loan, to the extent that it is probable that some or all the facility will be drawn down.

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I. Significant Accounting Policies and Notes forming part of Financial Statements

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the Statement of Profit and Loss as other gain/(loss).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for over or at least 12 months after the reporting period.

13.Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

14. Current and Non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for atleast twelve months after the reporting period. In respect of other assets, it is treated as current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle
- held primarily for the purpose of trading
- expected to be realised within twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- it is expected to be settled in the normal operating cycle
- it is held primarily for the purpose of trading
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for atleast twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. In Company's considered view, twelve months is its operating cycle.

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I. Significant Accounting Policies and Notes forming part of Financial Statements

15. Taxation of Income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

16. Earnings Per Share

The basic and diluted earning per share is computed by dividing the net profit / loss attributable to equity share holders for the year by the weighted average number of equity shares outstanding during the year.

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Notes to Balance Sheet for the period ended 30th June 22

2 Property, Plant & Equipment **(Rs In Crores)**

Description	Property, Plant & Equipment						
	Freehold land	Buildings	Plant & equipment	Furniture & fixtures	Office equipment	Computer Equipment	Total
	1	2	3	4	5	6	7
Gross block							
As at 01-04-2022	2.25	0.50	0.06	0.26	0.04	0.03	3.15
Additions	-	-	-	-	-	-	-
Sub-total	2.25	0.50	0.06	0.26	0.04	0.03	3.15
Sales / deletion	-	-	-	-	-	-	-
Total	**2.25**	**0.50**	**0.06**	**0.26**	**0.04**	**0.03**	**3.15**
Depreciation							
Upto 31-03-2022	-	0.00	0.01	0.17	0.02	0.03	0.24
For the period	-	0.00	0.00	0.00	0.01	-	0.01
Amortisation	-	-	-	-	-	-	-
Sub-total	-	0.01	0.01	0.18	0.03	0.03	0.25
Withdrawn on assets sold / deleted	-	-	-	-	-	-	-
Total	-	0.01	0.01	0.18	0.03	0.03	0.25
Net Carrying amount							
As at 30-06-2022	**2.25**	**0.50**	**0.05**	**0.08**	**0.01**	**0.00**	**2.89**

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Notes to Balance Sheet for the period ended 30th June 22

2 Property, Plant & Equipment (Continued) *(Rs in Crores)*

Description	Property, Plant & Equipment						
	Freehold land	Buildings	Plant & equipment	Furniture & fixtures	Office equipment	Computer Equipment	Total
	1	2	3	4	5	6	7
Gross block							
As at 01-04-2021	-	-	-	-	-	-	-
Acquired pursant to scheme of de-merger	-	-	0.06	0.26	0.04	0.03	0.39
Additions	2.25	0.50	-	-	-	-	2.76
Sub-total	2.25	0.50	0.06	0.26	0.04	0.03	3.15
Sales / deletion	-	-	-	-	-	-	-
Total	**2.25**	**0.50**	**0.06**	**0.26**	**0.04**	**0.03**	**3.15**
Depreciation							
Upto 31-03-2021							
Acquired pursant to scheme of de-merger	-	-	0.01	0.17	0.02	0.03	0.23
For the year	-	0.00	0.00	0.00	0.00	0.00	0.01
Amortisation	-	-	-	-	-	-	-
Sub-total	-	0.00	0.01	0.17	0.02	0.03	0.24
Withdrawn on assets sold / deleted	-	-	-	-	-	-	-
Total	-	0.00	0.01	0.17	0.02	0.03	0.24
Net Carrying amount							
As at 31-03-2022	**2.25**	**0.50**	**0.05**	**0.09**	**0.02**	**0.00**	**2.89**

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Notes to Balance Sheet for the period ended 30th June 2022

3 Other Intangible Assets **(Rs In Crores)**

Description	Other Intangible
	Software
Gross block	
As at 01-04-2022	0.02
Additions	-
Sub-total	0.02
Sales / deletion	-
Total	**0.02**
Depreciation	
Upto 31-03-2022	0.00
For the period	0.00
Amortisation	-
Sub-total	0.00
Withdrawn on assets sold / deleted	-
Total	0.00
Net Carrying amount	
As at 30-06-2022	**0.02**

Description	Other Intangible
	Software
Gross block	
As at 01-04-2021	-
Acquired pursant to scheme of de-merger	-
Additions	0.02
Sub-total	0.02
Sales / deletion	-
Total	**0.02**
Depreciation	
Upto 31-03-2021	
Acquired pursant to scheme of de-merger	-
For the year	0.00
Amortisation	-
Sub-total	0.00
Withdrawn on assets sold / deleted	-
Total	0.00
Net Carrying amount	
As at 31-03-2022	**0.02**

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Notes to Balance Sheet for the period ended 30th June 22 *(Rs in Crores)*

	Particulars	As at 30th June 2022	As at 31st March 2022
4	**Investments**		
	Investment in Subsidiary Company Equity Shares at Cost- Quoted		
	Sundaram Clayton Limited - 1,30,94,460 shares	157.38	157.38
	Total Investments	**157.38**	**157.38**
5	**Deferred Tax Asset**		
	Opening balance	**(0.01)**	-
	Credited/(Debited) to P&L:		
	- On account of depreciation	(0.00)	-
	- On account of carried forward business loss	0.53	
	Total Deferred Tax Asset	**0.52**	-

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Notes to Balance Sheet for the period ended 30th June 22 *(Rs in Crores)*

	Particulars	30th June 2022	31st March 2022
6	**Trade Receivables**		
	Unsecured, considered good	7.26	10.46
	Less: Loss Allowance	-	-
	Total Trade Receivables	**7.26**	**10.46**

Ageing for trade receivables as on 30.06.2022

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) Undisputed trade receivables - Considered good	7.26	-	-	-	-	7.26
(ii) Undisputed trade receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade receivables - Credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables - Considered good	-	-	-	-	-	-
(v) Disputed trade receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables - Credit impaired	-	-	-	-	-	-
Total	**7.26**	-	-	-	-	**7.26**

Ageing for trade receivables as on 31.03.2022

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) Undisputed trade receivables - Considered good	10.46	-	-	-	-	10.46
(ii) Undisputed trade receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade receivables - Credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables - Considered good	-	-	-	-	-	-
(v) Disputed trade receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables - Credit impaired	-	-	-	-	-	-
Total	**10.46**	-	-	-	-	**10.46**

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Notes to Balance Sheet for the period ended 30th June 22 *(Rs in Crores)*

	Particulars	As at 30th June 2022	As at 31st March 2022
7	**Cash and Cash Equivalents**		
	Balance with Banks	23.47	20.61
	Cash on Hand	0.01	0.00
	Total Cash and cash equivalents	**23.48**	**20.62**
8	**Loans & Advances**		
	Loans & Advances	2.17	-
	Total Loans	**2.17**	**-**
9	**Other Financial Assets**		
	Dividend Receivable	-	51.85
	Total Other Financial Assets	**-**	**51.85**
10	**Other Current Assets**		
	Balance with Revenue Authorities (GST Input)	2.73	1.96
	Refund Receivable	2.55	-
	Rental Advance	0.42	0.42
	Other Advances	-	0.01
	Total Other Current Assets	**5.70**	**2.39**

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Notes to Balance Sheet as at 30th June 2022

11 Share Capital

(a) **Details of authorised, issued and subscribed share capital**

Particulars	As at 30-06-2022		As at 31-03-2022	
	Number of Shares	Rs in Crores	Number of Shares	Rs in Crores
Authorised Capital Equity Shares of Re.1/- each	21,00,00,000	21.00	21,00,00,000	21.00
Issued, Subscribed & Paid up Capital Equity Shares of Re.1/- each fully paid	20,00,31,664	20.00	20,00,31,664	20.00
	20,00,31,664	**20.00**	**20,00,31,664**	**20.00**

(b) **Reconciliation of equity shares outstanding at the beginning and at the end of the year**

Particulars	As at 30-06-2022		As at 31-03-2022	
	Number	Rs in Crores	Number	Rs in Crores
Shares outstanding at the beginning of the year	20,00,31,664	20.00	1,16,00,000	1.16
Shares Issued during the year	-	-	18,84,31,664	18.84
Shares outstanding at the end of the year	**20,00,31,664**	**20.00**	**20,00,31,664**	**20.00**

(c) **Rights and preferences attached to equity share:**

i) Every shareholder is entitled to such rights as to attend the meeting of the shareholders, to receive dividends distributed and also has a right in the residual interest of the assets of the company. Every shareholder is also entitled to right of inspection of documents as provided in the Companies Act 2013.

ii) There are no restrictions attached to equity shares.

(d) **Details of shareholders holding more than five percent at the end of 30th June 2022**

Name of Shareholder	Class of Share	As at 30-06-2022		As at 31-03-2022	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
Venu Srinivasan representing VS Trust	Equity	15,76,96,281	78.84	15,76,96,281	78.84
Venu Srinivasan	Equity	3,64,00,503	18.20	3,64,00,503	18.20
		19,40,96,784	**97.03**	**19,40,96,784**	**97.03**

(e) **Details of shares held by promoters as at 30th June 2022**

Name of Shareholder	Class of Share	As at 30-06-2022		As at 31-03-2022		
		No. of Shares held	% of Holding	No. of Shares held	% of Holding	% Change during the Period
Venu Srinivasan representing VS Trust	Equity	15,76,96,281	78.84	15,76,96,281	78.84	-
Venu Srinivasan	Equity	3,64,00,503	18.20	3,64,00,503	18.20	-
Mallika Srinivasan	Equity	8,63,255	0.43	8,63,255	0.43	-
Sudarshan Venu	Equity	25,21,210	1.26	25,21,210	1.26	-
Dr Lakshmi Venu	Equity	25,21,210	1.26	25,21,210	1.26	-
		20,00,02,459	**99.99**	**20,00,02,459**	**99.99**	

12 Other Equity

Reserves and surplus	As at June 30, 2022	As at March 31, 2022
Capital Reserve	81.75	81.75
Retained earnings	35.17	36.76
Total reserves and surplus	**116.92**	**118.51**

Capital reserves: Represents surplus arising out of de-merger

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Notes to Balance Sheet for the period ended 30th June 22 *(Rs in Crores)*

	Particulars	As at 30th June 2022	As at 31st March 2022
13	**Financial Liabilities - Borrowings (Current)**		
	Repayable on demand		
	Secured		
	Unsecured	45.00	80.00
	Total Current Borrowings	**45.00**	**80.00**

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Notes to Balance Sheet for the period ended 30th June 22 *(Rs in Crores)*

	Particulars	30th June 2022	31st March 2022
14	**Trade Payables**		
	Current		
	Dues to Micro and Small Enterprises	-	-
	Dues to enterprises other than Micro and Small Enterprises	22.93	24.00
	Total Trade Payables	**22.93**	**24.00**

Ageing for Trade Payables as on 30.06.2022

Particulars	Outstanding for following period from due date of payment				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3years	Total
MSME	-	-	-	-	-
Others	22.93	-	-	-	22.93
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
Total	**22.93**	-	-	-	**22.93**

Ageing for Trade Payables as on 31.03.2022

Particulars	Outstanding for following period from due date of payment				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3years	Total
MSME	-	-	-	-	-
Others	24.00	-	-	-	24.00
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
Total	**24.00**	-	-	-	**24.00**

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Notes to Balance Sheet for the period ended 30th June 22 *(Rs in Crores)*

	Particulars	As at 30th June 2022	As at 31st March 2022
15	**Other Financial Liabilities**		
	Current		
	Interest accrued but not due	2.58	1.76
	Advance from customers	0.10	2.75
	Total Other Current Financial Liabilities	**2.68**	**4.51**
16	**Other Current Liabilities**		
	Statutory Dues	0.18	0.42
	Provision for Expense	0.02	0.02
	Provision for Taxation (Net off TDS & Taxes paid)	-	6.53
	Total Other Current Liabilities	**0.20**	**6.97**

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Notes to Profit & Loss Account for the period ended 30th June 22 *(Rs in Crores)*

Note No.	Particulars	For the Period Ended June 30,2022	For the Year Ended March 31,2022
17	**Revenue from Operations**		
	Sale of auto parts	109.36	69.62
	Total Revenue	**109.36**	**69.62**
18	**Other Income**		
	Rental Income	0.05	0.02
	Dividend Income	-	57.62
	Total Other Income	**0.05**	**57.64**
19	**Change in Inventory**		
	Opening Stock of finished goods	8.37	10.21
	Closing Stock of finished goods	8.31	8.37
	Total	**0.06**	**1.84**
20	**Employee Benefit Expense**		
	Salaries, wages and bonus	0.12	0.08
	Contribution to provident and other funds	0.01	0.01
	Welfare expenses	0.00	0.00
	Total	**0.13**	**0.09**
21	**Finance Costs**		
	Interest Cost	0.92	1.37
	Total Finance Costs	**0.92**	**1.37**
22	**Other expenses**		
	Insurance	0.06	-
	Professional Charges	0.79	7.16
	Rate & Taxes	0.01	0.18
	Rent	0.18	0.12
	Commission	-	0.07
	Freight Charges	0.08	0.05
	Security Charges	0.04	0.02
	EWB & E Invoice Charges	0.01	0.01
	Donation	1.00	-
	Audit Fee	-	0.00
	Miscellaneous Exp	0.03	0.04
	Total Other expenses	**2.20**	**7.65**

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Notes to Profit & Loss Account for the period ended 30th June 22 *(Rs in Crores)*

Note No.	Particulars	For the Period Ended June 30,2022	For the Year Ended March 31,2022
23	**Tax expenses**		
	Current tax	-	**12.41**
	Deferred tax		
	Decrease (increase) in deferred tax assets	(0.53)	0.01
	Total Deferred tax	**(0.53)**	0.01
	Total tax expenses	**(0.53)**	**12.42**
	Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
	Profit before tax expense	(2.12)	49.21
	Tax at the Indian tax rate of 25.17% (2021-2022 – 25.17%)	(0.53)	12.39
	Tax effect of amounts which are not deductible (taxable) in calculating taxable income:	-	0.03
	Total tax expenses	**(0.53)**	**12.42**
24	**Earnings per share**		
	(a) Basic and diluted earnings per share		
	Basic and diluted earnings per share attributable to the equity holders of the Company (Rs.)	(0.08)	4.63
	(b) Earnings used in calculating earnings per share		
	Basic and diluted earnings per share		
	Profit attributable to equity holders of the company used in calculating basic earnings per share	(1.59)	36.79
	(c) Weighted average number of equity shares used as the denominator in calculating basic earnings per share	20,00,31,664.00	7,95,13,069.00

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Notes to Financial Statements for the period ended 30.06.2022

Financial Instruments and Risk Management

25 Fair value measurements

Financial instruments by category

(Rs in Crores)

	June 30, 2022			March 31, 2022		
	FVTPL	FVOCI	Cost	FVTPL	FVOCI	Cost
Financial assets						
Investments						
- Equity instruments	-	-	157.38	-	-	157.38
Trade receivables	-	-	7.26	-	-	10.46
Cash and Cash Equivalents	-	-	23.48	-	-	20.62
Loans & Advances	-	-	2.17	-	-	-
Other financial assets	-	-	-	-	-	51.85
Total financial assets	-	-	**190.29**	-	-	**240.31**
Financial liabilities						
Trade payables	-	-	22.93	-	-	24.00
Interest accrued but not due			2.58	-	-	1.76
Other Financial Liabilities			0.10	-	-	2.75
Borrowings - Current	-	-	45.00	-	-	80.00
Total financial liabilities	-	-	**70.61**	-	-	**108.51**

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

At 30 June 2022	Notes	Level 1	Level 2	Level 3	Total
Financial Liabilities					
Borrowings	13	-	-	45.00	**45.00**
Total financial liabilities		-	-	**45.00**	**45.00**

At 31 March 2022	Notes	Level 1	Level 2	Level 3	Total
Financial Liabilities					
Borrowings	13	-	-	80.00	**80.00**
Total financial liabilities		-	-	**80.00**	**80.00**

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Financial Instruments and Risk Management

25 Fair value measurements

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers between levels 1 and 2 during the year.
The company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Valuation technique used to determine fair value
Specific valuation techniques used to value financial instruments include:
- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of interest rate swaps is calculated as the present value of estimated cash flows based on observable yield curves.
- the fair value of forward exchange contract and principle only swap is determined using forward exchange rate at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

FVTPL - Fair value through statement of Profit and Loss; FVOCI - Fair value through Other Comprehensive Income

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26 Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Risk Parameters and Mitigation
Market Risk - Foreign exchange		i) The Company has not transacted in foreign currency, hence it is not exposed to foreign exchange risk arising from foreign currency transactions
Market Risk - Interest risk	Borrowings	i) All the borrowings of the company are fixed rate borrowings and is at amortised cost, hence movement in interest rate doesn't impact cash flow or value of the borrowings.
Liquidity risk	Borrowings	i) The company's liquidity management policy involves projecting cash flows in considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans. ii) The Company prepares a detailed annual operating plans to assess the fund requirements - both short term and long term. iii) For long term fund requirements, Company targets various funding options
Credit Risk		i) Credit risk primarily arises from cash and cash equivalents, trade receivables and investments carried at amortised cost. ii) The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. iii) A default on a financial asset is when the counterparty fails to make contractual payments within 180 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.
a.	Cash and Cash Equivalents	Surplus cash is deposited only with banks / financial institutions with a high external credit rating.
b.	Domestic Trade Receivables	i) The Company extends credit to the customers and such extension of credit is based on customers' credit worthiness, ability to repay and past track record. ii) The Company has extensive reporting systems and review to constantly monitor the receivables.

VS HOLDINGS PRIVATE LIMITED
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26 Financial Risk Management - (Continued)

(A) Credit risk

Basis of recognition of expected credit loss & providing for such loss

Rating	Category	Description of category	Investments	Loans and deposits	Trade receivables
1	High Quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil.	12 month expected credit losses	12 month expected credit losses	Life time expected credit losses (simplified approach)
2	Quality assets, low credit risk	Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past.			
3	Standard Assets, moderate credit risk	Assets where the probability of default is considered moderate and where the counter-party's capacity to meet the obligations is not strong.			
4	Substandard Assets, relatively high credit risk	Assets where there has been a significant increase in credit risk since initial recognition.	Life time expected credit losses		
5	Low quality assets, very high credit risk	Assets where there is a high probability of default. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 180 days past due.			
6	Doubtful assets, credit impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in statement of profit and loss.	Asset is written off		

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Financial Risk Management - (Continued)

30-Jun-22

a). Expected credit loss for investments, loans and other financial assets

Particulars	Internal rating	Assets/Asset group	Gross carrying amount	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision
	1	Loans & Advances	2.17	-	-	2.17

b). Expected credit loss for trade receivables under simplified approach

Particulars	0 to 180 days past due	More than 180 days past due	Total (In Crores)
Gross carrying amount	7.26	-	7.26
Expected loss rate	0%	0%	0%
Expected credit losses	-	-	-
Carrying amount of trade receivables	7.26	-	7.26

31-Mar-22

a). Expected credit loss for investments, loans and other financial assets

Particulars	Internal rating	Assets/Asset group	Gross carrying amount	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision
	1	Other financial assets	51.85	-	-	51.85

b). Expected credit loss for trade receivables under simplified approach

Particulars	0 to 180 days past due	More than 180 days past due	Total (Rs in Crores)
Gross carrying amount	10.46	-	10.46
Expected loss rate	0%	0%	-
Expected credit losses	-	-	-
Carrying amount of trade receivables	10.46	-	10.46

(B) Liquidity risk

The tables below analyse The company's financial liabilities into relevant maturity groupings based on their contractual maturities for:
a) all non-derivative financial liabilities, and
b) net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

30-Jun-22

Contractual Maturities of Financial Liabilities	Less than 1 Year	More than 1 year	Total (Rs in Crore)
Borrowings	45.00	-	45.00
Trade payables	22.93	-	22.93

31-Mar-22

Contractual Maturities of Financial Liabilities	Less than 1 Year	More than 1 year	Total (Rs in Crore)
Borrowings	80.00	-	80.00
Trade payables	24.00	-	24.00

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27 Capital management

The Company's objectives in regard to managing capital are
- safeguard its status as a going concern
- to ensure returns to shareholders
- to ensure benefits to stakeholders

In order to maintain optimum capital structure, the board may
- increase the capital by fresh issue of shares or
- reduce the same by return to equity holders
- vary the equity by increasing or reducing the quantum of dividend

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:
Net debt (borrowings less cash and cash equivalents) divided by total equity

Gearing ratio refers to the level of a company's debt compared to its total equity.

The Company's strategy is to maintain an optimum gearing ratio. The gearing ratios were as follows:

	30-Jun-22	31-Mar-22
Net Debt	21.52	59.38
Total equity	136.92	138.51
Net Debt to equity ratio	0.16	0.43

28 Key Financial ratios:

S.No	Details	30-Jun-22	31-Mar-22	Variance (%)
1	Current Ratio (Times) (Current Assets/ Current liabilities)	0.66	0.81	-18%
2	Net Debt / Equity Ratio (Times) [Total borrowings - Cash and cash equivalents) / Equity	0.16	0.43	-63%
3	Debt Service Coverage Ratio (Times) (Earnings before Tax , Exceptional item, Depreciation and Interest on non current borrowings) / (Interest on non current borrowings + Principal repayment of Long term borrowings made during the period excluding prepayments)	(0.03)	36.80	-100%
4	Return on Equity (%) (Net Profit after Tax / Closing equity)	-1%	27%	-104%
5	Inventory Turnover Ratio (Times) (Cost of Goods Sold / Closing Inventory)	13.03	8.24	58%
6	Debtors Turnover Ratio (Times) (Turnover/ Closing Debtors)	15.06	6.66	126%
7	Trade Payables Turnover Ratio (Times) [(Purchases & Other Expenses) / Closing Trade Payables]	4.82	3.19	51%
8	Net Capital Turnover Ratio (Times) [Net Sales/ (Current Assets (-) Current Liabilities excluding current maturities of long term debt)]	-4.58	-3.19	43%
9	Net Profit Ratio (%) (Profit after tax / Turnover)	-1%	53%	-103%
10	Return on Capital Employed (%) [Earnings before interest , tax , depreciation , other income and exceptional items / (Capital employed]	-0.91%	-5.09%	-82%
11	Return on Investment (%) [Income generated from invested funds / Average invested funds]#	NA	NA	NA

#Significant investments held by the Company is for strategic purposes. Benchmarking the return on annual basis will not reflect yield from such investments.

Note: The activity ratios presented above represents the result for only 3 months, hence the variance in the above ratios are not strictly comparable

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29 Related party disclosure

LIST OF RELATED PARTIES

a) Reporting entity: TVS Holdings Private Limited, Chennai

b) Holding Entity
(i) Mr Venu Srinivasan representing VS Trust, Chennai

c) Subsidiaries:
(i) Sundaram-Clayton Limited, Chennai (SCL)

Subsidiary companies of Sundaram-Clayton Limited, Chennai (SCL)
(i) TVS Motor Company Limited, Chennai
(ii) Sundaram-Clayton (USA) Limited, USA
(iii) Sundaram-Clayton DCD Limited, Chennai

Subsidiary companies of TVS Motor Company Limited
(i) Sundaram Auto Components Limited, Chennai
(ii) TVS Housing Limited, Chennai
(iii) TVS Motor Services Limited, Chennai
(iv) TVS Credit Services Limited, Chennai
(v) TVS Motor (Singapore) Pte. Limited, Singapore
(vi) TVS Motor Company (Europe) B.V, Amsterdam
(vii) PT. TVS Motor Company Indonesia, Jakarta
(viii) TVS Electric Mobility Limited, Chennai
(ix) Intellicar Telematics Private Limited, Bengaluru (ceased to be subsidiary w.e.f 24 May 2022)

Associate companies of Sundaram-Clayton Limited, Chennai (SCL)
(i) Sundram Non-Conventional Energy Systems Limited, Chennai
(ii) TVS Training and Services Limited, Chennai

Associate companies of TVS Motor Company Limited:
(i) Ultraviolette Automotive Private Limited, Bengaluru
(ii) Tagbox Solutions Private Limited, Bengaluru
(iii) Emerald Haven Realty Limited, Chennai

Subsidiary company of Sundaram Auto Components Limited
Sundaram Holding USA Inc, USA

Subsidiary companies of TVS Credit Services Limited
(i) Harita ARC Services Private Limited, Chennai
(ii) TVS Two Wheeler Mall Private Limited, Chennai
(iii) TVS Housing Finance Private Limited, Chennai

Subsidiary companies of TVS Motor (Singapore) Pte Limited

(i) The Norton Motorcycle Co Limited, UK
(ii) TVS Digital Pte Limited, Singapore
(iii) GO AG, Zurich
(iv) Swiss E-mobility (Group) Holding AG, Switzerland
(v) EBCO Limited, UK (w.e.f 1 April 2022)

Subsidiary companies of Sundaram Holding USA Inc

(i) Green Hills Land Holding LLC, USA
(ii) Component Equipment Leasing LLC, USA
(iii) Sundaram-Clayton USA LLC, USA
(iv) Premier Land Holding LLC, USA

Subsidiary company of Intellicar Telematics Private Limited, Bengaluru

Intellicar (Singapore) Pte Limited (ceased to be subsidiary w.e.f 24 May 2022)

Subsidiary company of GO AG

EGO Movement Stuttgart, GmbH, Germany

Subsidiary company of Swiss E-mobility (Group) Holding AG, Switzerland

(i) Swiss E-Mobility Group (Schweiz) AG Switzerland
(ii) Colag E-Mobility GmBH, Germany
(iii) Alexand'Ro Edouard'O Passion Velo Sarl, Switzerland (w.e.f 12 April 2022)

Associate Companies of TVS Digital Pte Ltd, Singapore

(i) Predictronics Corp, USA
(ii) Tagbox Pte Ltd , Singapore
(iii) Altizon Inc , USA
(iv) Scienaptic Systems Inc , USA

Subsidiaries of Emerald Haven Realty Limited

(i) Emerald Haven Projects Private Limited, Chennai
(ii) Emerald Haven Property Development Limited, Chennai
(iii) Happiness Harmony Property Developers Private Limited
(iv) Emerald Haven Realty Developers (Paraniputhur) Private Limited, Chennai
(v) Emerald Haven Towers Limited, Chennai
(vi) Emerald Haven Development Limited, Chennai
(vii) Emerald Haven Life Spaces (Radial Road) Limited, Chennai
(viii) Emerald Haven Town & Country Limited, Chennai

d) Key Management Personnel (KMP)

(i) H Lakshmanan - Director
(ii) K Gopaladesikan - Director
(iii) Sameer Sah - Director

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Notes to Financial Statements for the period ended 30.06.2022

29 Related party disclosure **(Rs in Crores)**

S. No	Nature of transactions	Name of the company	Subsidiaries
1	Purchase of goods	TVS Motor Company Limited, Chennai	108.21
			(67.09)
2	Receiving of services	TVS Motor Company Limited, Chennai	-
			(4.65)
3	Outstanding as on 30th June 2022 Payables	TVS Motor Company Limited, Chennai	31.97
			(21.34)

Previous year's figures are furnished in brackets

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30 Capital and Other Commitments - NIL

31 Contingent Liabilities - NIL

32 SCHEME OF AMALGAMATION AND ARRANGEMENT - TVS GROUP

A memorandum of family arrangement was executed on 10th December 2020, between the TVS Family for aligning and synchronizing the ownership of shares in various companies / business with the management of the respective companies, as is currently being done. In this regard, a Composite Scheme of Amalgamation and Arrangement (Scheme) was filed with NCLT by T V Sundram Iyengar & Sons Private Limited, an order was pronounced on 6th December 2021 sanctioning the Scheme. Consequent to the Scheme being effective, Sundaram Industries Private Limited and Southern Roadways Private Limited got merged with TVS Sundram Iyengar & Sons Private Limited. And the Demerged undertaking "two wheeler auto parts and die casting business (including the equity shares of Sundaram-Clayton Limited (SCL)) held by T V Sundram Iyengar & Sons Private Limited and its subsidiaries have been vested with TVS Holdings Private Limited effective 4th February 2022

Snapshot of assets and liabilities taken over and consideration issued has been given below:

Particulars	Amount
Assets	187.60
Liabilities	105.85
Net assets taken over	**81.75**
Consideration issued in form equity shares of TVS Holdings Private Limited	0.00
Capital reserve	**81.75**

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33 Composite scheme of arrangement:

On 9th February 2022, the Board of directors of the Company approved a composite scheme of arrangement (the Scheme) of Sundaram-Clayton Limited ("Transferee Company" or "Demerged Company") and TVS Holdings Private Limited ("Transferor Company 1") and VS Investments Private Limited ("Transferor Company 2") and Sundaram-Clayton DCD Limited ("Resulting Company") subject to necessary approvals of shareholders, creditors, SEBI, Stock Exchanges, National Company Law Tribunal, Chennai, (NCLT), other governmental authorities and third parties as may be required.

The scheme provides for :

(1) The Transferee Company shall issue 116 NCRPS of face value of INR 10 each fully paid up, for every 1 equity share of INR 5 each fully paid up held by equity shareholder of the Company by way of bonus, which will be listed on both the Stock Exchanges viz., BSE Limited and National Stock Exchange of India Limited.

(2) The Transferor Company 1, the holding company will merge with the Transferee Company. The Transferee Company shall issue equivalent equity shares of INR 5 each fully paid up and corresponding number of NCRPS of INR 10 each fully paid up to the shareholders of the Transferor Company 1, on respective record dates as mentioned in the Scheme. Both equity shares and NCRPS will be listed on both the Stock Exchanges.

(3) The Transferee Company shall issue 19 equity shares of INR 5 each fully paid up, to the shareholders of the Transferor Company 2, in the proportion of the number of equity shares held by the shareholders in Transferor Company 2.

(4) The demerger, transfer and vesting of the Die Cast Division from the Demerged Company into the Resulting Company. The shareholders of the Demerged Company will get 1 equity share of INR 5 each fully paid up of the Resulting Company, for every 1 equity share of INR 5 each held by such shareholder; and 1 NCRPS of INR 10 each fully paid up of Resulting Company, for every 1,000 NCRPS held by such shareholder.

During the year, Sundaram-Clayton Limited has filed an Application with both the stock exchanges viz., BSE Limited and National Stock Exchange of India Limited for obtaining no objection. Post receipt of no objection, the Company will file necessary application with NCLT, Chennai.

Appropriate accounting treatment of the Scheme will be done post receipt of NCLT approval.

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34 In the opinion of the management, the current assets, loans & advances have a value of realisation in ordinary course of business or atleast equal to the amount at which they are stated in the balance sheet.

for **Raghavan, Chaudhuri & Narayanan** *for* **and on behalf of the Board of Directors**
Chartered Accountants
FRN: 007761S

RAGHAVAN CHAUDHURI & NARAYANAN Chartered Accountants

V. Sathyanarayanan
Partner
Membership No. 027716

H Lakshmanan
Director
DIN: 00057973

K Gopala Desikan
Director
DIN: 00067107

P D Dev Kishan
Company Secretary
Place: Chennai
Date : 29th August, 2022

Place: Bangalore
Date : 29th August, 2022
UDIN: 22027716ARGEYG5397

RAGHAVAN, CHAUDHURI & NARAYANAN
Chartered Accountants

Second Floor, Casa Capitol,
Wood Street, Ashoknagar,
Bengaluru - 560 025.
Phone : 2556 7578 /
2551 4771 / 4140 4830

INDEPENDENT AUDITOR'S REPORT

To the members of TVS Holdings Private Limited (Formerly Known As TVS Investments And Holdings Private Limited & Cheema Investments And Holdings Private Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **TVS Holdings Private Limited** (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its associates, which comprise the consolidated Balance Sheet as at 30th June, 2022, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the period then ended 30th June, 2022, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act 2013, ('the Act') in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 30th June, 2022, the consolidated profit, the consolidated total comprehensive Income, consolidated changes in equity and its consolidated cash flows for the period then ended.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the *Code of Ethics issued by Institute of Chartered Accountants of India (ICAI)*, together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion on the consolidated financial statements.

#48, "ISHITA", 2nd and 3rd Floor, 2nd Main Road, Vyalikaval, Bengaluru - 560 003.
Tel/Fax : 2336 1121 / 2336 1030 / 2336 1120

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors and management are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report. Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors, for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 that gives a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associates, in accordance with the Ind AS and other accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and its associates are responsible for assessing the ability of the each of the companies in the Group and its associates, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and its associates or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its associates, are responsible for overseeing the financial reporting process of each of the companies in the Group and its associates.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher, than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company, its subsidiary companies and its associates which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the companies in the Group and its associates, to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Group and its associates, to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

1. The Audited Consolidated financial statements include interim unaudited financial statements of 11 subsidiaries, whose interim unaudited financial statements reflect total assets of Rs. 31,534.07 crores as at 30th, June 2022 and total revenues of Rs. 7,314.96 crores, total profit after tax of Rs. 370.86 crores and total comprehensive income of Rs. 370.01 crores, for the quarter ended 30th June, 2022 and cash inflows (net) of Rs. 289.31 crores for the period from 01st April 2022 to 30th June, 2022, as considered in the audited consolidated financial statements. The interim unaudited financial statements of these 11 subsidiaries have been reviewed by other auditors whose reports have been furnished to us by the management and our conclusion on the statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors. The audited consolidated financial statements also reflect the Group's share of net loss after tax amounting to Rs. 7.01 crores and Total Comprehensive Loss of Rs. 7.23 crores for the quarter ended 30th June, 2022, from one associate whose interim unaudited financial statements was not reviewed by us. These interim financial statements have been reviewed by other auditor's whose report has been furnished to us by the management and our conclusion on the statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

Our conclusion on the statement is not modified in respect of the above matter.

The audited consolidated financial statements include the interim unaudited financial statements of 15 subsidiaries which have not been reviewed by their auditors and are based solely on management certified accounts, whose interim financial statements reflect total assets of Rs. 3,213.41 crores as at 30th June, 2022 and total revenues of Rs. 205.78 crores, total after tax losses of Rs. 61.21 crores and total comprehensive loss of Rs. 69.02 crores for the quarter ended 30th June, 2022 and cash outflows (net) of Rs. 28.49 crores for the period from 01st April 2022 to 30th June, 2022 as considered in the audited consolidated financial statements. The audited consolidated financial statements also reflect the Group's share of Net Loss amounting to Rs.1.72 crores and total comprehensive loss of Rs.1.72 crores for the quarter ended 30th June, 2022 as considered in the audited consolidated financial statements from Seven associates whose unaudited interim financial statements were not reviewed by their respective auditors and are based solely on their management certified accounts.

Our conclusion on the statement is not modified in respect of the above matter.

2. Twenty subsidiaries and four associates are located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries. The Company's Management has converted this financial statements to Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India from accounting principles generally accepted in their countries. We have reviewed these conversion adjustments made by the Company's Management. Our conclusion in so far as it relates to such subsidiaries and associate located outside India, is based on the aforesaid conversion adjustments prepared by the Company's Management and reviewed by us.

   Our conclusion on the statement is not modified in respect of the above matter.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act and read with relevant rules made thereunder;

(e) On the basis of the written representations received from the directors of the Holding Company as on 30th June, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies, its associate companies incorporated in India, is disqualified as on 30th June,2022 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure";

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the period ended is in accordance with the provisions of section 197 of the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. - Refer Note 37(i) to the consolidated financial statements;

(ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts. Refer Note 34 to the consolidated financial statements in respect of such items as it relates to the Group;

(iii) There has been no delay in transferring amounts, required to be transferred, to the investor Education and Protection Fund by the Holding Company, its subsidiary companies and associate companies incorporated in India;

(iv) (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement;

(v) The Company has not declared any dividends during the period ended 30th June,2022.

for **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
FRN: 007761S

V. Sathyanarayanan
Partner
Membership No. 027716
Place : Bangalore
Date : 20th September, 2022
UDIN : 22027716BCWXZC4169

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of TVS Holdings Private Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the period ended 30th June, 2022, we have audited the internal financial controls over financial reporting of **TVS Holdings Private Limited** (hereinafter referred to as the 'Holding Company') and its subsidiaries and its associate companies which are incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Boards of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the company, its subsidiaries and its associate companies, which are companies incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that;

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company its subsidiary companies and its associate companies which are incorporated in India, have, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at **30th June, 2022,** based on internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the guidance note on audit of internal financial controls over financial reporting issued by Institute of Chartered Accountants of India.

Other matters

Our aforesaid report under Section 143 (3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to its subsidiary companies and associate companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

for **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
FRN: 007761S

V. Sathyanarayanan
Partner
Membership No. 027716
Place : Bangalore
Date : 20th September, 2022
UDIN : 22027716BCWXZC4169

TVS HOLDINGS PRIVATE LIMITED
(Formerly Known As TVS Investments And Holdings Pvt Ltd & Cheema Investments And Holdings Pvt Ltd)
(CIN: U74999TN2018PTC121693)
Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

CONSOLIDATED BALANCE SHEET AS AT 30th June 2022 **(Rs. In Crores)**

	PARTICULARS	Note No.	As at 30-06-2022	As at 31-03-2022
I.	**Assets**			
	Non-current assets			
	Property, plant and equipment	2	4,972.19	5,043.03
	Capital work in progress	2	359.14	329.11
	Investment Properties		137.70	137.71
	Goodwill	2	311.24	290.59
	Other intangible assets	3	867.57	870.93
	Intangible Assets under development		238.71	231.35
	Financial assets		-	
	i. Investments	4A	331.68	143.09
	ii. Loans (Receivable from financing activity)	9	7,517.95	6,716.45
	iii. Others	12	202.20	137.55
	Investments accounted using equity method	5	361.68	370.83
	Deferred Tax Assets	18A	223.67	217.88
	Non-Current tax assets (Net)		0.72	49.60
	Other non-current assets	6	146.64	134.20
	Total non-current assets		**15,671.09**	**14,672.32**
	Current assets			
	Inventories	7	2,008.52	2,022.27
	Financial assets			
	i. Trade receivables	8	1,692.75	1,356.13
	ii. Loans (Receivable from financing activity)	9	8,041.06	7,299.24
	iii. Cash and cash equivalents	10	3,450.09	3,774.57
	iv. Investments	4B	141.28	130.23
	v. Bank balances other than (iii) above	11	22.54	180.22
	vi. Others	12	149.38	134.82
	Current tax assets (Net)		26.53	12.71
	Other current assets	13	1,228.98	986.76
	Total current assets		**16,761.13**	**15,896.95**
	Total Assets		**32,432.22**	**30,569.27**

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CONSOLIDATED BALANCE SHEET AS AT 30th June 2022 (Rs. In Crores)

	PARTICULARS	Note No.	As at 30-06-2022	As at 31-03-2022
II.	**Equity and liabilities**			
	Equity			
	Equity share capital	14	20.00	20.00
	Other equity	15	3,349.86	3,248.89
	Equity attributable to owners		**3,369.86**	**3,268.89**
	Non controlling interest	15	4,217.70	3,994.59
	Total equity		**7,587.56**	**7,263.48**
	Liabilities			
	Non-current liabilities			
	Financial liabilities			
	i. Borrowings	16	8,897.32	7740.63
	ii. Lease Liabilities		397.46	421.49
	iii. Others	21	11.07	55.44
	Provisions	17	234.85	224.20
	Deferred tax liabilities	18B	211.16	231.21
	Other Non Current Liabilities		42.94	-
	Total non-current liabilities		**9,794.80**	**8,672.97**
	Current liabilities			
	Financial liabilities			
	i. Borrowings	19	8,675.86	8,369.29
	ii. Trade payables	20	5,085.95	4,912.28
	iii. Lease liabilities		137.99	141.14
	iv. Other financial liabilities	21	310.24	374.31
	Other current liabilities	22	679.48	708.00
	Provisions	17	116.11	127.80
	Current tax liabilities (Net)		44.23	-
	Total current liabilities		**15,049.86**	**14,632.82**
	Total liabilities		**24,844.66**	**23,305.79**
	Total equity and liabilities		**32,432.22**	**30,569.27**
	Significant accounting policies	1		

The accompanying notes are an integral part of these financial statements 1-44

For **and on behalf of the Board of Directors**

H Lakshmanan
Director
DIN: 00057973

K Gopala Desikan
Director
DIN: 00067107

P D Dev Kishan
Company Secretary

Place: Chennai
Date : 20th September 2022

For **Raghavan, Chaudhuri & Narayanan**
FRN: 007761S

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

V. Sathyanarayanan
Partner
Membership No. 027716
DIN: 22027716BCWXZC4169

Place: Bangalore
Date : 20th September 2022

TVS HOLDINGS PRIVATE LIMITED
(Formerly Known As TVS Investments And Holdings Pvt Ltd & Cheema Investments And Holdings Pvt Ltd)
(CIN: U74999TN2018PTC121693)
Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE PERIOD ENDED 30TH JUNE 2022

(Rs. In Crores)

	PARTICULARS	Note No.	For the period ended 30-06-2022	For the year ended 31-03-2022
I	**Income**			
	Revenue from operations	23	7,666.61	4,296.31
	Other income	24	32.81	26.19
	Total income		**7,699.42**	**4,322.50**
II	**Expenses**			
	Cost of material consumed	25	4,764.67	2,769.64
	Purchase of stock in trade	25	217.96	221.98
	Changes in inventories of finished goods, stock-in-trade and work-in-process	25	0.27	(210.75)
	Employee benefit expenses	26	716.57	379.13
	Finance costs	27	303.14	172.23
	Depreciation and amortisation expense	28	222.44	145.91
	Other expenses	29	1,006.38	594.55
	Total expenses		**7,231.43**	**4,072.68**
III	**Profit before exceptional items, share of net profit of investment and tax (I-II)**		**467.99**	**249.82**
IV	Share of net profit from associates using equity method		(8.92)	(2.71)
V	**Profit before exceptional items and tax (III+IV)**		**459.07**	**247.11**
VI	Exceptional items	29A	14.65	6.11
VII	**Profit before tax (V+VI)**		**473.72**	**253.22**
VIII	Tax expense			
	Current tax	30	168.92	90.53
	Deferred tax	31	(19.96)	(10.96)
IX	**Profit for the year (VII-VIII)**		**324.76**	**173.65**
X	(Profit) / Loss attributable to Non-controlling Interest		(222.44)	(126.61)
XI	**Profit for the year attributable to owners (IX+X)**		**102.32**	**47.04**

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STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE PERIOD ENDED 30TH JUNE 2022

(Rs. In Crores)

	PARTICULARS	Note No.	For the period ended 30-06-2022	For the year ended 31-03-2022
XII	**Other comprehensive income**			
	(A) Items that will not be reclassified to profit and loss			
	Remeasurements of post employment benefit obligations		(2.30)	(21.21)
	Change in fair value of equity instruments		3.39	6.95
	Share of other comprehensive income from associates using equity method		(0.22)	(0.08)
	Income tax relating to these items		0.12	2.52
	(B) Items that will be reclassified to profit and loss			
	Fair value changes on cash flow hedges		(27.37)	10.62
	Change in fair value of debt instruments		-	
	Foreign currency translation adjustments		13.19	20.45
	Income tax relating to these items		6.84	(2.60)
	Other comprehensive income for the year, net of tax		**(6.35)**	**16.65**
XIII	Other Comprehensive income attributable to non-controlling interest (profit) / loss		(4.46)	(9.30)
XIV	**Total comprehensive income attributable to owners (XI+XII+XIII)**		**91.51**	**54.39**
	Earnings per equity share			
	Basic & Diluted earnings per share	32	**5.11**	**5.92**

The accompanying notes are an integral part of these financial statements 1-44

For and on behalf of the Board of Directors

H Lakshmanan
Director
DIN: 00057973

K Gopala Desikan
Director
DIN: 00067107

P D Dev Kishan
Company Secretary

Place Chennai
Date 20th September 2022

For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
FRN: 007761S

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

V. Sathyanarayanan
Partner
Membership No. 027716
UDIN: 22027716BCWXZC4169

Place Bengaluru
Date 20th September 2022

TVS HOLDINGS PRIVATE LIMITED
(Formerly Known As TVS Investments And Holdings Pvt Ltd & Cheema Investments And Holdings Pvt Ltd)
(CIN: U74999TN2018PTC121693)
Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

Consolidated Statement of Changes in Equity

a **Equity Share Capital**

	(Rs. In Crores)
Restated balance as at 01-04-2021	**1.16**
Changes in equity share capital during the year	**18.84**
As at 31-03-2022	**20.00**
Changes in equity share capital during the year	-
As at 30-06-2022	**20.00**

(Rs. In Crores)

b

Other Equity	**Reserves & Surplus**					**Other Reserves**				
Particulars	**General reserve**	**Capital reserve**	**Securities Premium**	**Statutory reserve**	**Retained earnings**	**Equity Instruments Fair Value through Other Comprehensive Income**	**Foreign currency translation reserve**	**Hedging reserve**	**Non Controlling Interest**	**Total**
Balance as at 01-04-2020	-	-	-	-	**(0.00)**	-	-	-	-	(0.00)
Add : Profit for the year 2020-21	-	-	-	-	(0.03)	-	-	-	-	(0.03)
Balance as at 31-03-2021	-	-	-	-	**(0.02)**	-	-	-	-	**(0.03)**
Add : Profit for the year 2021-22					46.98				126.61	173.60
Add: Other comprehensive income for the year 2021-22	-	-	-	-	(7.36)	3.25	7.10	5.07	8.67	16.73
Less: OCI share of an associate	-	-	-	-	(0.11)				0.03	(0.08)
Add : Transferred from retained earnings to statutory reserve				7.46	(7.46)				-	-
Add: Associate profit adjustment					(5.59)				(3.04)	(8.63)
Add: Profit on sale of Investment in subsidiary*					388.10				211.56	599.66
Add: Reseves on acquistion of new subsidiary	396.62	**18.40**	-	23.32	2,369.83	3.93	20.94	(5.44)	3,689.60	6,517.19
Add : Transaction with non controlling interest	(11.40)	(0.08)	-	(3.93)	(7.40)	5.58	1.42	(0.31)	81.19	65.06
Less : Distribution to shareholders :										-
2021-22 Dividend declared									(120.03)	(120.03)
										-
Balance as at 31-03-2022	**385.21**	**18.32**	-	**26.85**	**2,776.97**	**12.76**	**29.45**	**(0.68)**	**3,994.59**	**7,243.47**
Add : Profit for the period ended 30th June 2022					102.32				222.44	324.76
Add: Other comprehensive income for the the period ended 30th June 2022					(8.84)	1.63	6.63	(10.22)	4.46	(6.35)
Add : Transaction with non controlling interest					9.46				(3.79)	5.67
Balance as at 30-06-2022	**385.21**	**18.32**	-	**26.85**	**2,879.91**	**14.39**	**36.08**	**(10.90)**	**4,217.70**	**7,567.55**

*During the previous financial year, the Group had sold equity shares representing 2.14% stake in its subsidiary, TVS Motor Company Limited, resulting in a gain of Rs.599.63 crores. As per Ind AS 110 - Consolidated Financial Statements, the changes in ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary are equity transactions (i.e. transactions with owners in their capacity as owners). Accordingly, the gain arising out of the above transactions over and above the relative interest in the subsidiary on the date of sale is recognised directly in retained earnings within equity.

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Consolidated Statement of Changes in Equity

Nature and Purpose of Reserves

Security premium reserve: This consist of premium realised on issue of shares and will be applicable / utilised in accordance with the provisions of the Companies Act, 2013
General reserve: General reserve is part of retained earnings. This is available for distribution to shareholders as dividend and capitalisation.
Statutory Reserve has been created pursuant to Section 45 - IC of the RBI Act,1934. Owners portion of Statutory Reserve created in subsidiary shown above after becoming subsidiary.
Capital Reserve: Comprises of surplus arising out of amalgamation

For **and on behalf of the Board of Directors**

H Lakshmanan
Director
DIN: 00057973

K Gopala Desikan
Director
DIN: 00067107

P D Dev Kishan
Company Secretary

Place: Chennai
Date : 20th September 2022

For Raghavan, Chaudhuri & Narayanan
FRN: 007761S

RAGHAVAN CHAUDHURI & NARAYANAN
Chartered Accountants

V. Sathyanarayanan
Partner
Membership No. 027716
UDIN: 22027716BCWXZC4169

Place: Bangalore
Date : 20th September 2022

TVS HOLDINGS PRIVATE LIMITED
(Formerly Known As TVS Investments And Holdings Pvt Ltd & Cheema Investments And Holdings Pvt Ltd)
(CIN: U74999TN2018PTC121693)
Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

Consolidated Statement of Cash flow for Period ended 30th June 2022 **(Rs. In Crores)**

Particulars	Year ended 30-06-2022		Year ended 31-03-2022	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit before tax		473.72		253.22
Add: Depreciation and amortisation for the year	222.44		145.92	
Loss on sale of property, plant and equipment	0.97		3.04	
Interest (including interest in exceptional item)	(25.63)		(11.07)	
Share of net (profit)/loss from associates using equity method	8.92		2.71	
Profit on sale of Investments	(22.07)		-	
Finance cost (excluding financial enterprise)	63.44		33.64	
		248.07		174.24
Operating profit before working capital changes		721.79		427.46
Adjustments changes in working capital:	(1945.73)		562.00	
		(1,945.73)		562.00
Cash generated from operations		(1,223.94)		989.46
Direct taxes paid		(89.63)		(12.89)
Net cash from operating activities (A)		(1,313.57)		976.57
B CASH FLOW FROM INVESTING ACTIVITIES				
Additions to property, plant and equipment (including Capital work in progress)		(213.77)		(208.76)
Purchase of investments		(174.18)		(19.66)
Investment in Term deposits		0.00		(594.08)
Paid for acquisition of subsidiary		(14.98)		-
Inflow on account of sale of share in subsidiary without loss of control		-		665.42
Interest received		25.63		11.07
Net Cash from/(used in) investing activities (B)		(377.30)		(146.01)

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Consolidated Statement of Cash flow for Period ended 30th June 2022 (Rs. In Crores)

	Particulars		Year ended 30-06-2022		Year ended 31-03-2022	
C	CASH FLOW FROM FINANCING ACTIVITIES					
	Net Borrowings					
	Term loans availed/(repaid)			1,463.26		826.65
	Interest paid			(89.88)		(28.04)
	Increase in Share Capital			-		18.84
	Dividend and dividend tax paid			-		(177.64)
	Net cash inflow/ (outflow) from financing activities	(C)		1,373.38		639.81
D	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(A+B+C)		(317.48)		1,470.36
	Cash and cash equivalents at the beginning of the year					
	Cash and Bank balances		1471.49		1.13	
	Cash credit balance			1471.49	-	1.13
	Cash and cash equivalents at the end of the year					
	Cash and Bank balances		1154.01		1471.49	
	Cash credit balance			1,154.01	-	1,471.49
				(317.48)		1470.36

For and on behalf of the Board of Directors

H Lakshmanan
Director
DIN 00057973

K Gopala Desikan
Director
DIN 00067107

P D Dev Kishan
Company Secretary

Place Chennai
Date 20th September 2022

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm Regn No 007761S

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

V Sathyanarayanan
Partner
Membership No. 027716
UDIN 22027716BCWXZC4169

Place Bengaluru
Date 20th September 2022

TVS HOLDINGS PRIVATE LIMITED
(Formerly Known as TVS Investments And Holdings Pvt Ltd & Cheema Investments And Holdings Pvt Ltd)
(CIN: U74999TN2018PTC121693)
Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

1. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies mentioned herein are relating to the Consolidated financial statements of TVS Holdings Private Limited and its subsidiaries and associates.

a) Brief description of the Company

TVS Holdings Private Limited ('the Company') (Formerly Known as TVS Investments And Holdings Pvt Ltd & Cheema Investments And Holdings Pvt Ltd) is a Private limited company incorporated in India. The registered office is located at "Chaitanya", 12, Khader Nawaz Khan Road, Nungambakkam Chennai – 600006, Tamil Nadu, India. The Company together with its subsidiaries and associates (collectively referred to as the "Group") operate in a wide range of activities such as manufacturing of automotive vehicles, automotive components, spare parts & accessories thereof, housing development and financial services.

b) Basis of preparation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The financial statement has been prepared on the historical cost convention under accrual basis of accounting except for certain assets and liabilities (as per the accounting policy below), which have been measured at fair value. These financial statements for the year ended 31st March 2022 have been approved and authorised for issue by the Board of Directors at its meeting held on 20th September 2022.

Principles of Consolidation

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together, items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests (if any) in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet, respectively.

Associates

Associates are all entities over which the Group has significant influence but not control or joint control. (This is generally the case where the Group holds between 20% and 50% of the voting rights). Investments in associates are accounted for using the equity method of accounting after initially being recognized at cost.

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognized as a reduction in the carrying amount of the investment.

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1. SIGNIFICANT ACCOUNTING POLICIES

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

Sundaram-Clayton Limited became a subsidiary of the Company effective 4th February 2022, in terms of the composite scheme of amalgamation and arrangement (demerger) ("Composite Scheme"), the two-wheeler auto parts and die casting business undertaking of T.V. Sundram Iyengar & Sons Private Limited, which inter alia includes 1,30,94,460 equity shares of Sundaram-Clayton Limited representing 64.72% of its paid up share capital, have vested in the Company with effect from the second appointed date (as defined in the Composite Scheme) i.e., 4th February, 2022. The comparative period consolidated financial statements are for the period 4th Feb 2022 to 31st March 2022. The Consolidated financial results and consolidated cash flows including balance taken over are drawn proportionately for abovesaid period from the respective component entities except for few material transactions where clear indication on the period is available.

c) Use of estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future period. The estimates and underlying assumptions are reviewed on an ongoing basis.

This note provides an overview of the areas that involved a higher degree of judgment or complexity. It also provides an overview of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with the information about the basis of calculation for each affected line item in the financial statements

d) Significant estimates and judgments

The areas involving significant estimates or judgments are:

i) Estimation of fair value of unlisted securities - (Refer Note 33)
ii) Estimation of defined benefit obligation - (Refer Note 38)
iii) Estimation of useful life of Property, Plant and Equipment - (Refer Note 1(f) and 1(g))

e) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and net of returns, trade allowances and rebates and amounts collected on behalf of third parties.

i) Sale of automotive vehicles, parts and automotive components:

Revenue from sale of products is recognised when significant risk and rewards of ownership pass to the customers, as per the terms of the contract and it is probable that the economic benefits associated with the transaction will flow to the Group.

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1. SIGNIFICANT ACCOUNTING POLICIES

ii) Sale of Services:

Revenue from Services is recognised in the accounting period in which the services are rendered and when invoices are raised.

iii) Revenue from Financing:

- Interest income for loans (other than Purchase of Originally Credit Impaired (POCI) is recognised using the Effective Interest Rate (EIR) method.
- For financial assets that are not "POCI" but have subsequently become credit-impaired (or 'stage-3'), for which interest revenue is calculated by applying the effective interest rate to their amortised cost (i.e. net of the expected credit loss provision).
- Income in the nature of overdue interest and bounce charges are recognized on realization, due to uncertainty of collection.

iv) Significant judgements

There are no significant judgements made by the Group in determining the timing of satisfaction of performance obligation. It is determined as per the terms of the contract. In case of multiple performance obligations, the Group uses the adjusted market assessment approach to allocate the transaction price between multiple performance obligations. If a discount is granted, the same is adjusted against the transaction price of the contract.

f) Property, Plant and Equipment

Freehold Land is stated at historical cost. All other items of Property, Plant and Equipment are stated at cost of acquisition/construction less accumulated depreciation / amortization and impairment, if any. Cost includes:

i) Purchase price,
ii) Taxes and duties,
iii) Labour cost, and
iv) Directly attributable overheads incurred up to the date the asset is ready for its intended use.
v) Government grants that are directly attributable to the assets acquired.

However, cost excludes GST, to the extent credit of the duty or tax is availed of.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Government grants relating to the purchase of property, plant and equipment are capitalized and included as cost to fixed assets.

Gains or losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the Statement of Profit and Loss within Other gains/ (losses).

g) Depreciation

i) Depreciation on tangible fixed assets is charged over the estimated useful life of the asset or part of the asset (after considering double/triple shifts) as evaluated by a Chartered Engineer, on straight line method and in

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1. SIGNIFICANT ACCOUNTING POLICIES

accordance with Ind AS 16, taking into consideration both usage, useful life and legal limitations on the use of assets, on straight line method, in accordance with Part A of Schedule II to the Companies Act, 2013. Depreciation is adjusted for the proportionate usage with reference to the asset's expected capacity or physical output during the reporting period

ii) The estimated useful life of the tangible fixed assets as assessed by the Chartered Engineer and followed by the Group is furnished below:

Description	Years
Factory building and other buildings	5 to 64
Plant and Equipment	4 to 21
Electrical Equipment	15
Furniture and Fixtures	4 to 10
Computers	3 to 4
Mobile phones	1 to 2
Vehicles	5 to 6

iii) Tools and dies used for two wheelers are depreciated based on quantity of components manufactured and the life of tools and dies, subject to a maximum of 5 years. Tools and dies used for three wheeler operations are depreciated over a period of 9 years.

iv) The residual value for all the above assets are retained at 5% of the cost except for Mobile phones for which nil residual value is considered. Residual values and useful lives are reviewed, and adjusted, if appropriate, for each reporting period.

v) On tangible fixed assets added / disposed off during the year, depreciation is charged on pro-rata basis for the period for which the asset was purchased and used.

vi) Depreciation in respect of tangible assets costing individually less than Rs.5, 000/- is provided at 100%.

h) Investment properties

Property that is held for long term rental yields or for capital appreciation or both, and that is not occupied by the Group is classified as investment property. Investment Property is measured initially at its cost and including related transaction cost where applicable, borrowing cost. Subsequent expenditure is capitalized to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item is measured reliably.

i) Intangible assets

Goodwill

Goodwill on acquisition of business is included in intangible assets. Goodwill is not amortized but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Goodwill is allocated to the cash generating units for the purpose of impairment testing. The allocation is made to those cash generating units or group of cash generating units that are expected to benefit from the business

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1. SIGNIFICANT ACCOUNTING POLICIES

combination in which the goodwill arose. The units or group of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the cash generating units.

Other intangible assets

Intangible assets acquired separately:
Intangible assets with finite useful lives that are acquired separately and the estimated useful life is more than one year, is capitalised and carried at cost less accumulated amortisation and accumulated impairment losses.

Internally-generated intangible assets - research and development expenditure:
Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from development phase of internal project is recognised, if and only if, the conditions under the Ind AS 34 - Intangible Asset, are fulfilled. If the conditions are not fulfilled the same is recognised in profit and loss in the period in which it is incurred.

The intangible assets are amortised on straight line basis over its useful life, viz., 2 years in the case of software, 8 years in case of acquired brands and trade marks and 6 to 10 years in the case of Design, Development and Technical knowhow.

j) Loans (receivable from financing activity)

The Loans (receivable from financing activity) are stated the contract value plus transaction costs less origination income that are directly attributable to the acquisition of the loan. Interest income is recognised using the Effective Interest Rate (EIR) method. Loans are stated at carrying value less impairment loss.

k) Impairment

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

l) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). i.e. in Indian rupees (INR) and all values are rounded off to nearest crores except where otherwise indicated.

(ii) Transactions and balances

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.

(a) Foreign currency monetary assets and liabilities such as cash, receivables, payables, etc., are translated at year end exchange rates.

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(b) Non-monetary items denominated in foreign currency such as investments, fixed assets, etc., are valued at the exchange rate prevailing on the date of transaction.

(c) Exchange differences arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

a) assets and liabilities are translated at the closing rate at the date of that balance sheet

b) income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and

c) all resulting exchange differences are recognised in other comprehensive income.

m) Hedge accounting

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

- hedges of the fair value of recognized assets or liabilities or a firm commitment (fair value hedges)
- hedges of a particular risk associated with the cash flows of recognized assets and liabilities and highly probable forecast transactions (cash flow hedges), or
- hedges of a net investment in a foreign operation (net investment hedges).

The Group documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative financial instruments used for hedging purposes are disclosed in Note 33. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognized immediately in the Statement of Profit and Loss, within other gains/ (losses).

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1. SIGNIFICANT ACCOUNTING POLICIES

When forward contracts are used to hedge forecast transactions, the Group generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognized in other comprehensive income in cash flow hedging reserve within equity. In some cases, the entity may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognized in the cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects the Statement of Profit and Loss (for example, when the forecast sale that is hedged takes place).

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to the Statement of Profit and Loss within other gains/ (losses).

n) Inventories

Inventories are valued at the lower of cost and net realizable value.

i. Cost of raw materials, components, stores, spares, work-in-process and finished goods are determined on a moving average basis.

ii. Cost of finished goods and work-in-process comprises of direct materials, direct labour and an applicable proportion of variable and fixed overhead expenditure, fixed overhead expenditure absorbed on the basis of normal operating capacity.

iii. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

iv. Materials and supplies held for use in production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost. Slow and non-moving material, obsolescence, defective inventories are duly provided for.

Land held for development/sale by the real estate subsidiary is valued at the lower of cost and net realizable value. Cost includes cost of acquisition and all related costs.

o) Employee benefits

i) Short term obligations:

Short term obligations are those that are expected to be settled fully within 12 months after the end of the reporting period. They are recognized upto the end of the reporting period at the amounts expected to be paid at the time of settlement.

ii) Other long term employee benefit obligations:

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1. SIGNIFICANT ACCOUNTING POLICIES

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are, therefore, recognized and provided for at the present value of the expected future payments to be made in respect of services provided by employee upto the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in Other Comprehensive Income.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for atleast twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii) Post-employment obligation:

The Group operates the following post-employment schemes:

a) Defined benefit plans such as gratuity for its eligible employees, pension plan for eligible senior managers; and

b) Defined contribution plan such as provident fund.

a) Pension and gratuity obligation:

The liability or asset recognized in the balance sheet in respect of defined benefit pension and gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.
Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income (net of deferred tax). They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the Statement of Profit and Loss as past service cost.

b) Provident fund:

The eligible employees of the Group are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Group make monthly contributions at a specified percentage of the covered employees' salary. The provident fund contributions are made to an irrevocable trust set up by the Group. The Group is generally liable for annual contributions and any shortfall in the fund assets based on the Government specified minimum rates of return and recognizes such contributions and shortfall, if any, as an expense in the year in which it is incurred.

iv) Bonus plans:

The Group recognizes a liability and an expense for bonus. The Group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

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1. SIGNIFICANT ACCOUNTING POLICIES

p) Taxes on income

Tax expense comprises of (i) current tax and (ii) deferred tax.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Where the Group is entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure (the Research and Development or other investment allowances), the Group accounts for such allowances as tax credits, which means that the allowance reduce income tax payable and current tax expense. A deferred tax asset is recognized for unclaimed tax credits that are carried forward as deferred tax assets.

q) Government Grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants receivable as compensation for expenses or financial support are recognized in profit or loss of the period in which it becomes available.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

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In case of waiver of duty under EPCG licence, such grant is considered as revenue grant and recognized in "Other Income" on completion of export obligation as approved by Regulatory Authorities.

r) Provisions and contingent liabilities

i) Provision:

A provision is recorded when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated. The estimated liability for product warranties is accounted based on technical evaluation, when the products are sold.

Provisions are evaluated at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expenses.

ii) Contingent liabilities:

Wherever there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (b) the amount of the obligation cannot be measured with sufficient reliability are considered as contingent liability. Show cause notices are not considered as Contingent Liabilities unless converted into demand.

s) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The group has identified the following business segments as reportable segments, (on the basis of products and production process) viz., (1) Automotive vehicles and parts, (2) Automotive components (3) Financial Services and (4) Others

t) Leases

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and

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- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognized in profit and loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- Restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

u) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

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1. SIGNIFICANT ACCOUNTING POLICIES

v) Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method, less provision for impairment.

w) Contract Liabilities

A contract liability is the obligation to transfer goods to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the consideration is received. Contract liabilities are recognized as revenue when the Company performs under the contract.

x) Investments and Other financial assets

i) Classification

The Group classifies its financial assets in the following categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit and loss), and
- Those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flow.

ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus (in the case of a financial asset not a fair value through profit or loss) transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

(A) Debt Instruments:

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments.

(i) Amortized Cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on debt instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in the Statement of Profit and Loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

(ii) Fair Value through profit or loss:

Assets that do not meet the criteria for amortized cost or Fair Value through Other Comprehensive Income (FVOCI) are measured at Fair Value Through Profit or Loss (FVTPL). A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss

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1. SIGNIFICANT ACCOUNTING POLICIES

and presented in the statement of profit and loss within other gains / (losses) in the period in which it arises. Interest income from these financial assets is included in other income.

(B) Equity instruments:

The Group subsequently measures all investments in equity (except of the subsidiaries / associates) at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there will be no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognized in the Statement of Profit and Loss as other income when the Group's right to receive payments is established.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately. Where the Group elects to measure fair value through profit and loss, changes in the fair value of such financial assets are recognized in the statement of profit and loss.

(iii) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been significant increase in credit risk. Note 34(A) and Note 35 details how the Group determines whether there has been a significant increase in credit risk.
For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected credit losses to be recognized from initial recognition of the receivables.

For loans given by financial enterprise the impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 35 details how the Group determines whether there has been a significant increase in credit risk.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

(iv) Derecognition of financial assets

A financial asset is derecognised only when:

a) The Group has transferred the rights to receive cash flows from the financial asset or

b) The Group retains the contractual rights to receive the cash flows of the financial asset, but expects a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised, if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

(v) Income recognition

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Interest income:
Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying value of a financial asset. While calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options), but does not consider the expected credit losses.

Dividend income:
Dividends are recognized in statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of dividend can be reliably measured.

y) Borrowings

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction cost) and the redemption amount is recognized in the Statement of Profit and Loss over the period of the borrowings, using the effective interest rate method. Fees paid on the established loan facilities are recognized as transaction cost of the loan, to the extent that it is probable that some or all the facility will be drawn down.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in the Statement of Profit and Loss as other gain/(loss).

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for over or atleast 12 months after the reporting period.

z) Current and Non-current classification

The Group presents assets and liabilities in the balance sheet based on current / non-current classification.

Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for atleast twelve months after the reporting period. In respect of other assets, it is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period.

All other assets are classified as non-current.

All liability is treated as current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or

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1. SIGNIFICANT ACCOUNTING POLICIES

- There is no unconditional right to defer the settlement of the liability for atleast twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. In Group's considered view, twelve months is its operating cycle for all entities within the Group other than real estate.

The normal operating cycle in respect of operation relating to real estate project depends on signing of agreement, size of the project, phasing of the project, type of development, project complexities, approvals needed and realization of project into cash and cash equivalents and range from 3 to 7 years. Accordingly, assets and liabilities have been classified into current and non-current based on operating cycle.

za) Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

zb) Earnings Per Share (EPS)

Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year/period.

Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

zc) Recent pronouncements

The Ministry of Corporate Affairs has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective 1 April 2022. Below is a summary of such amendments and requirements. No significant impact is expected on adoption of these standards.

(i) Ind AS 16, Property, Plant and Equipment (PPE)
The amendment clarified that an entity shall deduct from the cost of an item of PPE any proceeds received from selling items produced while the entity is preparing the asset for its intended use.

(ii) Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets
Onerous Contracts – Cost of fulfilling a contract

The amendment explains that the cost of fulfilling a contract comprises: the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

2 Property, Plant & Equipment & 3 Intangible assets

Description	2. Property, Plant & Equipment								
	Freehold land	Leasehold land	Buildings	Plant & equipment	Furniture & fixtures	Office equipment	Vehicles	ROU	Total
	1	2	3	4	5	6	7	8	9
Cost of assets									
As at 01-04-2022	375.29	45.44	1,385.38	4,948.51	143.14	230.29	120.55	768.01	8,016.61
Incumbent Subsidiaries									-
Additions			0.60	73.96	11.82	2.61	1.62		90.61
Foreign currency translation reserve difference				18.18	4.33	4.66			27.17
Sub-total	375.29	45.44	1,385.98	5,040.65	159.29	237.56	122.17	768.01	8,134.39
Sales / deletion	-	-	-	(18.02)	(2.03)	(0.60)			(20.65)
Total	**375.29**	**45.44**	**1,385.98**	**5,022.63**	**157.26**	**236.95**	**122.17**	**768.01**	**8,113.74**
Depreciation / Amortisation									
Upto 31-03-2022	-	1.14	245.60	2,206.90	82.75	156.26	58.35	222.58	2,973.59
Incumbent Subsidiaries	-	-	-	-	-	-	-	-	-
For the period		0.81	14.11	133.02	7.56	4.73	1.89	23.19	185.31
Acquired pursant to scheme of de-merger							-	-	-
Foreign currency translation reserve difference	-	-							-
Transfer to reserve	-		-	-	-	-	-		-
Sub-total	-	1.95	259.71	2,339.92	90.31	160.99	60.24	245.77	3,158.89
Withdrawn on assets sold / deleted	-	-	(0.11)	(15.21)	(1.69)	-	(0.33)	-	(17.34)
Total	-	1.95	259.60	2,324.71	88.62	160.99	59.91	245.77	3,141.55
Net Carrying amount									
As at 30-06-2022	**375.29**	**43.49**	**1,126.38**	**2,697.92**	**68.64**	**75.97**	**62.26**	**522.24**	**4,972.19**

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022

2 Property, Plant & Equipment & 3 Intangible assets **(Rs. In Crores)**

Description	2. Property, Plant & Equipment								
	Freehold land	Leasehold land	Buildings	Plant & equipment	Furniture & fixtures	Office equipment	Vehicles	ROU	Total
	1	2	3	4	5	6	7	8	9
Cost of assets									
As at 01-04-2021	353.34	45.44	1,006.43	4,181.99	120.17	206.08	75.83	404.96	6,394.24
Incumbent Subsidiaries	-	-	1.22	12.96	1.18	0.92	0.51	61.80	78.59
Acquired pursant to scheme of de-merger	-	-	-	0.06	0.26	0.07			0.39
Additions	54.15	-	375.52	837.93	23.56	27.70	49.07	302.90	1,670.83
Foreign currency translation reserve diffe	5.85	-	2.21	5.17	0.13	0.71	0.20	-	14.27
Sub-total	413.34	45.44	1,385.38	5,038.11	145.30	235.48	125.61	769.66	8,158.32
Sales / deletion	(38.05)	-	-	(89.60)	(2.16)	(5.19)	(5.06)	(1.65)	(141.71)
Total	**375.29**	**45.44**	**1,385.38**	**4,948.51**	**143.14**	**230.29**	**120.55**	**768.01**	**8,016.61**
Depreciation / Amortisation									
Upto 31-03-2021	-	0.64	191.76	1,776.20	68.20	133.73	34.58	117.88	2,322.99
For the year	-	-	52.33	500.85	15.28	26.04	28.77	106.55	729.83
Acquired pursant to scheme of de-merger				0.01	0.17	0.05	-	-	0.23
Amortisation	-	0.50	-	-	-	-	-	-	0.50
Foreign currency translation reserve diffe	-	-	1.51	3.86	(0.04)	0.55	0.03	(1.85)	4.06
Sub-total	-	1.14	245.60	2,280.92	83.61	160.37	63.38	222.58	3,057.61
Withdrawn on assets sold / deleted	-	-	-	(74.02)	(0.86)	(4.11)	(5.03)	-	(84.02)
Total	-	1.14	245.60	2,206.90	82.75	156.26	58.35	222.58	2,973.59
Net Carrying amount									
As at 31-03-2022	**375.29**	**44.30**	**1,139.78**	**2,741.61**	**60.39**	**74.03**	**62.20**	**545.43**	**5,043.02**

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

2 Property, Plant & Equipment & 3 Intangible assets

Goodwill	**Jun-22**	**Mar-22**
(i) Goodwill arising on business combination	2.20	2.20
(ii) Goodwill arising on consolidation	309.04	288.39
Total	**311.24**	**290.59**

Capital Work-In-Progress (At Cost)	**Jun-22**	**Mar-22**
(i) Building	88.74	97.30
(ii) Plant & equipment	268.88	230.45
(iii) Others	1.52	1.36
Total	**359.14**	**329.11**

Ageing of Capital work-in- progress as on 30-06-2022:

Particulars	**Amount in Capital work-in-progress for a period of**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	93.26	165.72	43.66	56.50	359.14

Ageing of Capital work-in- progress as on 31-03-2022:

Particulars	**Amount in Capital work-in-progress for a period of**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	218.55	30.51	18.92	61.13	329.11

Ageing of Intangible assets under development as on 30-06-2022:

Particulars	**Amount in Intangible assets under development for a period of**				
	<1 Yr.	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	84.94	121.93	27.47	4.37	238.71

Ageing of Intangible assets under development as on 31-03-2022:

Particulars	**Amount in Intangible assets under development for a period of**				
	<1 Yr.	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	198.52	28.22	3.24	1.37	231.35

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

2 Property, Plant & Equipment & 3 Intangible assets

3. Intangible assets

Description	Software	Design Develo-pment	Trademark	Total
Cost of assets				
As at 01-04-2022	189.64	577.97	471.18	1,238.79
Incumbent Subsidiaries				-
Additions	0.01	32.16		32.17
Foreign currency translation reserve difference	0.10	0.61	0.89	1.60
Sub-total	189.75	610.74	472.07	1,272.56
Sales / deletion		-	-	-
Total	**189.75**	**610.74**	**472.07**	**1,272.56**
Depreciation / Amortisation				
Upto 31-03-2022	127.78	227.93	12.15	367.85
Incumbent Subsidiaries		-	-	-
For the year				-
-Amortisation	6.22	21.52	9.39	37.13
-Foreign currency translation reserve difference				-
Transfer to reserve	-	-		
Sub-total	134.00	249.45	21.54	404.99
Withdrawn on assets sold / deleted	-	-	-	-
Total	134.00	249.45	21.54	404.99
Net Carrying amount				
As at 30-06-2022	**55.75**	**361.29**	**450.53**	**867.57**

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

2 Property, Plant & Equipment & 3 Intangible assets

3. Intangible assets

Description	Software	Design Development	Trademark	Total
Cost of assets				
As at 01-04-2021	114.11	427.98	240.23	782.32
Incumbent Subsidiaries	25.57	0.57	0.88	27.02
Additions	50.01	149.42	233.16	432.59
Foreign currency translation reserve difference	-	-	(3.09)	(3.09)
Sub-total	189.69	577.97	471.18	1,238.84
Sales / deletion	(0.05)	-	-	(0.05)
Total	**189.64**	**577.97**	**471.18**	**1,238.79**
Depreciation / Amortisation				
Upto 31-03-2021	97.79	155.76	-	253.55
For the year				-
-Amortisation	30.03	72.29	11.94	114.26
-Foreign currency translation reserve difference	0.01	(0.12)	0.21	0.10
Sub-total	127.83	227.93	12.15	367.91
Withdrawn on assets sold / deleted	(0.05)	-	-	(0.05)
Total	127.78	227.93	12.15	367.86
Net Carrying amount				
As at 31-03-2022	**61.86**	**350.04**	**459.03**	**870.93**

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

4 Investments

A. Non Current Investments

Sl. No.	Particulars	No. of shares / units	Face Value	Currency	Rupees in crores	
		As at 30-06-2022			As at 30-06-2022	As at 31-03-2022
(1)	(2)	(3)	(5)	(6)	(7)	(8)
(a)	**Investment in Equity Instruments Fair valued through OCI:**					
	Quoted :					
(i)	Ucal Fuel Systems Limited, Chennai	91,760	10.00	INR	1.07	1.03
	Unquoted :					
(ii)	Green Infra BTV Limited, New Delhi (formerly known as TVS Energy Limited)	32,50,000	10.00	INR	1.65	1.62
(iii)	Green Infra BTV Limited, New Delhi (formerly known as TVS Energy Limited)	45,00,000	10.00	INR	4.50	4.50
(iv)	TVS Lanka (Private) Limited, Colombo	50,00,000	10.00	LKR	4.75	5.75
(v)	Green Infra Wind Power Projects Limited, New Delhi	1,11,600	10.00	INR	0.08	0.08
(vi)	Green Infra Wind Energy Theni Limited, New Delhi (formerly known as TVS Wind Energy Limited)	34,34,477	10.00	INR	1.75	1.72
(vii)	Green Infra Wind Power Generation Limited, New Delhi	2,16,000	10.00	INR	0.16	0.16
(viii)	Condivision Solutions Pvt. Limited, Bengaluru	0	10.00	INR		
(ix)	Ultra Violette Automotive Private Limited	0	10.00	INR		
(x)	Mulanur Renewable Energy Pvt. Limited, Chennai	15,000	10.00	INR	0.02	0.02
(xi)	PHI Research Pvt. Limited,	3,50,000	10.00	INR	3.01	3.36
(xii)	Sai Regency Power Corporation Private Limited, Chennai	3,75,000	10.00	INR	0.38	0.38
(xiii)	Adyar Property Holding Company Limited, Chennai (Cost Rs.6,825)	105		INR	-	-
(xiv)	Atria Wind Power Bijapur 1 Limited, Bengaluru	85,788	10.00	INR	2.00	2.00
(xv)	Atria Wind Power (Chitradurga) P Ltd	80,948	100.00	INR	0.44	0.44
(xvi)	Altizon Systems Private Ltd, Pune	10	10.00	INR	0.01	0.01
(xvii)	Mottu Holdings Ltd, USA	70,344	0.001	USD	15.00	14.79
(xviii)	Roppen Transportation Services				0.05	-
(xix)	Green Infra Wind Energy Generation Limited				1.17	-
(xx)	ARC Ride Limited				7.78	-
	Private equity instruments:					
(xxi)	TVS Shriram Growth fund Scheme 1A of TVS Capital Funds Limited, Chennai	-	1,000.00	INR		
(xx)	TVS Shriram Growth fund Scheme 1B of TVS Capital Funds Limited, Chennai(Rs.1000)	-	1,000.00	INR	-	-
(xxi)	TVS Shriram Growth fund Scheme 3 of TVS Capital Funds Limited, Chennai	1,00,000	1,000.00	INR	19.72	14.56
	Total value of Equity Instruments (a)				**63.54**	**50.42**

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 (Rs. In Crores)

4 Investments

A. Non Current Investments

Sl. No.	Particulars	No. of shares / units As at 30-06-2022	Face Value	Currency	Rupees in crores As at 30-06-2022	Rupees in crores As at 31-03-2022
(1)	(2)	(3)	(5)	(6)	(7)	(8)
(b)	**Investments in Preference Shares: (Unquoted)**					
(iii)	Roppen Transportation Services	-		INR	114.01	-
	Total value of Preference shares (b)				114.01	-
(c)	**Other non-current Investments:**					
	Investments valued through OCI:					
(i)	Autotech Fund L.L.P. USA			USD	54.58	52.38
(ii)	Harita Accessories LLP			INR	-	-
	Investments valued at amortised cost:					
(i)	Optional Convertible notes- Fabric IOT			INR	15.16	-
(ii)	Convertible notes- Fabric IOT			INR	45.00	-
	Pension Funds / Government Securities / Others (Unquoted)					
(iii)	ICICI Prudential Life Insurance Group Superannuation Fund, Mumbai			INR	6.31	6.28
(iv)	Life Insurance Corporation Pension Policy, Mumbai			INR	18.82	19.87
(v)	ICICI Prudential Life Insurance Group Superannuation Fund, Mumbai			INR	2.56	2.56
(vi)	Life Insurance Corporation Pension Policy, Chennai			INR	10.72	10.95
(vii)	5 Years National Savings Certificates VIII Issue (in the name of nominee) - Face Value - Rs. 10,000			INR		
(vii)	Tulsyan NEC Limited, Chennai	1,63,125	10.00	INR	0.50	0.50
(viii)	Nagai Power Private Limited			INR	0.13	0.13
(ix)	Investment in Mutual Funds				0.35	-
	Total value of other investments (c)				154.13	92.67
	Total (a) + (b) + (c)				331.68	143.09
	Aggregate amount of quoted investments and market value thereof				1.07	1.03
	Aggregate amount of unquoted investments				330.61	142.06
	Aggregate amount of impairment in value of investments				-	-
	Total				331.68	143.09

B. Current Investments

Sl. No.	Particulars	No. of shares / units As at 30-06-2022	Face Value	Currency	Rupees in crores As at 30-06-2022	Rupees in crores As at 31-03-2022
(1)	(2)	(3)	(5)	(6)	(7)	(7)
(a)	**Investment in Equity Instruments Fair valued through Profit or Loss:**					
	Unquoted :					
(i)	TVS Supply Chain Solutions Limited, Chennai	10,66,220	10.00	INR	130.23	130.23
(b)	**Other Investments**					
(i)	Investment in Mutual Funds				11.05	-
	Total				141.28	130.23
	Aggregate amount of unquoted investments				141.28	130.23
	Total				141.28	130.23

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

Note No	Particulars	As at 30-06-2022	As at 31-03-2022
5	**Investments accounted using equity method**		
	Emerald Haven Realty Limited, Chennai [11,12,19,512 (last year - 11,12,19,512) Equity shares]	111.55	118.78
	Ultraviolette Automotive Private Limited, Bengaluru [14,850 (last year - 14,850) Equity shares]	8.78	8.98
	Ultraviolette Automotive Private Limited, Bengaluru [12,316 (last year - 8,377) Preference shares]	110.00	110.00
	Predictronics Corp, USA [24,827 (last year - 24,827) Equity shares]	20.38	20.04
	Tagbox Solutions Private Limited, Bengaluru [45,710 (last year - 45,710) Equity shares]	1.02	1.37
	Tagbox Solutions Private Limited, Bengaluru [3,83,983 (last year - 3,83,983) Preference shares]	9.99	9.99
	Tagbox Pte Limited, Singapore 2,43,243 (last year - 2,43,243) Preference shares]	14.28	14.41
	Scienaptic Systems Inc., USA [28,05,357 (last year - 28,05,357) Equity shares]	55.42	57.43
	Altizon Inc., USA [8,06,429 (last year - 8,06,429) Equity shares]	23.62	23.82
	TVS Training and Services Limited, Chennai [27,63,359 (last year - 27,63,359) Equity shares]	5.60	5.04
	Sundram Non Conventional Energy Systems Limited, Chennai [1,17,650 (last year - 1,17,650) Equity shares]	1.04	0.97
	Total	**361.68**	**370.83**
6	**Other non-current assets**		
	Capital advances	75.03	59.56
	Advances other than capital advances:		
	Prepaid expenses	31.82	12.66
	Statutory and other deposits	39.79	61.98
	Total	**146.64**	**134.20**
7	**Inventories**		
	Raw materials and components	861.15	897.34
	Goods-in-transit - Raw materials and components	37.70	27.57
	Work-in-process	93.93	99.22
	Finished goods	522.66	539.74
	Stock-in-trade	310.57	285.63
	Stores and spares	182.51	172.77
	Total	**2,008.52**	**2,022.27**

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022

(Rs. In Crores)

8

Trade receivables	As at 30-06-2022	As at 31-03-2022
Secured, considered good	14.11	14.11
Unsecured, considered good *	1,737.02	1,397.60
Doubtful	0.65	0.65
Total	1,751.78	1,412.36
Less: Allowance for doubtful receivables	59.03	56.23
Total	**1,692.75**	**1,356.13**

*Includes balance with related parties [Refer Note 39 (13)].

Ageing for trade receivables as on 30-06-2022

Particulars	Outstanding for following periods from due date of payment						
	Undue	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed trade receivables - Considered good	185.10	1,242.87	252.65	15.00	4.98	18.89	1,719.49
(ii) Undisputed trade receivables - Which have significant increase in credit risk	-	-	1.23	3.36	7.03	-	11.62
(iii) Undisputed trade receivables - Credit impaired	-	-	0.15	0.18	0.04	-	0.37
(iv) Disputed trade receivables - Considered good	-	0.08	0.03	1.43	6.03	6.47	14.04
(v) Disputed trade receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables - Credit impaired	-	-	-	-	-	-	-
	185.10	**1,242.95**	**254.06**	**19.97**	**18.08**	**25.36**	**1,745.52**
Add: Unbilled		-	-	-		-	6.26
Total	**185.10**	**1,242.95**	**254.06**	**19.97**	**18.08**	**25.36**	**1,751.78**

Ageing for trade receivables as on 31-03-2022

Particulars	Outstanding for following periods from due date of payment						
	Undue	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed trade receivables - Considered good	185.10	1,073.87	82.23	15.00	4.98	18.89	1,380.07
(ii) Undisputed trade receivables - Which have significant increase in credit risk	-	-	1.23	3.36	7.03	-	11.62
(iii) Undisputed trade receivables - Credit impaired	-	-	0.15	0.18	0.04	-	0.37
(iv) Disputed trade receivables - Considered good	-	0.08	0.03	1.43	6.03	6.47	14.04
(v) Disputed trade receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables - Credit impaired	-	-	-	-	-	-	-
	185.10	**1,073.95**	**83.64**	**19.97**	**18.08**	**25.36**	**1,406.10**
Add: Unbilled		-	-	-		-	6.26
Total	**185.10**	**1,073.95**	**83.64**	**19.97**	**18.08**	**25.36**	**1,412.36**

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

9 Loans (Receivable from Financing Activity)

Particulars	As at 30-06-2022		As at 31-03-2022	
	Current	Non Current	Current	Non Current
Secured:				
Automobile Financing				
Considered good	5,991.83	5,805.43	4,938.75	5,807.60
Considered Doubtful	274.88	167.62	300.84	156.85
Less: Loss allowance				
Provision for expected credit loss (Refer Note No. 35)	(173.11)	(156.39)	(136.49)	(155.72)
Unsecured:				
Financing (Others)				
Considered good	1,765.98	1,708.99	1,986.55	916.26
Considered doubtful	8.00	29.18	26.74	31.57
Less: Loss allowance				
Provision for expected credit loss	(31.28)	(38.30)	(43.99)	(41.55)
Unsecured and considered good:				
Trade Advance and Term loan				
Considered good	204.59	1.44	224.79	1.44
Considered doubtful	10.62	-	12.98	-
Provision for expected credit loss (Refer Note No. 35)	(10.43)	-	(10.93)	-
	8,041.08	**7,517.97**	**7,299.24**	**6,716.45**

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

Note No	Particulars	As at 30-06-2022	As at 31-03-2022
10	**Cash and cash equivalents**		
	Balances with banks in current accounts	1,153.17	1,468.55
	Balances with banks in Fixed deposits/Term deposits	2,296.08	2,303.08
	Deposits with maturity of less than three months	-	-
	Cheques / drafts on hand	-	0.38
	Cash on hand	0.84	2.56
	Total	**3,450.09**	**3,774.57**
11	**Other Bank Balances**		
	Earmarked balances with banks (for unpaid dividend)	5.17	162.83
	Balance with banks (with more than 3 months and less than 12 months maturity)	17.37	17.39
	Total	**22.54**	**180.22**
12	**Financial Assets - Others**		
	Non-Current		
	Deposits	150.63	22.95
	Loans given to employees	-	1.88
	Claims receivable	42.93	44.88
	Derivatives (Forwards,POS,IRS,Call spread)	8.21	67.60
	Bank deposits	0.43	0.24
		202.20	**137.55**
	Current		
	Unsecured, Considered Good :		
	Employee Advances	30.79	12.79
	Security Deposits	5.21	9.92
	Claims receivable	17.43	30.98
	Derivative financial instruments - receivable	1.55	18.15
	Receivable towards sale of fixed assets	62.98	62.98
	Interest accrued on deposits	29.21	-
	Drawback receivable	2.21	-
		149.38	**134.82**
	Total	**351.58**	**272.37**
13	**Other current assets**		
	VAT/IT/Excise/GST receivable	760.99	566.22
	Prepaid expense	84.90	81.65
	Vendor advance	268.95	185.29
	Trade Deposits	0.69	3.55
	Export Incentive receivable	107.27	110.53
	Others	6.18	39.52
	Total	**1,228.98**	**986.76**

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

14 - Share Capital

a) **Details of authorised, issued and subscribed share capital**

Particulars	As at 30-06-2022		As at 31-03-2022	
	Number	Rupees in Crores	Number	Rupees in Crores
Authorised Capital				
Equity Shares of Rs.1/- each	21,00,00,000	21.00	21,00,00,000	21.00
Issued,Subscribed & Paid up Capital				
Equity Shares of Rs.1/- each fully paid	20,00,31,664	20.00	20,00,31,664	20.00
	20,00,31,664	**20.00**	**20,00,31,664**	**20.00**

(b) **Reconciliation of equity shares outstanding at the beginning and at the end of the year**

Particulars	As at 30-06-2022		As at 31-03-2022	
	Number	Rupees in Crores	Number	Rupees in Crores
Shares outstanding at the beginning of the year	20,00,31,664	20.00	1,16,00,000	1.16
Shares Issued during the year	-	-	18,84,31,664	18.84
Shares outstanding at the end of the year	**20,00,31,664**	**20.00**	**20,00,31,664**	**20.00**

(c) **Rights and preferences attached to equity share:**

i) Every shareholder is entitled to such rights as to attend the meeting of the shareholders, to receive dividends distributed and also has a right in the residual interest of the assets of the company. Every shareholder is also entitled to right of inspection of documents as provided in the Companies Act 2013.

ii) There are no restrictions attached to equity shares.

(d) **Details of shareholders holding more than five percent at the end of 30-06-2022**

Name of Shareholder	Class of Share	As at 30-06-2022		As at 31-03-2022	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
VS Trust	Equity	15,76,96,281	78.84	15,76,96,281	78.84
Venu Srinivasan	Equity	3,64,00,503	18.20	3,64,00,503	18.20
		19,40,96,784	**97.03**	**19,40,96,784**	**97.03**

(e) **Details of shares held by promoters as at 30-06-2022**

Name of the Promoters	Class of Share	As at 30-06-2022		As at 31-03-2022		% Change during the year
		No. of Shares held	% of Holding	No. of Shares held	% of Holding	
VS Trust	Equity	15,76,96,281	78.84	15,76,96,281	78.84	0.00%
Venu Srinivasan	Equity	3,64,00,503	18.20	3,64,00,503	18.20	0.00%
Sudarshan Venu	Equity	25,21,210	1.26	25,21,210	1.26	0.00%
Dr Lakshmi Venu	Equity	25,21,210	1.26	25,21,210	1.26	0.00%
Mallika Srinivasan	Equity	8,63,255	0.43	8,63,255	0.43	0.00%
		20,00,02,459	**99.99**	**20,00,02,459**	**99.99**	

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

15 Other Equity

Particulars	As at 30-06-2022	As at 31-03-2022
General Reserve	385.21	385.21
Capital Reserve	18.32	18.32
Securities Premium Reserve	-	-
Statutory Reserve	26.85	26.85
Retained Earnings	2,879.91	2,776.97
Other Reserves	39.57	41.54
	3,349.86	**3,248.89**
Non-controlling interest	**4,217.70**	**3,994.59**
Total	**7,567.55**	**7,243.48**

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

16. Non Current Liabilities - Financial Liabilities - Borrowings

Nature	Lenders	As at	As at	Status as at 30-06-2022			
		30-06-2022	31-03-2022	Interest Rate	Frequency	No. of Instalments Due	Maturity
Secured Borrowings:							
FCNRB Term Loan - I	Bank	15.79	15.16	Overnight LIBOR plus margin	Half Yearly	1	Sep-22
FCNRB Term Loan - II	Bank	134.77	134.25	1 year LIBOR plus margin	Quarterly	23	Dec-27
ECB Loan 1	Bank	22.00	21.56	3 Month USD LIBOR plus Margin	Half Yearly	2	Mar-23
ECB Loan 2	Bank	-	-	6 Month USD LIBOR plus Margin	Half Yearly	-	Mar-22
ECB Loan 3	Bank	68.77	75.43	3 Month USD LIBOR plus Margin	Quarterly	8	Feb-24
ECB Loan 4	Bank	177.58	227.17	3 Month USD LIBOR plus Margin	Quarterly	4	Feb-23
ECB Loan 5	Bank	157.95	151.51	8.06%	Bullet	1	Aug-22
ECB Loan 6	Bank	157.95	151.51	8.06%	Bullet	1	Sep-22
ECB Loan 7	Bank	-	189.38	8.57%	Bullet	1	May-22
ECB Loan 8	Bank	-	189.38	8.57%	Bullet	1	Jun-22
ECB Loan 9	Bank	394.14	378.07	6.94%	Bullet	1	Jul-23
ECB Loan 10	Bank	371.02	356.04	6.94%	Bullet	1	Oct-23
ECB Loan 11	Bank	786.13	753.93	6.92%	Bullet	1	Dec-24
Rupee Term loan I	Bank	16.58	24.92	MCLR plus margin	Quarterly	3	Dec-22
Term loan	Bank	18.92	22.92	MCLR plus margin	Quarterly	4	Jun-23
Term loan	Bank	5.00	5.00	MCLR plus margin	Quarterly	4	Jun-23
Term loan	Bank	12.08	13.13	MCLR plus margin	Quarterly	13	Sep-26
Term Loan	Bank	29.99	39.99	7.30%	Quarterly	3	Mar-23
Term Loan	Bank	15.00	22.50	6.90%	Quarterly	2	Oct-22
Term Loan	Bank	59.99	79.98	6.90%	Quarterly	3	Feb-23
Term Loan	Bank	-	-	8.00%	Half Yearly		Jan-22
Term Loan	Bank	16.66	41.66	5.17%	Monthly	2	Aug-22
Term Loan	Bank	16.67	33.33	6.28%	Monthly	3	Sep-22
Term Loan	Bank	125.00	166.67	6.75%	Monthly	9	Mar-23
Term Loan	Bank	-	-	7.50%	Quarterly		Feb-23
Term Loan	Bank	25.00	50.00	7.90%	Half Yearly	1	Dec-22
Term Loan	Bank	199.99	199.98	7.45%	Bullet	1	Nov-22
Term Loan	Bank	30.00	59.99	7.35%	Quarterly	1	Aug-22
Term Loan	Bank	-	4.93	6.43%	Quarterly	1	Jun-22
Term Loan	Bank	74.95	99.93	7.35%	Quarterly	3	Mar-23
Term Loan	Bank	249.96	249.96	6.3%	Quarterly	8	Sep-24
Term Loan	Bank	250.00	250.00	6.3%	Quarterly	8	Feb-25
Term Loan	Bank	62.49	83.32	7.4%	Quarterly	3	Feb-23
Term Loan	Bank	224.95	249.95	7.5%	Quarterly	10	Sep-24
Term Loan	Bank	333.30	374.96	6.2%	Monthly	24	Jun-24
Term Loan	Bank	375.00	416.67	5.9%	Monthly	27	Sep-24
Term Loan	Bank	208.28	229.17	6.5%	Monthly	30	Dec-24
Term Loan	Bank	459.36	499.89	5.6%	Monthly	34	Apr-25

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

16. Non Current Liabilities - Financial Liabilities - Borrowings

Nature	Lenders	As at	As at	Status as at 30-06-2022			
		30-06-2022	31-03-2022	Interest Rate	Frequency	No. of Instalments Due	Maturity
Term Loan	Bank	249.80	249.78	7.6%	Quarterly	8	Mar-25
Term Loan	Bank	150.00	150.00	7.0%	Bullet	1	Oct-24
Term Loan	Bank	150.00	-	6.1%	Bullet	1	Sep-22

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16. Non Current Liabilities - Financial Liabilities - Borrowings

Nature	Lenders	As at	As at	Status as at 30-06-2022			
		30-06-2022	31-03-2022	Interest Rate	Frequency	No. of Instalments Due	Maturity
Term Loan	Bank	-	-	7.9%	Quarterly		Feb-22
Term Loan	Bank	-	-	7.4%	Quarterly		Feb-22
Term Loan	Bank	81.25	97.50	6.7%	Quarterly	5	Sep-23
Term Loan	Bank	149.98	174.98	6.3%	Quarterly	6	Nov-23
Term Loan	Bank	262.46	299.96	6.0%	Quarterly	7	Mar-24
Term Loan	Bank	116.67	141.67	6.8%	Monthly	14	Aug-23
Term Loan	Bank	100.00	116.67	6.2%	Monthly	18	Dec-23
Term Loan	Bank	100.00	100.00	7.4%	Half Yearly	4	Feb-24
Term Loan	Bank	99.95	124.94	7.3%	Quarterly	5	May-23
Term Loan	Bank	174.96	199.96	7.3%	Quarterly	7	Mar-24
Term Loan	Bank	58.30	66.63	7.7%	Monthly	21	Mar-24
Term Loan	Bank	-	-	7.8%	Quarterly		Jun-23
Term Loan	Bank	228.95	249.77	7.3%	Quarterly	11	Mar-25
Term Loan	Bank	180.00	200.00	7.1%	Quarterly	9	Jul-24
Term Loan	Bank	180.00	200.00	7.1%	Quarterly	9	Aug-24
Term Loan	Bank	200.00	200.00	7.0%	Bullet	1	Oct-24
Term Loan	Bank	199.95	199.94	6.5%	Bullet	1	May-24
Term Loan	Bank	749.95	-	6.4%	Monthly	37	Jul-25
Term Loan	Bank	300.00	-	7.3%	Quarterly	4	Apr-25
Term Loan	Bank	250.00	-	7.6%	Quarterly	8	Apr-25
Term Loan	Bank	200.00	-	7.0%	Quarterly	10	Apr-25
Term Loan	Bank	198.52	220.84	3.5%	Half Yearly	6	Dec-24
Term Loan	Bank	-	0.08	8.3%	Monthly	28	Jul-24
Term Loan	State owned corporation I	7.66	7.51	0.1%	Bullet	1	Apr-31
Term Loan	State owned corporation II	2.90	2.84	0.1%	Yearly	1	Apr-29
Term Loan (5 tranches)	State owned corporation III	84.40	84.31	0.1%	Yearly	3	2022-2031
Debentures	8.35% Secured Non Convertible Debenture	300.00	300.00	8.4%	Bullet	1	Mar-23
Debentures	8.35% Secured Non Convertible Debenture	25.00	25.00	8.4%	Bullet	1	Mar-23
Debentures	7.4% Secured Non Convertible Debenture	-	99.99	7.4%	Bullet	1	Apr-22

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

16. Non Current Liabilities - Financial Liabilities - Borrowings

Nature	Lenders	As at 30-06-2022	As at 31-03-2022	Status as at 30-06-2022			
				Interest Rate	Frequency	No. of Instalments Due	Maturity
Unsecured Borrowings:							
Non Convertible Debentures	7.5% Non Conver	499.25	499.03	7.5%	Bullet	1	May-23
Non Convertible Debentures	7.65% Non Conv	99.73	99.70	7.7%	Yearly	2	Aug-25
Term Loan	Bank	487.41	489.90	6.3%	Quarterly	20	May-27
Term Loan	Bank	3.28	3.28	1.6%	Bullet	1	Dec-24
Term Loan	Bank	15.58	15.58	0.7%	Yearly	7	Dec-28
Term Loan	Bank	2.67	2.67	1.6%	Bullet	1	Dec-24
Term Loan	Others	13.18	16.41	0.5%	Annual	10	Nov-31
Term Loan	Bank	185.17	185.14	MCLR plus margin	Quarterly	20	Sep-27
Sub Debt	Others	24.99	24.99	9.7%	Bullet	1	Sep-22
Sub Debt	Bank	49.99	49.99	8.6%	Bullet	1	May-23
Sub Debt	Bank	50.00	50.00	8.9%	Bullet	1	Jul-23
Sub Debt	Bank	25.00	25.00	9.7%	Bullet	1	Sep-22
Sub Debt	Bank	-	50.00	10.0%	Bullet	1	Apr-22
Sub Debt	Bank	-	50.00	11.3%	Bullet	1	May-22
Sub Debt	Bank	99.38	99.30	10.9%	Bullet	1	Aug-24
Sub Debt	Others	148.05	147.93	9.4%	Bullet	1	Aug-26
Sub Debt	Others	113.03	112.91	9.4%	Bullet	1	Aug-26
Sub Debt	Others	34.40	34.34	9.4%	Bullet	1	Jun-26
Sub Debt	Others	100.00	100.00	10.0%	Bullet	1	Jul-26
Sub Debt	Others	99.00	99.00	8.9%	Bullet	1	Jun-27
Sub Debt	Others	35.00	35.00	8.9%	Bullet	1	Jun-27
Sub Debt	Others	35.00	35.00	8.9%	Bullet	1	Jun-27
Sub Debt	Others	30.00	30.00	8.9%	Bullet	1	Jun-27
Sub Debt	Others	200.00	200.00	8.9%	Bullet	1	Jun-27
Sub Debt	Others	50.00	50.00	8.9%	Bullet	1	Jun-27
Perpetual Debt	Others	99.87	99.86	11.5%	Bullet	1	Nov-27
ECB Loan 12	Bank	78.97	75.79	3 Month USD LIBOR plus Margin	Half Yearly	3	Sep-23
Sales Tax Deferral Phase I	Others	-	-	0.0%	Annual		2021-22
Sales Tax Deferral Phase II	Others	78.64	94.37	0.0%	Annual	6	2027-28
		12,553.56	**12,149.80**				
Less: Current Maturities of Long Term Borro		**3,656.24**	**4,409.17**				
Total Non Current Financial Liabilities (Borro		**8,897.32**	**7,740.63**				

Details of securities created:
1) ECB Loan 1 - Hypothecation of Movable fixed assets
2) ECB Loan- 2 & 3- First and exclusive charge on specific plant and equipments of the Company.
3) ECB Loan 4 - Exclusive charge over assets procured out of proceeds of the loan.
4) ECB Loan 5 to 11 - Availed by a subsidiary is secured against hypothecation of receivables under the financing activity of the company.
5) FCNRB Term Loan I- First and exclusive charge on specific plant and equipments of the Company.
6) FCNRB Term Loan II- Hypothecation of all current assets
7) Term Loan of Rs.220.84 Crores (Previous year Rs.265.34 Crores) in USD from bank obtained by a subsidiary - secured by land and building
8) Term loan received from bank of Rs 41.05 Crore (Previous year Rs.72.5 crores) - charge created on land and building and paripasu charge on plant and machinery.
9) Term loan received from bank of Rs.0.08 crores - hypothecation of inventory and book debts.
10) Term Loan received from Banks and Other Parties of Rs 5,924.68 crores inclusive of Current and Non Current Dues by a subsidiary (Previous Year: 4,589.92 Crores) is secured against hypothecation of receivables under the financing activity of the company.
11) Loan from State owned corporation - I & II viz., SIPCOT - First charge on the specific plant and equipment.
12) Loan from State owned corporation - III viz., SIPCOT - First charge on the specific plant and equipment and also secured by equitable mortgage created by way of deposit of title deeds of land.

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

16. Non Current Liabilities - Financial Liabilities - Borrowings

Nature	Lenders	As at 30-06-2022	As at 31-03-2022	Status as at 30-06-2022			
				Interest Rate	Frequency	No. of Instalments Due	Maturity

13) Debentures of Rs.424.99 Cr (Previous Year: 424.74 Cr) issued by the subsidiary are secured against hypothecation of receivables under the financing activity of the company.

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17 Provisions

Particulars	As at 30-06-2022		As at 31-03-2022	
	Current	Non-current	Current	Non-current
Provision for Employee Benefits				
(a) Pension	42.81	160.93	79.33	144.26
(b) Leave salary	18.44	62.26	8.73	61.40
(c) Gratuity	16.10	11.66	3.53	8.21
Others				
(a) Warranty	36.75	-	34.20	10.33
(b) Disputed tax provided for	2.01	-	2.01	-
Total	**116.11**	**234.85**	**127.80**	**224.20**

Movement in provision :

Particulars	Warranty	Disputed tax provided for
Opening balance as on 01.04.2022	44.53	2.01
Additional provisions made during the year	-	-
Amounts utilised	(7.78)	-
Closing balance as on 30.06.2022	36.75	2.01

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

18A Deferred tax Assets :

The balance comprises temporary differences attributable to:

Particulars	As at 30-06-2022	As at 31-03-2022
Others	2.89	2.60
Total deferred tax liability	2.89	2.60
Deferred tax asset consists of :		
- Depreciation	5.32	5.24
- tax on employee benefit expenses	11.52	11.36
- tax on expected credit losses provision	105.47	101.12
- tax on investment property	14.93	14.72
- tax on carried forward loss	65.70	64.76
- tax on others	23.62	23.28
Total deferred tax assets	226.56	220.48
Deferred tax asset	**223.67**	**217.88**

Movement in deferred tax :

Particulars	Depreciation	Others	Total
As at 01-04-2021	**5.07**	**122.55**	**127.62**
Charged/(credited):			
- to profit or loss	0.17	49.24	49.41
- to other comprehensive income	-	(9.88)	(9.88)
- to subsidary incumbent deferred tax asset	-	50.51	50.51
- to foreign currency translation	-	0.22	0.22
As at 31-03-2022	**5.24**	**212.64**	**217.88**
Charged/(credited):			
- to profit or loss	0.08	(1.83)	(1.75)
- to other comprehensive income		1.43	1.43
- to foreign currency translation		6.11	6.11
As at 31-03-2022	**5.32**	**218.35**	**223.67**

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

18B Deferred tax Liabilities :

The balance comprises temporary differences attributable to:

Particulars	As at 30-06-2022	As at 31-03-2022
Depreciation	328.64	359.84
Others	24.33	26.64
Total deferred tax liability	352.97	386.48
Deferred tax asset consists of :		
- tax on employee benefit expenses	56.66	62.04
- tax on warranty provision	11.07	12.12
- tax on financial assets and liabilities	4.51	4.93
- tax on others	69.57	76.18
Total deferred tax assets	141.81	155.27
Deferred tax liability	**211.16**	**231.21**

Movement in deferred tax :

Particulars	Depreciation	Others	Total
As at 01-04-2021	**329.76**	**(87.47)**	**242.29**
Charged/(credited):			
- to profit or loss	30.08	(8.01)	22.07
- to other comprehensive income		(18.58)	(18.58)
- to tax relating to others		**(14.57)**	**(14.57)**
As at 01-04-2022	**359.84**	**(128.63)**	**231.21**
Charged/(credited):			
- to profit or loss	(31.20)	9.50	(21.70)
- to other comprehensive income		8.65	8.65
- to tax relating to others		(7.00)	(7.00)
As at 30-06-2022	**328.64**	**(117.48)**	**211.16**

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

Note No	Particulars	As at 30-06-2022	As at 31-03-2022
19	**Financial Liabilities - Borrowings (Current)**		
	Borrowings repayable on demand from banks		
	Secured*	2,487.25	1,552.04
	Unsecured	253.23	389.39
	Short term loans:		
	From banks:		
	Secured	150.00	150.00
	Unsecured	1,864.14	1,788.69
	From others (secured)	265.00	80.00
	Current Maturities of long term borrowings	3,656.24	4,409.17
	Total Borrowings under Current Liabilities	**8,675.86**	**8,369.29**

* Details of securities created for loans repayable on demand:
First charge by way of hypothecation and / or pledge of current assets viz., inventories of raw materials, semi finished and finished goods, stores and spares not relating to plant and machinery, bills receivable, book debts and all other movable assets located in all plants
Short term borrowings from banks of a subsidiary include :
a) A loan of Rs.33.20 crores in USD obtained from a bank, secured by a letter of credit issued by a bank in India and
b) A loan of Rs.12.99 crores in USD obtained from a bank, partly secured (80%) by a credit guarantee issued by the EXIM bank of Indonesia
c) Working capital loan and cash credit of Rs.1,197.62 crores obtained by a subsidiary company are secured by hypothecation of receivables under the financing activity of the Subsidiary
d) Short term loan of Rs.150.00 crores obtained are secured by hypothecation of receivables under the financing activity of the Company.
e) Working capital loan of Rs.226.35 crores in CHF are secured by registered shares of Swiss E-Mobility Group (Schweiz) AG pledged as collateral.

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022

(Rs. In Crores)

20

Trade payables	As at 30-06-2022	As at 31-03-2022
Current		
Dues to Micro and Small Enterprises **		
Dues to enterprises other than Micro and Small Enterprises #	79.89	79.89
Trade payables to related parties (note XXX)	5,006.06	4,832.39
Total trade payables	**5,085.95**	**4,912.28**

** Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information received by the management. The entire closing balance represents the principal amount payable to these enterprises. There are no interests due or outstanding on the same.

Balances include balances due to related parties [Refer Note 39 (14)].

Ageing for Trade Payables as on 30-06-2022

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	69.78	10.02	0.09	-	-	79.89
Others	2,567.53	1,715.60	4.68	7.69	20.85	4,316.35
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
Accrued Expenses	2,637.31	1,725.62	4.77	7.69	20.85	4,396.24
	-	-	-	-	-	689.71
Total	**2,637.31**	**1,725.62**	**4.77**	**7.69**	**20.85**	**5,085.95**

Ageing for Trade Payables as on 31-03-2022

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	69.78	10.02	0.09	-	-	79.89
Others	2,511.10	1,621.91	4.68	7.69	20.85	4,166.23
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
Accrued Expenses	2,580.88	1,631.93	4.77	7.69	20.85	4,246.12
	-	-	-	-	-	666.16
Total	**2,580.88**	**1,631.93**	**4.77**	**7.69**	**20.85**	**4,912.28**

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

Note No	Particulars	As at 30-06-2022	As at 31-03-2022
21	**Other financial liabilities**		
	Non-Current		
	Derivative Instruments - Payable	0.80	-
	Other Advances	10.27	55.44
	Total	**11.07**	**55.44**
	Current		
	Interest accrued but not due on loans	192.78	118.11
	Trade deposits received	37.92	120.09
	Unclaimed Dividends	5.00	5.06
	(Not due for transfer to Investor Education and Protection Fund)		
	Dividend declared but not paid	0.16	91.44
	Payables against capital goods	36.26	36.26
	Liabilities for expenses	3.51	3.17
	Employee related liabilities	24.10	-
	Derivative Instruments - Payable	10.51	0.18
	Total other current financial liabilities	**310.24**	**374.31**
22	**Other current liabilities**		
	Statutory dues	300.95	185.54
	Employee related	141.53	231.06
	Advance received from customers	222.73	277.23
	Deferred income - Government grants	14.27	14.17
	Total other current liabilities	**679.48**	**708.00**

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

Note No	Particulars	As at 30-06-2022	As at 31-03-2022
23	**Revenue from operations**		
	Sale of products	6,791.03	3,758.96
	Sale of services	865.05	39.68
		-	416.46
	Other operating revenue	10.53	81.21
	Total revenue	**7,666.61**	**4,296.31**
24	**Other income**		
	Dividend income	-	2.44
	Interest income	2.65	0.39
	Profit on sale of Investments	22.07	-
	Profit on sale of property, plant and equipment	0.03	1.61
	Increase in Fair value of Investments	-	0.35
	Gain on foreign currency transactions and translation		15.01
	Provision for debtors no longer required	-	2.77
	Other non-operating income	8.06	3.62
	Total other income	**32.81**	**26.19**
25	**Cost of Materials consumed:**		
	Opening stock of raw materials and components	897.34	1,117.01
	Add: Purchases	4,732.06	2,549.97
		5,629.40	3,666.98
	Less: Closing stock of raw materials and components for Consumption	864.73	897.34
	Consumption of raw materials and components	**4,764.67**	**2,769.64**
	Less: Raw materials and components derecognised in Business Combinat	**3.58**	-
	Less: Closing stock of raw materials and components disclosed in Balancesheet	**861.15**	-
	Purchases of stock-in-trade	**217.96**	**221.98**
	Changes in inventories of finished goods, work-in-process and stock-in-trade:		
	Opening stock:		
	Work-in-process	99.22	54.12
	Stock-in-trade	285.63	95.99
	Finished goods	539.74	563.73
	Total (A)	**924.59**	**713.84**
	Stock in trade acquired through Business combination	3.32	-
		927.91	**713.84**
	Closing stock for Changes in Inventories:		
	Work-in-process	94.31	99.22
	Stock-in-trade	310.67	285.63
	Finished goods	522.66	539.74
	Total (B)	**927.64**	**924.59**
	Changes in inventories (A)-(B)	**0.27**	**(210.75)**
	Derecognised in loss of control in subsidiary		
	Work-in-process	0.38	-
	Stock-in-trade	1.01	-
	Finished goods	0.02	-
	Closing stock for recognised in Balance sheet	**926.23**	**924.59**

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

Note No	Particulars	As at 30-06-2022	As at 31-03-2022
26	**Employee benefit expense**		
	Salaries, wages and bonus	656.84	304.78
	Contribution to provident and other funds	27.77	32.65
	Welfare expenses	31.96	41.70
	Total employee benefit expense	**716.57**	**379.13**
27	**Finance Costs**		
	Interest	294.33	133.22
	Other borrowing cost	0.87	31.45
	Interest on lease liabilities	3.73	6.78
	Exchange differences	4.21	0.78
	Total finance costs	**303.14**	**172.23**
28	**Depreciation and amortisation expense**		
	Depreciation on Property, Plant and Equipment	185.31	128.55
	Amortisation on Intangible assets & Others	37.13	17.36
	Total depreciation and amortisation expense	**222.44**	**145.91**
29	**Other expenses ***		
	Consumption of stores, spares and tools	27.46	25.26
	Power and fuel	345.13	44.28
	Rent	7.05	
	Repairs - buildings	17.13	8.00
	Repairs - plant and equipment	17.39	28.74
	Insurance	4.49	12.14
	Rates and taxes (excluding taxes on income)	0.89	11.64
	Audit fees (Refer note 37 (iii))	0.23	1.22
	Packing and freight charges	174.09	111.51
	Advertisement and publicity	86.93	13.56
	Professional Charges	0.79	-
	Other marketing expenses	39.16	66.62
	Loss on sale of property, plant and equipment	0.97	2.27
	Loss on sale of investments	-	2.26
	Foreign exchange loss	0.59	
	Loss allowance for expected credit losses relating to loans	-	69.60
	Corporate social responsibility expenditure	-	12.76
	Contributions to electoral trust	-	3.11
	Miscellaneous expenses (under this head there is no expenditure which is in excess of 1% of revenue from operations or Rs.10 lakh, whichever is higher)	284.08	181.58
	Total other expenses	**1,006.38**	**594.55**
	* Net of recoveries and claims made		

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Note No	Particulars	As at 30-06-2022	As at 31-03-2022
29A	**Exceptional items**		
	Interest Income	22.98	10.81
	Voluntary separation costs	(7.26)	(4.70)
	Cancellation of long term lease	-	
	Covid-19 expenses	(1.07)	
	Total exceptional items	**14.65**	**6.11**
30	**Current tax**		
	Current tax on profits for the year	168.92	90.53
	Adjustments for current tax of prior periods		
	Total current tax	**168.92**	**90.53**
31	**Deferred tax**		
	Total deferred tax expense / (benefit)	**(19.96)**	**(10.96)**
	Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
	Profit before income tax expense	473.72	253.22
	Tax at the Indian tax rate of 25.17% (2022-21 – 25.17%)	119.24	63.74
	Capital Receipts		8.36
	Timing difference on subsidiaries losses	26.32	2.87
	Partially allowed deductions	3.40	4.61
	Others		
	Income tax expense	**148.95**	**79.58**

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

32 - Earnings per share

Particulars	30-06-2022	31-03-2022
(a) Basic and diluted earnings per share		
Basic and diluted earnings per share attributable to the equity holders of the Company	5.11	5.92
(b) Earnings used in calculating earnings per share		
Basic and diluted earnings per share		
Profit attributable to equity holders of the company used in calculating basis earnings per share	102.32	47.04
(c) Weighted average number of equity shares used as the denominator in calculating basic earnings per share	20,00,31,664	7,95,13,069

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022

(Rs. In Crores)

33 Fair value measurements

Financial instruments by category	30-06-2022			31-03-2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Equity instruments	-	177.55	-	-	50.42	-
- Preference shares	-	-	-	-	-	-
- Debt instruments	-	-	-	-	-	-
- Others	141.28	54.58	99.55	130.23	52.38	40.29
Trade receivables	-	-	1,692.75	-	-	1,356.13
Loans (Receivable from financing activity)	-	-	15,559.01	-	-	14,015.69
Other Bank balances	-	-	3,472.63	-	-	3,954.79
Derivative financial assets		9.76	-	-	85.75	-
Security Deposits	-	-	150.63	-	-	22.95
Other Financial assets	-	-	191.19	-	-	163.67
Total financial assets	**141.28**	**241.89**	**21,165.77**	**130.23**	**188.55**	**19,553.53**
Financial liabilities						
Borrowings	-	-	17,573.18	-	-	16,109.92
Trade Payables	-	-	5,085.95	-	-	4,912.28
Derivative Financial Liability	-	11.31	-	-	0.18	-
Lease Liability	-	-	535.45	-	-	562.63
Other Financial Liability	-	-	310.00	-	-	429.57
Total financial liabilities	**-**	**11.31**	**23,504.58**	**-**	**0.18**	**22,014.40**

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements

At 30-06-2022	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Investments at FVTPL	4		-	141.28	141.28
Financial Investments at FVOCI	4	1.07	74.30	156.76	232.13
Derivatives designated as hedges	12	-	9.76	-	9.76
Total financial assets		**1.07**	**84.06**	**298.04**	**383.17**
Financial liabilities					
Derivatives	21	-	11.31	-	11.31
Total financial liabilities		**-**	**11.31**	**-**	**11.31**

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022

(Rs. In Crores)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

At 30-06-2022	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Investments					
Preference shares	4	-	-	-	-
Others	4	-	-	99.55	99.55
Debt instruments	4			-	-
Total financial assets		-	-	**99.55**	**99.55**
Financial Liabilities					
Borrowings	16,19	-	-	17,573.18	17,573.18
Total financial liabilities		-	-	**17,573.18**	**17,573.18**

Financial assets and liabilities measured at fair value - recurring fair value measurements

At 31-03-2022	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Investments at FVTPL	4		-	130.23	130.23
Financial Investments at FVOCI	4	1.03	66.94	34.83	102.80
Derivatives designated as hedges	12	-	85.75	-	85.75
Total financial assets		**1.03**	**152.69**	**165.06**	**318.78**
Financial Liabilities					
Derivatives	21	-	0.18	-	0.18
Total financial liabilities		-	**0.18**	-	**0.18**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

At 31-03-2022	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Investments					
Preference shares	4	-	-	-	-
Others	4	-	-	40.29	40.29
Debt Instruments	5	-	-	-	-
Total financial assets		-	-	**40.29**	**40.29**
Financial Liabilities					
Borrowings	16,19	-	-	16,109.92	16,109.92
Total financial liabilities		-	-	**16,109.92**	**16,109.92**

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022

(Rs. In Crores)

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, preference shares and other non current investments included in level 3.

There are no transfers between levels 1 and 2 during the year.

(ii) Valuation technique used to determine fair value (Level 2)

Specific valuation techniques used to value financial instruments include:
- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of interest rate swaps is calculated as the present value of estimated cash flows based on observable yield curves.
- the fair value of forward exchange contract and principle only swap is determined using forward exchange rate at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

(iii) Fair value measurement using significant unobservable inputs (Level 3)

Particulars	Unlisted Equity Shares	Total
As at 31-03-2021	**21.52**	**21.52**
Additions / (deletions)	145.13	145.13
Reclassified from amortised cost	12.69	12.69
Gains/(losses) recognised in profit or loss	0.23	0.23
Gains/(losses) recognised in other comprehensive income	(14.51)	(14.51)
As at 31-03-2022	**165.06**	**165.06**
Additions / (deletions)	9.00	9.00
Reclassified from amortised cost	-	-
Gains/(losses) recognised in profit or loss	-	-
Gains/(losses) recognised in other comprehensive income	(1.08)	(1.08)
As at 30-06-2022	**172.98**	**172.98**

(iv) Valuation inputs & relationships to fair value

Particulars	Fair value as at		Significant unobservable input	Probability weighted range for the year ended	Sensitivity
	30-06-2022	31-03-2022		30-06-2022	
Unquoted Equity shares	172.98	165.06	a) Earnings growth rate	1-3%	Not significant
			b) Risk adjusted discount rate	8%	

Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

(v) Valuation processes

Discount rates are determined using a capital asset pricing model to calculate a pretax rate that reflects current market assessments of the time value of money and the risk specific to the asset. Earnings growth factor of preference shares are based on cash flow projections of future earnings of the Company and unlisted equity securities are estimated based on market information for similar types of companies.

Risk adjustments have been derived based on the market risk premium adjusted for companies relevered financial data

(vi) Fair value of financial assets and liabilities measured at amortised cost

Particulars	30-06-2022		31-03-2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Investments				
Preference shares	-	-	-	-
Debt Instruments	-	-	-	-
Others	99.55	99.55	40.29	40.29
Total financial assets	**99.55**	**99.55**	**40.29**	**40.29**
Financial Liabilities				
Borrowings	17,573.18	17,573.18	16,109.92	16,109.92
Total financial liabilities	**17,573.18**	**17,573.18**	**16,109.92**	**16,109.92**

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values for Preference shares and other debt instruments were calculated based on cash flows discounted using a current lending rate, which approximates the carrying value. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs, including counterparty credit risk

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate, which approximates the carrying value. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risk

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022

34 Financial risk management

The group's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements

Risk	Exposure arising from	Risk Parameters and Mitigation
Market Risk - Foreign exchange		i) The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions. ii) Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (INR). iii) The risk is measured through a forecast of highly probable foreign currency cash flows. The Group has a forex management policy which is duly approved by the Board. iv) The objective of the hedges when taken is to minimise the volatility of the INR cash flows of highly probable forecast transactions.
Market Risk - Interest rate	Foreign currency denominated borrowings	i) The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. ii) Group's policy is to maintain most of its borrowings at fixed rate using interest rate swaps to achieve this when necessary. iii) The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.
Liquidity risk	INR denominated borrowings [Other than soft loans given by Govt. Authorities)	i) The Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans. ii) The Group prepares a detailed annual operating plans to assess the fund requirements - both short term and long term. iii) Detailed month wise cash flow forecast is also carried out along with required sensitivities. Based on these factors adequate working capital credit limits are organised in advance. iv) Group has pre-approved credit lines with various banks and these are constantly reviewed and approved by the Board. v) For long term fund requirements, Group targets various options such as rupee term loan, external commercial borrowing, debentures etc. vi) The Group obtains a credit rating for the various borrowing facilities on annual basis. Group constantly monitors the free cash flow from operations to ensure that the borrowing is minimized.
Credit Risk		i) Credit risk primarily arises from cash and cash equivalents, trade receivables and investments carried at amortised cost. ii) The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. iii) To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. iv) It considers available reasonable and supportive forwarding-looking information(more specifically described below) . In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due. v) A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.
a.	Cash and Cash Equivalents	Surplus cash is deposited only with banks / financial institutions with a high external credit rating.
b.	Domestic Trade Receivables	i) Domestic sales to the Dealers are based on advance payments received through banking channels or through inventory funding facilities availed by them from the banks. ii) The Group extends limited credit to the dealers and such extension of credit is based on dealers' credit worthiness, ability to repay and past track record. iii) The Group has extensive reporting systems and review to constantly monitor the outstandings.
c.	Export Trade Receivables	The Group's export business is mostly based on Letters of credit. Export receivables are also covered through Insurance with Export Credit Guarantee Corporation of India Limited.
Risk	**Exposure arising from**	**Risk Parameters and Mitigation**
Export trade receivables and Import Payables		i) The Group has a forex management policy duly approved by the Board. The Group's policy is to hedge most of its net currency exposure. ii) Group reviews the forex exposure on a regular basis and also reports its adherence to the Board on a quarterly basis. The recording and reporting requirements under are strictly adhered.
Foreign currency denominated borrowings		The Group has hedged its borrowings by covering the principal repayments.

Notes to Consolidated Balance Sheet for the year ended 30th June 2022 (Rs. In Crores)

34 Financial risk management - (Continued)

(A) Credit risk

Basis of recognition of expected credit loss provision

Rating	Category	Description of category	Investments	Loans and deposits	Trade receivables
1	High Quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	12 month expected credit losses		Life time expected credit losses (simplified approach)
2	Quality assets, low credit risk	Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past			
3	Standard Assets, moderate credit risk	Assets where the probability of default is considered moderate and where the counter-party's capacity to meet the obligations is not strong			
4	Substandard Assets, relatively high credit risk	Assets where there has been a significant increase in credit risk since initial recognition.	Life time expected credit losses		
5	Low quality assets, very high credit risk	Assets where there is a high probability of default. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 180 days past due			
6	Doubtful assets, credit impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the group. Where loans or receivables have been written off, the group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in statement of profit and loss.	Asset is written off		

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

34 Financial risk management - (Continued)

30-Jun-22

a). Expected credit loss for investments, loans and other financial assets

Particulars	Internal rating	Assets/Asset group	Gross carrying amount	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit loss	2	Investments at amortised cost	99.55	0%	-	99.55
	1	Other financial assets	341.82	0%	-	341.82

b). Expected credit loss for trade receivables under simplified approach

Particulars	0 to 180 days past due	More than 180 days past due	Total
Gross carrying amount	1,428.05	323.73	1,751.78
Expected loss rate	0.2%	16%	-
Expected credit losses	2.95	53.28	59.03
Carrying amount of trade receivables	1,425.10	270.45	1,692.75

31-Mar-22

a). Expected credit loss for investments, loans and other financial assets

Particulars	Internal rating	Assets/Asset group	Gross carrying amount	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit loss	2	Investments at amortised cost	40.29	0%	-	40.29
	1	Other financial assets	186.62	0%	-	186.62

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

34 **Financial risk management - (Continued)**

b). Expected credit loss for trade receivables under simplified approach

Particulars	0 to 180 days past due	More than 180 days past due	Total
Gross carrying amount	1,258.97	153.39	1,412.36
Expected loss rate	0.0%	37%	-
Expected credit losses	0.08	56.15	56.23
Carrying amount of trade receivables	1,258.89	97.24	1,356.13

Reconciliation of loss allowance provision - Trade receivables

Loss allowance April 1, 2020	24.58
Changes in loss allowance	27.53
Loss allowance March 31, 2021	52.11
Changes in loss allowance	4.12
Loss allowance March 31, 2022	56.23
Changes in loss allowance	2.80
Loss allowance June 30, 2022	59.03

(B) Liquidity risk

(i) Financing arrangements

The group had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	30-06-2022	31-03-2022
Floating rate		
- Expiring within one year (bank overdraft and other facilities)	3,903.26	4,028.27
- Expiring beyond one year (bank loans)	-	-

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 (Rs. In Crores)

34 Financial risk management - (Continued)

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR and have an average maturity ranging 30 to 180 days.

(ii) Maturities of financial liabilities

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

a) all non-derivative financial liabilities, and

b) net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

30-06-2022

Contractual Maturities of Financial Liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	4,015.90	1,402.50	3,718.79	7,727.46	723.05	17,587.70
Trade payables	4,882.58	77.21	123.16	3.01	-	5,085.95
Lease Liabilities	35.98	35.79	69.20	418.67	75.35	635.00
Other financial liabilities	115.52	10.96	3.71	3.71	-	133.90
Derivatives	4.36	6.71	-	44.67	-	55.75

31-03-2022

Contractual Maturities of Financial Liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	3,681.51	1,285.72	3,409.14	7,084.02	662.84	16,123.23
Trade payables	4,715.85	74.57	118.95	2.91	-	4,912.28
Lease Liabilities	37.81	37.61	72.71	439.92	79.18	667.23
Other financial liabilities	306.94	29.13	9.86	9.85	-	355.78
Derivatives	0.07	0.11	-	0.71	-	0.89

Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Notes to Consolidated Balance Sheet for the year ended 30th June 2022 (Rs. In Crores)

34 Financial risk management - (Continued)

(C) Market risk

i) Foreign Exchange Risk

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows

(Rs. In Crores)

Particulars	30-06-2022		31-03-2022	
	USD	EUR	USD	EUR
Financial assets				
Trade receivables	1,027.85	136.04	1,049.77	119.91
Investments	77.36	-	67.17	-
Derivatives- Forward contracts	(2,178.43)	(58.74)	(1,578.98)	(63.38)
Financial liabilities				
Foreign currency loan	1,421.00	-	2,914.63	-
Trade payables	292.06	8.37	298.29	7.38
Derivative Liabilities				
Foreign exchange forward contracts	1.06	0.01	1.83	0.01
Principal Swap	(1,421.00)	-	(2,494.33)	-

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

Particulars	Impact on profit after tax *	Impact on other components of equity *	Impact on profit after tax *	Impact on other components of equity *
	30-06-2022	30-06-2022	31-03-2022	31-03-2022
USD sensitivity				
INR/USD Increases by 10%	60.85	(163.01)	34.40	(103.92)
INR/USD Decreases by 10%	(60.85)	163.01	(34.40)	103.92
EURO sensitivity				
INR/EURO Increases by 10%	9.55	(4.40)	8.14	(4.35)
INR/EURO Decreases by 10%	(9.55)	4.40	(8.14)	4.35

* Holding all other variables constant

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

34 Financial risk management - (Continued)

ii) Interest Rate risk

For short term borrowings the marginal cost of lending rate of the bank is followed. Whenever, group resorts to short term borrowing through Commercial Paper the rate of interest is fixed in advance. In respect of foreign currency borrowings for longer period the interest rates are covered through interest rate swaps (IRS).

Particulars	30-06-2022	31-03-2022
Variable rate borrowings	8,127.12	7,450.40
Fixed rate borrowings	9,446.06	8,659.52

Sensitivity	Impact on profit after tax	Impact on profit after tax
	30-06-2022	31-03-2022
Increase in interest rates by 100 bps	(60.82)	(51.31)
Decrease in interest rates by 100 bps	60.82	51.31

iii) Price risk

The Group's exposure to equity securities price risk arises from investments held by the group and classified in the balance sheet either as fair value through OCI or at fair value through statement of profit and loss To manage its price risk from investments in equity securities, the Group diversifies its portfolio. The impact of the changes in price risk is not material.

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

35 **Financial Risk Management relating to Loan receivable from Financing Activity**

Credit Risk

Credit Risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The exposure is continuously monitored to determine significant increase in credit risk. The Company monitors the credit assessment on a portfolio basis, assesses all credit exposures in excess of designated limits. The Company does a risk grading based upon the credit worthiness of the borrowers. All these factors are taken into consideration for computation of ECL.

Other financial assets

Credit risk with respect to other financial assets are extremely low. Based on the credit assessment the historical trend of low default is expected to continue. No provision for Expected Credit Loss (ECL) has been created for Other financial Assets.

Loans

The following table sets out information about credit quality of retail loan assets measured at amortised cost based on number of days past due information. The amount represents gross carrying amount.

Particulars	As at 30-06-2022	As at 31-03-2022
Gross carrying value of loan assets:		
Stage-1 (less than 30 days)	14,481.79	12,778.25
Stage-2 (30-90 days)#	995.02	1,097.14
Stage-3 (more than 90 days)*	490.29	528.98
Total gross carrying value on reporting date	**15,967.10**	**14,404.37**

Includes restructured contracts under one time resolution framework vide RBI circular dated August 6, 2020 and RBI/2 021- 22/31/DOR.STR.REC.11 /21.04.048/2021-22 dated 5 May 2021 irrespective of days past due on the reporting date.
* Includes restructured contracts under Prudential Framework for Resolution of Stressed Assets vide circular RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19 dated 7th June 2019 irrespective of days past due on the reporting date.

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

Credit Quality

Financial services business has a comprehensive framework for monitoring credit quality of its retail and other loans based on days past due monitoring. Repayment by individual customers and portfolio is tracked regularly and required steps for recovery is taken through follow ups and legal recourse.

Inputs considered in the ECL model

In assessing the impairment of loans assets under Expected Credit Loss (ECL) Model, the loan assets have been segmented into three stages.

The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages relate to the recognition of expected credit losses and the calculation and presentation of interest revenue.

The company categorises loan assets into stages based on the days past due status:

— Stage 1: 30 days past due
— Stage 2: 31-90 days past due
— Stage 3: more than 90 days past due

Assumptions considered in the ECL model

The financial services business has made the following assumptions in the ECL Model:

— "Loss given default" (LGD) is common for all three stages and is based on loss in past portfolio. Actual cash flows are discounted with average rate for arriving loss rate. Effective Interest Rate (EIR) has been taken as discount rate for all loans.

Estimation Technique

The financial services business has applied the following estimation technique in its ECL model :

— "Probability of default" (PD) is applied on Stage 1 and Stage 2 on portfolio basis and for Stage 3 PD is 100%.

— Probability of default for Stage 1 loan assets is calculated as average of historical trend from Stage 1 to Stage 3 in next 12 months.
— Probability of default for Stage 2 loan assets is calculated based on the lifetime PD as average of historical trend from Stage 2 to Stage 3 for the remaining tenor.
— Loss given default is calculated based on discounted actual cash flow on past portfolio in default along with reversals.

Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

The Company considers a broad range of forward looking information with reference to external forecasts of economic parameters such as GDP growth, government borrowing, private consumption expenditure, policy interest rates, etc., as considered relevant so as to determine the impact of macroeconomic factors on the Company's ECL estimates. The internal estimates of PD, LGD rates used in the ECL model may not always capture all the characteristics of the market / external environment as at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably.

Assessment of significant increase in credit risk

When determining whether the risk of default has increased significantly since initial recognition, the financial services business considers both quantitative and qualitative information and analyses based on the business historical experience, including forward-looking information. The financial services business considers reasonable and supportable information that is relevant and available without undue cost and effort.

The financial services business uses the number of days past due to classify a financial instrument in low credit risk category and to determine significant increase in credit risk in retail. As a backstop, the financial services business considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due.

In accordance with the board approved moratorium policy read with the Reserve Bank of India (RBI) guidelines dated March 27, 2020 and April 17, 2020 relating to 'COVID-19 – Regulatory Package', the Company has offered moratorium upto six months on the payment of installments falling due between March 1, 2020 and August 31, 2020 to all eligible borrowers. The Company has extended One-Time Resolution framework as for COVID-19-related Stress to eligible customers as per applicable RBI guidelines and as per the policy of the Company. The Company has classified all restructured accounts done under Prudential Framework for Resolution of Stressed Assets vide circular RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19 dated 7th June 2019 in Stage 3 and with regard to restructured contracts done under one time resolution framework vide RBI circular dated August 6, 2020 and RBI/2 021-22/31/DOR.STR.REC.11 /21.04.048/2021-22 dated 5 May 2021 in Stage 2 irrespective of days past due status on the reporting date.

COVID-19 (including second wave) has severe impact on global as well as domestic macro and micro economies, businesses and consumers. Due to this uncertainty, Company's assessments of impairment loss allowance on its loans are subject to a number of management judgements and estimates. Since the Company's impairment loss allowance estimates are inherently uncertain, actual results may differ from these estimates

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Definition of default

The definition of default used for internal credit risk management purposes is based on RBI Guidelines. Under Ind AS, financial asset to be in default when it is more than 90 days past due. The financial services business considers Loans under default as 'credit impaired' and classified as Stage-3 except for restructured contracts as disclosed above.

Impairment loss

The expected credit loss allowance provision is determined as follows:

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross balance as at 31st March 2022	12,778.25	1,097.14	528.98	14,404.37
Expected Credit Loss	87.82	33.25	267.61	388.68
Expected Credit Loss Rate	0.69%	3.03%	50.59%	2.70%
Net of impairment provision	12,690.43	1,063.89	261.37	14,015.69

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross balance as at 30th June, 2022	14,481.79	995.02	490.29	15,967.10
Expected Credit Loss	101.34	42.65	265.53	409.52
Expected Credit Loss Rate	0.70%	4.29%	54.16%	2.56%
Net of impairment provision	14,380.45	952.36	224.76	15,557.58

Reconciliation of Expected Credit Loss

Particulars	Stage-1	Stage-2	Stage-3	Grand Total
Balance as at 31st March 2021	**81.90**	**42.35**	**165.43**	**289.68**
Transfer to Stage 1	(29.74)	18.52	11.22	-
Transfer to Stage 2	2.12	(12.60)	10.48	-
Transfer to Stage 3	4.64	2.41	(7.05)	-
Loan that have derecognised during the period	(21.69)	(19.64)	(90.95)	(132.28)
New Loans originated during the year	60.76	2.65	17.14	80.55
Net Remeasurement of Loss Allowance	(10.17)	(0.44)	161.34	150.73
Balance as at 31st March 2022	**87.82**	**33.25**	**267.61**	**388.68**

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

Particulars	Stage-1	Stage-2	Stage-3	Grand Total
Balance as at 31st March 2022	**87.82**	**33.25**	**267.61**	**388.68**
Transfer to Stage 1	(1.22)	0.64	0.66	0.07
Transfer to Stage 2	0.88	(4.09)	3.21	-
Transfer to Stage 3	0.17	0.72	(0.89)	-
Loan that have derecognised during the period	(9.27)	(1.98)	(17.22)	(28.47)
New Loans originated during the year	24.18	11.20	3.99	39.37
Net Remeasurement of Loss Allowance	(1.21)	2.91	8.17	9.87
Balance as at 30th June 2022	**101.35**	**42.65**	**265.53**	**409.52**

Concentration of Credit Risk

The business manages concentration of risk primarily by geographical region. The following details show the geographical concentrations of the loans at the year end:

Concentration by geographical region in India

Carrying Value	30-06-2022	31-03-2022
South	6,230.50	5,620.71
West	4,290.66	3,870.73
East	2,791.09	2,517.92
North	2,654.85	2,395.02
Total Loans as at reporting period	**15,967.10**	**14,404.38**

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

36 Capital management

(a) Risk management

The Group's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the following gearing ratio:
Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).
The group's strategy is to maintain an optimum gearing ratio. The gearing ratios were as follows:

Particulars	30-06-2022	31-03-2022
Net debt	14,123.09	12,335.35
Total equity	7,587.56	7,263.48
Net debt to equity ratio	**186.13%**	**169.83%**

The Group also monitors Interest coverage ratio :
Group's Earnings Before Interest and Taxes (EBIT) divided by interest.

The Group's strategy is to maintain a optimum interest coverage ratio. The interest coverage ratio were as follows:

Particulars	30-06-2022	31-03-2022
EBIT	776.86	425.45
Interest	303.14	172.23
Interest coverage ratio	**2.56**	**2.47**

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

37 Other Disclosures

(i) Contingent liabilities

Details	30-06-2022	31-03-2022
(i) Claims against the company not acknowledged as debt		
- Income tax	59.13	61.05
- Service tax	9.23	1.53
- Value added tax / Sales tax	3.43	2.19
- Excise	28.33	53.05
- Customs	39.27	40.63
- GST	2.82	2.82
(ii) Guarantees excluding Financial Guarantees	0.59	0.59
(iii) Other money for which the company is contingently liable	252.27	252.27
Total	**395.07**	**414.13**

(ii) Capital commitments

Details	30-06-2022	31-03-2022
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for	261.27	261.27
(ii) Investments	13.60	13.60
(iii) Undrawn Loans sanctioned to customers by financial enterprise	-	-

(v) Borrowing Costs Capitalised :

Borrowing cost capitalised during the year Rs. 13.81 Cr (last year-Rs. 31.08 Cr)
The interest rate used for captilisation :
- Interest rate of 7.9% for borrowing cost of Rs. 1.81 Crores,
- Interest rate of 3.75% for borrowing cost of Rs.11.50 Crores
- Interest rate of 7.0% for borrowing cost of Rs. 0.5 Crores

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022

(Rs. In Crores)

38 Amount recognised in the balance sheet and the movements in the net defined benefit obligation / other employee benefits

	Defined Benefit Obligation						Other employee benefits		
	Gratuity			Pension			Leave Salary		
Particulars	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2021	**191.61**	**186.29**	**5.32**	**132.11**	**-**	**132.11**	**77.25**	**-**	**77.25**
Balance from incumbent subsidiary			-			-			-
Current service cost	26.08	-	26.08	-	-	-	-	-	-
Interest expense/(income)	13.18	11.90	1.28	18.85	-	18.85	4.88	-	4.88
Experience (gains)/losses	-	-	-	-	-	-	-	-	-
Total amount recognised in statement of profit and loss	**39.26**	**11.90**	**27.36**	**18.85**	**-**	**18.85**	**4.88**	**-**	**4.88**
Remeasurements									
Return on plan assets, excluding amounts included in interest expense/(income)	-	(4.74)	(4.74)	-	-	-	-	-	-
(Gain)/loss from change in demographic assumptions	-	-	-	0.15	-	0.15	-	-	-
(Gain)/loss from change in financial assumptions	(6.18)	-	(6.18)	(5.96)	-	(5.96)	(2.06)	-	(2.06)
Experience (gains)/losses	29.33	-	29.33	81.26	-	81.26	35.70	-	35.70
Total amount recognised in other comprehensive income	**23.15**	**(4.74)**	**18.41**	**75.45**	**-**	**75.45**	**33.64**	**-**	**33.64**
Employer contribution	-	(44.99)	(44.99)	(1.64)	-	(1.64)	-	-	-
Benefit payments	(17.36)	17.36	-	(1.18)	-	(1.18)	(45.64)	-	(45.64)
March 31, 2022	**236.66**	**165.82**	**6.10**	**223.59**	**-**	**223.59**	**70.13**	**-**	**70.13**

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 (Rs. In Crores)

38 Amount recognised in the balance sheet and the movements in the net defined benefit obligation / other employee benefits

Current service cost	9.26	-	9.26	-	-	-	-	-	-
Interest expense/(income)	3.71	3.59	0.13	2.64	-	2.64	1.48	-	1.48
Experience (gains)/losses	-	-	-	-	-	-	-	-	-
Total amount recognised in statement of profit and loss	**12.97**	**3.59**	**9.39**	**2.64**	**-**	**2.64**	**1.48**	**-**	**1.48**
Remeasurements									
Return on plan assets, excluding amounts included in interest expense/(income)	-	(4.74)	(4.74)	-	-	-	-	-	-
(Gain)/loss from change in demographic assumptions	-	-	-	-	-	-	-	-	-
(Gain)/loss from change in financial assumptions	(6.18)	-	(6.18)	(22.45)	-	(22.45)	(2.09)	-	(2.09)
Experience (gains)/losses	29.33	-	29.33	3.25	-	3.25	13.79	-	13.79
Total amount recognised in other comprehensive income	**23.15**	**(4.74)**	**18.41**	**(19.20)**	**-**	**(19.20)**	**11.70**	**-**	**11.70**
Employer contribution	-	-	-	(1.64)	-	(1.64)	-	-	-
Benefit payments	(6.97)	(6.97)	-	(1.18)	-	(1.18)	(45.64)	-	(45.64)
June 30, 2022	**265.82**	**157.70**	**33.90**	**(21.02)**	**-**	**(21.02)**	**(32.46)**	**-**	**(32.46)**

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022

(Rs. In Crores)

38 Amount recognised in the balance sheet and the movements in the net defined benefit obligation / other employee benefits

(i) Post-Employment benefits

Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Details	Gratuity		Pension		Leave Salary	
	30-06-2022	31-03-2022	30-06-2022	31-03-2022	30-06-2022	31-03-2022
Discount rate	6.83%	6.57%	5.70%	5.38%	6.78%	6.70%
Salary growth rate	6.63%	6.15%	6.63%	6.15%	6.63%	6.15%
Pre- Retirement Mortality rate	IALM (2006-08) Ultimate					
Post- Retirement Mortality rate	LIC Ann (1996-98)					
Attrition Rate	20%	20%	0%	0%	20%	20%

Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics and experience. These assumptions translate into an average life expectancy in years for a pensioner retiring at 58 years.

(ii) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Gratuity	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
Details	30-06-2022	31-03-2022	30-06-2022	31-03-2022	30-06-2022	31-03-2022
Discount rate	0.50%	0.50%	211.91	167.86	229.18	182.57
Salary growth rate	0.50%	0.50%	229.39	182.62	211.86	167.74
Mortality rate	5.00%	5.00%	220.29	174.95	220.22	174.89

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022

38 Amount recognised in the balance sheet and the movements in the net defined benefit obligation / other employee benefits **(Rs. In Crores)**

Pension	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
Details	30-06-2022	31-03-2022	30-06-2022	31-03-2022	30-06-2022	31-03-2022
Discount rate	1.00%	1.00%	167.37	117.53	210.91	149.75
Salary growth rate	1.00%	1.00%	198.92	150.37	248.26	107.81
Mortality rate	5.00%	5.00%	185.24	130.69	189.15	133.63

Leave Salary	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
Details	30-06-2022	31-03-2022	30-06-2022	31-03-2022	30-06-2022	31-03-2022
Discount rate	0.50%	0.50%	67.02	74.80	73.24	79.88
Salary growth rate	0.50%	0.50%	98.10	79.89	91.49	74.77
Mortality rate	5.00%	5.00%	94.67	77.26	94.68	77.25

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

38 Amount recognised in the balance sheet and the movements in the net defined benefit obligation / other employee benefits

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied when calculating the defined benefit liability recognised in the balance sheet.

(iii) Risk exposure

Through its defined benefit plans, The Group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility: The plan liabilities are calculated using a discount rate set with reference to bond yields: if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk with derivatives to minimise risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments which have low correlation with equity securities. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit. The group has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The group intends to maintain the above investment mix in the continuing years.

Changes in bond yield: A decrease in bond yields will increase plan liabilities, although this will be partially offset by an yields increase in the value of the plans' bond holdings.

Inflation risks: In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.

Life expectancy: The pension plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

(iv) Defined contribution plans:
The Company's contribution to defined contribution plan i.e., provident fund of Rs.35.32 crores (previous year Rs.60.32 crores) has been recognised in the Statement of Profit and Loss.

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022
39 - Related party transactions

(Rs. In Crores)

Sl No	Nature of transactions	Name of the company	Holding Company	Fellow Subsidiaries	Associates	Group member	KMP - Significant Influence	KMP	Relative of KMP	Other related party	Total
1	Purchase of goods	**TVS Organics Private Limited, Chennai**			0.29		0.19				**0.53**
		Tagbox Solutions Private Limited, Bengaluru									0.52
			-	-	0.29	-	0.19	-	-	-	0.48
			-	-	(0.52)	-	-	(0.53)	-	-	(1.05)
2	Purchase of power	**Sundram Non Conventional Energy Systems Limited, Chennai**	-	-	0.16	-	-	-	-	-	0.16
			-	-	(0.65)	-	-	-	-	-	(0.65)
6	Rendering of services	**Emerald Haven Realty Limited**	-	-	0.15		-	-	-	-	0.15
		TVS Training and Services Limited, Chennai	-	-	0.01	-	-	-	-	-	0.01
			-	-	0.16	-	-	-	-	-	0.16
			-	-	(0.68)	-	-	-	-	-	(0.68)
7	Receiving of services	**Tagbox Solutions Private Limited, Bengaluru**			0.17						
		Harita Techserv Private Limited, Chennai			-	-	1.06		-	-	1.06
			-	-	0.17	-	1.06	-	-	-	1.23
			-	-	(0.03)	-	-	-	-	-	(0.03)
12	Contribution to post employment benefit plans	**Sundaram- Clayton Limited Employees Provident Fund, Chennai**								3.03	3.03
		TVS Motor Company Employees Provident Fund , Chennai	-	-	-	-	-	-	-		-
		Sundaram- Clayton Limited Employees Gratuity Fund , Chennai	-	-	-	-	-	-	-	5.06	5.06
			-	-	-	-	-	-	-	8.09	8.09
			-	-	-	-	-	-	-	(124.19)	(124.19)
13	Outstanding as on 30th June 2022	Emerald Haven Realty Limited, Chennai		-	4.49	-	-	-	-	-	4.49
	Receivables	**Tagbox solutions private limited**			0.86						0.86
		TVS Training And Services (Rs.18900/-)			-						-
			-	-	5.35	-	-	-	-	-	5.35
			-	-	(4.15)	-	-	-	-	-	(4.15)
14	Outstanding as on 30th June 2022 Payables	TVS Organics Private Limited (Rs.17300/-)		-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-	-
			-	-	(0.33)	-	(0.30)	-	-	-	(0.63)
Previous year figure given in brackets											

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022

Note 39. LIST OF RELATED PARTIES

a)	Reporting entity:		TVS Holdings Private Limited, Chennai
b)	Controlling Entity		Mr Venu Srinivasan, representing VS Trust
c)	Subsidiaries and Associates:		Sundaram Clayton Limited, Chennai
			Subsidiary companies of Sundaram Clayton Limited
		(i)	TVS Motor Company Limited, Chennai
		(ii)	Sundaram-Clayton (USA) Limited, USA
		(iii)	Sundaram-Clayton DCD Limited, Chennai
			Subsidiary companies of TVS Motor Company Limited
		(i)	Sundaram Auto Components Limited, Chennai
		(ii)	TVS Housing Limited, Chennai
		(iii)	TVS Motor Services Limited, Chennai
		(iv)	TVS Credit Services Limited, Chennai
		(v)	TVS Motor (Singapore) Pte. Limited, Singapore
		(vi)	TVS Motor Company (Europe) B.V. Amsterdam
		(vii)	PT. TVS Motor Company Indonesia, Jakarta
		(viii)	TVS Electric Mobility Limited, Chennai
		(ix)	Intellicar Telematics Private Limited, Bengaluru
			Associate companies of Sundaram Clayton Limited, Chennai
		(i)	Sundram Non-Conventional Energy Systems Limited
		(ii)	TVS Training and Services Limited, Chennai
			Associate companies of TVS Motor Company Limited:
		(i)	Ultraviolette Automotive Private Limited, Bengaluru
		(ii)	Tagbox Solutions Private Limited, Bengaluru
		(iii)	Emerald Haven Realty Limited, Chennai
			Subsidiary company of Sundaram Auto Components Limited
			Sundaram Holding USA Inc, USA
			Subsidiary companies of TVS Credit Services Limited
		(i)	Harita ARC Services Private Limited, Chennai
		(ii)	TVS Two Wheeler Mall Private Limited, Chennai
		(iii)	TVS Housing Finance Private Limited, Chennai
			Subsidiary companies of TVS Motor (Singapore) Pte Limited
		(i)	The Norton Motorcycle Co Limited, UK
		(ii)	TVS Digital Pte Limited, Singapore
		(iii)	The GO Corporation, Switzerland (GO AG)
		(iv)	Swiss E-mobility (Group) Holding AG, Switzerland
		(v)	EBCO UK Limited, UK
			Subsidiary companies of Sundaram Holding USA Inc
		(i)	Green Hills Land Holding LLC, USA
		(ii)	Component Equipment Leasing LLC, USA
		(iii)	Sundaram-Clayton USA LLC, USA
		(iv)	Premier Land Holding LLC, USA

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			Subsidiary company of Intellicar Telematics Private Limited, Bengaluru	
			Intellicar (Singapore) Pte Limited	
			Subsidiary company of GO AG	
			EGO Movement Stuttgart, GmbH, Germany	
			Subsidiary company of Swiss E-mobility (Group) Holding AG, Switzerland	
		(i)	Swiss E-Mobility Group (Schweiz) AG Switzerland	
		(ii)	Colag E-Mobility GmBH, Germany	
		(iii)	Alexand'Ro Edouard'O Passion Vélo Sàrl	
			Associate Companies of TVS Digital Pte Ltd, Singapore	
		(i)	Predictronics Corp, USA	
		(ii)	Tagbox Pte Ltd ,Singapore	
		(iii)	Altizon Inc, USA	
		(iv)	Scienaptic Systems Inc , USA	
			Subsidiaries of Emerald Haven Realty Limited	
		(i)	Emerald Haven Projects Private Limited, Chennai	
		(ii)	Emerald Haven Property Development Limited, Chennai	
		(iii)	Happiness Harmony Property Developers Private Limited	
		(iv)	Emerald Haven Realty Developers (Paraniputhur) Private Limited, Chennai	
		(v)	Emerald Haven Towers Limited, Chennai	
		(vi)	Emerald Haven Development Limited, Chennai	
		(vii)	Emerald Haven Life Spaces (Radial Road) Limited, Chennai	
		(viii)	Emerald Haven Town & Country Limited, Chennai	
d)	Enterprises in which directors are interested		(i) TVS Organics Private Limited, Chennai	
			(ii) Harita Techserv Private Limited, Chennai	
e)	Key management personnel (KMP)			
			Directors:	
			(i) Mr H Lakshmanan, Director	
			(ii) Mr. K Gopala Desikan, Director	
			(iii) Mr. Sameer Sah, Director	
f)	Post employment benefit plans		(i) Sundaram- Clayton Limited Employees Provident Fund, Chennai	
			(ii) Sundaram- Clayton Limited Employees Gratuity Fund , Chennai	
			(iii) TVS Motor Company Employees Provident Fund , Chennai	
			(iv) TVS Motor Company Employees Gratuity Fund , Chennai	

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

40 Segment revenues, results and other information

Information about primary business segments

Particulars	Business segments									
	Automotive components		Motor Vehicles		Financial Services		Others		Total	
	Period ended 30-06-2022	2021-22	Period ended 30-06-2022	2021-22	Period ended 30-06-2022	2021-22	Period ended 30-06-2022	2021-22	Period ended 30-06-2022	2021-22
External sales - domestic	358.04	137.68	4,147.28	2,410.49	864.55	474.39	3.77	2.88	5,373.64	3,025.44
- exports	221.40	137.88	2,071.57	1,132.99	-	-	-	-	2,292.97	1,270.88
Inter segment sales	245.80	160.18	109.15	1.03	2.01	3.34	-	0.02	356.96	164.58
Total sales	**825.24**	**435.75**	**6,328.00**	**3,544.52**	**866.56**	**477.72**	**3.77**	**2.91**	**8,023.57**	**4,460.90**
Less: Inter segment sales	245.80	160.18	109.15	1.03	2.01	3.34	-	0.02	356.96	164.58
Net Revenue	**579.44**	**275.56**	**6,218.85**	**3,543.49**	**864.55**	**474.39**	**3.77**	**2.88**	**7,666.61**	**4,296.32**
Segment results before interest and tax	20.41	18.79	408.19	225.86	110.69	46.92	6.79	(2.05)	546.08	289.52
Add: Share of Associate profit									(8.92)	(2.71)
Less: Interest									63.44	33.64
Profit before tax									473.72	253.17
Taxes									148.96	79.57
Profit after tax									**324.76**	**173.60**
Segment Assets	5,114.29	5,088.56	10,129.86	9,772.68	17,185.65	15,672.46	2.41	35.56	32,432.21	30,569.26
Segment Liabilities	1,903.37	1,898.37	7,898.84	7,784.90	15,040.92	13,609.43	1.52	13.09	24,844.65	23,305.79
Segment Depreciation	38.17	25.71	180.05	115.85	4.09	3.71	0.13	0.66	222.44	145.92

TVS HOLDINGS PRIVATE LIMITED
(Formerly Known As TVS Investments And Holdings Pvt Ltd & Cheema Investments And Holdings Pvt Ltd)
(CIN: U74999TN2018PTC121693)
Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

Note 41: Interests in other entities

(a) Subsidiaries

The Group's subsidiaries at 31 March 2022 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/ country of incorporation	Ownership interest held by the Group	Ownership interest held by non-controlling interests	Principal activities
		30-06-2022	30-06-2022	
Sundaram-Clayton Limited	India	64.72%	35.28%	Automotive components
TVS Motor Company Limited	India	32.53%	67.47%	Motor vehicles manufacturing
Sundaram-Clayton (USA) Limited, USA	USA	64.72%	35.28%	Automotive components
Sundaram Holding USA Inc., Delaware,USA	USA	48.51%	51.49%	Automotive components
TVS Housing Limited	India	32.53%	67.47%	Housing
Sundaram Auto Components Limited (SACL)	India	32.53%	67.47%	Automotive components
TVS Motor Company (Europe) B.V., Amsterdam	Netherlands	32.53%	67.47%	Others
TVS Motor (Singapore) Pte. Limited, Singapore	Singapore	32.53%	67.47%	Others
PT.TVS Motor Company Indonesia, Jakarta	Indonesia	32.53%	67.47%	Motor vehicles manufacturing
The Norton Motorcycle Co. Ltd, UK	United Kingdom	32.53%	67.47%	Motor vehicles manufacturing
TVS Digital Pte Limited,Singapore	Singapore	16.35%	83.65%	Others
GO AG, Zurich	Switzerland	26.02%	73.98%	Others
Swiss E-Mobility (Group) Holding AG, Switzerland	Switzerland	24.40%	75.60%	Others
Green Hills Land Holding LLC, USA	USA	48.51%	51.49%	Others
Component Equipment Leasing LLC, USA	USA	48.51%	51.49%	Others
Sundaram-Clayton USA LLC, USA	USA	48.51%	51.49%	Others
Premier Land Holding LLC, USA	USA	48.51%	51.49%	Others
EGO Movement Stuttgart, GmbH	Germany	26.02%	73.98%	Others
Swiss E-Mobility Group (Schweiz) AG Switzerland, Zurich	Switzerland	24.40%	75.60%	Others
Colag E-Mobility GmBH, Germany, Nuremberg	Germany	24.40%	75.60%	Others
EBCO UK Limited, United Kingdom	United Kingdom	22.77%	77.20%	Others
Intellicar Telematics Private Limited, Bengaluru	India	32.53%	67.47%	Vehicular Telematics
Intellicar (Singapore) Pte Limited	Singapore	32.53%	67.47%	Vehicular Telematics
TVS Electric Mobility Ltd	India	32.53%	67.47%	Motor vehicles manufacturing
TVS Motor Services Limited	India	32.53%	67.47%	Financial Service
TVS Credit Services Limited	India	28.10%	71.90%	Financial Service
Harita ARC Private Limited	India	28.10%	71.90%	Financial Service
Sundaram-Clayton DCD Limited	India	64.72%	35.28%	Automotive components
TVS Housing Finance Private Limited	India	28.10%	71.90%	Financial Service
TVS Two Wheeler Mall Private Limited	India	28.10%	71.90%	Financial Service

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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

Note 41: Interests in other entities

(b) Non-Controlling Interest

Set out below is summarised financial information for each subsidiary that has non controlling interest that are material to the Group. The amount disclosed for each subsidiary are before inter company eliminations.

Particulars	Sundaram-Clayton Limited	TVS Motor Company Limited	Sundaram Auto Components Limited	TVS Credit Services Limited	The Norton Motorcycle Co. Ltd, UK	Sundaram Holding USA Inc., Delaware,USA
Summarised balance sheet	30-06-2022	30-06-2022	30-06-2022	30-06-2022	30-06-2022	30-06-2022
Current assets	3,077.27	3,570.60	184.47	9,046.93	67.30	69.59
Current liabilities	797.61	5,775.51	282.85	7,392.94	77.70	71.85
Net current assets / (liabilities)	2,279.66	(2,204.91)	(98.38)	1,653.99	(10.40)	(2.26)
Non-current assets	1,147.11	8,608.00	554.84	7,930.01	400.67	837.81
Non-current liabilities	494.70	1,285.64	30.02	7,632.32	11.38	212.92
Net non-current assets	652.41	7,322.36	524.82	297.69	389.29	624.89
Net assets	2,932.06	5,117.45	426.44	1,951.68	378.89	622.63
Accumulated NCI	1,034.43	3,452.83	287.73	1,403.23	255.64	320.57

Particulars	Sundaram-Clayton Limited	TVS Motor Company Limited	Sundaram Auto Components Limited	TVS Credit Services Limited	The Norton Motorcycle Co. Ltd, UK	Holding USA Inc., Delaware,US
Summarised Statement of profit and loss	30-06-2022	30-06-2022	30-06-2022	30-06-2022	30-06-2022	30-06-2022
Revenue	512.26	6,008.71	179.98	866.56	-	23.64
Profit for the year	28.43	320.54	1.94	83.45	(40.81)	(35.76)
Other comprehensive income	3.27	(25.12)	0.02	2.43	(14.35)	24.43
Total comprehensive income	31.70	295.42	1.96	85.88	(55.16)	(11.33)
Profit allocated to NCI	10.03	199.32	1.32	61.75	(37.22)	(5.83)
Dividends paid to NCI	-	-	-	-	-	-

(c) Interests in associates and joint ventures

(i) Individually immaterial associates

The group has interests in 5 individually immaterial associates that are accounted using equity method.

Particulars	30-06-2022
Aggregate carrying amount of individually immaterial associates	361.69

Particulars	For the period ended 30-06-2022
Share of profits from associates	(8.92)
Other Comprehensive Income	(0.14)
Total Comprehensive Income	(9.06)

TVS HOLDINGS PRIVATE LIMITED
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Notes to Consolidated Balance Sheet for the year ended 30th June 2022

42 Additional Information on net assets and share of profits and other comprehesive income as at 30th June 2022

(Rs. In Crores)

Name of the entity	Net Assets (Total Assets - Total Liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount Rs. in crores	As % of consolidated profit or loss	Amount Rs. in crores	As % of other comprehensive income	Amount Rs. in crores	As % of total comprehensive income	Amount Rs. in crores
1	2	3	4	5	6	7	8	9
Parent								
TVS Holdings Private Limited	-0.27%	(20.46)	-0.38%	-1.24	0	-	-0.39%	(1.24)
Subsidiaries - Indian								
Sundaram-Clayton Limited, Chennai	21.09%	1,600.27	5.41%	17.58	-18.17%	1.15	5.88%	18.73
TVS Motor Company Limited, Chennai	2.14%	162.74	31.51%	102.33	305.01%	(19.37)	26.05%	82.96
TVS Credit Services Limited, Chennai	6.87%	521.57	6.67%	21.65	-27.51%	1.75	7.35%	23.40
TVS Motor Services Limited, Chennai	1.39%	105.82	-0.06%	(0.20)	0.00%	-	-0.06%	(0.20)
Sundaram Auto Components Limited, Chennai	0.42%	31.75	0.19%	0.63	-0.21%	0.01	0.20%	0.64
TVS Housing Limited, Chennai	0.00%	0.29	0.00%	0.00	0.00%	-	0.00%	0.00
intellicar Telematics Private Limited, Bengaluru	0.00%	-	0.68%	2.19	0.00%	-	0.69%	2.19
TVS Electric Mobility Limited, Chennai	0.00%	0.33	0.00%	-	0.00%	-	0.00%	-
Sundaram- Clayton DCD Limited, Chennai	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Subsidiaries - Foreign						-		
Sundaram-Clayton (USA) Limited, Illinois	0.00%	-	0.00%	-	0.00%	-	0.00%	-
TVS Motor (Singapore) Pte Limited, Singapore	0.27%	20.18	-0.22%	(0.71)	-33.15%	2.11	0.44%	1.40
TVS Motor Company Europe B.V., Amsterdam	0.00%	-	-0.01%	(0.03)	-0.11%	0.01	-0.01%	(0.02)
PT. TVS Motor Company Indonesia,Jakarta	1.83%	138.48	0.08%	0.27	27.73%	(1.76)	-0.47%	(1.49)
Sundaram Holding USA Inc., Delaware, USA	4.20%	318.50	-5.34%	(17.35)	-198.08%	12.58	-1.50%	(4.77)
The Norton Motorcycle Co Limited, UK	1.67%	127.06	-4.09%	(13.27)	152.48%	(9.68)	-7.21%	(22.96)
TVS Digital Pte Limited, Singapore	0.01%	0.52	-0.72%	(2.34)	1.38%	(0.09)	-0.76%	(2.43)
GO AG, Zurich	0.71%	53.96	-0.87%	(2.82)	-27.49%	1.75	-0.34%	(1.07)
Swiss E- Mobility (Group) Holding AG, Switzerland	2.40%	182.48	-0.47%	(1.53)	-12.26%	0.78	-0.24%	(0.76)
EBCO UK	0.09%	6.59	-0.14%	(0.44)		0.03		
Sub-total		**3,250.06**		**104.71**		**(10.74)**		**95.62**

TVS HOLDINGS PRIVATE LIMITED
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Notes to Consolidated Balance Sheet for the year ended 30th June 2022

42 Additional Information on net assets and share of profits and other comprehesive income as at 30th June 2022

(Rs. In Crores)

Name of the entity	Net Assets (Total Assets - Total Liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount Rs. in crores	As % of consolidated profit or loss	Amount Rs. in crores	As % of other comprehensive income	Amount Rs. in crores	As % of total comprehensive income	Amount Rs. in crores
1	2	3	4	5	6	7	8	9
Non Controlling Interest in all subsidiaries	55.59%	4,217.70	68.59%	222.74	-71.41%	4.53	71.38%	227.27
Add:								
Associates - Indian								
(Investment as per the equity method)								
Sundram Non-Conventional Energy Systems Limited , Chennai	0.05%	3.63	0.01%	0.05	0.00%	-	0.02%	0.05
TVS Training and Services Limited, Chennai	0.01%	0.68	0.11%	0.36	0.00%	-	0.11%	0.36
Emerald Haven Realty Limited, Chennai	0.48%	36.29	-0.70%	(2.28)	2.34%	(0.15)	-0.76%	(2.43)
Tagbox Solutions Private Limited	0.05%	3.58	-0.04%	(0.11)	0.00%	-	-0.04%	(0.11)
Tagbox PTE Limited, Singapore	0.06%	4.65	-0.01%	(0.04)	0.00%	-	-0.01%	(0.04)
Ultraviolette Automotive Private Limited, Bengaluru	0.51%	38.64	-0.02%	(0.07)	0.00%	-	-0.02%	(0.07)
Predictronics Corp, USA	0.09%	6.63	0.03%	0.11	0.00%	-	0.03%	0.11
Scienaptic Systems Inc., USA	0.24%	18.03	-0.20%	(0.65)	0.00%	-	-0.21%	(0.65)
Altizon Inc., USA	0.10%	7.68	-0.02%	(0.07)	0.00%	-	-0.02%	(0.07)
Total	**100%**	**7,587.55**	**100%**	**324.75**	**100%**	**(6.35)**	**101%**	**318.40**

TVS HOLDINGS PRIVATE LIMITED
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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

43 SCHEME OF AMALGAMATION AND ARRANGEMENT - TVS GROUP

A memorandum of family arrangement was executed on 10th December 2020, between the TVS Family for aligning and synchronizing the ownership of shares in various companies / business with the management of the respective companies, as is currently being done.

In this regard, a Composite Scheme of Amalgamation and Arrangement (Scheme) was filed with NCLT by T V Sundram Iyengar & Sons Private Limited, an order was pronounced on 6th December 2021 sanctioning the Scheme. Consequent to the Scheme being effective, Sundaram Industries Private Limited and Southern Roadways Private Limited got merged with TVS Sundram Iyengar & Sons Private Limited. And The Demerged undertaking "two wheeler auto parts and die casting business (including the equity shares of Sundaram-Clayton Limited (SCL)) held by T V Sundram Iyengar & Sons Private Limited and its subsidiaries have been vested with TVS Holdings Private Limited effective 4th February 2022.

Snapshot of assets and liabilities taken over and consideration issued has been given below:

Particulars	Amount
Net Assets taken over	**6,515.22**
Share of reverses to be accounted as per the scheme	**6,496.82**
Consideration issued in form equity shares of TVS Holdings Private Limited* * Equity shares valued at Rs. 31664/- issued as consideration	0.00
Capital reserve recognised	**18.40**

44 Composite scheme of arrangement:

On 9th February 2022, the Board of directors of the Company approved a composite scheme of arrangement (the Scheme) of Sundaram-Clayton Limited ("Transferee Company" or "Demerged Company") and TVS Holdings Private Limited ("Transferor Company 1") and VS Investments Private Limited ("Transferor Company 2") and Sundaram-Clayton DCD Limited ("Resulting Company") subject to necessary approvals of shareholders, creditors, SEBI, Stock Exchanges, National Company Law Tribunal, Chennai, (NCLT), other governmental authorities and third parties as may be required.

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(CIN: U74999TN2018PTC121693)
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Notes to Consolidated Balance Sheet for the year ended 30th June 2022 **(Rs. In Crores)**

The scheme provides for :

(1) The Transferee Company shall issue 116 NCRPS of face value of INR 10 each fully paid up, for every 1 equity share of INR 5 each fully paid up held by equity shareholder of the Company by way of bonus, which will be listed on both the Stock Exchanges viz., BSE Limited and National Stock Exchange of India Limited.

(2) The Transferor Company 1, the holding company will merge with the Transferee Company. The Transferee Company shall issue equivalent equity shares of INR 5 each fully paid up and corresponding number of NCRPS of INR 10 each fully paid up to the shareholders of the Transferor Company 1, on respective record dates as mentioned in the Scheme. Both equity shares and NCRPS will be listed on both the Stock Exchanges.

(3) The Transferee Company shall issue 19 equity shares of INR 5 each fully paid up, to the shareholders of the Transferor Company 2, in the proportion of the number of equity shares held by the shareholders in Transferor Company 2.

(4) The demerger, transfer and vesting of the Die Cast Division from the Demerged Company into the Resulting Company. The shareholders of the Demerged Company will get 1 equity share of INR 5 each fully paid up of the Resulting Company, for every 1 equity share of INR 5 each held by such shareholder; and 1 NCRPS of INR 10 each fully paid up of Resulting Company, for every 1,000 NCRPS held by such shareholder.

During the year, Sundaram-Clayton Limited has filed an Application with both the stock exchanges viz., BSE Limited and National Stock Exchange of India Limited for obtaining no objection. Post receipt of no objection, the Company will file necessary application with NCLT, Chennai. Appropriate accounting treatment of the Scheme will be done post receipt of NCLT approval.

For **and on behalf of the Board of Directors**

H Lakshmanan
Director
DIN: 00057973

K Gopala Desikan
Director
DIN: 00067107

P D Dev Kishan
Company Secretary

As per our report annexed
For **RAGHAVAN, CHAUDHURI & NARAYANAN**
Chartered Accountants
Firm Regn. No. 007761S

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

V SATHYANARAYANAN
Partner
Membership No. 027716
UDIN: 22027716BCWXZC4169

Place : Chennai
Date : 20th September 2022

Place: Bangalore
Date : 20th September 2022

RAGHAVAN, CHAUDHURI & NARAYANAN
Chartered Accountants

Second Floor, Casa Capitol,
Wood Street, Ashoknagar,
Bengaluru - 560 025.
Phone : 2556 7578 /
2551 4771 / 4140 4830

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF VS INVESTMENTS PRIVATE LIMITED

Report on the Audit of the Interim Standalone Financial Statements

Opinion

We have audited the accompanying interim standalone financial statements of **VS INVESTMENTS PRIVATE LIMITED** (the "Company"), which comprise the Balance Sheet for the quarter ended **30th June, 2022**, the Statement of Profit and Loss and Statement of Cash Flows for the three months ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "interim standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid interim standalone financial statements give a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under section 133 of the Companies Act, 2013 (the "Act"), read with relevant rules issued thereunder and other accounting principles generally accepted in India, of the state of affairs of the Company for the quarter ended **30th June, 2022**, the loss for the three months ended on that date and its cash flows for the three months ended on that date.

Basis for Opinion

We conducted our audit of the interim standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Interim Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the interim standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Interim Standalone Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these interim standalone financial statements that give a true and fair view of the financial position, financial performance, including cash flows of the Company in accordance with IND AS 34 and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the interim standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the interim condensed standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Interim Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the interim standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these interim standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the interim standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of the Company's internal financial controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the interim standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the interim condensed standalone financial statements, including the disclosures, and whether the interim condensed standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the interim standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the interim standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the interim condensed standalone financial statements.

We also communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

for **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
Firm Registration No.:007761S

V. Sathyanarayanan
Partner
Membership No.: 027716

Place: Bangalore
Date: 29/08/2022
UDIN: 22027716ARFWBI7976

VS INVESTMENTS PRIVATE LTD
CIN: U51100TN2021PTC146623
Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

Balance Sheet as at 30th June 2022

(Rs in Lakhs)

	Particulars	Note No.	As at 30th June2022	As at 31st Mar 2022
I.	**ASSETS**			
	Non-current assets			
	Financial Assets			
	(i) Investments	2	4,999.97	4,999.97
	Deferred Tax Assets(net)	3	523.45	503.27
			5,523.42	**5,503.24**
	Current assets			
	Financial Assets			
	(i) Trade Receivables	4	42.44	37.01
	(ii) Cash and cash equivalents	5	34.53	124.51
	(iii) Loans	6	1,64,889.18	1,64,889.18
	(iv) Other financial Assets	7	6,098.15	2,422.98
	Other Current Assets	8	325.58	322.56
			1,71,389.89	**1,67,796.24**
	TOTAL		**1,76,913.31**	**1,73,299.47**
II.	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Share Capital	9	1.00	1.00
	(b) Other Equity	10	(1,556.20)	(1,496.22)
			(1,555.20)	**(1,495.22)**
	Liabilities			
	Non-Current Liabilities			
	Current Liabilities			
	Financial Liabilities			
	(i) Borrowings	11	1,72,200.00	1,72,000.00
	(ii) Trade payables	12		
	a) Total outstanding to micro and small enterprises			
	b) Total outstanding to other than above (ii)(a)		23.41	33.79
	(iii) Other Financial Liabilities	13	6,245.10	2,484.81
	Other Current Liabilities	14	-	276.09
			1,78,468.51	**1,74,794.69**
	TOTAL		**1,76,913.31**	**1,73,299.47**

See acccompanying notes forming part of the financial statements 1 to 29

for **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
FRN: 007761S

V. Sathyanarayanan
Partner
Membership No. 027716

Place: Bangalore
Date: 29th August 2022
UDIN: 22027716ARFWBI7976

for **and on behalf of the Board of Directors**

V N Venkatanathan
Director
DIN: 00059273

N Srinivasa Ramanujam
Director
DIN: 07384809

Place: Chennai
Date: 29th August 2022

VS INVESTMENTS PRIVATE LTD
CIN: U51100TN2021PTC146623
Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

Statement of Profit & Loss account for the period ended 30th June 2022

(Rs in Lakhs)

	Particulars	Note No.	Period ended 30th June 2022	Period ended 31st Mar 2022
I	**Income:**			
	Revenue from operations	15	55.31	28.91
	Other Income	16	3,675.18	2,513.00
	Total Income		**3,730.48**	**2,541.91**
II	**Expenses:**			
	Purchases of Stock in Trade	17	50.28	26.28
	Finance Costs	18	3,760.29	4,514.47
	Other expenses	19	0.07	0.65
	Total expenses		**3,810.64**	**4,541.40**
III	**Profit before exceptional items and tax (I - II)**		(80.16)	(1,999.49)
IV	**Exceptional items**			
V	**Profit before tax (III - IV)**		(80.16)	(1,999.49)
VI	**Tax expense:**	20		
	Current tax			
	Deferred tax charge/ (credit)		(20.18)	(503.27)
			(20.18)	(503.27)
VII	**Profit (Loss) for the period (V- VI)**		**(59.98)**	**(1,496.22)**
VIII	**Other Comprehensive Income**			
	Items that will not be reclassified to profit and loss			
	Remeasurement of post employment benefit obligations		-	-
	Income tax relating to these items		-	-
	Items that will be reclassified to profit and loss			
	Transactions relating to Derivative instruments		-	-
	Income tax relating to these items		-	-
	Other comprehensive income for the year, net of tax		-	-
IX	**Total comprehensive income for the year (VII+VIII)**		**(59.98)**	**(1,496.22)**
X	**Earnings per equity share:**			
	Basic & Diluted earnings per share	21	(59.98)	(1,496.22)

See acccompanying notes forming part of the financial statements 1 to 29

for **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
FRN: 007761S

V. Sathyanarayanan
Partner
Membership No. 027716

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

Place: Bangalore
Date: 29th August 2022
UDIN: 22027716ARFWBI7976

for **and on behalf of the Board of Directors**

V N Venkatanathan
Director
DIN: 00059273

N Srinivasa Ramanujam
Director
DIN: 07384809

Place: Chennai
Date: 29th August 2022

VS INVESTMENTS PRIVATE LTD
CIN: U51100TN2021PTC146623
Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

Statement of Changes of equity for the period ended 30th June 2022

A. Equity Share Capital (Refer Note No 9) *(Rs in Lakhs)*

Particulars	Amount
As at 29-09-2021	-
Changes in equity share capital during the year	1.00
As at 31-03-2022	1.00
Changes in equity share capital during the year	-
As at 30-06-2022	1.00

B. Other Equity

Retained Earnings	Amount
Balance as at September 29, 2021	-
Add : Profit for the period	(1,496.22)
Add : Other comprehensive income	-
Add / (Less) : Reclassified to retained earnings	-
Total Comprehensive Income for the year	**(1,496.22)**
Add/ (Less) : Change in fair value of equity instruments	-
Balance as at March 31, 2022	**(1,496.22)**
Add : Profit for the period	(59.98)
Add : Other comprehensive income	-
Add / (Less) : Reclassified to retained earnings	-
Total Comprehensive Income for the year	**(59.98)**
Add/ (Less) : Change in fair value of equity instruments	-
Balance as at June 30, 2022	**(1,556.20)**

for **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
FRN: 007761S

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

V. Sathyanarayanan
Partner
Membership No. 027716

Place: Bangalore
Date: 29th August 2022
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for **and on behalf of the Board of Directors**

V N Venkatanathan
Director
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N Srinivasa Ramanujam
Director
DIN: 07384809

VS INVESTMENTS PRIVATE LTD
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Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

Cash Flow Statement for the Period ended 30th June 2022

(Rs in Lakhs)

Particulars	For the period ended 30th June 2022		For the year ended 31st Mar 2022	
A Cash Flow from Operating Activities				
Profit/(Loss) Before Tax		(80.16)		(1,999.49)
Adjustments For:				
a) Interest Expense	3,760.29		2,760.90	
b) Interest income	(3,675.18)		(2,499.69)	
c) Gain on redemption of mutual funds	-		(13.31)	
		85.12		247.90
Operating Loss before Working Capital Changes		**4.96**		**(1,751.59)**
Adjustments For:				
a) Trade Receivable	(5.44)		(37.01)	
b) Other Financial Asset	(3,675.18)		(2,422.98)	
c) Other Current Asset	(3.02)		(322.56)	
d) Trade Payable	(10.39)		33.79	
e) Other Financial Liabilities	3,760.29		2,484.81	
f) Other Current Liabilities	(276.09)		276.09	
Change in Working Capital		**(209.82)**		**12.15**
Direct tax paid		-		-
Cash generated from Operations		**(204.86)**		**(1,739.44)**
B Cash Flow from Investing Activities				-
a) Purchase of Mutual Fund Units	-		(5,013.31)	
b) Redemption of Mutual Fund Units	-		5,026.62	
c) Investment in TVS Credit Services	-		(4,999.97)	
Net Cash from Investing Activities		-		**(4,986.66)**
C Cash Flow from Financing Activities				
a) Increase in Share Capital	-	-	1.00	
b) Borrowings availed	200.00		1,72,000.00	
c) Loan given	-	-	(1,64,889.18)	
d) Interest on Loans availed	(3,760.29)		(2,760.90)	
e) Interest on Fixed Deposit & Loan granted	3,675.18		2,499.69	
Net Cash from Financing Activities		**114.88**		**6,850.61**
Net Increase/(Decrease) in Cash and Cash Equivalents		**(89.98)**		**124.51**
Cash and Cash Equivalents at the end of the year/period		**34.53**		**124.51**
Less: Cash and Cash Equivalents as at Beginning		**124.51**		-
		(89.98)		**124.51**

Note: "The cash flow statement is prepared using the "Indirect Method" set out in Ind AS 7 Statement of Cash flows and presents the cash flows by Operating, Investing and Financing activity of the Company."

for **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
FRN: 007761S

V. Sathyanarayanan
Partner
Membership No. 027716

Place: Bangalore
Date: 29th August 2022
UDIN: 22027716ARFWBI7976

RAGHAVAN CHAUDHURI & NARAYANAN * Chartered Accountants

for **and on behalf of the Board of Directors**

V N Venkatanathan
Director
DIN: 00059273

N Srinivasa Ramanujam
Director
DIN: 07384809

Place: Chennai
Date: 29th August 2022

VS INVESTMENTS PRIVATE LTD
CIN: U51100TN2021PTC146623
Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

1 **Significant Accounting Policies and Notes forming part of Financial Statements:**

Corporate Information

VS Investments Pvt Ltd is a private limited company incorporated under the provisions of the Companies Act, 2013 on 29/09/2021

Summary of Significant Accounting Policies:

a) **Basis of Preparation**

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The financial statements have been prepared on the historical cost convention under accrual basis of accounting except for certain financial assets and liabilities (as per the accounting policy below), which have been measured at fair value.

These financial statements for the period ended 30th June 2022 have been approved and authorised for issue by the Board of Directors at its meeting held on 29th Aug 2022.

b) **Use of Estimates**

The preparation of financial statements requires the management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The Management believes that these estimates and assumptions are reasonable and prudent.

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

VS INVESTMENTS PRIVATE LTD
CIN: U51100TN2021PTC146623
Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

1 **Significant Accounting Policies and Notes forming part of Financial Statements:**

c) **Taxation**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred income tax is provided in full, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses

d) **Earning Per Share**

The basic and diluted earning per share is computed by dividing the net profit / loss attributable to equity share holders for the year by the weighted average number of equity shares outstanding during the year.

e) **Provisions & Contingencies**

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires outflow of resources, which can be reliably estimated.

Wherever there is a possible obligation that may, but probably will not require an outflow of resources, the same is disclosed by way of contingent liability.

f) **Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable and net of returns, trade allowances and rebates and amounts collected on behalf of third parties.

Sale of products:
Revenue from sale of products is recognised when significant risk and rewards of ownership pass to the customers, as per the terms of the contract and it is probable that the economic benefits associated with the transaction will flow to the Company.

VS INVESTMENTS PRIVATE LTD
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Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

1 **Significant Accounting Policies and Notes forming part of Financial Statements:**

g) **Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment.

h) **Current and non-current classification**
The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for atleast twelve months after the reporting period. In respect of other assets, it is treated as current when it is:

•expected to be realised or intended to be sold or consumed in the normal operating cycle

•held primarily for the purpose of trading

•expected to be realised within twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

•it is expected to be settled in the normal operating cycle

•it is held primarily for the purpose of trading

•it is due to be settled within twelve months after the reporting period, or

• there is no unconditional right to defer the settlement of the liability for atleast twelve month after the reporting period.

All other liabilities are classified as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. In Company's considered view, twelve months is its operating cycle.

RAGHAVAN CHAUDHURI & NARAYANAN Chartered Accountants

VS INVESTMENTS PRIVATE LTD
CIN: U51100TN2021PTC146623
Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

1 **Significant Accounting Policies and Notes forming part of Financial Statements:**

i) **Borrowings:**

Borrowings are initially recognised at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction cost) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings, using the effective interest method. Fees paid on the established loan facilities are recognised as transaction cost of the loan, to the extent that it is probable that some or all the facility will be drawn down.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the Statement of Profit and Loss as other gain/(loss).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for over or at least 12 months after the reporting period.

j) **Related Party**

i)	Reporting Entity	: VS Investments Private Limited
ii)	Entity having significant influence	: Mr Venu Srinivasan representing VS Trust
	Key Managerial Personnel	
iii)	V N Venkatanathan- Director N Srinivasa Ramanujam- Director Nilanjan Ghose- Director	

RAGHAVAN CHAUDHURI & NARAYANAN * Chartered Accountants

VS INVESTMENTS PRIVATE LTD

CIN: U51100TN2021PTC146623

Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

Notes to Balance Sheet for the period ended 30th June 2022 **(Rs in Lacs)**

Note No	Particulars	As at 30th June 2022	As at 31st March 2022
2	**Investments**		
	Investment in Equity Shares at Cost- Unquoted		
	TVS Credit Services Ltd (30,86,400 shares of FV Rs 10/- acquired @ Rs.162/share)	4,999.97	4,999.97
	Total Investments	**4,999.97**	**4,999.97**
3	**Deferred Tax Asset**		
	Opening balance	503.27	-
	Credited/(Debited) to P&L:		
	- On account carried forward business loss	20.18	503.27
	Total Deferred Tax Asset	**523.45**	**503.27**

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

VS INVESTMENTS PRIVATE LTD
CIN: U51100TN2021PTC146623
Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

Notes to Balance Sheet for the period ended 30th June 2022 (Rs in Lacs)

Note No	Particulars	As at 30th June 2022	As at 31st March 2022
4	**Trade Receivables**		
	Unsecured, considered good	42.44	37.01
	Less: Loss Allowance	-	-
	Total Trade Receivables	**42.44**	**37.01**

Ageing for trade receivables as on 30.06.2022

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) Undisputed trade receivables - Considered good	42.44	-	-	-	-	42.44
(ii) Undisputed trade receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade receivables - Credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables - Considered good	-	-	-	-	-	-
(v) Disputed trade receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables - Credit impaired	-	-	-	-	-	-
Total	**42.44**	**-**	**-**	**-**	**-**	**42.44**

Ageing for trade receivables as on 31.03.2022

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) Undisputed trade receivables - Considered good	37.01	-	-	-	-	37.01
(ii) Undisputed trade receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade receivables - Credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables - Considered good	-	-	-	-	-	-
(v) Disputed trade receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables - Credit impaired	-	-	-	-	-	-
Total	**37.01**	**-**	**-**	**-**	**-**	**37.01**

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

VS INVESTMENTS PRIVATE LTD
CIN: U51100TN2021PTC146623
Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

Notes to Balance Sheet for the period ended 30th June 2022 **(Rs in Lacs)**

Note No	Particulars	As at 30th June 2022	As at 31st March 2022
5	**Cash and Cash Equivalents**		
	Balance with Banks	34.53	124.51
	Cash on Hand		
	Total Cash and cash equivalents	**34.53**	**124.51**
6	**Loans**		
	Loans & Advances	1,64,889.18	1,64,889.18
	Total Loans	**1,64,889.18**	**1,64,889.18**
7	**Other Financial Assets**		
	Interest Accrued but not due	6,098.15	2,422.98
	Total Other Financial Assets	**6,098.15**	**2,422.98**
8	**Other Current Assets**		
	Balance with Revenue Authorities	325.58	322.56
	Total Other Current Assets	**325.58**	**322.56**

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

VS INVESTMENTS PRIVATE LTD
CIN: U51100TN2021PTC146623
Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

Notes to Balance Sheet for the period ended 30th June 2022 (Rs in Lacs)

9 Share Capital

(a) **Details of authorised, issued and subscribed share capital**

Particulars	As at 30-06-2022		As at 31-03-2022	
	Number of Shares	Rs in Lacs	Number of Shares	Rs in Lacs
Authorised Capital Equity Shares of Rs.1/- each	1,00,000	1.00	1,00,000	1.00
Issued, Subscribed & Paid up Capital Equity Shares of Rs.1/- each fully paid	1,00,000	1.00	1,00,000	1.00
	1,00,000	**1.00**	**1,00,000**	**1.00**

(b) **Reconciliation of equity shares outstanding at the beginning and at the end of the year**

Particulars	As at 30-06-2022		As at 31-03-2022	
	Number	Rs in Lacs	Number	Amount in Rs
Shares outstanding at the beginning of the year	1,00,000	1.00	-	-
Shares Issued during the year	-	-	1,00,000	1.00
Shares outstanding at the end of the year	**1,00,000**	**1.00**	**1,00,000**	**1.00**

(c) **i) Rights and preferences attached to equity share:**

Every shareholder is entitled to such rights as to attend the meeting of the shareholders, to receive dividends distributed and also has a right in the residual interest of the assets of the company. Every shareholder is also entitled to right of inspection of documents as provided in the Companies Act 2013.

ii) There are no restrictions attached to equity shares.

(d) **Details of shareholders holding more than five percent at the end of 30th June 2022**

Name of Shareholder	Class of Share	As at 30-06-2022		As at 31-03-2022	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr Venu Srinivasan representing VS Trust	Equity	99,999	100	99,999	100

(e) **Details of shares held by promotors at the end of 30th June 2022**

Name of Shareholder	Class of Share	As at 30-06-2022		As at 31-03-2022	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr Venu Srinivasan representing VS Trust	Equity	99,999	100	99,999	100
Mr Venu Srinivasan	Equity	1	0	1	0

10 Other Equity

Reserves and surplus	As at 30th June 2022	As at 31st March 2022
Retained earnings	(1,556.20)	(1,496.22)
Total reserves and surplus	**(1,556.20)**	**(1,496.22)**

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

VS INVESTMENTS PRIVATE LTD
CIN: U51100TN2021PTC146623
Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

Notes to Balance Sheet for the period ended 30th June 2022 **(Rs in Lacs)**

Note No	Particulars	As at 30th June 2022	As at 31st March 2022
11	**Financial Liabilities - Borrowings (Current)**		
	Repayable on demand		
	Secured	1,60,000.00	1,60,000.00
	Unsecured	12,200.00	12,000.00
	Total Current Borrowings	**1,72,200.00**	**1,72,000.00**

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

VS INVESTMENTS PRIVATE LTD
CIN: U51100TN2021PTC146623
Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

Notes to Balance Sheet for the period ended 30th June 2022 **(Rs in Lacs)**

Note No	Particulars	As at 30th June 2022	As at 31st March 2022
12	**Trade Payables**		
	Current		
	Dues to Micro and Small Enterprises	-	-
	Dues to enterprises other than Micro and Small Enterprises	23.41	33.79
	Total Trade Payables	**23.41**	**33.79**

Ageing for Trade Payables as on 30.06.2022

Particulars	Outstanding for following period from due date of payment				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
MSME	-	-	-	-	-
Others	23.41	-	-	-	23.41
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
Total	**23.41**	**-**	**-**	**-**	**23.41**

Ageing for Trade Payables as on 31.03.2022

Particulars	Outstanding for following period from due date of payment				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
MSME	-	-	-	-	-
Others	33.79	-	-	-	33.79
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
Total	**33.79**	**-**	**-**	**-**	**33.79**

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

VS INVESTMENTS PRIVATE LTD

CIN: U51100TN2021PTC146623

Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

Notes to Balance Sheet for the period ended 30th June 2022 **(Rs in Lacs)**

Note No	Particulars	As at 30th June 2022	As at 31st March 2022
13	**Other Financial Liabilities**		
	Current		
	Interest accrued on loans	6,245.10	2,484.81
	Total Other Current Financial Liabilities	**6,245.10**	**2,484.81**
14	**Other Current Liabilities**		
	Statutory Dues	-	276.09
	Trade Advances		
	Total Other Current Liabilities	**-**	**276.09**

VS INVESTMENTS PRIVATE LTD
CIN: U51100TN2021PTC146623
Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

Notes to Profit & Loss Account for the period ended 30th June 2022 **(Rs in Lacs)**

Note No	Particulars	For the period ended June 30,2022	For the year ended March 31,2022
15	**Revenue from Operations**		
	Sale of auto parts	55.31	28.91
	Total Revenue	**55.31**	**28.91**
16	**Other Income**		
	Interest on Fixed Deposits	-	76.71
	Interest on Loan	3,675.18	2,422.98
	Gain on Mutual Funds redemption	-	13.31
	Total Other Income	**3,675.18**	**2,513.00**
17	**Purchases of Stock in Trade**		
	Purchase of auto parts	50.28	26.28
	Total	**50.28**	**26.28**
18	**Finance Costs**		
	Interest Cost	3,760.29	2,760.90
	Other borrowing cost- Loan Facilitation Fee	-	1,753.57
	Total Finance Costs	**3,760.29**	**4,514.47**
19	**Other expenses**		
	Demat Charges - NSDL & CSDL	-	0.39
	Audit Fee	-	0.10
	Rate & Taxes	0.07	0.10
	Bank Charges & others	0.00	0.06
	Total Other expenses	**0.07**	**0.65**

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

VS INVESTMENTS PRIVATE LTD
CIN: U51100TN2021PTC146623
Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

Notes to Profit & Loss Account for the period ended 30th June 2022 **(Rs in Lacs)**

Note No	Particulars	For the period ended June 30,2022	For the year ended March 31,2022
20	**Tax expenses**		
	Current tax		
	Deferred tax		
	Decrease (increase) in deferred tax assets	20.18	503.27
	Total Deferred tax	20.18	503.27
	Total tax expenses	**20.18**	**503.27**
	Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
	Profit before tax expense	(80.16)	(1,999.49)
	Tax at the Indian tax rate of 25.17% (2020-2021 – 25.1	20.18	503.27
	Tax effect of amounts which are not deductible (taxable) in calculating taxable income:	-	-
	Total tax expenses	**20.18**	**503.27**
21	**Earnings per share**		
	(a) Basic and diluted earnings per share		
	Basic and diluted earnings per share attributable to the equity holders of the Company (Rs.)	(59.98)	(1,496.22)
	(b) Earnings used in calculating earnings per share		
	Basic and diluted earnings per share		
	Profit attributable to equity holders of the company used in calculating basic earnings per share	(59.98)	(1,496.22)
	(c) Weighted average number of equity shares used as the denominator in calculating basic earnings per share	1,00,000.00	1,00,000.00

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

VS INVESTMENTS PRIVATE LTD
CIN: U51100TN2021PTC146623
Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

Notes To Financial Statements For the Period Ended 30th June 2022
Financial Instruments And Risk Management

22 Fair value measurements

Financial instruments by category (Rs In Lacs)

	June 30, 2022			March 31, 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Equity instruments	-	-	4,999.97	-	-	4,999.97
- Preference shares	-	-	-	-	-	-
- Others	-	-	-	-	-	-
Trade receivables	-	-	42.44	-	-	37.01
Balances with Banks	-	-	34.53	-	-	124.51
Derivative financial assets	-	-	-	-	-	-
Loans	-	-	1,64,889.18	-	-	1,64,889.18
Other financial assets	-	-	6,098.15	-	-	2,422.98
Total financial assets	-	-	**1,76,064.28**	-	-	**1,72,473.64**
Financial liabilities						
Borrowings	-	-	-	-	-	-
Trade payables	-	-	23.41	-	-	33.79
Borrowings - Current	-	-	1,72,200.00	-	-	1,72,000.00
Total financial liabilities	-	-	**1,72,223.41**	-	-	**1,72,033.79**

(i) Fair value hierarchy
This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

At 30 June 2022	Notes	Level 1	Level 2	Level 3	Total
Financial Liabilities					
Borrowings	11	-	-	1,72,200.00	**1,72,200.00**
Total financial liabilities		-	-	**1,72,200.00**	**1,72,200.00**

At 31 March 2022	Notes	Level 1	Level 2	Level 3	Total
Financial Liabilities					
Borrowings	11	-	-	1,72,000.00	**1,72,000.00**
Total financial liabilities		-	-	**1,72,000.00**	**1,72,000.00**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers between levels 1 and 2 during the year.
The company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Valuation technique used to determine fair value
Specific valuation techniques used to value financial instruments include:
- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of interest rate swaps is calculated as the present value of estimated cash flows based on observable yield curves.
- the fair value of forward exchange contract and principle only swap is determined using forward exchange rate at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

FVTPL - Fair value through statement of Profit and Loss; FVOCI - Fair value through Other Comprehensive Income

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

VS INVESTMENTS PRIVATE LTD
CIN: U51100TN2021PTC146623
Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006

Notes To Financial Statements For the Period Ended 30th June 2022
Financial Instruments And Risk Management

23 Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Risk Parameters and Mitigation
Market Risk - Foreign exchange		i) The Company has not transacted in foreign currency, hence it is not exposed to foreign exchange risk arising from foreign currency transactions
Market Risk - Interest risk	Borrowings	i) All the borrowings of the company are fixed rate borrowings and is at amortised cost, hence movement in interest rate doesn't impact cash flow or value of the borrowings.
Liquidity risk	Borrowings	i) The company's liquidity management policy involves projecting cash flows in considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans. ii) The Company prepares a detailed annual operating plans to assess the fund requirements - both short term and long term. iii) For long term fund requirements, Company targets various funding options
Credit Risk		i) Credit risk primarily arises from cash and cash equivalents, trade receivables and investments carried at amortised cost. ii) The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. iii) A default on a financial asset is when the counterparty fails to make contractual payments within 180 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.
a.	Cash and Cash Equivalents	Surplus cash is deposited only with banks / financial institutions with a high external credit rating.
b.	Domestic Trade Receivables	i) The Company extends credit to the customers and such extension of credit is based on customers' credit worthiness, ability to repay and past track record. ii) The Company has extensive reporting systems and review to constantly monitor the receivables.

VS INVESTMENTS PRIVATE LTD
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Notes To Financial Statements For the Period Ended 30th June 2022
Financial Instruments And Risk Management

23 Financial Risk Management - (Continued)

(A) Credit risk

Basis of recognition of expected credit loss & providing for such loss

Rating	Category	Description of category	Investments	Loans and deposits	Trade receivables
1	High Quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil.	12 month expected credit losses	12 month expected credit losses	Life time expected credit losses (simplified approach)
2	Quality assets, low credit risk	Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past.			
3	Standard Assets, moderate credit risk	Assets where the probability of default is considered moderate and where the counter-party's capacity to meet the obligations is not strong.			
4	Substandard Assets, relatively high credit risk	Assets where there has been a significant increase in credit risk since initial recognition.	Life time expected credit losses		
5	Low quality assets, very high credit risk	Assets where there is a high probability of default. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 180 days past due.			
6	Doubtful assets, credit impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in statement of profit and loss.	Asset is written off		

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

VS INVESTMENTS PRIVATE LTD
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Notes To Financial Statements For the Period Ended 30th June 2022
Financial Instruments And Risk Management

23 Financial Risk Management - (Continued)

30-Jun-22

a). Expected credit loss for investments, loans and other financial assets

Particulars	Internal rating	Assets/Asset group	Gross carrying amount	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit loss	1	Investments at amortised cost	1,64,889.18	-	-	1,64,889.18
	1	Other financial assets	6,098.15	-	-	6,098.15

b). Expected credit loss for trade receivables under simplified approach

Particulars	0 to 180 days past due	More than 180 days past due	Total
Gross carrying amount	42.44	-	42.44
Expected loss rate	0%	0%	0%
Expected credit losses	-	-	-
Carrying amount of trade receivables	42.44	-	42.44

31-Mar-22

a). Expected credit loss for investments, loans and other financial assets

Particulars	Internal rating	Assets/Asset group	Gross carrying amount	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit loss	1	Investments at amortised cost	1,64,889.18	-	-	1,64,889.18
	1	Other financial assets	2,422.98	-	-	2,422.98

b). Expected credit loss for trade receivables under simplified approach

Particulars	0 to 180 days past due	More than 180 days past due	Total
Gross carrying amount	37.01	-	37.01
Expected loss rate	0%	0%	-
Expected credit losses	-	-	-
Carrying amount of trade receivables	37.01	-	37.01

(B) Liquidity risk

The tables below analyse The company's financial liabilities into relevant maturity groupings based on their contractual maturities for:
a) all non-derivative financial liabilities, and
b) net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

30-Jun-22

Contractual Maturities of Financial Liabilities	Less than 1 Year	More than 1 year	Total
Borrowings	1,72,200.00	-	1,72,200.00
Trade payables	23.41	-	23.41

31-Mar-22

Contractual Maturities of Financial Liabilities	Less than 1 Year	More than 1 year	Total
Borrowings	1,72,000.00	-	1,72,000.00
Trade payables	33.79	-	33.79

RAGHAVA CHAUDHURI & NARAYANAN ★ Chartered Accountants

VS INVESTMENTS PRIVATE LTD
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Notes To Financial Statements For the Period Ended 30th June 2022
Financial Instruments And Risk Management

24 Capital management

The Company's objectives in regard to managing capital are
- safeguard its status as a going concern
- to ensure returns to shareholders
- to ensure benefits to stakeholders

In order to maintain optimum capital structure, the board may
- increase the capital by fresh issue of shares or
- reduce the same by return to equity holders
- vary the equity by increasing or reducing the quantum of dividend

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:
Net debt (borrowings less cash and cash equivalents) divided by total equity

Gearing ratio refers to the level of a company's debt compared to its total equity.

The Company's strategy is to maintain an optimum gearing ratio. The gearing ratios were as follows:

	30-Jun-22	31-Mar-22
Net Debt	1,72,165.47	1,71,875.49
Total equity	(1,555.20)	(1,495.22)
Net Debt to equity ratio (Times)	(110.70)	(114.95)

25 Key Financial ratios:

S.No	Details	30-Jun-22	31-Mar-22	Variance (%)
1	Current Ratio (Times) (Current Assets/ Current liabilities)	0.96	0.96	0%
2	Net Debt / Equity Ratio (Times) [Total borrowings - Cash and cash equivalents) / Equity]	(110.70)	(114.95)	-4%
3	Debt Service Coverage Ratio (Times) (Earnings before Tax , Exceptional item, Depreciation and Interest on non current borrowings) / (Interest on non current borrowings + Principal repayment of Long term borrowings made during the period excluding prepayments)*	0.98	0.56	76%
4	Return on Equity (%) (Net Profit after Tax / Closing equity)*	-4%	-100%	-96%
5	Inventory Turnover Ratio (Times) (Annualised Cost of Goods Sold / Closing Inventory)	NA	NA	NA
6	Debtors Turnover Ratio (Times) (Annualised turnover/ Clsing Debtors)*	1.30	0.78	67%
7	Trade Payables Turnover Ratio (Times) [(Purchases & Other Expenses) / Closing Trade Payables]*	2.15	0.80	170%
8	Net Capital Turnover Ratio (Times) [Net Sales/ (Current Assets (-) Current Liabilities excluding current maturities of long term debt)]	(0.01)	(0.00)	0%
9	Net Profit Ratio (%) (Profit after tax / Turnover)*	-108%	-5175%	-98%
10	Return on Capital Employed (%) [Earnings before interest , tax , depreciation , other income and exceptional items / (Capital employed]	(0.00)	(0.00)	0%
11	Return on Investment (%) [Income generated from invested funds / Average invested funds]*	-	-	-

*Significant investments held by the Company is for strategic purposes. Benchmarking the return on annual basis will not reflect yield from such investments.
*Better operational performance has led tofratios turning favorable for period ended 30th June 22

RAGHAVAN CHAUDHURI & NARAYANAN Chartered Accountants

VS INVESTMENTS PRIVATE LTD
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Notes To Financial Statements For the Period Ended 30th June 2022

26 Capital and Other Commitments - NIL

27 Contingent Liabilities - NIL

28 Composite scheme of arrangement:

On 9th February 2022, the Board of directors of the Company approved a composite scheme of arrangement (the Scheme) of Sundaram-Clayton Limited ("Transferee Company" or "Demerged Company") and TVS Holdings Private Limited ("Transferor Company 1") and VS Investments Private Limited ("Transferor Company 2") and Sundaram-Clayton DCD Limited ("Resulting Company") subject to necessary approvals of shareholders, creditors, SEBI, Stock Exchanges, National Company Law Tribunal, Chennai, (NCLT), other governmental authorities and third parties as may be required.

The scheme provides for :

(1) The Transferee Company shall issue 116 NCRPS of face value of INR 10 each fully paid up, for every 1 equity share of INR 5 each fully paid up held by equity shareholder of the Company by way of bonus, which will be listed on both the Stock Exchanges viz., BSE Limited and National Stock Exchange of India Limited.

(2) The Transferor Company 1, the holding company will merge with the Transferee Company. The Transferee Company shall issue equivalent equity shares of INR 5 each fully paid up and corresponding number of NCRPS of INR 10 each fully paid up to the shareholders of the Transferor Company 1, on respective record dates as mentioned in the Scheme. Both equity shares and NCRPS will be listed on both the Stock Exchanges.

(3) The Transferee Company shall issue 19 equity shares of INR 5 each fully paid up, to the shareholders of the Transferor Company 2, in the proportion of the number of equity shares held by the shareholders in Transferor Company 2.

(4) The demerger, transfer and vesting of the Die Cast Division from the Demerged Company into the Resulting Company. The shareholders of the Demerged Company will get 1 equity share of INR 5 each fully paid up of the Resulting Company, for every 1 equity share of INR 5 each held by such shareholder; and 1 NCRPS of INR 10 each fully paid up of Resulting Company, for every 1,000 NCRPS held by such shareholder.
During the year, Sundaram-Clayton Limited has filed an Application with both the stock exchanges viz., BSE Limited and National Stock Exchange of India Limited for obtaining no objection. Post receipt of no objection, the Company will file necessary application with NCLT, Chennai.
Appropriate accounting treatment of the Scheme will be done post receipt of NCLT approval.

29 In the opinion of the management, the current assets, loans & advances have a value of realisation in ordinary course of business or atleast equal to the amount at which they are stated in the balance sheet.

for **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
FRN: 007761S

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

V. Sathyanarayanan
Partner
Membership No. 027716

Place: Bangalore
Date: 29th August 2022
UDIN: 22027716ARFWBI7976

for **and on behalf of the Board of Directors**

V N Venkatanathan
Director
DIN: 00059273

N Srinivasa Ramanujam
Director
DIN: 07384809

Place: Chennai
Date: 29th August 2022

RAGHAVAN, CHAUDHURI & NARAYANAN
Chartered Accountants

Second Floor, Casa Capito
Wood Street, Ashoknagar,
Bengaluru - 560 025.
Phone : 2556 7578 /
2551 4771 / 4140 4830

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF SUNDARAM - CLAYTON DCD LIMITED

Report on the Audit of the Interim Standalone Financial Statements

Opinion

We have audited the accompanying interim standalone financial statements of **SUNDARAM - CLAYTON DCD LIMITED(formerly knowns as TVS Commodity Financial Solutions Private Limited** (the "Company"), which comprise the Balance Sheet for the quarter ended **30th June, 2022**, the Statement of Profit and Loss and Statement of Cash Flows for the three months ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "interim standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid interim standalone financial statements give a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" (" Ind AS 34") prescribed under section 133 of the Companies Act, 2013 (the "Act"), read with relevant rules issued thereunder and other accounting principles generally accepted in India, of the state of affairs of the Company for the quarter ended **30th June, 2022**, and its cash flows for the three months ended on that date.

Basis for Opinion

We conducted our audit of the interim standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Interim Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the interim standalone financial statements for the quarter ended June 30, 2022 under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

RAGHAVAN CHAUDHURI & NARAYANAN Chartered Accountants

Management's Responsibilities for the Interim Standalone Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these interim standalone financial statements that give a true and fair view of the financial position, financial performance, including cash flows of the Company in accordance with IND AS 34 and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the interim condensed standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the interim standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Interim Condensed Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the interim standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these interim standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the interim standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of the Company's internal financial controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the interim standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the interim standalone financial statements, including the disclosures, and whether the interim standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the interim standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the interim standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the interim standalone financial statements.

We also communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

for **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
Firm Registration No.:007761S

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

V. Sathyanarayanan
Partner
Membership No.: 027716

Place: Bangalore
Date: 29th August ,2022
UDIN: 22027716ARFXHE6591

SUNDARAM - CLAYTON DCD LIMITED
(Formerly known as TVS Commodity Financial Solutions Private Limited)
CIN: U51100TN2017PTC118316
"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai, Tamilnadu 600006 India

Balance Sheet as at June 30, 2022 **(Rs in 000's)**

Particulars	Note No.	As at 30th June 2022	As at 31st March,2022
ASSETS			
Current Assets			
Financial Assets			
-Cash and Cash Equivalents	2	24.06	24.06
Total Assets		**24.06**	**24.06**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	3	25.00	25.00
Other Equity	4	-124.33	-124.33
Total Equity		**-99.33**	**-99.33**
LIABILITIES			
Current Liabilities			
Financial Liabilities			
(i) Borrowings		-	-
(ii) Trade Payables			
a) Total outstanding dues of creditors other than micro enterprises and small enterprises	5	11.80	11.80
b) Total outstanding dues of other than (ii) (a) above		-	-
(iii) Other Financial Liabilities	6	111.59	111.59
Total Liabilities		**123.39**	**123.39**
Total Equity And Liabilities		**24.06**	**24.06**

See acccompanying notes forming part of the financial statements 1 to 8

for **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
FRN: 007761S

V. Sathyanarayanan
Partner
Membership No. 027716

Place: Bangalore
Date: 29th August 2022
UDIN: 22027716ARFXHE6591

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

for **and on behalf of the Board of Directors**

V Gopalakrishnan
Director
DIN: 032971640

Place: Chennai
Date: 29th August 2022

N Srinivasa Ramanujam
Director
DIN: 07384809

SUNDARAM - CLAYTON DCD LIMITED
(Formerly known as TVS Commodity Financial Solutions Private Limited)
CIN: U51100TN2017PTC118316
"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai, Tamilnadu 600006 India

Statement of Profit and Loss for the quarter ended June 30, 2022 **(Rs in 000's)**

Particulars	Note No.	For the quarter ended 30th June 2022	For the year ended 31st March 2022
Income			
Revenue from operations		-	-
Total Income		-	-
Expenses			
Other expenses	7	-	28.54
Total Expenses		-	**28.54**
Profit/(Loss) before tax		-	-28.54
Tax expense:		-	-
Profit/(Loss) for the period		-	**-28.54**
Other Comprehensive Income		-	-
Total Comprehensive Income for the period		-	**-28.54**
Earning per equity share:			
Basic & Diluted earnings per share	8	-	-11.42

See acccompanying notes forming part of the financial statements 1 to 8

for **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
FRN: 007761S

V. Sathyanarayanan
Partner
Membership No. 027716

Place: Bangalore
Date: 29th August 2022
UDIN: 22027716ARFXHE6591

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

for **and on behalf of the Board of Directors**

V Gopalakrishnan
Director
DIN: 032971640

Place: Chennai
Date: 29th August 2022

N Srinivasa Ramanujam
Director
DIN: 07384809

SUNDARAM - CLAYTON DCD LIMITED
(Formerly known as TVS Commodity Financial Solutions Private Limited)
CIN: U51100TN2017PTC118316
"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai, Tamilnadu 600006 India

Cash flow statement for the quarter ended June 30, 2022 **(Rs in 000's)**

Particulars		For the Quarter ended 30th June 2022	For the year ended 31st March 2022
Cash Flow from Operating Activities			
Net profit/(Loss) before tax		-	-28.54
Operating Profit before working capital changes			
(Increase)/Decrease in Loans & Advances			
Other Financial Liabilities		-	28.54
Change in Working Capital		-	**28.54**
Net Cash from Operating Activities	**A**	-	-
Cash Flow from Investing Activities			
Sale / (Purchase) of investment			
Net Cash from / (used in) Investing activities	**B**	-	-
Cash Flow from Financing Activities			
Proceeds from Issue of Equity Shares			
Net Cash from Financing activities	**C**	-	-
Net change in Cash and Cash Equivalents (A+B+C)		-	-
Cash and Cash Equivalents as at End		**24.06**	**24.06**
Less: Cash and Cash Equivalents as at Beginning		**24.06**	**24.06**
Net Change In Cash & Cash Equivalents		-	-

See acccompanying notes forming part of the financial statements 1 to 8

for **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
FRN: 007761S

V. Sathyanarayanan
Partner
Membership No. 027716

Place: Bangalore
Date: 29th August 2022
UDIN: 22027716ARFXHE6591

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

for **and on behalf of the Board of Directors**

V Gopalakrishnan
Director
DIN: 032971640

Place: Chennai
Date: 29th August 2022

N Srinivasa Ramanujam
Director
DIN: 07384809

SUNDARAM - CLAYTON DCD LIMITED
(Formerly known as TVS Commodity Financial Solutions Private Limited)
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"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai, Tamilnadu 600006 India

Statement of Changes in Equity **(Rs in 000's)**

A	Equity	Note No.	Amount
	Balance as at April 1, 2020	3	25.00
	Changes in Equity share capital during the year	3	-
	Balance as at March 31, 2021		**25.00**
	Changes in Equity share capital during the year	3	-
	Balance as at March 31, 2022		**25.00**
	Changes in Equity share capital during the year	3	-
	Balance as at June 30, 2022		**25.00**

B	Other Equity	Note No.	Retained Earnings	Total
	Balance as at April 1, 2020	4	-64.32	-64.32
	Profit for the period	4	-31.47	-31.47
	Other comprehensive income		-	
	Balance as at March 31, 2021		**-95.79**	**-95.79**
	Profit for the period	4	-28.54	-28.54
	Other comprehensive income		-	
	Balance as at March 31, 2022		**-124.33**	**-124.33**
	Profit for the period	4	-	-
	Other comprehensive income		-	
	Balance as at June 30, 2022		**-124.33**	**-124.33**

for **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
FRN 007761S

for **and on behalf of the Board of Directors**

V. Sathyanarayanan
Partner
Membership No. 027716

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

V Gopalakrishnan
Director
DIN: 032971640

N Srinivasa Ramanujam
Director
DIN: 07384809

Place: Bangalore
Date: 29th August 2022
UDIN: 22027716ARFXHE6591

Place: Chennai
Date: 29th August 2022

SUNDARAM - CLAYTON DCD LIMITED
(Formerly known as TVS Commodity Financial Solutions Private Limited)
CIN: U51100TN2017PTC118316
"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam Chennai TN 600006 IN

Brief Description of the Company:

The Company was incorporated on 22nd August 2017 under the name of SUNDARAM - CLAYTON DCD LIMITED (formerly known as TVS Commodity Financial Solutions Private Limited), wholly owned subsidiary of Sundaram Clayton Limited. The Company is yet to commence its business.

1. Significant Accounting Policies forming part of Financial Statements

a. Basis of preparation of Financial statements

The Financial statements are prepared on historical cost convention, on a going concern basis and in accordance with the applicable Indian Accounting standards referred to in the Companies (Accounting Standards) Rules, 2006 as per general circular 15/2013 dated 13th September 2013 under section 133 of the Companies Act, 2013 read with relevant rules thereunder. All expenses and income to the extent ascertained with reasonable certainty are accounted for on accrual basis.

b. Use of estimates

The preparation of the Financial statements in conformity with the applicable Indian Accounting Standard requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of Financial statement. The recognition, measurement, classification or disclosure of an item or information in the Financial statement has been made relying on these estimates.

c. Cash Flow Statement

Cash flow statement is prepared under "Indirect Method" and the same is annexed.

d. Contingencies and events occurring after balance sheet date

There are no contingencies that need to be provided as on the balance sheet date.

e. There are no dues to micro medium small enterprises and hence the particulars required under notification no GSR 719(E) dt. 16.11.07 is not furnished.

f. Related Party Disclosures:

Reporting Entity: Sundaram – Clayton DCD Limited

Relationship	Name
Enterprise having Control	Sundaram Clayton Limited
Subsidiary Company	Nil
Associate Companies	Nil
Key Management Personnel	Nil

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

SUNDARAM - CLAYTON DCD LIMITED
(Formerly known as TVS Commodity Financial Solutions Private Limited)
CIN: U51100TN2017PTC118316
"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam Chennai TN 600006 IN

g. Transactions with Related Parties

(Rs in 000's)

Sno	Nature of Transaction	Name of the Related Party	Nature of Relationship	30-06-22	31.03.2022
				Amount (Rs.)	Amount (Rs.)
1	Balance Payable as at the end of the year	TVS Credit Services Limited	Fellow Subsidiary	111.59	111.59

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

SUNDARAM - CLAYTON DCD LIMITED
(Formerly known as TVS Commodity Financial Solutions Private Limited)
CIN: U51100TN2017PTC118316

"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai, Tamilnadu 600006 India

Notes to Balance sheet **(Rs in 000's)**

Note No.	Particulars	Amount as at June 30, 2022	Amount as at March 31, 2022
2	**Cash and cash equivalents**		
	Balances with banks	24.06	24.06
	Total cash and cash equivalents	**24.06**	**24.06**

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

SUNDARAM - CLAYTON DCD LIMITED
(Formerly known as TVS Commodity Financial Solutions Private Limited)
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"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai, Tamilnadu 600006 India

Notes to Balance sheet **(Rs in 000's)**

3	**Share Capital**	**No. of Shares**	**Amount**
(i)	**Authorised Share Capital:**		
	Equity shares of Rs.10/- each	2,500	25.00
	Issued, Subscribed and Fully		
(ii)	**Paid up Share Capital:**		
	Equity shares of Rs.10/- each	2,500	25.00

(iii) **Movement in equity share capital**

	No. of Shares	**Amount**
Equity Shares as at April 1, 2020	2,500	25.00
Additions	-	-
Equity Shares as at March 31, 2021	**2,500**	**25.00**
Additions	-	-
Equity Shares as at March 31, 2022	**2,500**	**25.00**
Additions	-	-
Equity Shares as at June 30, 2022	**2,500**	**25.00**

(iv) **Details of share holders holding more than 5% & Shares held by holding company**

Name of the Share Holder	**As at 30th June 2022**		**As at March 31, 2022**	
	No. of Shares	**%**	**No. of Shares**	**%**
Sundaram-Clayton Limited	2,500	100	2,500	100

(v) **Terms / Rights attached**
The company has only one class of equity shares having a par value of Rs.10/- per share. Each shareholder has a right to participate in General Meeting and is eligible for one vote per share held, Residual interest in the assets of the company. Every shareholder is also entitled to right of inspection of documents as provided in the Companies

(vi) **Details of shares held by promoters as at 30th June 2022**

Name of Shareholder	Class of Share	As at 30-06-2022		As at 31-03-2022		
		No. of Shares held	% of Holding	No. of Shares held	% of Holding	% Change during the Period
Sundaram-Clayton Limited	Equity	2,500	100.00	2,500	100.00	-
		2,500	**100.00**	**2,500**	**100.00**	

RAGHAVAN CHAUDHURI & NARAYANAN Chartered Accountants

SUNDARAM - CLAYTON DCD LIMITED
(Formerly known as TVS Commodity Financial Solutions Private Limited)
CIN: U51100TN2017PTC118316

"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai, Tamilnadu 600006 India

Notes to Balance sheet **(Rs in 000's)**

Note No.	Particulars	Amount as at June 30, 2022	Amount as at March 31, 2022
4	**Other Equity**		
	Retained Earnings	-124.33	-124.33
	Total Other Equity	**-124.33**	**-124.33**
	Retained Earnings		
	Opening Balance	-124.33	-95.79
	Add: Net profit for the year	-	-28.54
	Closing Balance	**-124.33**	**-124.33**

RAGHAVAN CHAUDHURI & NARAYANAN * Chartered Accountants

SUNDARAM - CLAYTON DCD LIMITED
(Formerly known as TVS Commodity Financial Solutions Private Limited)
CIN: U51100TN2017PTC118316
"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai, Tamilnadu 600006 India

Notes to Balance sheet **(Rs in 000's)**

Note No.	Particulars	Amount as at June 30, 2022	Amount as at March 31, 2022
5	**Trade Payables**		
	Current:		
	Dues to Micro and Small Enterprises	-	-
	Dues to enterprises other than Micro and Small Enterprises	11.80	11.80
	Total Trade Payables	**11.80**	**11.80**

Ageing for Trade Payables as on 30.06.2022

Particulars	Outstanding for following period from due date of payment				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	-	-	-	-
Others	-	-	-	11.80	11.80
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
Total	-	-	-	**11.80**	**11.80**

Ageing for Trade Payables as on 31.03.2022

Particulars	Outstanding for following period from due date of payment				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
MSME					
Others	-	-	-	-	-
Disputed Dues - MSME	-	-	-	11.80	11.80
Disputed Dues - Others	-	-	-	-	-
Total	-	-	-	**11.80**	**11.80**

SUNDARAM - CLAYTON DCD LIMITED
(Formerly known as TVS Commodity Financial Solutions Private Limited)
CIN: U51100TN2017PTC118316

"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai, Tamilnadu 600006 India

Notes to Balance sheet **(Rs in 000's)**

Note No.	Particulars	Amount as at June 30, 2022	Amount as at March 31, 2022
6	**Other Financial Liabilities**		
	Liabilities for Expenses	111.59	111.59
	Total Other Financial Liabilities	**111.59**	**111.59**

SUNDARAM - CLAYTON DCD LIMITED
(Formerly known as TVS Commodity Financial Solutions Private Limited)
CIN: U51100TN2017PTC118316
"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai, Tamilnadu 600006 India

Notes to Statement of Profit and Loss **(Rs in 000's)**

Note No.	Particulars	For the quarter ended 30th June 2022	For the year ended 31st March 2022
7	**Other Expenses**		
	Professional charges	-	14.00
	Rates and taxes	-	2.74
	Payment to Auditors		
	- As Statutory Auditors	-	11.80
	Total Other Expenses	-	**28.54**

8 Basic and Diluted earnings per share attributable to the equity holders of the Company

Particulars	For the quarter ended 30th June 2022	For the year ended 31st March 2022
Earnings attributable to equity share holders	-	-28.54
Number of Shares	2,500.00	2,500.00
Earnings per Share	-	-11.42

RAGHAVAN CHAUDHURI & NARAYANAN ★ Chartered Accountants

Annexure – VI - IX to the Notice of NCLT Convened Meeting

REPORT OF THE BOARD OF DIRECTORS

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SUNDARAM-CLAYTON LIMITED AT ITS MEETING HELD ON WEDNESDAY, THE 9TH FEBRUARY 2022 EXPLAINING THE EFFECT OF THE COMPOSITE SCHEME OF ARRANGEMENT AMONGST SUNDARAM-CLAYTON LIMITED AND TVS HOLDINGS PRIVATE LIMITED AND VS INVESTMENTS PRIVATE LIMITED AND SUNDARAM-CLAYTON DCD PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ON ITS SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON PROMOTER SHAREHOLDERS

1. Background

1.1. The Board of Directors ("Board") of Sundaram-Clayton Limited ("Company" or "Transferee Company" or "Demerged Company" or "SCL") at its meeting held on 9th February 2022 have approved the Composite Scheme of Arrangement amongst the Company and TVS Holdings Private Limited ("Transferor Company 1") and VS Investments Private Limited ("Transferor Company 2") and Sundaram-Clayton DCD Private Limited ("Resulting Company") and their respective shareholders and creditors, under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Act") ("Scheme").

1.2. Provisions of Section 232(2)(c) of the Act require the Board to adopt a report explaining the effect of the arrangement on each class of shareholders, key managerial personnel ("KMPs"), promoters and non-promoter shareholders of the Company laying out in particular the share exchange ratio and specifying any special valuation difficulties and the same is required to be circulated as part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.

1.3. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.

1.4. The following documents were, *inter alia*, placed before the Board:

1.4.1. Draft Scheme;

1.4.2. Share Entitlement Ratio Report dated 9th February 2022 issued by Ms Drushti R Desai (Registration No. IBBI/RV/06/2019/10666) Registered Valuer ("Share Entitlement Ratio Report"), describing the methodology adopted by them in arriving at the share entitlement ratio;

1.4.3. Fairness opinion dated 9th February 2022 ("Fairness Opinion") issued by SBI Capital Markets Limited (Registration No. INM000003531), a Category-I Merchant Banker on the fairness of the consideration determined under the Share Entitlement Ratio Report in connection with the proposed Scheme;

1.4.4. Certificate dated 9th February 2022, issued by M/s. Raghavan, Chaudhuri & Narayanan, Chartered Accountants, the Statutory Auditors of the Company, confirming the accounting treatment prescribed in the Scheme;

1.4.5. Report dated 9th February 2022 of the Audit Committee of the Company; and

1.4.6. Report dated 9th February 2022 of the Committee of the Independent Directors of the Company.

1.5. The Board noted that the Scheme, *inter alia*, provides for the (i) issue of Non-Convertible Redeemable Preference Shares ("NCRPS") of the Company by way of bonus to the shareholders of the Company by utilising its general reserves/retained earnings; (ii) amalgamation of the Transferor Company 1 with the Company and cancellation of the share capital of the Company held by the Transferor Company 1 and the consideration thereof; (iii) amalgamation of the Transferor Company 2 with the Company and cancellation of the share capital of the Company held by the Transferor Company 2 and the consideration thereof; and (iv) demerger, transfer and vesting of the Demerged Undertaking (as defined in the Scheme) from the Company into the Resulting Company on a going concern basis, reduction and cancellation of the paid-up share capital of the Resulting Company held by the Company and the consequent issue of shares by the Resulting Company.

2. Share Entitlement Ratio Report and issue of consideration pursuant to the Scheme

2.1. For issue of NCRPS of the Company by way of bonus

The Company shall issue 116 NCRPS of face value of INR 10 each fully paid up, for every 1 equity share of INR 5 each fully paid up held by equity shareholder of the Company.

2.2. For amalgamation of Transferor Company 1 with the Company

The Company shall issue and allot 1,30,94,460 equity shares of INR 5 each fully paid up and 151,89,57,360 NCRPS of INR 10 each fully paid up to shareholders of the Transferor Company 1, in the proportion of the number of shares held by the shareholders in the Transferor Company 1. In the event, the Transferor Company 1, holds less than 1,30,94,460 equity shares of the Company and/ or 151,89,57,360 NCRPS of the Company (without incurring additional liability) on the Effective Date 2 (as defined in the Scheme), the shares to be issued by the Company in consideration of the amalgamation of the Transferor Company 1, shall stand reduced by such decreased number of shares held by the Transferor Company 1.

2.3. For amalgamation of Transferor Company 2 with the Company

The Company shall issue and allot 19 equity shares of INR 5 each fully paid up of the Company to shareholders of the Transferor Company 2, in the proportion of the number of equity shares held by the shareholders in the Transferor Company 2.

2.4. For demerger, transfer and vesting of the Demerged Undertaking from Company into the Resulting Company

The Resulting Company shall issue the following consideration:

i. 1 equity share of INR 5 each fully paid up to the shareholders of the Company, for every 1 equity share of INR 5 each held by such shareholder; and

ii. 1 NCRPS of INR 10 each fully paid up to the shareholders of the Company, for every 1,000 NCRPS held by such shareholder.

2.5. The Registered Valuer has certified that the abovementioned consideration for the proposed Scheme, is fair.

2.6. No special valuation difficulties were reported.

3. Effect of the Scheme on the shareholders (promoter and non-promoter) of the Company

3.1. In terms of Part II of the Scheme, the Company will issue NCRPS of the Company by way of bonus to all its shareholders (promoter and non-promoter) of the Company by utilising its general reserves/ retained earnings. Pursuant to Part II of the Scheme, there will be no change in equity shareholding pattern of the Company. The NCRPS issued will be listed on the recognized stock exchanges;

3.2. In terms of Part III of the Scheme, the share capital consisting of equity shares and NCRPS held by the Transferor Company 1 in the Company will be cancelled and the Transferor Company 1 will be wound up. Further, the Company shall issue consideration, in form of identical equity shares and NCRPS as held by the Transferor Company 1 in Company as on the Effective Date 2, to the shareholders of the Transferor Company 1 for amalgamation of the Transferor Company 1 with the Company. Such equity shares and NCRPS issued by the Company will be listed on the recognised stock exchanges;

3.3. In terms of Part IV of the Scheme, the NCPRS held by the Transferor Company 2 in the Company (as acquired from the shareholders of the Transferor Company 1 post Effective Date 2 and prior to Effective Date 3) will be cancelled and the Transferor Company 2 will be wound up. Further, the Company shall issue consideration, in the form of equity shares, to all the shareholders of the Transferor Company 2 for amalgamation of the Transferor Company 2 with the Company. Such equity shares issued by the Company will be listed on the recognised stock exchanges;

3.4. In terms of Part V of the Scheme, each equity shareholder (promoter and non-promoter) of the Company would be entitled to the allotment of equity shares in the Resulting Company in same proportion to their equity shareholding in the Company. Such equity shares issued by the Resulting Company will be listed on the recognised stock exchanges. Further, each NCRPS holder (promoter and non-promoter) of the Company would be entitled to the allotment of NCRPS in the Resulting Company in proportion of 1 NCRPS of Resulting Company for every 1,000 NCRPS held in the Company; and

3.5. The proposed restructuring is in the interest of the shareholders of the Company.

4. Effect of the Scheme on the KMPs / Employeesof the Company

Pursuant to the Scheme, the KMPs / Employees concerned of the Demerged Company engaged in or in relation to the Demerged Undertaking shall become employees of the Resulting Company. Further, the Joint Managing Director of the Demerged Company will be designated as the Joint Managing Director of the Resulting Company or such other similar position in the Resulting Company on such terms and conditions which are no less favourable than the existing terms of appointment on which the Joint Managing Director was engaged by the Demerged Company, and the Demerged Company will appoint a new Managing Director after following the due process of law.

In view of the above, the Scheme would be in the best interest of all stakeholders of the Company.

For and on behalf of Sundaram-Clayton Limited

Sd/-

K Gopala Desikan
Director & Group Chief Financial Officer
DIN: 00067107

Place: Chennai
Date: 09.02.2022

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF TVS HOLDINGS PRIVATE LIMITED AT ITS MEETING HELD ON WEDNESDAY, THE 9TH FEBRUARY 2022 EXPLAINING THE EFFECT OF THE COMPOSITE SCHEME OF ARRANGEMENT AMONGST SUNDARAM-CLAYTON LIMITED AND TVS HOLDINGS PRIVATE LIMITED AND VS INVESTMENTS PRIVATE LIMITED AND SUNDARAM-CLAYTON DCD PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ON ITS SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON PROMOTER SHAREHOLDERS

1. Background

1.1. The Board of Directors ("Board") of TVS Holdings Private Limited ("Company" or "Transferor Company 1") at its meeting held on 9th February 2022 have approved the Composite Scheme of Arrangement amongst Sundaram-Clayton Limited ("Transferee Company" or "Demerged Company" or "SCL") and the Company and VS Investments Private Limited ("Transferor Company 2") and Sundaram-Clayton DCD Private Limited ("Resulting Company") and their respective shareholders and creditors, under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Act") ("Scheme").

1.2. Provisions of Section 232(2)(c) of the Act require the Board to adopt a report explaining the effect of the arrangement on each class of shareholders, key managerial personnel ("KMPs"), promoters and non-promoter shareholders of the Company laying out in particular the share exchange ratio and specifying any special valuation difficulties and the same is required to be circulated as part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.

1.3. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.

1.4. The following documents were, *inter alia*, placed before the Board:

1.4.1. Draft Scheme;

1.4.2. Share Entitlement Ratio Report dated 9th February 2022 issued by Ms Drushti R Desai (Registration No. IBBI/RV/06/2019/10666) Registered Valuer ("Share Entitlement Ratio Report"), describing the methodology adopted by them in arriving at the share entitlement ratio; and

1.4.3. Certificate dated 9th February 2022, issued by M/s. Raghavan, Chaudhuri & Narayanan, Chartered Accountants, the Statutory Auditors of the Company, confirming the accounting treatment prescribed in the Scheme.

1.5. The Board noted that the Scheme, *inter alia*, provides for the (i) issue of Non-Convertible Redeemable Preference Shares ("NCRPS") of the Transferee Company by way of bonus to the shareholders of the Transferee Company by utilising its general reserves/retained earnings; (ii) amalgamation of the Company with the Transferee Company and cancellation of the share capital of the Transferee Company held by the Company and the consideration thereof; (iii) amalgamation of the Transferor Company 2 with the Transferee Company and cancellation of the share capital of the Transferee Company held by the Transferor Company 2 and the consideration thereof; and (iv) demerger, transfer and vesting of the Demerged Undertaking (as defined in the Scheme) from the Demerged Company into the Resulting Company on a going concern basis, reduction and cancellation of the paid-up share capital of the Resulting Company held by the Demerged Company and the consequent issue of shares by the Resulting Company.

2. Share Entitlement Ratio Report and issue of consideration pursuant to the Scheme

2.1. For amalgamation of the Company with the Transferee Company as on Effective Date 2 (as defined in the Scheme)

The Transferee Company shall issue and allot 1,30,94,460 equity shares of INR 5 each fully paid up and 151,89,57,360 NCRPS of INR 10 each fully paid up to shareholders of the Company, in the proportion of the number of shares held by the shareholders in the Company. In the event, the Company, holds less than 1,30,94,460 equity shares of the Transferee Company and/ or 151,89,57,360 NCRPS of the Transferee Company (without incurring additional liability) on the Effective Date 2 (as defined in the Scheme), the shares to be issued by the Transferee Company in consideration of the amalgamation of the Company, shall stand reduced by such decreased number of shares held by the Company.

2.2. The Registered Valuer has certified that the abovementioned consideration for the proposed Scheme, is fair.

2.3. No special valuation difficulties were reported.

3. Effect of the Scheme on the shareholders (promoter and non-promoter) of the Company

3.1. In terms of Part III of the Scheme, the share capital consisting of equity shares and NCRPS held by the Company in the Transferee Company will be cancelled. Further, the Transferee Company shall issue consideration, in form of identical equity shares and NCRPS as held by the Company in the Transferee Company as on the Effective Date 2, to the shareholders of the Company for amalgamation of the Company with the Transferee Company. Such equity shares and NCRPS issued by the Transferee Company will be listed on the recognised stock exchanges; and

3.2. Further, pursuant to the Scheme, the Company will be dissolved without winding up.

4. Effect of the Scheme on the KMPs / Employees of the Company

Pursuant to the Scheme, the KMPs / Employees concerned of the Company if any, shall become employees of the Transferee Company without any interruption in their service.

In view of the above, the Scheme would be in the best interest of all stakeholders of the Company.

For and on behalf of TVS Holdings Private Limited

Sd/-

K Gopala Desikan
Director
DIN: 00067107

Place: Chennai
Date : 09.02.2022

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF VS INVESTMENTS PRIVATE LIMITED AT ITS MEETING HELD ON 9TH FEBRUARY 2022 EXPLAINING THE EFFECT OF THE COMPOSITE SCHEME OF ARRANGEMENT AMONGST SUNDARAM-CLAYTON LIMITED AND TVS HOLDINGS PRIVATE LIMITED AND VS INVESTMENTS PRIVATE LIMITED AND SUNDARAM-CLAYTON DCD PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ON ITS SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON PROMOTER SHAREHOLDERS

1. Background

1.1. The Board of Directors ("Board") of VS Investments Private Limited ("Company" or "Transferor Company 2") at its meeting held on 9th February 2022 have approved the Composite Scheme of Arrangement amongst Sundaram-Clayton Limited ("Transferee Company" or "Demerged Company" or "SCL") and TVS Holdings Private Limited ("Transferor Company 1") and the Company and Sundaram-Clayton DCD Private Limited ("Resulting Company") and their respective shareholders and creditors, under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Act") ("Scheme").

1.2. Provisions of Section 232(2)(c) of the Act require the Board to adopt a report explaining the effect of the arrangement on each class of shareholders, key managerial personnel ("KMPs"), promoters and non-promoter shareholders of the Company laying out in particular the share exchange ratio and specifying any special valuation difficulties and the same is required to be circulated as part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.

1.3. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.

1.4. The following documents were, *inter alia*, placed before the Board:

1.4.1. Draft Scheme;

1.4.2. Share Entitlement Ratio Report dated 9th February 2022 issued by Ms Drushti R Desai (Registration No. IBBI/RV/06/2019/10666) Registered Valuer ("Share Entitlement Ratio Report"), describing the methodology adopted by them in arriving at the share entitlement ratio; and

1.4.3. Certificate dated 9th February 2022, issued by M/s. Raghavan, Chaudhuri & Narayanan, Chartered Accountants, the Statutory Auditors of the Company, confirming the accounting treatment prescribed in the Scheme.

1.5. The Board noted that the Scheme, *inter alia*, provides for the (i) issue of Non-Convertible Redeemable Preference Shares ("NCRPS") of the Transferee Company by way of bonus to the shareholders of the Transferee Company by utilising its general reserves/retained earnings; (ii) amalgamation of the Transferor Company 1 with the Transferee Company and cancellation of the share capital of the Transferee Company held by the Transferor Company 1 and the consideration thereof; (iii) amalgamation of the Company with the Transferee Company and cancellation of the share capital of the Transferee Company held by the Company and the consideration thereof; and (iv) demerger, transfer and vesting of the Demerged Undertaking (as defined in the Scheme) from the Demerged Company into the Resulting Company on a going concern basis, reduction and cancellation of the paid-up share capital of the Resulting Company held by the Demerged Company and the consequent issue of shares by the Resulting Company.

2. Share Entitlement Ratio Report and issue of consideration pursuant to the Scheme

2.1. For amalgamation of the Company with the Transferee Company as on Effective Date 3 (as defined in the Scheme)

The Transferee Company shall issue and allot 19 equity shares of INR 5 each fully paid up of the Transferee Company to shareholders of the Company, in the proportion of the number of equity shares held by the shareholders in the Company, as on the Effective Date 3.

2.2. The Registered Valuer has certified that the abovementioned consideration for the proposed Scheme, is fair.

2.3. No special valuation difficulties were reported.

3. Effect of the Scheme on the equity shareholders (promoter and non-promoter) of the Company

3.1. In terms of Part IV of the Scheme, the NCPRS held by the Company in the Transferee Company (as acquired from the shareholders of the Transferor Company 1 post Effective Date 2 and prior to Effective Date 3) will be cancelled. Further, the Transferee Company shall issue consideration, in the form of equity shares, to all the shareholders of the Company for amalgamation of the Company with the Transferee Company. Such equity shares issued by the Company will be listed on the recognised stock exchanges;

3.2. Further, pursuant to the Scheme, the Company will be dissolved without winding up.

4. Effect of the Scheme on the KMPs / Employees of the Company

Pursuant to the Scheme, the KMPs / Employees concerned of the Company if any, shall become employees of the Transferee Company without any interruption in their service.

In view of the above, the Scheme would be in the best interest of all stakeholders of the Company.

For and on behalf of VS Investments Private Limited

Sd/-

N Srinivasa Ramanujam
Director
DIN: 07384809

Place : Chennai
Date : 09.02.2022

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SUNDARAM-CLAYTON DCD PRIVATE LIMITED AT ITS MEETING HELD ON 9TH FEBRUARY 2022 EXPLAINING THE EFFECT OF THE COMPOSITE SCHEME OF ARRANGEMENT AMONGST SUNDARAM-CLAYTON LIMITED AND TVS HOLDINGS PRIVATE LIMITED AND VS INVESTMENTS PRIVATE LIMITED AND SUNDARAM-CLAYTON DCD PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ON ITS SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON PROMOTER SHAREHOLDERS

1. Background

1.1. The Board of Directors ("Board") of Sundaram-Clayton DCD Private Limited ("Company" or "Resulting Company") at its meeting held on 9th February 2022 have approved the Composite Scheme of Arrangement amongst Sundaram-Clayton Limited ("Transferee Company" or "Demerged Company" or "SCL") and TVS Holdings Private Limited ("Transferor Company 1") and VS Investments Private Limited ("Transferor Company 2") and the Company and their respective shareholders and creditors, under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Act") ("Scheme").

1.2. Provisions of Section 232(2)(c) of the Act require the Board to adopt a report explaining the effect of the arrangement on each class of shareholders, key managerial personnel ("KMPs"), promoters and non-promoter shareholders of the Company laying out in particular the share exchange ratio and specifying any special valuation difficulties and the same is required to be circulated as part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.

1.3. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.

1.4. The following documents were, *inter alia*, placed before the Board:

1.4.1. Draft Scheme;

1.4.2. Share Entitlement Ratio Report dated 9th February 2022 issued by Ms Drushti R Desai (Registration No. IBBI/RV/06/2019/10666) Registered Valuer ("Share Entitlement Ratio Report"), describing the methodology adopted by them in arriving at the share entitlement ratio; and

1.4.3. Certificate dated 9th February 2022, issued by M/s. Raghavan, Chaudhuri & Narayanan, Chartered Accountants, the Statutory Auditors of the Company, confirming the accounting treatment prescribed in the Scheme.

1.5. The Board noted that the Scheme, *inter alia*, provides for the (i) issue of Non-Convertible Redeemable Preference Shares ("NCRPS") of the Transferee Company by way of bonus to the shareholders of the Transferee Company by utilising its general reserves/retained earnings; (ii) amalgamation of the Transferor Company 1 with the Transferee Company and cancellation of the share capital of the Transferee Company held by the Transferor Company 1 and the consideration thereof; (iii) amalgamation of the Transferor Company 2 with the Transferee Company and cancellation of the share capital of the Transferee Company held by the Transferor Company 2 and the consideration thereof; and (iv) demerger, transfer and vesting of the Demerged Undertaking (as defined in the Scheme) from the Demerged Company into the Company on a going concern basis, reduction and cancellation of the paid-up share capital of the Company held by the Demerged Company and the consequent issue of shares by the Company.

2. Share Entitlement Ratio Report and issue of consideration pursuant to the Scheme

2.1. For demerger, transfer and vesting of the Demerged Undertaking from Demerged Company into the Company

The Company shall issue the following consideration:

i. 1 equity share of INR 5 each fully paid up to the shareholders of the Demerged Company for every 1 equity share of INR 5 each held by such shareholder; and

ii. 1 NCRPS of INR 10 each fully paid up to the shareholders of the Demerged Company for every 1,000 NCRPS held by such shareholder.

2.2. The Registered Valuer has certified that the abovementioned consideration for the proposed Scheme, is fair.

2.3. No special valuation difficulties were reported.

3. Effect of the Scheme on the shareholders (promoter and non-promoter) of the Company

3.1. The Company has issued only one class of shares, i.e. equity shares and all held by the Demerged Company. The existing paid up equity share capital of the Resulting Company shall stand cancelled, extinguished and annulled on new shares being issued to the shareholders of the Demerged Company, as stated above.

3.2. In terms of Part V of the Scheme, each equity shareholder (promoter and non-promoter) of the Demerged Company would be entitled to the allotment of equity shares in the Company in same proportion to their equity shareholding in the Demerged Company. Such equity shares issued by the Company shall be listed on the recognised stock exchanges.

3.3. Further, preference shareholders (promoter and non-promoter) of the Demerged Company would be entitled to 1 NCRPS of INR 10 each fully paid up for every 1,000 NCRPS held in the Company. Such preference shares to be issued by the Company will not be listed on any stock exchanges.

4. Effect of the Scheme on the KMPs / Employees of the Company

Pursuant to the Scheme, there shall be no impact on the existing KMPs/ employees of the Company.

In view of the above, the Scheme would be in the best interest of all stakeholders of the Company.

For and on behalf of Sundaram-Clayton DCD Private Limited

Sd/-

N Srinivasa Ramanujam
Director
DIN: 07384809

Place: Chennai
Date : 09.02.2022

Annexure – X to the Notice of NCLT Convened Meeting
SHARE ENTITLEMENT RATIO REPORT

REPORT ON

RECOMMENDATION OF SHARE ENTITLEMENT RATIO

FOR THE PROPOSED TRANSFERS

PURSUANT TO COMPOSITE SCHEME OF ARRANGEMENT

AMONGST

SUNDARAM-CLAYTON LIMITED

AND

TVS HOLDINGS PRIVATE LIMITED

AND

VS INVESTMENTS PRIVATE LIMITED

AND

SUNDARAM-CLAYTON DCD PRIVATE LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

Drushti R. Desai
Bansi S. Mehta & Co.
Chartered Accountants
Metro House, 3rd Floor
M. G. Road, Dhobi Talao,
Mumbai – 400 020.

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1. Glossary

Abbreviation	Definition
Appointed Dates 1, 2, 3 and 4	Relevant Appointed Dates as per the Scheme
Demerged Undertaking	Manufacturing Business of the Demerged Company as on Appointment Date 4 as per the Scheme
ICAI	Institute of Chartered Accountants of India
IVS	ICAI Valuation Standards
RPS	Redeemable Preference Shares of SCL
SCDPL/ Resulting Company	Sundaram-Clayton DCD Private Limited (erstwhile TVS Commodity Financial Solutions Private Limited)
The Scheme	Draft Composite Scheme of Arrangement between SCL, THPL, VIPL, SCDPL and their respective shareholders and creditors under Section 230-232 of Companies Act, 2013, including rules and regulations made thereunder
SEBI (ICDR) Regulations	Securities And Exchange Board of India (Issue of Capital And Disclosure Requirements) Regulations, 2018
SEBI Master Circular	SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/000000065 dated November 23, 2021
SCL /Demerged Company/ Transferee Company	Sundaram-Clayton Limited
the Companies	SCL, THPL and VIPL have been collectively referred to as the Companies
the Management	Management of SCL
THPL/ Transferor Company 1	TVS Holdings Private Limited
Valuation Date	Respective Appointed Dates as per the Scheme
VIPL/ Transferor Company 2	VS Investments Private Limited

2. Introduction

2.1 There is a proposal before the Boards of Directors Sundaram-Clayton Limited ("SCL" or "Transferee Company" or "Demerged Company"), TVS Holdings Private Limited ("THPL" or "Transferor Company 1"), VS Investments Private Limited ("VIPL" or "Transferor Company 2") and Sundaram-Clayton DCD Private Limited (erstwhile TVS Commodity Financial Solutions Private Limited) ("Resulting Company") to consider, *inter alia*, the following restructuring proposal pursuant to the Composite Scheme of Arrangement under Section 230-232 of Companies Act, 2013, including rules and regulations made thereunder (hereinafter referred to as "the Scheme"):

(i) Step 1: Issue of Preference Shares of SCL to the shareholders of SCL utilising the general reserves/ accumulated profits;

(ii) Step 2: The amalgamation of THPL with SCL and cancellation of the shares of SCL held by THPL and the consideration thereof;

(iii) Step 3: The amalgamation of VIPL with SCL and cancellation of the shares of SCL held by VIPL and the consideration thereof; and

(iv) Step 4: The demerger, transfer and vesting of the Demerged Undertaking from the Demerged Company into the Resulting Company on a going concern basis, reduction and cancellation of the paid-up share capital of the Resulting Company held by the Demerged Company and the consequent issue of shares by the Resulting Company.

2.2 In light of the above, I have been engaged by Management of SCL ("the Management") vide engagement letter dated January 28, 2022 to recommend, the fair ratio of allotment to the shareholders of the Transferor Company 1, Transferor Company 2 and Demerged Company on the Proposed Transfers. This report ("Report") sets out the findings of my exercise.

2.3 Brief Profile of the Companies:

2.3.1 Profile of Sundaram-Clayton Limited

Sundaram-Clayton Limited a public company incorporated under the provisions of the Companies Act, 1956. SCL is engaged in the business of manufacturing non-ferrous gravity and pressure die castings and has four manufacturing plants located in Tamil Nadu. The equity shares of SCL are listed on BSE Limited and the National Stock Exchange of India Limited. SCL is a subsidiary of the THPL. The non-convertible debentures of SCL are listed on the National Stock Exchange of India Limited.

2.3.2 Profile of TVS Holdings Private Limited

TVS Holdings Private Limited is a private company incorporated under the provisions of the Companies Act, 2013. THPL is engaged in the business of holding and making investments and trading of the automobile spares.

2.3.3 Profile of VS Investments Private Limited

VS Investments Private Limited is a private company incorporated under the provisions of the Companies Act, 2013. VIPL is engaged in the business of holding and making investments and trading of raw materials and components relating to automobile industries.

2.3.4 Share Capital of the Companies

The Share Capital of the companies as at December 31, 2021 is as follows:

(i) The share capital of SCL as on 31 December 2021 is as follows:

Particulars	INR
Authorised Share Capital	
5,00,00,000 equity shares of INR 5 each	25,00,00,000
Total	**25,00,00,000**
Issued, Subscribed and Paid Up Capital	
2,02,32,085 equity shares of INR 5 each	10,11,60,425
Total	**10,11,60,425**

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid up share capital of SCL till the date of approval of the Scheme by the Board of SCL.

(ii) The share capital of THPL as on 31 December 2021 is as follows:

Particulars	INR
Authorised Share Capital	
20,00,00,000 equity shares of INR 1 each	20,00,00,000
Total	**20,00,00,000**
Issued, Subscribed and Paid Up Capital	
20,00,00,000 equity shares of INR 1 each	20,00,00,000
Total	**20,00,00,000**

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid up share capital of THPL till the date of approval of the Scheme by the Board of THPL.

(iii) The share capital of the VIPL as on 31 December 2021 is as follows:

Particulars	INR
Authorised Share Capital	
10,00,000 equity shares of INR 1 each	10,00,000
Total	**10,00,000**
Issued, Subscribed and Paid Up Capital	
1,00,000 equity shares of INR 1 each	1,00,000
Total	**1,00,000**

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid up share capital of the VIPL till the date of approval of the Scheme by the Board of the VIPL.

(iv) The share capital of the Resulting Company as on 31 December 2021 is as follows:

Particulars	INR
Authorised Share Capital	
2,500 equity shares of INR 10 each	25,000
Total	**25,000**
Issued, Subscribed and Paid Up Capital	
2,500 equity shares of INR 10 each	25,000
Total	**25,000**

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Resulting Company till the date of approval of the Scheme by the Board of the Resulting Company.

3. Data obtained

4.1 I have called for and obtained such data, information, etc. as were necessary for the purpose of this assignment, which have been, as far as possible, made available to me by the Management. **Appendix A** hereto broadly summarizes the data obtained.

4.1 For the purpose of this assignment, I have relied on such data summarized in the said Appendix and other related information and explanations provided to me in this regard.

4. Consideration of Factors for Determination of Share Entitlement Ratios

4.1 For the purpose of arriving at a fair ratio of entitlement for the proposed transfers, I have examined, considered and placed reliance on various details, data, documents, accounts, statements furnished and explanations and information given to me and have proceeded to find out the ratios on consideration of various factors as follows:

4.2 Fair ratio for the proposed amalgamation of THPL with SCL.

4.2.1 Assets and liabilities of THPL as on January 31, 2022 based on its Audited Balance Sheet are given in Appendix D hereto.

4.2.2 Pursuant to an earlier composite scheme of arrangement for which order of the NCLT dated December 6, 2021 was passed, THPL has, *inter alia*, acquired 1,30,94,460 (64.72%) equity shares of the SCL, effective February 4, 2022. Under the same order, THPL has also been assigned a loan of Rs. 80 Cr. This loan will be repaid out of internal accruals and to the extent not so met will be met out of sale of shares of SCL.

4.2.3 Pursuant to clause 10.1 of the Scheme, SCL will issue Redeemable Preference Shares ("RPS") to THPL.

4.2.4 Further, the cash balance of THPL will be utilized to settle stamp duty dues for the proposed transfer and hence no consideration is required to be issued for the same.

4.2.5 The assets and liabilities of THPL as on Appointed Date 2 would be transferred to SCL at the values as appearing in the books of THPL.

4.2.6 Thus, upon the scheme becoming effective, the shares of SCL held by THPL will vest in SCL. Thereupon, the shareholders of THPL will be allotted shares of SCL.

4.2.7 The Equity Shares of SCL held by THPL as at Appointed Date 2 will stand cancelled and for the shares of SCL previously held by THPL, equivalent number of equity shares of SCL will be issued to the shareholders of THPL. In the event, THPL holds less than 1,30,94,460 equity shares of SCL on the Appointed Date 2, the equity shares to be issued by SCL in consideration of the amalgamation of THPL shall stand reduced by such decreased number of equity shares held in SCL.

4.2.8 RPS of SCL as held by THPL on Appointed Date 2 will stand cancelled upon amalgamation of THPL with SCL and in consideration for the same, new RPS of SCL with same terms will be issued to the shareholders of THPL. Since, the terms of the RPS held by THPL and the new RPS to be issued to the shareholders of THPL are the same, equivalent number of RPS of SCL will be issued to the Shareholders of THPL.

4.2.9 Since assets of THPL as at the Valuation Date will mainly consist of investment in SCL and in consideration an equivalent number of shares of SCL are proposed to be issued under the scheme, I have not carried a valuation of these entities as per the generally accepted principles of valuation.

4.3 Fair ratio for the proposed exchange of loan given to Promoters by VIPL against RPS of SCL held by the Promoters

4.3.1 The Promoters have borrowed from VIPL which is repayable on February 2, 2024.

4.3.2 Pursuant to merger of THPL into SCL the Promoters of THPL would have been allotted RPS of face value of Rs. 10 each carrying a coupon of 9% p.a. and redeemable on February 2, 2024, or 12 months from the date of allotment, whichever is later.

4.3.3 Promoters would settle this loan with interest by transferring the RPS received by them pursuant to amalgamation of THPL with SCL, at fair value as on Appointed Date 2 and the shortfall will be settled with their own funds.

4.4 Fair ratio for the proposed amalgamation of VIPL with SCL

4.4.1 Assets and liabilities of VIPL would be transferred to SCL at values as appearing in the books of VIPL as on Appointed Date 3.

4.4.2 As discussed in para 4.3.3, VIPL will acquire RPS of SCL from the Promoters.

4.4.3 Based on the provisional balance sheet (Appendix E) as of VIPL as on February 8, 2022, provided by the Management, borrowings of VIPL amount to of Rs. 1,720 Cr. and VIPL's net-worth was Rs. 78,504/-.

4.4.4 As mentioned above, all assets and liabilities of VIPL are to be transferred at their book values and accordingly, equity shares of SCL will be issued in consideration for the same at the value of the net-worth of VIPL as per its financial statements as at the Appointed Date 3.

4.4.5 For the purpose of determining the number of Equity Shares to be issued in consideration for the amalgamation of VIPL, the value per share of SCL has been taken as Rs. 4,195/- being the value per Share of SCL as per Regulation 164 (1) of SEBI (ICDR) Regulations, 2018, as on February 8, 2022. It may be noted that the above value of the Equity Shares of SCL as per ICDR Regulations is without considering the impact of issue of bonus RPS to the equity shareholders. The issue of bonus RPS could have a downward impact on the value of shares. Accordingly, the value considered for issue of shares by SCL is considered on a higher side. This would result in a lower number of equity shares of SCL being issued to the Promoter Family and does not go against the interest of the public shareholders. However, if the ICDR price on Appointed Date 3 is higher than Rs. 4,195/-, the same will prevail.

4.4.6 Since assets of VIPL as at the Valuation Date will mainly consist of investment in SCL and in consideration a nominal number of shares of SCL are proposed to be issued under the scheme, I have not carried a valuation of these entities as per the generally accepted principles of valuation.

4.5 Fair Ratio for the Proposed Demerger of the Demerged Undertaking into the Resulting Company

4.5.1 The assets and liabilities identified as pertaining to or in relation to the Demerged Undertaking would be transferred to the Resulting Company at values appearing in the books of the Demerging Company as on Appointed Date 4, pursuant to the Scheme.

4.5.2 In consideration of the transfer all the shareholders of SCL will be allotted shares of the Resulting Company. Accordingly, the equity shareholders of SCL will receive equity shares in the Resulting Company and the RPS holders of SCL will receive RPS in the Resulting Company.

4.5.3 Hence, there is no need to adjust the equities between the disparate set of shareholders.

4.5.4 Upon implementation of the Scheme, all shareholders of SCL would become shareholders in the Resulting Company. Since, there is no change in the shareholding pattern, I have not carried a valuation of these entities as per the generally accepted principles of valuation.

4.6 It may be noted that the Institute of Chartered Accountants of India (ICAI) on June 10, 2018 has issued the ICAI Valuation Standards ("IVS") effective for all the valuation reports issued on or after July 1, 2018. The IVS is mandatory for the valuation done under the Companies Act, 2013, and recommendatory for valuation carried out under other statutes/ requirements. However, as the current exercise does not entail valuation, the question of following the Valuation Standards does not arise.

5. Conclusion

Based on the foregoing data, considerations and steps followed, in my opinion the fair ratios of entitlement for the proposed transfers would be as follows:

(i) For merger of THPL into SCL:
For 20,00,00,000 Equity Shares of Re. 1 Each held in THPL, 1,30,94,460 Equity Shares of SCL of Rs. 5/- each and 1,51,89,57,360 Redeemable Preference Shares of SCL of Rs. 10/- each to be distributed among the shareholders of THPL in the proportion of their holding. In the event, THPL holds less than the above stated number of equity shares and RPS of SCL on the Appointed Date 2, the equity shares and RPS to be issued by SCL in consideration of the amalgamation of THPL shall stand reduced by such decreased number of equity shares and RPS held in SCL.

(ii) For merger of VIPL into SCL:
For every 1,00,000 Equity Shares of Rs. 1/- each held in VIPL, 19 Equity Shares of SCL of Rs. 5/- each to be distributed among the shareholders of VIPL in the proportion of their holding.

(iii) For demerger of SCL
For every 1 Equity Share of Rs. 5/- each held in SCL, 1 Equity Shares of the Resulting Company of Rs. 5/- each and 1 RPS of Rs. 10/- each for every 1000 RPS held in SCL.

6. Limitations and Disclaimers

6.1 This Report is subject to the scope of limitations detailed hereinafter. The Report is to be read in totality and not in parts.

6.2 My valuation is based on the information furnished to me being complete and accurate in all material respects.

6.3 This Report is meant for the specific purpose mentioned herein and should not be used for any purpose other than the purpose mentioned herein. The Report should not be copied or reproduced without obtaining prior written approval for any purpose other than the purpose for which it is prepared.

6.4 This Report is based on conditions precedent as mentioned in the approach. In case they are not followed, this Report would not hold good.

6.5 Any person/ party intending to provide finance / deal in the shares / business of the Company shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.

6.6 I have no obligation to update this Report because of events or transactions occurring subsequent to the date of this Report.

7. Gratitude

I am grateful to the Management for making information and particulars available to me, often at a short notice, without which this assignment would not have been concluded in a time-bound manner.

DRUSHTI R. DESAI
Registered Valuer
Registration Number: IBBI/RV/06/2019/10666

Place: Mumbai
Date: February 9, 2022
UDIN: 22102062ABAGHB4507

Appendix A: Broad Summary Of Data Obtained

From the Management:

1. Audited Financial Statements of THPL and VIPL for period ended 31st January 2022.
2. Limited Reviewed financials of SCL, period ended 31st December 2021.
3. Draft Composite Scheme of Arrangement between SCL, THPL, VIPL, SCDPL and their shareholders.
4. Other relevant information
5. Answers to specific questions and issues raised by me after examining the foregoing data.

Appendix B: Workings for the fair share exchange ratio recommended

(i) Fair Ratio for the Proposed Amalgamation of TVS Holdings Pvt. Limited into Sundaram-Clayton Limited

Particulars	Reference	Units
Paid up Share Capital of SCL	A	2,02,32,085
Equity Stake of THPL in SCL (%)	B	64.72%
Equity Shares held by THPL in SCL	C=A*B	1,30,94,460
Paid up Share Capital of THPL	D	20,00,00,000

(ii) Fair Ratio for the Proposed Amalgamation of VS Investments Private Limited into Sundaram-Clayton Limited

Particulars	Reference	Units
Net Worth of VIPL (as of 8th February 22) (in Rs.)	A	78,504
Value per Share of SCL (Rs.)	B	4,195
Equity Shares of SCL to be issued	C= A/B	19
Paid up Share Capital of VIPL	D	1,00,000

Appendix C: Disclosure required under SEBI Master Circular

(i) **For the Proposed Amalgamation of THPL into SCL.**

The disclosure required under SEBI Master Circular is given hereunder:

Valuation Approach	THPL		SCL	
	Value per Share (Rs.)	Weight	Value per Share (Rs.)	Weight
Market Price method	NA	NA	NA	NA
Earnings based Method	NA	NA	NA	NA
Cost based approach	NA	NA	NA	NA
Relative Value per Share	NA		NA	
Share Entitlement Ratio (A/B) (Rounded)			**NA**	

(ii) **For the Proposed Amalgamation of VIPL into SCL**

The disclosure required under SEBI Master Circular is given hereunder:

Valuation Approach	VIPL		SCL	
	Value per Share (Rs.)	Weight	Value per Share (Rs.)	Weight
Market Price method	NA	NA	4,195	1
Earnings based Method	NA	NA	NA	NA
Cost based approach	0.78	1	NA	NA
Relative Value per Share	NA		4,195	
Share Entitlement Ratio (A/B) (Rounded)			**19 equity shares of SCL for 1,00,000 equity shares held in VIPL**	

(iii) **For the Proposed Demerger of Demerged Entity into Resulting Entity**

Upon implementation of the Scheme, all shareholders of SCL would become shareholders in the Resulting Company leading to a mirror image shareholding of the two companies. Therefore, there is no change in shareholding as given in Para 4.5.2 and hence I have not

carried out a valuation of these entities under the generally accepted principles of valuation. The disclosure required under SEBI Master Circular is given hereunder:

Valuation Approach	Demerged Company		Resulting Company	
	Value per Share (Rs.)	Weight	Value per Share (Rs.)	Weight
Market Price method	NA	NA	NA	NA
Earnings based Method	NA	NA	NA	NA
Cost based approach	NA	NA	NA	NA
Relative Value per Share	NA		NA	
Share Entitlement Ratio (A/B) (Rounded)			**NA**	

Appendix D:. Audited Balance Sheet of THPL as at January 31, 2022

(Rs in Cr.)

	Particulars	As at 31st January 2022	As at 31st March 2021
I.	**EQUITY AND LIABILITIES**		
	Shareholders Funds		
	(a) Share Capital	20.00	1.16
	(b) Reserves and surplus	(4.86)	(0.3)
	Total Equity and Liabilities	**15.14**	**1.13**
	Non-Current Liabilities	-	-
	Current Liabilities		
	(a) Trade payables	0.15	0.00
	(b) Other current liabilities	0.00	-
	(c) Short-term provisions	4.70	-
	Total Liabilities	4.85	**0.00**
	TOTAL	19.99	**1.13**
II.	**ASSETS**		
	Non-current assets		
	(a) Property, Plant & Equipment	-	-
	(b) Long-term loans and advances	-	-
	(c) Deferred Tax Assets(net)	-	-
	Total Non-Current Assets	-	-
	Current assets		
	(a) Trade Receivables	0.17	-
	(b) Cash and cash equivalents	19.82	1.13
	Total Assets	19.99	**1.13**
	TOTAL	19.99	**1.13**

Appendix E: Provisional Balance Sheet of VIPL as at February 8, 2022

(Rs in Cr.)

Particulars	As at 8th February 2022
ASSETS	
Current assets	
Inventories	
Financial assets	
i. Trade receivables	
ii. Cash and cash equivalents	74.76
iii. Bank balances other than (ii) above	
iv. Investments	
v. Other financial assets	1,649.00
Current tax assets (Net)	
Other current assets	23.83
Total current assets	**1,747.59**
Total Assets	**1,747.59**
EQUITY AND LIABILITIES	
Equity	
Equity share capital	0.01
Fresh issue of Equity shares	3.76
Redeemable Preference Shares	
General reserve	
Securities Premium Reserve	
Retained earnings – Operational	-3.76
Other equity	**-3.76**
Total equity	**0.01**
Liabilties	
Current liabilities	
Financial liabilities	
i. Borrowings	1,720.00
ii. Lease liability	
iii. Trade payables	
iv. Other financial liabilities	27.59
Other current liabilities	
Provisions	
Total Liabilities	**1,747.59**
Total equity and liabilities	**1,747.59**

Exhibit A

Drushti R. Desai
Registered Valuer

Address:
Bansi S. Mehta & Co
Metro House, 3rd Floor,
Dhobi Talao, M. G. Road,
Mumbai - 400 020

April 06, 2022

To,

Sundaram-Clayton Limited	**TVS Holdings Private Limited**	**VS Investments Private Limited**	**Sundaram-Clayton DCD Private Limited**
"Chaitanya" No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006.	"Chaitanya" No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006.	"Chaitanya" No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006.	"Chaitanya" No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006.

Dear Sir/ Madam,

SUB: Addendum to the Report dated February 09, 2022 recommending ratio of share entitlement ("Share Entitlement Ratio Report" or "the Report") for the proposed amalgamation of TVS Holdings Private Limited ("THPL") and VS Investments Private Limited ("VIPL") into Sundaram Clayton Limited ("SCL")

This letter is in response to your email dated April 05, 2022 requesting me to update the Share Entitlement Ratio Report for captioned subject on account of the Composite Scheme of Amalgamation and Arrangement involving, inter alia, T.V. Sundram Iyengar & Sons Private Limited ("TVSS"), Sundaram Industries Private Limited, Southern Roadways Private Limited and TVS Holdings Private Limited ("THPL"), as approved vide National Company Law Tribunal Order dated December 6, 2021, was made effective on January 6, 2022 (First appointed Date). As per the Scheme, the auto parts business and die casting business undertaking was transferred and vested with THPL, on February 4, 2022 (Second Appointed Date), after 18 business days from the First Appointed Date.

Pursuant to the said scheme, 2,010 fully paid-up equity shares of INR 1/- each of THPL are issued and allotted for every 1,00,000 Equity Shares of Rs. 100 each held by the shareholders of TVSS, as consideration. Accordingly, 31,664 equity shares of THPL were allotted on 1st March 2022.

The Share Entitlement Ratio Report issued by us considers the share capital of THPL as 20,00,00,000 Equity Shares of INR 1/- each on February 9, 2022, being the date of the Report. However, pursuant to the aforesaid allotment, the number of shares of THPL is 20,00,31,664 Equity Shares of INR 1/- each.

Accordingly, our recommendation of fair exchange ratio in the Share Entitlement Ratio Report at para 5(i) should be read as under:

<u>For merger of THPL into SCL</u>

For 20,00,31,664 Equity Shares of Re. 1 Each held in THPL, 1,30,94,460 Equity Shares of SCL of Rs. 5/- each and 1,51,89,57,360 Redeemable Preference Shares of SCL of Rs. 10/- each to be distributed among the shareholders of THPL in the proportion of their holding. In the event, THPL holds less than the above stated number of equity shares and RPS of SCL on the

DRUSHTI RAHUL DESAI * REGISTERED VALUER *

Appointed Date 2, the equity shares and RPS to be issued by SCL in consideration of the amalgamation of THPL shall stand reduced by such decreased number of equity shares and RPS held in SCL.

Terms not defined in this letter should take its meaning from the Report.

This letter should be read along with my Share Entitlement Report and the limitations mentioned therein.

DRUSHTI RAHUL DESAI ★ REGISTERED VALUER ★

DRDesai

DRUSHTI R. DESAI
Registered Valuer
Registration Number: IBBI/RV/06/2019/10666
Place: Mumbai
Date: April 06, 2022
UDIN:- 22102062AGNEWD4064

Drushti R. Desai
Registered Valuer

Address:
Bansi S. Mehta & Co
Metro House, 3rd Floor,
Dhobi Talao, M. G. Road,
Mumbai - 400 020

May 13, 2022

To,

Sundaram-Clayton Limited	TVS Holdings Private Limited	VS Investments Private Limited	Sundaram-Clayton DCD Private Limited
"Chaitanya" No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006.	"Chaitanya" No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006.	"Chaitanya" No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006.	"Chaitanya" No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006.

Dear Sir/ Madam,

SUB: Addendum to the Report dated February 09, 2022 recommending ratio of share entitlement ("Share Entitlement Ratio Report" or "the Report") for the proposed amalgamation of TVS Holdings Private Limited ("THPL") and VS Investments Private Limited ("VIPL") into Sundaram Clayton Limited ("SCL")

Upon Amalgamation of VIPL, shares of SCL are to be allotted to the shareholders of VIPL. This is on a future date after several other transactions are undertaken in SCL. It is for this reason that we had discussed about the impact on the market price under SEBI (ICDR) Regulations, 2018. This may not be required considering that the Relevant Date is only the date of the Board meeting approving the scheme for the captioned transaction. In view of the foregoing, para 4.4.5 of the Report should read as follows:

4.4.5 For the purpose of determining the number of Equity Shares to be issued in consideration for the amalgamation of VIPL, the value per share of SCL has been taken as Rs. 4,195/- being the value per Share of SCL as per Regulation 164 (1) of SEBI (ICDR) Regulations, 2018, as on February 8, 2022.

Terms not defined in this letter should take its meaning from the Report.

This letter should be read along with my Share Entitlement Report and the limitations mentioned therein.

DRUSHTI R. DESAI
Registered Valuer
Registration Number: IBBI/RV/06/2019/10666
Place: Mumbai
Date: May 13, 2022

Annexure – XI to the Notice of NCLT Convened Meeting
FAIRNESS OPINION REPORT

Strictly Private and Confidential

Date: 09th February 2022

To,
The Board of Directors
Sundaram-Clayton Limited
Chaitanya, No. 12, Khader Nawaz Khan Road,
Nungambakkam, Chennai – 600 006

Dear Sirs/Madams,

Subject: Fairness Opinion on the share entitlement ratios as suggested by the appointed registered valuer Ms. Drushti Desai, for the proposed transfers pursuant to the Draft Composite Scheme Of Arrangement Amongst Sundaram-Clayton Limited ("SCL") And TVS Holdings Private Limited ("THPL") And VS Investments Private Limited ("VIPL") And Sundaram-Clayton DCD Private Limited ("SCDPL") And Their Respective Shareholders And Creditors

We, SBI Capital Markets Limited (hereinafter referred to as **"SBICAP"**), understand that pursuant to a draft composite scheme of arrangement (the **"Proposed Scheme"**), under sections 230 to 232 of the Companies Act, 2013, including rules and regulations made thereunder, amongst Sundaram-Clayton Limited (**"SCL"** or **"Transferee Company"** or **"Demerged Company"**) And TVS Holdings Private Limited (**"THPL"** or **"Transferor Company 1"**) And VS Investments Private Limited (**"VIPL"** or **"Transferor Company 2"**) And **Sundaram-Clayton DCD Private Limited ("SCDPL")** And Their Respective Shareholders And Creditors, amalgamation of THPL into SCL and amalgamation of VIPL into SCL (Collectively **"Proposed Amalgamation"**) and demerger of SCL (**"Proposed Demerger"**) are proposed.

SCL, THPL, VIPL and SCDPL are individually or collectively referred to as the **"Transacting Companies"**.

We further understand that Management of SCL (**"Management"**) has obtained a report dated 09th February 2022 (the **"Report"**) from Drushti R. Desai, - Registered Valuer (the **"Registered Valuer"** or **"DD"**). recommending the fair ratio of share entitlement to the shareholders of the SCL, THPL and VIPL on the Proposed Transfers.

In this regard, SBICAP has been requested by the Management to give a **"Fairness Opinion Report"** on the fair ratio of share entitlement mentioned above and set out in the Report.

SBICAP has not undertaken the valuation of the Transacting Companies. The valuation exercise for the Proposed Scheme has been done by DD. We have examined the Report dated 09th February 2022 submitted by DD to the Transacting Companies. We have not independently checked or verified the assumptions made by DD. We have reviewed the historical financial and business

SBI CAPITAL MARKETS LIMITED
Registered Office: 202, Maker Tower 'E', Cuffe Parade, Mumbai 400 005. Tel: +91 22 22178300, Fax: +91 22 22188332
Email: corporate.office@sbicaps.com Web: www.sbicaps.com CIN: U99999MH1986PLC040298
A Subsidiary of State Bank of India

information of the Transacting Entities and other relevant information from publicly available sources, and have taken into account such other matters as we deemed necessary including our assessment of general economic, market and monetary conditions.

For arriving at the opinion, we have used the below information:

- Reviewed the draft of the composite scheme of arrangement
- Reviewed the Report issued by Registered Valuer
- Received and reviewed explanations and information provided by the Management and representatives of the Transacting Companies

In addition to the above, we have had discussions with the representatives of the Transacting Companies and Registered Valuer on the business operations of Transacting Companies, draft of the composite scheme of arrangement, Report issued by Registered Valuer and on such matters which we believe are necessary or appropriate for the purpose of issuing the Fairness Opinion Report.

We have not conducted any evaluation of the solvency or fair value of the Transacting Companies, under any laws relating to bankruptcy, insolvency or similar matters. In addition, we have not assumed any obligation to conduct any physical inspection of the properties or facilities of the Transacting Companies. We have assumed and relied upon the truth, accuracy and completeness of the information, data and financial documents provided to us; we have assumed that the same are not misleading and do not assume or accept any liability or responsibility for any independent verification of such information or any independent technical valuation or appraisal of any of the assets, operations or liabilities of the Transacting Companies.

Our Fairness Opinion Report does not factor overall economic environment risk and other risks and is purely based on the information and representations provided to us. We have not assumed the risk of any material adverse change having an impact on the business of the Transacting Companies. It should be understood that in case of any subsequent developments we do not have any obligation to update, revise, or reaffirm this Fairness Opinion Report.

We express no view as to, and our Fairness Opinion Report does not address, the underlying business decision of Transacting Companies to effect the Proposed Scheme or the merits of the Proposed Scheme nor does it constitute any kind of recommendation to any shareholder or creditor of the Transacting Companies as regards to the Proposed Scheme or any matter related thereto. In addition, this Fairness Opinion Report does not address the fairness to, or any other consideration of, the holders of any class of securities, creditors or other constituencies of the Transacting Companies. The Fairness Opinion relies upon the truth of the information that all direct and contingent liabilities of the Transacting Companies have been factored in the Report for arriving of the share entitlement ratios. The Fairness Opinion Report relies upon the truth of the information

that there are no defaults to the Lenders of the Transacting Companies as on date of the Report. We are not expressing any suggestion or opinion herein as to the price at which the shares of SCL will trade following the announcement of consummation of the Proposed Scheme. To the extent that the conclusions are based on projections, SBICAP expresses no opinion on the achievability of those forecasts.

This Fairness Opinion Report is provided solely for the benefit of the Board of Directors of the SCL and shall not confer rights or remedies upon, any shareholder of the Transacting Companies or any other person other than the members of the Board of Directors of SCL or be used for any other purpose. This Fairness Opinion Report is only a free and fair opinion and does not constitute a commitment by SBICAP to underwrite, subscribe for or place any securities or to extend or arrange credit or to provide any other services. Disputes, if any, regarding this Fairness Opinion Report will be governed by and construed in accordance with the laws of India and the Courts in Mumbai, India shall have exclusive jurisdiction in this regard.

As per the report dated 09th February 2022 issued by the Registered Valuer, fair ratios of share entitlement for the proposed transfers would be as follows:

1. For merger of THPL into SCL: For 20,00,00,000 Equity Shares of Re. 1 Each held in THPL, 1,30,94,460 Equity Shares of SCL of Rs. 5/- each and 1,51,89,57,360 Redeemable Preference Shares of SCL of Rs. 10/- each to be distributed among the shareholders of THPL in the proportion of their holding. In the event, THPL holds less than the above stated number of equity shares and RPS of SCL on the Appointed Date 2, the equity shares and RPS to be issued by SCL in consideration of the amalgamation of THPL shall stand reduced by such decreased number of equity shares and RPS held in SCL.
2. For merger of VIPL into SCL: For every 1,00,000 Equity Shares of Rs. 1/- each held in VIPL, 19 Equity Shares of SCL of Rs. 5/- each to be distributed among the shareholders of VIPL in the proportion of their holding.
3. For demerger of SCL: For every 1 Equity Share of Rs. 5/- each held in SCL, 1 Equity Shares of the Resulting Company of Rs. 5/- each and 1 RPS of Rs. 10/- each for every 1,000 RPS held in SCL.

On the basis of and subject to the foregoing, to the best of our knowledge and belief, it is our view that, as of the date hereof, the proposed share entitlement ratios set out above are fair, from a financial point of view.

Thanking you,

Yours faithfully,
For SBI Capital Markets Limited

SBI CAPITAL MARKETS LIMITED NEW DELHI

Name: Punit Malik
Designation: Vice President

Disclaimer

This fairness opinion report ("Certificate" or "This certificate" or "this certificate" or "Fairness Opinion Report") contains proprietary and confidential information regarding Transacting Companies. This certificate is issued for the exclusive use and benefit of the SCL and/or Transacting Companies as per the Engagement letter dated 08th February 2022. This certificate has been issued by SBI Capital Markets Limited ("SBICAP"), on the basis of the information available in the public domain and sources believed to be reliable and the information provided by the Management and representatives of Transacting Companies, including the Report provided by Registered Valuer. This Certificate is issued by SBICAP in the capacity of an Independent merchant banker, on the Report dated 09th February 2022 issued by Registered Valuer.

This certificate is issued by SBICAP without regard to specific objectives, suitability, financial situations and needs of any particular person and does not constitute any recommendation, and should not be construed as an offer to sell or the solicitation of an offer to buy, purchase or subscribe to any securities mentioned therein. Nothing in these materials is intended by SBICAP to be construed as legal, accounting, technical or tax advice. Past performance is not a guide for future performance. Forward-looking statements are not predictions and may be subject to change without notice. Actual results may differ materially from these forward-looking statements due to various factors. This certificate has not been or may not be approved by any statutory or regulatory authority in India or by any Stock Exchange in India. This certificate may not be all inclusive and may not contain all of the information that the recipient may consider material.

This certificate and information contained herein or any part of it does not constitute or purport to constitute investment advice in publicly accessible media and should not be printed, reproduced, transmitted, sold, distributed or published by the recipient without the prior written approval from SBICAP, except to the Board of Directors of the Transacting Companies, to the stock exchanges (NSE and BSE) and Securities and Exchange Board of India (SEBI). The distributing/taking/sending/dispatching/transmitting of this document in certain foreign jurisdictions may be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions.

Neither SBICAP and its affiliates, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of this document. This document may contain confidential, proprietary and/or legally privileged information and it must be kept confidential by the recipient.

SBICAP has not carried out any due – diligence independently in verifying the accuracy or veracity of data provided by the representatives of the Transacting Companies and/or Valuer and SBICAP assumes no liability for the accuracy, authenticity, completeness or fairness of the data provided by the representatives of the Transacting Companies and/or Valuer . SBICAP has also assumed that the business continues normally without any disruptions.

Neither SBICAP nor State Bank of India or any of its associates, nor any of their respective Directors, officers, employees, agents or advisors or affiliate of any such person or such persons make any expressed or implied representation or warranty and no responsibility or liability is accepted by any of them and is expressly disclaimed with respect to the accuracy, completeness, authenticity or reasonableness of the facts, opinions, estimates, forecasts, projections or other information provided by the representatives of the Transacting Companies and set forth in this certificate, or the underlying assumptions on which they are based and nothing contained herein is or shall be relied upon as a promise or representation regarding the historic or current position or performance of the Transacting Companies or any future events or performance of the Transacting Companies.

This certificate is divided into chapters & sub-sections only for the purpose of reading convenience. Any partial reading of this certificate may lead to inferences, which may be at divergence with the conclusions and opinions based on the entirety of this certificate.

The opinion of SBICAP ("Fairness Opinion Report") under this Certificate is not intended to and does not constitute a recommendation to any shareholders as to how such shareholder should vote or act in connection with the scheme or any matter related therein. The opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed amalgamation/merger/de-merger/arrangement scheme with the provisions of any law including company law, taxation and capital market related laws or as regards any legal implications or issues arising thereon. SBICAP assumes no responsibility for updating or revising our opinion based on circumstances or events occurring after the date hereof. SBICAP does not express any opinion as to the price at which shares of the resultant entity may trade at any time, including subsequent to the date of this opinion. In rendering the Opinion, SBICAP has assumed, that the scheme will be implemented on the terms described therein, without any waiver or modification of any material terms or conditions, and that in the course of obtaining the necessary regulatory or third party approvals for the scheme, no delay, limitation, restriction or condition will be imposed that would have an adverse effect on the entities under the scheme and / or its holding or subsidiaries or affiliates and their respective shareholders.

In the past, SBICAP may have provided, and may currently or in the future provide, investment banking services to the entities under the scheme and / or its holding or subsidiaries or affiliates and their respective shareholders, for which services SBICAP has received or may receive customary fees. In addition, in the ordinary course of their respective businesses, affiliates of SBICAP may actively trade in securities of the entities under the scheme and / or its holding or subsidiaries or affiliates and their respective shareholders for their own accounts and for the accounts of their customers and, accordingly, may at any time hold a position in such securities. SBICAP engagement and the opinion expressed herein are for the benefit of the Board of Directors of the entities under the scheme only to fulfil the requirements under the SEBI circular dated March 10, 2017 and the amendments thereof and for no other purposes. Neither SBICAP, nor its affiliates, partners, directors, shareholders, managers, employees or agents of any of them, makes any representation or warranty, express or implied, as to the information and documents provided to us, based on which the opinion has been issued. All such parties and entities expressly disclaim any and all liability for, or based on or relating to any such information contained herein.

This certificate is furnished on a strictly confidential basis and is for the sole use of the person to whom it is addressed and for the sole purpose to facilitate the Company to comply with section I A 2(d) and Section I A 8(b) of Annexure I of SEBI Circular No. CFD/DIL3 2017/ 21 dated March 10, 2017 and CFD/DIL3/CIR/2018/2 January 3, 2018. Neither this certificate, nor the information contained herein, may be reproduced or passed to any person or used for any purpose other than stated above, without the prior written approval from SBICAP. By accepting a copy of this certificate, the recipient accepts the terms of this Notice, which forms an integral part of this certificate.

Transacting Companies Company agrees and understands that SBICAP is not a Registered Valuer pursuant to section 247 of the Companies Act, 2013 and Rules made thereunder. The Fairness Opinion Report issued by SBICAP, under this document, cannot be used by the recipient for the purposes that specifically require valuation from a Registered Valuer under the Companies Act, 2013 or any other law that requires valuation from such Registered Valuer.

Annexure – XII - XIV to the Notice of NCLT Convened Meeting

ABRIDGED PROSPECTUS TO THE UNLISTED ENTITIES

This is an abridged prospectus containing the information pertaining to the unlisted company, TVS Holdings Private Limited (**"TVSHPL"** or **"Transferor Company 1"** or the **"Company"**), involved in the Composite Scheme of Arrangement amongst Sundaram - Clayton Limited (**"Transferee Company"** or **"Demerged Company"** or **"SCL"**) and TVSHPL and VS Investments Private Limited (**"Transferor Company 2"** or **"VSIPL"**) and Sundaram-Clayton DCD Limited (**"Resulting Company"**) and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the **"Act"**) (hereinafter referred to as the **"Scheme"** / **"Scheme of Arrangement"**) in the format specified for abridged prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and SEBI Circular No. SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 4, 2022 in accordance with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021. This abridged prospectus should be read together with the Composite Scheme of Arrangement.

THIS ABRIDGED PROSPECTUS CONTAINS 12 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

(Capitalised terms not defined herein shall have the meanings ascribed to them under the Composite Scheme of Arrangement)

TVS HOLDINGS PRIVATE LIMITED

CIN: U74999TN2018PTC121693, Date of Incorporation: March 23, 2018

Registered office	Corporate office	Contact person	Email and Telephone	Website
"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam Chennai, Tamil Nadu 600006	"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam Chennai, Tamil Nadu 600006	Mr Dev Kishan P D Company Secretary	Email: phoenix@tvsholdings.in Telephone:044 - 2833 2115	Not Applicable

NAME OF PROMOTER OF THE COMPANY: (i) Mr Venu Srinivasan as Trustee of VS Trust; (ii) Mr Venu Srinivasan; (iii) Mrs Mallika Srinivasan; (iv) Dr. Lakshmi Venu; and (v) Mr Sudarshan Venu.

Details of Offer to Public

Type of Issue (Fresh/ OFS / Fresh & OFS)	Fresh Issue Size (by no. of shares or by amount in Rs)	OFS Size (by no. of shares or by amount in Rs)	Total Issue Size (by no. of shares or by amount in Rs)	Issue Under 6(1)/ 6(2)	Share Reservation		
					QIB	NII	RII
Not applicable							

OFS: Offer for Sale

SCHEME DETAILS AND LISTING

DETAILS OF THE COMPOSITE SCHEME OF ARRANGEMENT

Composite Scheme of Arrangement between Sundaram-Clayton Limited (**"Transferee Company"** or **"Demerged Company"** or **"SCL"**) and TVS Holdings Private Limited (**"Transferor Company 1"**) and VS Investments Private Limited (**"Transferor Company 2"**) and Sundaram-Clayton DCD Limited (**"Resulting Company"**) and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the **"Act"**) (hereinafter referred to as the **"Scheme"** / **"Scheme of Arrangement"**).

The Scheme provides for the (i) issue of Preference Shares of SCL by way of bonus to the shareholders of SCL by utilising the general reserves / retained earnings; (ii) amalgamation of Transferor Company 1 with Transferee Company and cancellation of the share capital of the Transferee Company held by Transferor Company and consideration thereof; (iii) amalgamation of the Transferor Company 2 with the Transferee Company and cancellation of the share capital of the Transferee Company held by the Transferor Company 2 and the consideration thereof; and (iv) demerger, transfer and vesting of the manufacturing business of Demerged Company into the Resulting Company on a going concern basis, reduction and cancellation of the paid-up share capital of the Resulting Company held by the Demerged Company and the consequent issue of shares of the Resulting Company by the Resulting Company to the shareholders of the Demerged Company.

The Scheme shall be effective and operative from the Appointed Date.

The rationale for the Scheme:

i) The Scheme provides for the amalgamation of the Transferor Companies with the Transferee Company and will result in the following benefits:

   (a) streamlining of the promoter holding structure;

   (b) optimal utilisation of resources and better corporate governance; and

   (c) reduction of administrative responsibilities, multiplicity of records and legal and regulatory compliances;

ii) The proposed demerger pursuant to this Scheme is expected, *interalia*, to result in the following benefits:

(a) segregation and unbundling of the businesses of the Demerged Company into the Resulting Company, which will enable enhanced focus on the Demerged Company and Resulting Company for exploiting opportunities of each of the said companies;

(b) unlocking of value for the shareholders of the Demerged Company, attracting investors and providing better flexibility in accessing capital, focused strategy and specialisation for sustained growth;

(c) logistics alignment leading to economies of scale for the Resulting Company and creation of sectoral efficiencies and benefitting stakeholders as well as optimization of operation and capital expenditure; and

(d) enhancing competitive strength, achieving cost optimisation, ensuring benefits through focused management of the financial, managerial and technical resources, personnel capabilities, skills, expertise and technologies of the Resulting Company and the Demerged Company thereby significantly contributing to future growth and maximizing shareholders' value.

iii) The Scheme is in the best interests of the shareholders, employees and the creditors of the Transferor Company and the Transferee Company.

Consideration for the amalgamation of the Transferor Company under the Scheme:

In consideration for the amalgamation of the Transferor Company 1, the Transferee Company shall issue and allot its equity shares and preference shares on a proportionate basis to shareholders of the Transferor Company 1 as on the Effective Date 2, in the manner given below:

"1,30,94,460 equity shares of INR 5 each fully paid up and 151,89,57,360 preference shares of INR 10 each fully paid up of the Transferee Company in the proportion of the number of equity shares held by the shareholders in the Transferor Company 1. In the event, the Transferor Company 1, holds less than 1,30,94,460 equity shares of the Transferee Company and/ or 151,89,57,360 Preference Shares of SCL (without incurring additional liability) on Effective Date 2, the shares to be issued by the Transferee Company in consideration of the amalgamation of the Transferor Company 1, shall stand reduced by a such decreased number of shares held by the Transferor Company 1".

Upon amalgamation of Transferor Company 1 with Transferee Company, all shares held by the Transferor Company 1 in the share capital of the Transferee Company immediately before Effective Date 2, shall stand cancelled, without any further act or deed as an integral part of this Scheme.

LISTING

The equity shares and Preference shares of the Transferee Company, issued to the shareholders of the Transferor Company, are proposed to be listed on BSE Limited and the National Stock Exchange of India Limited.

Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders *(upto a maximum of 10 selling shareholders)*

Name	Type	No of Shares offered / Amount in Rs	WACA in Rs per Equity	Name	Type	No of Shares offered / Amount in Rs	WACA in Rs per Equity
Not applicable							

P: Promoter; PG: Promoter Group; OSS: Other Selling shareholder; WACA: Weighted Average Cost of Acquisition shall be calculated on fully diluted basis.

Price Band, Minimum Bid Lot & Indicative Timelines	
Price Band*	**Not applicable**
Minimum Bid Lot Size	
Bid / Offer Open On	
Bid / Closes Open On	
Finalisation of Basis of Allotment	
Initiation of Refunds	
Credit of Equity Shares to Demat accounts of Allottees	
Commencement of trading of Equity Shares	

*For details of price band and basis of offer price, please refer to price band advertisement and page xx of RHP- **Not applicable**

Details of WACA of all shares transacted over the trailing eighteen months from the date of RHP- Not applicable

Period	Weighted Average Cost of Acquisition (in Rs.)	Upper End of the Price Band is 'X' times the WACA	Range of acquisition price Lowest Price- Highest Price (in Rs.)
Trailing Eighteen Month from the date of RHP	**Not applicable**		

WACA: Weighted Average Cost of Acquisition shall be calculated on a fully diluted basis for the trailing eighteen months from the date of RHP

RISKS IN RELATION TO THE FIRST OFFER
The face value of the Equity Shares is ' x. The Floor Price, Cap Price and Offer Price are determined by our Company and the Selling Shareholders, in consultation with the BRLMs, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "Basis for Offer Price" on page xx should not be considered to be indicative of the market price of the Equity Shares after listing. No assurance can be given regarding the frequency of trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing- **Not applicable**.
GENERAL RISKS
Investment in equity & equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does, SEBI guarantee the accuracy or adequacy of the contents of the Scheme of Amalgamation or Abridged Prospectus. - **Not applicable as the offer is not for the public at large and no investment by the public is required in Transferor Company 1.** Specified attention of the investors is invited to the section titled "Internal Risk Factors" on page 287 of this Abridged Prospectus.
PROCEDURE
The procedure with respect to public issue / offer would not be applicable as this issue is only to the shareholders of the Transferor Company 1, pursuant to the Scheme, without any cash consideration. Hence, the procedure with respect to a General Information Document is not applicable.

PRICE INFORMATION OF BRLM's*				
Issue Name	**Name of Merchant Banker**	**+/- % change in closing price, (+/- % change in closing benchmark)- 30th calendar days from listing**	**+/- % change in closing price, (+/- % change in closing benchmark)- 90th calendar days from listing**	**+/- % change in closing price, (+/- % change in closing benchmark) - 180th calendar days from listing**
		+1% (+5%)	-2% (-5%)	
Not applicable				

* Disclosures subject to recent 7 issues (initial public offerings) in current financial year and two preceding financial years managed by each Merchant Banker with common issues disclosed once.

Name of BRLM and contact details (telephone and email ID) of each BRLM	**Not applicable**
Name of Syndicate Members	

In case of issues by Small and Medium Enterprises under Chapter IX, details of the market maker to be included- **Not applicable**

Name of Registrar to the Issue and contact details (telephone and email ID)	**Not applicable**
Name of Statutory Auditor	
Name of Credit Rating Agency and the rating or grading obtained, if any	
Name of Debenture trustee, if any.	
Self-Certified Syndicate Banks	
Non-Syndicate Registered Brokers	
Details regarding website address(es) / link(s) from which the investor can obtain list of registrar to issue and share transfer agents, depository participants and stock brokers who can accept application from investor (as applicable)	

PROMOTER OF THE ISSUER COMPANY			
Sr. No.	**Name**	**Individual / Corporate**	**Experience & Educational Qualification**
1.	Mr Venu Srinivasan as Trustee of VS Trust	Trust	–
2.	Mr Venu Srinivasan	Individual	Given below as Annexure 1
3.	Mrs Mallika Srinivasan	Individual	Given below as Annexure 2
4.	Mr Sudarshan Venu	Individual	Given below as Annexure 3
5.	Dr. Lakshmi Venu	Individual	Given below as Annexure 4

Annexure 1

Mr Venu Srinivasan - Experience & Educational Qualification:

Mr Venu Srinivasan is the Chairman Emeritus and Managing Director of Sundaram-Clayton Limited and TVS Motor Company Limited.

Mr Srinivasan has an engineering degree from the College of Engineering, Chennai and a Master's Degree in Management from the Purdue University, USA. In recognition of his contribution to management, he was conferred with "Doctor of Management" by his alma-mater, Purdue University in 2014.

He has held various important positions in the Indian Industry, such as:

- Chairman of National Safety Council, Government of India.
- President, Confederation of Indian Industries (CII) for the year 2009-10.
- President, Society of Indian Automobile Manufacturers for the period 1999- 2001.

He is also a Director of the Central Board of the Reserve Bank of India.

Some of the recent awards conferred on Mr Srinivasan include:

- Awarded as "Man of The Year 2021" by Autocar Professional.
- Conferred with Padma Bhushan Award for the year 2020.
- The Deming Distinguished Service Award for Dissemination and Promotion (Overseas) by JUSE in November 2019.
- "Lifetime Achievement Award" by FADA in February 2018.
- "Champion of Champions and Best CEO" award by Business Today in December 2016.
- "Goodwill Envoy for Public Diplomacy" by the Republic of Korea in January 2015.
- The "Padma Shri" award in 2010 by the President of India, for his valuable and outstanding contributions in the field of trade and industry.
- The distinguished civilian honour "Order of Diplomatic Service Merit" (Heung-In Medal) in 2010, conferred by the President of the Republic of Korea, in recognition of his valuable contribution in promoting Korea-India bilateral relations.

Under Mr Srinivasan's leadership, Sundaram-Clayton Ltd. was awarded the Deming Prize in 1998 by the Union of Japanese Scientists and Engineers (JUSE), Japan and also with the Japanese Quality Medal in the year 2002. In the year 2002, TVS Motor Company was also conferred with the Deming Prize.

In recognition of his contribution to manufacturing, R&D, technology and quality excellence, he was conferred with "Doctor of Science" by the University of Warwick, UK in the year 2004.

The Indian Institute of Technology, Kharagpur, the oldest IIT in India, conferred upon him, "Doctor of Science" in the year 2009.

He was bestowed with the Ishikawa-Kano award in the year 2012 by the Asian Network of Quality, the apex body for quality in Asia which covers 18 countries including Japan, China, India, Korea and Thailand.

For his contribution to Leadership and Management, Mr Srinivasan was conferred with JRD Tata Corporate Leadership Award by the All India Management Association in the year 2005, and the Jamsetji Tata Lifetime Achievement award by the Indian Society for Quality in the year 2004.

Mr. Srinivasan is also the Managing Trustee of Srinivasan Services Trust (SST) - engaged in transformation & empowerment of thousands of villages in rural India touching the lives of millions of people.

- The model is about partnership with the stakeholders (society, police, forest department among others), and not philanthropy.
- The activities of the trust are in five main program areas: Economic Development, Health, Education, Infrastructure and Environment.
- Over hundred thousand hectares of degraded forests have been reforested. Successful implementation of watershed development programs has raised the water table and prevented soil erosion in more than 5000 hectares.

SST has received multiple awards like:

- CII-ITC "Corporate Social Responsibility Award" (2018).
- The Economic Times "Corporate Citizen of the year" (2016).
- Times of India Social Impact Award on Advocacy & Empowerment in Corporate category (2011).
- Golden award on Readers Digest Pegasus Corporate Social Responsibility Award (2008).
- Silver award on Pegasus Corporate Social Responsibility Award (2007).

Annexure 2

Mrs Mallika Srinivasan - Experience & Educational Qualification:

Mrs Mallika Srinivasan is a thought leader and a strategist, recognized for entrepreneurship, commitment to excellence and contribution to Indian agriculture machinery business and academia. She is presently the Chairman and Managing Director of TAFE - Tractors and Farm Equipment Limited, an INR 10,000 Crore tractor major incorporated in 1960 at Chennai, India. TAFE is today, the third largest tractor manufacturer in the world and the second largest in India by volumes, with an annual sale of over 180,000 tractors and presence in over 100 countries, including developed countries in Europe and the Americas. TAFE is also a significant shareholder in AGCO Corporation, USA - a US $9.1 billion tractor and agricultural equipment manufacturer.

She is on the Boards of AGCO Corporation - USA and TATA Steel Limited. She is additionally the Chairperson of the Public Enterprises Selection Board (PESB), Department of Personnel & Training under the Ministry of Personnel, Public Grievances & Pension, Government of India. She is also on the Global Board of U.S.-India Business Council (USIBC), a core member of the BRICS Women's Business Alliance (BRICS WBA), member of the Executive Board of the Indian School of Business (ISB) - Hyderabad, member of the Governing Board of the Indian Institute of Technology (IIT) - Madras and a member of the Governing Body of Stella Maris College - Chennai.

In a span of 25 years, Mallika has established TAFE as a quality mass manufacturer of tractors, a lean and resilient organization that can effectively weather the cyclicality of the tractor business. With her special emphasis on product and process development, she has ensured significant expansion of TAFE's product range. She enhanced and leveraged the engineering strengths at TAFE to design, develop and manufacture a range of products for international markets, while simultaneously strengthening TAFE's partnership with AGCO for mutual growth, in both, the components and complete tractors businesses.

She spearheaded the acquisition of Eicher's tractors, engines and transmissions business through a wholly owned subsidiary, TMTL - TAFE Motors and Tractors Limited, and nurtured its growth in terms of operations and profits. She has been instrumental in ensuring clear and careful positioning of the TAFE, Massey Ferguson, IMT (Industrija Mašina i Traktora) and Eicher tractor brands in the marketplace and encouraged the expansion of the Eicher Tractors' product range into a wider spectrum of horse-powers to meet the emerging needs of the market. She led the company's growth to its present status, with diverse interests in tractors, farm machinery, diesel engines and gensets, engineering plastics, gears and transmission components, hydraulic pumps and cylinders, batteries, automobile franchises and plantations. Under her leadership, TAFE has not only been a consistently profit generating company, but also one of the most profitable tractor manufacturers in the world.

She has led a variety of industry bodies such as the Tractor Manufacturers Association of India (TMA), the Madras Chamber of Commerce & Industry (MCCI), and has held various positions in industry bodies such as the Confederation of Indian Industry (CII), Indian Institute of Foreign Trade (IIFT), Associated Chambers of Commerce and Industry of India (ASSOCHAM), to name a few.

She is a well-known philanthropist with an abiding interest in ensuring development of agriculture, education and healthcare in India. She has been instrumental in supporting organizations such as the Sankara Nethralaya and the Cancer Hospital in Chennai, besides supporting a number of educational and healthcare facilities in the Tirunelveli district of Tamil Nadu. In addition, she has been a generous patron of arts through her involvement in the promotion and support of one of India's leading musical traditions of Carnatic music through The Indira Sivasailam Foundation.

A university gold-medalist in Econometrics from the University of Madras, she graduated as a member of the Dean's Honor List, and the Alpha Beta Gamma Society, from the Wharton School of Business, University of Pennsylvania, USA, and has been ranked among its top 125 most successful alumni.

The accolades and awards Mrs Mallika Srinivasan has received in the recent years are testimonial to her professionalism. In October 2020, she was presented the Business Woman of The Year Award at the ETPrime Women Leadership Awards 2020. In 2019 and 2018, she was featured in the Fortune India list of Most Powerful Women in Business and in 2018, she was conferred the Outstanding Woman Entrepreneur Award at The Economic Times Family Business Awards. In September 2017, she was awarded the Honorary Doctorate of Science (Honoris Causa) by the Tamil Nadu Agricultural University (TNAU) in recognition of her contribution to global agriculture, machinery business and academia, and conferred the Doctor of Letters (Honoris Causa) by Hindustan University of Technology & Science, in October 2012. In December 2016, she was conferred the Devi Award by The Sunday Standard for 'Putting Farmers First' and was featured among "BBC 100 Women 2016" - a list of inspirational and influential women from across the world, compiled by the British Broadcasting Corporation (BBC) in November 2016.

In March 2015, she was conferred the prestigious Sir Jehangir Ghandy Medal for Social and Industrial Peace by the Xavier School of Management, Jamshedpur, India. In 2014, the Fortune India magazine ranked her sixth among the Most Powerful Women in Business. In the same year, the Business Today magazine featured her in the Hall of Fame of the Most Powerful Women in Indian Business, after featuring her in the list of the Most Powerful Women for 25 consecutive years. The Femina magazine rated her among India's Most Powerful Women in 2014. The Government of India also conferred her with the prestigious Padma Shri award for her contribution to Trade and Industry in January 2014. The India Today Woman magazine featured her in the Power List 2013 - At the Top List. NDTV Profit, one of India's leading Business television channels, accorded her the special honor of the Business Thought Leader of the Year 2012 at the NDTV Profit Business Leadership Awards. In 2011, she was voted the Entrepreneur of the Year by Ernst and Young; named the Woman Leader of the Year by Forbes India, and recognized by Forbes Asia as one of the Top 50 Asian Power Business Women. The Asian Business Leadership Forum (ABLF) also honored her with the esteemed ABLF - Woman of Power Award in 2011.

Annexure 3

Mr Sudarshan Venu - Experience & Educational Qualification:

Mr Sudarshan Venu, Managing Director of TVS Motor Company Limited, holds a Graduate Degree with Honors in the Jerome Fisher Program in Management and Technology from the University of Pennsylvania, USA. He holds B.S. in Mechanical Engineering from the School of Engineering and Applied Sciences and B.S. in Economics from the Wharton School. He has also completed M.Sc. in International Technology Management from the Warwick Manufacturing Group attached to University of Warwick in U.K.

Mr Sudarshan Venu, being an automotive enthusiast, grew up amidst the roar of engines in India's oldest factory racing team. Driven by passion, he has motorbiked in five continents. These experiences suit him well, as he charts the future of one of India's leading two-wheeler manufacturers, TVS Motor Company. With Sudarshan's active intervention, TVS Motor has already seen a turnaround in its Market Share and has been the Most Awarded Two - Wheeler Company. It is a testimony to Sudarshan's focus, that TVS Motor has been voted No. 1 in Customer Satisfaction for four years in a row by the prestigious J. D. Power Awards.

Under Sudarshan's leadership TVS Motor Company has acquired the iconic British brand Norton in Year 2020 with the vision of regaining Norton brand to its full glory in the international motorcycle landscape. He has been instrumental in steering the company with the broader sustainability agenda through electrification of its products, iQube - the first electric scooter launched in January 2020 and in building a strategic Personal e-Mobility eco-system through acquisition of Swiss E-Mobility Group (Holding) AG (SEMG) and GO AG, Switzerland. Sudarshan has also played a pivotal role in TVS Motor Company's growth through expansion to new geographies in Africa, ASEAN & Latam.

He also has been instrumental in setting up and in the success of Emerald Haven Realty Ltd, TVS Credit Services - a non-deposit Non-Banking Finance Company and TVS Digital, a subsidiary of TVSM incorporated in Singapore, focused on providing technology solutions for digital transformation.

In addition to his role as Managing Director of TVS Motor Company Limited, he is also a Non-Executive Director in Sundaram-Clayton Limited, TVS Credit Services Limited, TVS Electric Mobility Limited, TVS Motor Singapore Pte Limited, TVS Digital Pte Limited, The Norton Motorcycle Co Limited, UK and Swiss E-Mobility Group (Holding) AG (SEMG). He is also an Independent Director in Coromandel International Limited, the flagship company of the Murugappa Group.

Annexure 4

Dr. Lakshmi Venu - Experience & Educational Qualification:

Dr. Lakshmi Venu is a graduate of Yale University, and holds a Doctorate in Engineering Management from the University of Warwick.

She underwent her initial training in Sundaram Auto Components Limited, a subsidiary of the Sundaram-Clayton Limited. Thereafter, she underwent an extensive in-depth induction at the Sundaram-Clayton Limited. She had worked in the areas of business strategy, corporate affairs, product design and sales & marketing of the Company.

Dr. Lakshmi Venu is currently the Managing Director of Sundaram-Clayton Limited and Deputy Managing Director of TAFE Motors and Tractors Limited and also holds directorships in various other companies, including Independent Directorship in ZF Commercial Vehicle Control Systems India Limited.

BUSINESS OVERVIEW AND STRATEGY
Company Overview: The Company was incorporated as Cheema Investments and Holdings Private Limited on March 23, 2018 as a private company under the Companies Act, 2013. Thereafter, the name of the Company was changed to TVS Investments and Holdings Private Limited with effect from October 28, 2019, and further changed to TVS Holdings Private Limited with effect from March 16, 2021.
Product / Service Offering: The Company was incorporated to carry out the following main objects: i) To invest, trade, sell, purchase, exchange, convert, subscribe, acquire, hold, and deal in stocks, shares, units, debentures, debenture stocks, bonds, obligations, derivative instruments, financial instruments and securities. ii) To invest, hold and deal with security receipts, mortgages, obligations, inter-corporate deposits, call money deposits, commercial papers and other financial instruments. iii) To carry on the business of producing, manufacturing, buying, selling, re-settling, subcontracting, exchanging, hiring, altering, importing, exporting, improving, assembling, supplying, distributing whether wholesale or retail, servicing, overhauling, converting, maintaining and dealing in as original equipment manufacturers of motor vehicles and other conveyances of all kinds. iv) To carry on the business of manufacturers of and merchants and dealers in all components and parts and accessories of vehicles of every kind and engines of every kind. **Revenue segmentation by product / service offering:** The Company's revenue majorly consists of interest income and on sale of automobile parts.
Geographies Served: India
Revenue segmentation by geographies: 100% in India
Key Performance Indicators: The key performance indicator of the Company is set out below: **As on June 30, 2022, the Revenue from Operations is INR 109,36,17,463.**
Client Profile or Industries Served: The Company carries on the business of trading automobile parts.
Revenue segmentation in terms of top 5/10 clients or Industries: The Company's revenue majorly consists of the sale of automobile parts.
Intellectual Property, if any: Nil
Market Share: Not Applicable
Manufacturing plant, if any: Nil
Employee Strength: 15

Note:

(1) The quantitative statements shall be substantiated with Key Performance Indicators (KPIs) and other quantitative factors.

(2) No qualitative statements shall be made which cannot be substantiated with KPIs.

(3) Information provided in the table should not exceed 1000 words.

BOARD OF DIRECTORS				
Sr. No.	**Name (M/s.)**	**Designation (Independent / Whole time / Executive / Nominee)**	**Experience & Educational Qualification**	**Other Directorships**
1	H Lakshmanan (DIN: 00057973)	Non-Executive Director	Given below as Annexure 1	
2	K Gopala Desikan (DIN: 00067107)	Non-Executive Director	Given below as Annexure 2	
3	Sameer Sah (DIN: 01844078)	Non-Executive Director	Given below as Annexure 3	

Annexure 1

Mr H Lakshmanan - Experience, Educational Qualification & Other Directorships

Mr H Lakshmanan played a vital role in the management of Sundaram -Clayton Limited Group (SCL) Companies and has contributed to the phenomenal growth of the Company with his untiring efforts since its inception. He has six decades of experience mostly devoted to human resource development and played an important role in inter-personnel relationships with workers' unions, employees representatives and had a unique distinction of performing exemplary work on industrial relations of companies in SCL group.

Some of his core functional areas include (i) facilitating the proper working of the Board; (ii) acting as the leading representative of the Company in all its dealings with the Stakeholders; (iii) maintaining good shareholder relations; (iv) monitoring the Senior Management Personnel's performance against established criteria/measures of financial and operating performance, in conjunction with the Board; (v) handling mattes with overseas joint venture partners; (vi) facilitating and coordinating with officials of regulatory authorities for various necessary Government approval from time to time; and (vii) acting as counsellor, adviser and listener to the Chief Executive and to other Members of the Board.

Indian Companies:

1. Harita Techserv Private Limited
2. Lakson Technology Private Limited
3. TVS Educational and Training Services Private Limited
4. VS Trustee Private Limited
5. Chennai Business Consulting Services Private Limited
6. TVS Investment and Consultancy Services Private Limited
7. Cheema Educational Foundation

Foreign Companies:

TVS Motor Company (Europe) B.V.

Annexure 2

Mr K Gopala Desikan - Experience, Educational Qualification & Other Directorships

Mr K Gopala Desikan, Director & Group Chief Financial Officer of Sundaram -Clayton Limited (SCL). He has rich experience and expertise in finance, taxation, merger and amalgamation and corporate matters and serving the group for over three decades. He has been with the SCL Group for the last 32 years and has handled various functions which include Direct Taxation, Treasury & Risk Management, M&A activities, Corporate finance & accounts and various accounting functions at Plant level. He is a qualified Chartered Accountant and also holds an MBA from Open University Business School, UK. He is also the Chief Financial Officer of TVS Motor Company Limited, the listed subsidiary engaged in the business of manufacturing two and three-wheeler and also oversees the finance function of the Group's business relating to NBFC and Realty. He is also involved in the strategic initiatives of the Group's International business and Long-range planning. He has represented the Industry Associations in various Expert Committee and attended various Leadership Programs both within and outside India.

Indian Companies:

1. Sundaram - Clayton Limited
2. Emerald Haven Estates Limited
3. Sundram Services Limited
4. Emerald Haven Town and Country Private Limited

5. Srinivasan Trading Private Limited
6. Vee Ess Trading Private Limited
7. TVS Investment and Consultancy Services Private Limited
8. Sundaram Clayton Employees Welfare Foundation Private Limited
9. LV Trustee Private Limited
10. S. Venu Trustee Private Limited
11. Venu Srinivasan Trustee Private Limited
12. VS Trustee Private Limited
13. Jupiter Cultural and Heritage Foundation
14. Veeyes Charities Foundation

Annexure 3

Mr Sameer Sah - Experience, Educational Qualification & Other Directorships

Sameer Sah is Partner in the Corporate and Commercial Practice Group in the Mumbai office of Khaitan & Co. He holds a degree in B.Sc. LL.B., (Hons.) from National Law University, Jodhpur.

He specializes in the areas of strategic M&A, joint ventures, collaborations, foreign investments, private equity, and regulatory approvals for investing in India. He has also advised clients on regulatory and other issues pertaining to the pharmaceutical, healthcare, retail and franchising sectors.

Indian Companies:

1. Dhunseri Ventures Limited
2. Emerald Haven Development Limited
3. Emerald Haven Realty Limited
4. Srinivasan Trading Private Limited
5. VEE ESS Trading Private Limited

OBJECT OF THE ISSUE

Details of means of finance - Not applicable

The fund requirements for each of the objects of the Issue are stated as follows: (Rs. in crores)

Sr. No.	Objects of the Issue	Total estimate cost	Amount Deployed till	Amount to be financed from Net Proceeds	Estimated Net Proceeds Utilization	
					Fiscal 22	Fiscal 21
Not applicable						

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues / rights issue, if any, of the Company in the preceding 10 years.- Not applicable

Name of monitoring agency, if any- Not applicable

Terms of Issuance of Convertible Security, if any

Convertible securities being offered by the Company	**Not applicable**
Face Value / Issue Price per Convertible securities	
Issue Size	
Interest on Convertible Securities	
Conversion Period of Convertible Securities	
Conversion Price for Convertible Securities	
Conversion Date for Convertible Securities	
Details of Security created for CCD	

Shareholding Pattern:

Sr. No.	Particulars	Pre Issue number of shares	% Holding of Pre issue
1.	Promoter and Promoter Group	20,00,02,459	99.99%
2.	Public	29,205	0.01%
	Total	**20,00,31,664**	**100.00%**

Number / amount of equity shares proposed to be sold by selling shareholders, if any- Not applicable

AUDITED FINANCIALS **(in Rs.)**

Particulars	For the three months period ended June 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Total income from operations (Net)	109,36,17,463	69,61,91,081	–	–
Net Profit / (Loss) before tax and extraordinary items	(2,11,25,394)	49,21,89,885	(2,90,860)	(18,351)
Net Profit / (Loss) after tax and extraordinary items	(1,58,08,132)	36,79,66,320	(2,90,860)	(18,351)
Equity Share Capital	20,00,31,664	20,00,31,664	1,16,00,000	1,00,000
Reserves and Surplus	1,16,93,02,181	1,18,51,10,313	(3,22,771)	(31,911)
Net worth	1,36,93,33,845	1,38,51,41,977	1,12,77,229	68,089
Basic earnings per share (Rs.)	(0.08)	4.63	(0.03)	(1.84)
Diluted earnings per share (Rs.)	(0.08)	4.63	(0.14)	(1.84)
Return on net worth (%)	(1.15%)	26.57%	(2.58%)	(26.95%)
Net asset value per share (Rs.)	6.85	6.92	0.97	0.68

INTERNAL RISK FACTORS

The below-mentioned risks are the top 5 risk factors:

1. Business Strategy Risk

We rely on regulated and unregulated market for revenue. Lack of strategy roadmap for revenue growth of the site may lead to non-achievement of growth objectives. Also, dependence of existing customer base for new business could result in restricted growth. Growth restriction and complete dependency on existing customers and existing set of products.

2. Compliance Risk

Any non-compliance with the regulatory and environment laws of land may lead to penalties and fines.

3. IT Risk

We rely on information technology systems, networks and infrastructure to operate our business and any interruption or breakdown in such systems, networks or infrastructure could impair our ability to effectively deliver our products and services. Inability of the Company to suitably upgrade its IT infrastructure may impair its ability to efficiently manage its business and deliver accurate information to various internal and external stakeholders. Further, any cyber-attack on our systems & firewall failure could cause inability to function and transact.

4. External Factors

Risk of customer attrition is significantly high because of the high gestation period in product development and launch. The financial health of customer i.e. Solvency of customer, Funding issues, M&A may exert a significant adverse impact on services rendered impacting revenue & EBITDA and the Profit & Loss statement, overall.

5. Supply Chain Management

Due to COVID there are many restrictions on international routes & hence sourcing of raw materials and export of goods to multiple geographies becomes challenging and newer and longer routes needs to be taken which make transportation cost costly. These factors also create risk of overstocking / building of inventories and working capital blockages.

6. Insurance Risk

Insurance company inability to provide cover for products sold by us could lead to financial and reputation damage to the organisation.

7. Operational Risk

Outdated equipment and facilities, and unexpected plant shutdown may lead to higher maintenance costs on fixed assets and affect business efficiency.

8. Human Resource

Inability to attract and retain qualified personnel while appropriately managing cost related to employee benefits may expose Company to manpower and costs-related risks.

9. Forex - Currency

The Company is exposed to risks arising out of changes in foreign exchange rates. It has significant revenues in foreign currencies through export and foreign operations. Foreign currency exposure, if not managed well can result in financial losses.

10. Quality of goods sold

The Company is expected to maintain global quality standard in its manufacturing operations. It is also subjected to regular audits by regulators and customers. Any non-adherence to approved quality practise and procedures may expose it to adverse consequences.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Total number of outstanding litigations against the company and amount involved

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (Rs in crores)
Company						
By the Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	Nil	Nil	Nil	Nil	Nil
Directors						
By our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Promoters						
By Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Subsidiaries						
By Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
Against Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil

B. Brief details of top 5 material outstanding litigations against the company and amount involved - Nil

C. Regulatory Action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any (200 - 300 word limit in total) - Nil

D. Brief details of outstanding criminal proceedings against Promoters (200 - 300-word limit in total) - Nil

ANY OTHER IMPORTANT INFORMATION AS PER BRLM / ISSUER COMPANY

NIL

DECLARATION BY THE COMPANY

We hereby declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may he have been complied with and no statement made in the Abridged Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulation issued there under, as the case may be. We further certify that all statements in the Abridged Prospectus are true and correct.

For **TVS Holdings Private Limited**

Sd/-

DEV KISHAN P D
Company Secretary
Place: Chennai
Date: 11th November 2022

This is an abridged prospectus containing the information pertaining to the unlisted company, VS Investments Private Limited (**"Transferor Company 2"** or **"VSIPL"** or the **"Company"**), involved in the Composite Scheme of Arrangement amongst Sundaram-Clayton Limited (the **"Transferee Company"** or the **"Demerged Company"** or **"SCL"**) with VSIPL, TVS Holdings Private Limited (the **"Transferor Company 1"** or **"TVSHPL"**) and Sundaram-Clayton DCD Limited (the **"Resulting Company"**) and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the **"Act"**) (hereinafter referred to as the **"Scheme"** / **"Scheme of Arrangement"**) in the format specified for abridged prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and SEBI Circular No. SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 4, 2022 in accordance with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021. This abridged prospectus should be read together with the Composite Scheme of Arrangement.

THIS ABRIDGED PROSPECTUS CONTAINS 9 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES

(Capitalised terms not defined herein shall have the meanings ascribed to them under the Composite Scheme of Arrangement)

VS Investments Private Limited

CIN: U51100TN2021PTC146623**, Date of Incorporation:** September 29, 2021

Registered office	Corporate office	Contact person	Email and Telephone	Website
"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam Chennai, Tamil Nadu 600006	"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam Chennai, Tamil Nadu 600006	Mr N Srinivasa Ramanujam Director	Email: corp.secretarial@yahoo.com Tel.: 044 - 2833 2115	Not Applicable

NAME OF PROMOTER OF THE COMPANY: (i) Mr Venu Srinivasan as Trustee of VS Trust; and (ii) Mr Venu Srinivasan.

Details of Offer to Public

Type of Issue (Fresh/ OFS / Fresh & OFS)	Fresh Issue Size (by no. of shares or by amount in Rs)	OFS Size (by no. of shares or by amount in Rs)	Total Issue Size (by no. of shares or by amount in Rs)	Issue Under 6(1)/ 6(2)	Share Reservation		
					QIB	NII	RII
Not applicable							

OFS: Offer for Sale

SCHEME DETAILS AND LISTING

DETAILS OF THE COMPOSITE SCHEME OF ARRANGEMENT

Composite Scheme of Arrangement between Sundaram - Clayton Limited (**"Transferee Company"** or **"Demerged Company"** or **"SCL"**) and TVS Holdings Private Limited (**"Transferor Company 1"** or **"TVSHPL"**) and VS Investments Private Limited (**"Transferor Company 2"** or **"VSIPL"**) and Sundaram-Clayton DCD Limited (**"Resulting Company"**) and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the **"Act"**) (hereinafter referred to as the **"Scheme"** or **"Scheme of Arrangement"**).

The Scheme provides for the (i) issue of Preference Shares of SCL by way of bonus to the shareholders of SCL by utilising the general reserves / retained earnings; (ii) amalgamation of Transferor Company 1 with Transferee Company and cancellation of the share capital of the Transferee Company held by Transferor Company and consideration thereof; (iii) amalgamation of the Transferor Company 2 with the Transferee Company and cancellation of the share capital of the Transferee Company held by the Transferor Company 2 and the consideration thereof; and (iv) demerger, transfer and vesting of the manufacturing business of Demerged Company into the Resulting Company on a going concern basis, reduction and cancellation of the paid-up share capital of the Resulting Company held by the Demerged Company and the consequent issue of shares of the Resulting Company by the Resulting Company to the shareholders of the Demerged Company.

The Scheme shall be effective and operative from the Appointed Date.

The rationale for the Scheme:

i) The Scheme provides for the amalgamation of the Transferor Companies with the Transferee Company and will result in the following benefits:

   (a) streamlining of the promoter holding structure;

   (b) optimal utilisation of resources and better corporate governance; and

   (c) reduction of administrative responsibilities, multiplicity of records and legal and regulatory compliances;

ii) The proposed demerger pursuant to this Scheme is expected, *inter alia*, to result in the following benefits:

   (a) segregation and unbundling of the businesses of the Demerged Company into the Resulting Company, which will enable enhanced focus on the Demerged Company and Resulting Company for exploiting opportunities of each of the said companies;

   (b) unlocking of value for the shareholders of the Demerged Company, attracting investors and providing better flexibility in accessing capital, focused strategy and specialisation for sustained growth;

   (c) logistics alignment leading to economies of scale for the Resulting Company and creation of sectoral efficiencies and benefitting stakeholders as well as optimization of operation and capital expenditure; and

   (d) enhancing competitive strength, achieving cost optimisation, ensuring benefits through focused management of the financial, managerial and technical resources, personnel capabilities, skills, expertise and technologies of the Resulting Company and the Demerged Company thereby significantly contributing to future growth and maximizing shareholders' value;

iii) The Scheme is in the best interests of the shareholders, employees and the creditors of the Transferor Company and the Transferee Company.

Consideration for the amalgamation of Transferor Company 2 under the Scheme:

In consideration for the amalgamation of the Transferor Company 2, the Transferee Company shall issue and allot its equity shares on a proportionate basis to shareholders of the Transferor Company 2, in the manner given below:

"the Transferee Company shall, without any further application, act, deed, consent or instrument, issue and allot 19 equity shares of INR 5 each fully paid up of the Transferee Company to shareholders of the Transferor Company 2, in the proportion of the number of equity shares held by the shareholders in the Transferor Company 2, as on the Effective Date 3"

Further, upon amalgamation of Transferor Company 2 with the Transferee Company, all equity shares held by Transferor Company 2 in the share capital of the Transferee Company (held either directly or through its nominees) shall stand cancelled.

LISTING

The equity shares of the Transferee Company, issued to the shareholders of the Transferor Company 2, are proposed to be listed on BSE Limited and the National Stock Exchange of India Limited.

Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders *(upto a maximum of 10 selling shareholders)*

Name	Type	No of Shares offered / Amount in Rs	WACA in Rs per Equity	Name	Type	No of Shares offered / Amount in Rs	WACA in Rs per Equity
Not applicable							

P: Promoter; PG: Promoter Group; OSS: Other Selling shareholder; WACA: Weighted Average Cost of Acquisition shall be calculated on fully diluted basis.

Price Band, Minimum Bid Lot & Indicative Timelines	
Price Band*	**Not applicable**
Minimum Bid Lot Size	
Bid/Offer Open On	
Bid/Closes Open On	
Finalisation of Basis of Allotment	
Initiation of Refunds	
Credit of Equity Shares to Demat accounts of Allottees	
Commencement of trading of Equity Shares	

*For details of price band and basis of offer price, please refer to price band advertisement and page xx of RHP- **Not applicable**

Details of WACA of all shares transacted over the trailing eighteen months from the date of RHP- Not applicable

Period	Weighted Average Cost of Acquisition (in Rs.)	Upper End of the Price Band is 'X' times the WACA	Range of acquisition price Lowest Price- Highest Price (in Rs.)
Trailing Eighteen Month from the date of RHP	**Not applicable**		

WACA: Weighted Average Cost of Acquisition shall be calculated on a fully diluted basis for the trailing eighteen months from the date of RHP

RISKS IN RELATION TO THE FIRST OFFER
The face value of the Equity Shares is ' x. The Floor Price, Cap Price and Offer Price determined by our Company and the Selling Shareholders, in consultation with the BRLM's, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "Basis for Offer Price" on page xx should not be considered to be indicative of the market price of the Equity Shares after listing. No assurance can be given regarding frequency of trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing- **Not applicable**
GENERAL RISKS
Investment in equity & equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does, SEBI guarantee the accuracy or adequacy of the contents of the Scheme of Amalgamation or Abridged Prospectus - **Not applicable as the offer is not for the public at large and no investment by the public is required in the Transferor Company 2**. Specified attention of the investors is invited to the section titled "Internal Risk Factors" on page 297 of this Abridged Prospectus.
PROCEDURE
The procedure with respect to public issue/ offer would not be applicable as this issue is only to the shareholders of the Transferor Company 2, pursuant to the Scheme, without any cash consideration. Hence, the procedure with respect to a General Information Document is not applicable.

PRICE INFORMATION OF BRLM's*				
Issue Name	**Name of Merchant Banker**	**+/- % change in closing price, (+/- % change in closing benchmark)- 30th calendar days from listing**	**+/- % change in closing price, (+/- % change in closing benchmark)- 90th calendar days from listing**	**+/- % change in closing price, (+/- % change in closing benchmark) - 180th calendar days from listing**
		+1% (+5%)	-2% (-5%)	
Not applicable				

* Disclosures subject to recent 7 issues (initial public offerings) in current financial year and two preceding financial years managed by each Merchant Banker with common issues disclosed once.

Name of BRLM and contact details (telephone and email ID) of each BRLM	**Not applicable**
Name of Syndicate Members	

In case of issues by Small and Medium Enterprises under Chapter IX, details of the market maker to be included- **Not applicable**

Name of Registrar to the Issue and contact details (telephone and email id)	**Not applicable**
Name of Statutory Auditor	
Name of Credit Rating Agency and the rating or grading obtained, if any	
Name of Debenture trustee, if any.	
Self-Certified Syndicate Banks	
Non Syndicate Registered Brokers	
Details regarding website address(es)/ link(s) from which the investor can obtain list of registrar to issue and share transfer agents, depository participants and stock brokers who can accept application from investor (as applicable)	

PROMOTER OF THE ISSUER COMPANY			
Sr. No.	**Name**	**Individual / Corporate / Trust**	**Experience & Educational Qualification**
1.	Mr Venu Srinivasan as a Trustee of VS Trust	Trust	–
2.	Mr Venu Srinivasan	Individual	Given below as Annexure 1

Annexure 1

Mr Venu Srinivasan - Experience & Educational Qualification

Mr. Venu Srinivasan is the Chairman Emeritus and Managing Director of Sundaram-Clayton Limited and TVS Motor Company Limited.

Mr. Srinivasan has an engineering degree from the College of Engineering, Chennai and a Master's Degree in Management from the Purdue University, USA. In recognition of his contribution to management, he was conferred with "Doctor of Management" by his alma-mater, Purdue University in 2014.

He has held various important positions in the Indian Industry, such as:

- Chairman of National Safety Council, Government of India.
- President, Confederation of Indian Industries (CII) for the year 2009-10.
- President, Society of Indian Automobile Manufacturers for the period 1999-2001.

He is also a Director of the Central Board of the Reserve Bank of India.

Some of the recent awards conferred on Mr Srinivasan include:

- Awarded as "Man of The Year 2021" by Autocar Professional
- Conferred with Padma Bhushan Award for the year 2020
- The Deming Distinguished Service Award for Dissemination and Promotion (Overseas) by JUSE in November 2019
- "Lifetime Achievement Award" by FADA in February 2018
- "Champion of Champions and Best CEO" award by Business Today in December 2016
- "Goodwill Envoy for Public Diplomacy" by the Republic of Korea in January 2015
- The "Padma Shri" award in 2010 by the President of India, for his valuable and outstanding contributions in the field of trade and industry.

- The distinguished civilian honour "Order of Diplomatic Service Merit" (Heung-In Medal) in 2010, conferred by the President of the Republic of Korea, in recognition of his valuable contribution in promoting Korea-India bilateral relations.

Under Mr Srinivasan's leadership, Sundaram-Clayton Ltd. was awarded the Deming Prize in 1998 by the Union of Japanese Scientists and Engineers (JUSE), Japan and also with the Japanese Quality Medal in the year 2002. In the year 2002, TVS Motor Company was also conferred with the Deming Prize.

In recognition of his contribution to manufacturing, R&D, technology and quality excellence, he was conferred with "Doctor of Science" by the University of Warwick, UK in the year 2004.

The Indian Institute of Technology, Kharagpur, the oldest IIT in India, conferred upon him, "Doctor of Science" in the year 2009.

He was bestowed with the Ishikawa-Kano award in the year 2012 by the Asian Network of Quality, the apex body for quality in Asia which covers 18 countries including Japan, China, India, Korea and Thailand.

For his contribution to Leadership and Management, Mr Srinivasan was conferred with JRD Tata Corporate Leadership Award by the All India Management Association in the year 2005, and the Jamsetji Tata Lifetime Achievement award by the Indian Society for Quality in the year 2004.

Mr Srinivasan is also the Managing Trustee of Srinivasan Services Trust (SST) - engaged in transformation & empowerment of thousands of villages in rural India touching the lives of millions of people.

- The model is about partnership with the stakeholders (society, police, forest department among others), and not philanthropy.
- The activities of the trust are in five main program areas: Economic Development, Health, Education, Infrastructure and Environment
- Over hundred thousand hectares of degraded forests have been reforested. Successful implementation of watershed development programs has raised the water table and prevented soil erosion in more than 5000 hectares.

SST has received multiple awards like:

- CII-ITC "Corporate Social Responsibility Award" (2018)
- The Economic Times "Corporate Citizen of the year" (2016)
- Times of India Social Impact Award on Advocacy & Empowerment in Corporate category (2011)
- Golden award on Readers Digest Pegasus Corporate Social Responsibility Award (2008)
- Silver award on Pegasus Corporate Social Responsibility Award (2007)

BUSINESS OVERVIEW AND STRATEGY
Company Overview: The Company was incorporated on September 29, 2021, as a private company under the Companies Act, 2013.
Product / Service Offering: The Company was incorporated to carry out the following main objects: 1. To carry on the business of buying, selling, reselling, importing, exporting, transporting, storing, developing, promoting, marketing or supplying, trading, dealing in any manner whatsoever in all type of goods on retail as well as on wholesale basis in India or elsewhere. 2. To carry on the business as exhibitors of various goods, services and merchandise and to undertake the necessary activities to promote sales of goods, services and merchandise manufactured/dealt with/provided by the Company. **Revenue segmentation by product / service offering:** The Company's revenue majorly consists of interest income **and on sale of automobile parts**.
Geographies Served: India **Revenue segmentation by geographies:** 100% in India
Key Performance Indicators The key performance indicator of the Company is set out below: The revenue from operations as on June 30, 2022 is INR 55,30,623.
Client Profile or Industries Served: The Company carries on the business of trading automobile parts.
Revenue segmentation in terms of top 5/10 clients or Industries: The Company's revenue majorly consists of interest income and on sale of automobile parts.

Intellectual Property, if any: Nil
Market Share: Not Applicable
Manufacturing plant, if any: Nil
Employee Strength: Nil

Note:

(1) The quantitative statements shall be substantiated with Key Performance Indicators (KPIs) and other quantitative factors.

(2) No qualitative statements shall be made which cannot be substantiated with KPIs.

(3) Information provided in the table should not exceed 1000 words.

BOARD OF DIRECTORS				
Sr. No.	**Name (M/s.)**	**Designation (Independent / Whole time / Executive / Nominee)**	**Experience & Educational Qualification**	**Other Directorships**
1.	Nilanjan Ghose (DIN:01150833)	Non-Executive Director	Given below as Annexure 1	
2.	N Srinivasa Ramanujam (DIN: 07384809)	Non-Executive Director	Given below as Annexure 2	

Annexure 1

Mr Nilanjan Ghose - Experience, Educational Qualification and Other Directorships

Mr Nilanjan Ghose is the Chief Operating Officer and has been part of Khaitan & Co for over two decades.

Annexure 2

Mr N Srinivasa Ramanujam - Experience, Educational Qualification and Other Directorships.

Mr N Srinivasa Ramanujam has extensive knowledge in corporate finance and accounts, direct taxation and provides advise on finance and taxation to all the entities in the group.

He is a qualified Chartered Accountant.

Indian Companies:

1. Harita ARC Private Limited;
2. TSS Staffing Solutions Private Limited;
3. Harita Two Wheeler Mall Private Limited;
4. Emerald Haven Towers Limited;
5. Emerald Haven Property Development Limited;
6. Emerald Haven Life Spaces (Radial Road) Limited;
7. Harita Packagings Limited;
8. TVS Staffing Solutions Private Limited;
9. Inko Services Private Limited;
10. TVS Organics Private Limited;
11. Harita Greentech Power Limited;
12. Harita Housing Constructions Limited;
13. Prime Technology Resources Management Limited;
14. TVS Training and Services Limited; and
15. Harita Malini Private Limited.

OBJECTS OF THE ISSUE

Details of means of finance - Not applicable

The fund requirements for each of the objects of the Issue are stated as follows: (Rs. in crores)

Sr. No.	Objects of the Issue	Total estimate cost	Amount Deployed till	Amount to be financed from Net Proceeds	Estimated Net Proceeds Utilization	
					Fiscal 22	Fiscal 21
Not applicable						

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues / rights issue, if any, of the Company in the preceding 10 years.- Not applicable

Name of monitoring agency, if any- Not applicable

Terms of Issuance of Convertible Security, if any

Convertible securities being offered by the Company	**Not applicable**
Face Value / Issue Price per Convertible securities	
Issue Size	
Interest on Convertible Securities	
Conversion Period of Convertible Securities	
Conversion Price for Convertible Securities	
Conversion Date for Convertible Securities	
Details of Security created for CCD	

Shareholding Pattern:

Sr. No.	Particulars	Pre Issue number of shares	% Holding of Pre issue
1.	Promoter and Promoter Group	1,00,000	100.00%
2.	Public	–	–
	Total	**1,00,000**	**100.00%**

Number / amount of equity shares proposed to be sold by selling shareholders, if any- **Not applicable**

AUDITED FINANCIALS

Particulars	For the three months period ended June 30, 2022	For the year ended 31st March 2022
Total income from operations (Net)	55,30,623	28,91,096
Net Profit / (Loss) before tax and extraordinary items	(80,16,051)	(19,99,48,614)
Net Profit / (Loss) after tax and extraordinary items	(59,98,411)	(14,96,21,548)
Equity Share Capital	1,00,000	1,00,000
Reserves and Surplus	(15,56,19,959)	(14,96,21,548)
Net worth	(15,55,19,959)	(14,95,21,548)
Basic earnings per share (Rs.)	(59.98)	(1,496.22)
Diluted earnings per share (Rs.)	(59.98)	(1,496.22)
Return on net worth (%)	3.86%	100%
Net asset value per share (Rs.)	(1,555.20)	(1,495.22)

INTERNAL RISK FACTORS

The below-mentioned risks are the top 5 risk factors:

1. **Business Strategy Risk**

   We rely on regulated and unregulated markets for revenue. Lack of strategy roadmap for revenue growth of the site may lead to the non-achievement of growth objectives. Also, the dependence of existing customer base for new business could result in restricted growth. Growth restriction and complete dependency on existing customers and existing set of products.

2. **Compliance Risk**

   Any non-compliance with the regulatory and environment laws of land may lead to penalties and fines.

3. **IT Risk**

   We rely on information technology systems, networks and infrastructure to operate our business and any interruption or breakdown in such systems, networks or infrastructure could impair our ability to effectively deliver our products and services. The inability of the Company to suitably upgrade its IT infrastructure may impair its ability to efficiently manage its business and deliver accurate information to various internal and external stakeholders. Further, any cyber-attack on our systems & firewall failure could cause inability to function and transact.

4. **External Factors**

   The risk of customer attrition is significantly high because of the high gestation period in product development and launch. The financial health of customers i.e. solvency of customers, funding issues, and M&A may exert a significant adverse impact on services rendered impacting revenue & EBIDTA and the Profit & Loss statement, overall.

5. **Supply Chain Management**

   Due to COVID there are many restrictions on international routes & hence sourcing of raw materials and export of goods to multiple geographies becomes challenging and newer and longer routes needs to be taken which make transportation cost costly. These factors also create a risk of overstocking/building of inventories and working capital blockages.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Total number of outstanding litigations against the Company and amount involved

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (Rs in crores)
Company						
By the Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	Nil	Nil	Nil	Nil	Nil
Directors						
By our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Promoters						
By Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Subsidiaries						
By Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
Against Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil

B. Brief details of top 5 material outstanding litigations against the company and amount involved - Nil

C. Regulatory Action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any (200 - 300 word limit in total) - Nil

D. Brief details of outstanding criminal proceedings against Promoters (200 - 300-word limit in total) - Nil

ANY OTHER IMPORTANT INFORMATION AS PER BRLM / ISSUER COMPANY
NIL

DECLARATION BY THE COMPANY

We hereby declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines / regulations issued by the Government of India or the guidelines / regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may he have been complied with and no statement made in the Abridged Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulation issued there under, as the case may be. We further certify that all statements in the Abridged Prospectus are true and correct.

For **VS Investments Private Limited**

Sd/-
N SRINIVASA RAMANUJAM
Director
Place : Chennai
Date : 11th November 2022

This is an abridged prospectus containing the information pertaining to the unlisted company, Sundaram-Clayton DCD Limited (the **"Resulting Company"** or the **"Company"**), involved in the Composite Scheme of Arrangement amongst Sundaram-Clayton Limited (the **"Transferee Company"** or the **"Demerged Company"** or **"SCL"**) and TVS Holdings Private Limited (the **"Transferor Company 1"** or **"TVSHPL"**), and VS Investments Private Limited (**"Transferor Company 2"** or **"VSIPL"**) and the Resulting Company and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the **"Act"**) (hereinafter referred to as the **"Scheme"** / **"Scheme of Arrangement"**) in the format specified for abridged prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and SEBI Circular No. SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 4, 2022 in accordance with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021. This abridged prospectus should be read together with the Composite Scheme of Arrangement.

THIS ABRIDGED PROSPECTUS CONTAINS 13 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

(Capitalised terms not defined herein shall have the meanings ascribed to them under the Composite Scheme of Arrangement)

Sundaram-Clayton DCD Limited

CIN: U51100TN2017PLC118316, **Date of Incorporation:** August 29, 2017

Registered office	Corporate office	Contact person	Email and Telephone	Website
"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam Chennai, Tamil Nadu 600006	"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam Chennai, Tamil Nadu 600006	Mr Vivek Joshi Director	Email: corpsec@sundaramclayton.com Telephone: 044 - 2833 2115	Not Applicable

NAME OF PROMOTER OF THE COMPANY: Sundaram-Clayton Limited

Details of Offer to Public

Type of Issue (Fresh/ OFS / Fresh & OFS)	Fresh Issue Size (by no. of shares or by amount in Rs)	OFS Size (by no. of shares or by amount in Rs)	Total Issue Size (by no. of shares or by amount in Rs)	Issue Under 6(1)/ 6(2)	Share Reservation		
					QIB	NII	RII
Not applicable							

OFS: Offer for Sale

SCHEME DETAILS AND LISTING

DETAILS OF THE COMPOSITE SCHEME OF ARRANGEMENT

Composite Scheme of Arrangement between Sundaram-Clayton Limited (**"Transferee Company"** or **"Demerged Company"** or **"SCL"**) and TVS Holdings Private Limited (**"Transferor Company 1"** or **"TVSHPL"**) and VS Investments Private Limited (**"Transferor Company 2"** or **"VSIPL"**) and Sundaram-Clayton DCD Limited (**"Resulting Company"**) and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the **"Act"**) (hereinafter referred to as the **"Scheme"** or **"Scheme of Arrangement"**).

The Scheme provides for the (i) issue of Cumulative Non-convertible Redeemable Preference Shares of SCL by way of bonus to the shareholders of SCL by utilising the general reserves / retained earnings; (ii) amalgamation of Transferor Company 1 with Transferee Company and cancellation of the share capital of the Transferee Company held by Transferor Company and consideration thereof; (iii) amalgamation of the Transferor Company 2 with the Transferee Company and cancellation of the share capital of the Transferee Company held by the Transferor Company 2 and the consideration thereof; and (iv) demerger, transfer and vesting of the manufacturing business of Demerged Company into the Resulting Company on a going concern basis, reduction and cancellation of the paid-up share capital of the Resulting Company held by the Demerged Company and the consequent issue of shares of the Resulting Company to the shareholders of the Demerged Company.

The Scheme shall be effective and operative from the Appointed Date.

The rationale for the Scheme:

i) The Scheme provides for the amalgamation of the Transferor Companies with the Transferee Company and will result in the following benefits:
   (a) streamlining of the promoter holding structure;
   (b) optimal utilisation of resources and better corporate governance; and
   (c) reduction of administrative responsibilities, multiplicity of records and legal and regulatory compliances;

ii) The proposed demerger pursuant to this Scheme is expected, inter alia, to result in the following benefits:
   (a) segregation and unbundling of the businesses of the Demerged Company into the Resulting Company, which will enable enhanced focus on the Demerged Company and Resulting Company for exploiting opportunities of each of the said companies;
   (b) unlocking of value for the shareholders of the Demerged Company, attracting investors and providing better flexibility in accessing capital, focused strategy and specialisation for sustained growth;
   (c) logistics alignment leading to economies of scale for the Resulting Company and creation of sectoral efficiencies and benefitting stakeholders as well as optimization of operation and capital expenditure; and
   (d) enhancing competitive strength, achieving cost optimisation, ensuring benefits through focused management of the financial, managerial and technical resources, personnel capabilities, skills, expertise and technologies of the Resulting Company and the Demerged Company thereby significantly contributing to future growth and maximizing shareholders' value;

iii) The Scheme is in the best interests of the shareholders, employees and the creditors of the Transferor Company and the Transferee Company.

Consideration for the demerger, transfer and vesting of the manufacturing business of Demerged Company into the Resulting Company:

In consideration for demerger, transfer and vesting of the manufacturing business of Demerged Company into the Resulting Company, the Resulting Company shall issue and allot its equity shares on a proportionate basis to shareholders of the Demerged Company as on Record date 2, in the manner given below:

*"1 fully paid up equity share of INR 5 each fully paid up of the Resulting Company credited as fully paid up, for every 1 equity share of INR 5 each fully paid up of the Demerged Company (and all such equity shares issued by the Resulting Company referred to as **"New Equity Shares of the Resulting Company"**); and 1 Preference Share of the Resulting Company credited as fully paid up, for every 1,000 Preference Shares of SCL"*

Further, upon the demerger, transfer and vesting of the manufacturing business of the Demerged Company into the Resulting Company, the entire paid up equity share capital, immediately before Effective Date 4, of the Resulting Company shall stand cancelled, extinguished and annulled on and from the Effective Date 4 and the paid up equity capital of the Resulting Company to that effect shall stand cancelled and reduced.

LISTING

The equity shares of the Resulting Company, issued to the shareholders of the Demerged Company, are proposed to be listed on BSE Limited and the National Stock Exchange of India Limited.

Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders *(upto a maximum of 10 selling shareholders)*

Name	Type	No of Shares offered / Amount in Rs	WACA in Rs per Equity	Name	Type	No of Shares offered / Amount in Rs	WACA in Rs per Equity
Not applicable							

P: Promoter; PG: Promoter Group; OSS: Other Selling shareholder; WACA: Weighted Average Cost of Acquisition shall be calculated on fully diluted basis

Price Band, Minimum Bid Lot & Indicative Timelines	
Price Band*	**Not applicable**
Minimum Bid Lot Size	
Bid/Offer Open On	
Bid/Closes Open On	
Finalisation of Basis of Allotment	
Initiation of Refunds	
Credit of Equity Shares to Demat accounts of Allottees	
Commencement of trading of Equity Shares	

*For details of price band and basis of offer price, please refer to price band advertisement and page xx of RHP- **Not applicable**

Details of WACA of all shares transacted over the trailing eighteen months from the date of RHP- Not applicable

Period	Weighted Average Cost of Acquisition (in Rs.)	Upper End of the Price Band is 'X' times the WACA	Range of acquisition price Lowest Price- Highest Price (in Rs.)
Trailing Eighteen Month from the date of RHP	**Not applicable**		

WACA: Weighted Average Cost of Acquisition shall be calculated on a fully diluted basis for the trailing eighteen months from the date of RHP

RISKS IN RELATION TO THE FIRST OFFER

The face value of the Equity Shares is ' x. The Floor Price, Cap Price and Offer Price determined by our Company and the Selling Shareholders, in consultation with the BRLM's, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "Basis for Offer Price" on page xx should not be considered to be indicative of the market price of the Equity Shares after listing. No assurance can be given regarding frequency of trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing- **Not applicable**

GENERAL RISKS

Investment in equity & equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does, SEBI guarantee the accuracy or adequacy of the contents of the Scheme of Amalgamation or Abridged Prospectus - **Not applicable as the offer is not for the public at large and no investment by the public is required in the Transferor Company 2.**

Specified attention of the investors is invited to the section titled "Internal Risk Factors" on page 310 of this Abridged Prospectus.

PROCEDURE

The procedure with respect to public issue/ offer would not be applicable as this issue is only to the shareholders of the Transferor Company 2, pursuant to the Scheme, without any cash consideration. Hence, the procedure with respect to a General Information Document is not applicable.

PRICE INFORMATION OF BRLM's*

Issue Name	Name of Merchant Banker	+/- % change in closing price, (+/- % change in closing benchmark)- 30th calendar days from listing	+/- % change in closing price, (+/- % change in closing benchmark)- 90th calendar days from listing	+/- % change in closing price, (+/- % change in closing benchmark) - 180th calendar days from listing
		+1% (+5%)	-2% (-5%)	
Not applicable				

* Disclosures subject to recent 7 issues (initial public offerings) in current financial year and two preceding financial years managed by each Merchant Banker with common issues disclosed once.

Name of BRLM and contact details (telephone and email ID) of each BRLM	**Not applicable**
Name of Syndicate Members	

In case of issues by Small and Medium Enterprises under Chapter IX, details of the market maker to be included- Not applicable

Name of Registrar to the Issue and contact details (telephone and email ID)	**Not applicable**
Name of Statutory Auditor	
Name of Credit Rating Agency and the rating or grading obtained, if any	
Name of Debenture trustee, if any.	
Self-Certified Syndicate Banks	
Non Syndicate Registered Brokers	
Details regarding website address(es)/ link(s) from which the investor can obtain list of registrar to issue and share transfer agents, depository participants and stock brokers who can accept application from investor (as applicable)	

PROMOTER OF THE ISSUER COMPANY			
Sr. No.	**Name**	**Individual / Corporate**	**Experience & Educational Qualification**
1.	Sundaram-Clayton Limited	Corporate	A leading supplier of aluminium die castings to automotive and non-automotive sectors and was incorporated in the year 1962.

BUSINESS OVERVIEW AND STRATEGY

Company Overview: The Company was incorporated on August 29, 2017, as a private company under the Companies Act, 2013. The Company was converted into a public company on February 24, 2022.

Product / Service Offering: The Company was incorporated to carry out the following main objects:

1. To carry on the business of manufacturers of and merchants and dealers in all components and parts and accessories of vehicles of every kind and engines of every kind and to carry on the business of manufacturers, mechanical engineers, founders, fitters, tool makers, brass founders, metal makers, boiler makers etc and to manufacture, produce, repair, export, import, purchase, sell and deal in and generally to carry on business in the manufacture, sale and supply of brake exhausters, compressors, servo units and other components and accessories thereof for vehicles of every kind and to carry on the business of designers, developers, manufacturers, distributors, sellers and dealers in all types of internal combustion engines, and to buy, sell, repair, convert, alter, export, import, let on hire all types of internal combustion engines and to carry on the business of manufacturers and and to carry on the business of iron and steel founders and founders of non-ferrous metals in all their branches and to carry on business of smelters, and of casting, forming and shaping parts and components of plant, machinery and equipment and articles of every description of ferrous and non-ferrous metals and other materials.
2. To acquire and carry on the business of manufacture of rubber articles and to purchase, take on lease or otherwise acquire, hold and work any lands producing rubber trees or suitable for planting, cultivation and growth of rubber trees and any concessions, rights, powers and privileges over any such lands and machinery and to generate, develop, accumulate, produce, manufacture, purchase, process, transform, distribute, transmit, sale, supply and / or otherwise import, export, deal in any kind of power of electrical energy using coal, lignite, petroleum products or any other substances, wind energy, solar energy, etc and to deal with all places including cities, towns, villages, districts, docks, markets, theatres, building, industries, offices or any other place and to all such acts, deeds and things including construction, laying down, establishing, fixing and to carry out all necessary activities for the aforesaid purpose and setting up, operating and maintaining electric power generating stations based on conventional / renewable sources, tie-lines, sub-stations and transmission lines on build, own and operate (BOO) and / or build, own and transfer (BOT) and / or build, own, lease and transfer (BOLT) and / or build, own, operate and transfer (BOOT) basis and to carry on in India or elsewhere the business of acquiring, operating, managing.

3. To carry on the business of generation of electrical power by conventional, non-conventional, renewable methods including coal, gas lignite, oil, biomass, waste, thermal, solar, hydel, geo-hydel, wind and tidal waves and also to carry on the business of supply of electricity for the purpose of light, heat, motive power or otherwise and manufacture of and dealers in apparatus and things required for or capable of being used in connection with the generation, distribution, supply, accumulation and employment of electricity and maintain power generating machineries and all other types of plant and machinery, and to carry on the business of promoting, owning, acquiring, erecting, constructing, establishing, maintaining, improving, managing, operating, altering, controlling, taking on hire/lease power plants, co-generation power plants energy conservation projects, power houses, transmission and distribution systems of generation, distribution, transmission and supply of electrical energy and buying, selling, supplying, exchanging, marketing, functioning as a licencee and dealing in electrical power, energy to the State Electricity Board, State Government, appropriate authorities, licencees, specific industrial units and other consumers for industrial, commercial, agricultural, household and any other purpose in India and elsewhere in any area to be specified by the State Government, Central Government, Local Authority, State Electricity Boards and any other competent authority in accordance with the provisions of Indian Electricity Act, 1910 and/or Electricity (Supply) Act, 1948 or any state Act. 4. To carry on the business of electricians, electrical engineers, and manufacturers of all kinds of electrical machinery and electrical apparatus for any purpose whatsoever and to manufacture, sell, supply and deal in accumulators, lamps, motors, engines, dynamos, batteries, telephonic or telegraphic apparatus of any kind and manufacturers of and dealers in scientific instruments of any kind and to buy, sell, let on hire, take on hire, repair, alter and deal in machinery, component parts, accessories and fittings of all kinds for motors and vehicles and all articles and things used in or capable of being used in connection with the manufacture, maintenance and working thereof and to carry on the business of garage keepers, filling station operators service station operators and suppliers of and dealers in petrol, diesel, oil, electricity and other motive power to motors and other things and to carry on (either in connection with the aforesaid business or as distinct and separate business) the businesses of garage proprietors and to buy, sell, supply and deal in petrol, oil and petroleum products, electricity, new and used motor vehicles, parts of such vehicles, their accessories and supplies. 5. To bring, buy, sell, manufacture, plant, cultivate, prepare, repair, convert, hire, alter, treat, manipulate, exchange, let on hire, import, export, dispose off and deal in machinery, implements, rolling stock, plant, hardware, ores, metals, iron, carbon-black, rayon, Hessian, store materials, tools, appliances, apparatus, products, substances and articles of all kinds (whether referred to in the Memorandum or not) which may seem to the company capable of being used or required for the purpose of any of the businesses which the company is expressly or by implication authorised to carry on or which are usually supplied or dealt in by persons engaged in any such businesses or which may seem to the company capable of being conveniently carried on in connection with the above or otherwise calculated directly or indirectly to enhance the value of any of the property and rights of the company for the time being.
Revenue segmentation by product / service offering: As on June 30, 2022, there is no revenue for the Company.
Geographies Served: As on June 30, 2022, there is no revenue for the Company.
Revenue segmentation by geographies: As on June 30, 2022, there is no revenue for the Company.
Key Performance Indicators: Not Applicable
Client Profile or Industries Served: Not Applicable
Revenue segmentation in terms of top 5/10 clients or Industries: Not Applicable
Intellectual Property, if any: Nil
Market Share: Not Applicable
Manufacturing plant, if any: Nil
Employee Strength: There are no employees in the roles of the Company.

Note:

(1) The quantitative statements shall be substantiated with Key Performance Indicators (KPIs) and other quantitative factors.

(2) No qualitative statements shall be made which cannot be substantiated with KPIs.

(3) Information provided in the table should not exceed 1000 words.

BOARD OF DIRECTORS				
Sr. No.	**Name**	**Designation (Independent / Whole time / Executive / Nominee)**	**Experience & Educational Qualification**	**Other Directorships**
1	Mr Venu Srinivasan (DIN: 00051523)	Non-Executive Director	Given below as Annexure 1	
2	Dr. Lakshmi Venu (DIN: 02702020)	Non-Executive Director	Given below as Annexure 2	
3	Mr R Gopalan (DIN: 01624555)	Non-Executive Director	Given below as Annexure 3	
4	Mr Rajesh Narasimhan (DIN: 07824276)	Non-Executive Director	Given below as Annexure 4	
5	Ms Sasikala Varadarachari (DIN: 07132398)	Non-Executive Director	Given below as Annexure 5	
6	Mr Vivek Joshi (DIN: 09522758)	Non-Executive Director	Given below as Annexure 6	

Annexure 1

Mr Venu Srinivasan - Experience, Educational Qualification and Other Directorships

Mr Venu Srinivasan is the Chairman Emeritus and Managing Director of Sundaram-Clayton Limited and TVS Motor Company Limited.

Mr Srinivasan has an engineering degree from the College of Engineering, Chennai and a Master's Degree in Management from the Purdue University, USA. In recognition of his contribution to management, he was conferred with "Doctor of Management" by his alma-mater, Purdue University in 2014.

He has held various important positions in the Indian Industry, such as:

- Chairman of National Safety Council, Government of India.
- President, Confederation of Indian Industries (CII) for the year 2009-10.
- President, Society of Indian Automobile Manufacturers for the period 1999-2001.

He is also a Director of the Central Board of the Reserve Bank of India.

Some of the recent awards conferred on Mr Srinivasan include:

- Awarded as "Man of The Year 2021" by Autocar Professional.
- Conferred with Padma Bhushan Award for the year 2020.
- The Deming Distinguished Service Award for Dissemination and Promotion (Overseas) by JUSE in November 2019.
- "Lifetime Achievement Award" by FADA in February 2018.
- "Champion of Champions and Best CEO" award by Business Today in December 2016.
- "Goodwill Envoy for Public Diplomacy" by the Republic of Korea in January 2015.
- The "Padma Shri" award in 2010 by the President of India, for his valuable and outstanding contributions in the field of trade and industry.
- The distinguished civilian honour "Order of Diplomatic Service Merit" (Heung-In Medal) in 2010, conferred by the President of the Republic of Korea, in recognition of his valuable contribution in promoting Korea-India bilateral relations.

Under Mr Srinivasan's leadership, Sundaram-Clayton Ltd. was awarded the Deming Prize in 1998 by the Union of Japanese Scientists and Engineers (JUSE), Japan and also with the Japanese Quality Medal in the year 2002. In the year 2002, TVS Motor Company was also conferred with the Deming Prize.

In recognition of his contribution to manufacturing, R&D, technology and quality excellence, he was conferred with "Doctor of Science" by the University of Warwick, UK in the year 2004.

The Indian Institute of Technology, Kharagpur, the oldest IIT in India, conferred upon him, "Doctor of Science" in the year 2009.

He was bestowed with the Ishikawa-Kano award in the year 2012 by the Asian Network of Quality, the apex body for quality in Asia which covers 18 countries including Japan, China, India, Korea and Thailand.

For his contribution to Leadership and Management, Mr Srinivasan was conferred with JRD Tata Corporate Leadership Award by the All India Management Association in the year 2005, and the Jamsetji Tata Lifetime Achievement award by the Indian Society for Quality in the year 2004.

Mr Srinivasan is also the Managing Trustee of Srinivasan Services Trust (SST) - engaged in transformation & empowerment of thousands of villages in rural India touching the lives of millions of people.

- The model is about partnership with the stakeholders (society, police, forest department among others), and not philanthropy.
- The activities of the trust are in five main program areas: Economic Development, Health, Education, Infrastructure and Environment.
- Over hundred thousand hectares of degraded forests have been reforested. Successful implementation of watershed development programs has raised the water table and prevented soil erosion in more than 5000 hectares.

SST has received multiple awards like:

- CII-ITC "Corporate Social Responsibility Award" (2018).
- The Economic Times "Corporate Citizen of the year" (2016).
- Times of India Social Impact Award on Advocacy & Empowerment in Corporate category (2011).
- Golden award on Readers Digest Pegasus Corporate Social Responsibility Award (2008).
- Silver award on Pegasus Corporate Social Responsibility Award (2007).

Indian Companies:

i. TVS Motor Company Limited
ii. Sundaram -Clayton Limited
iii. TATA Sons Private Limited
iv. The Indian Hotels Company Limited
v. T.V. Sundram Iyengar & Sons Private Limited
vi. TVS Credit Services Limited
vii. TVS Housing Finance Private Limited
viii. LV Trustee Private Limited
ix. S. Venu Trustee Private Limited
x. VS Trustee Private Limited
xi. Cheema Educational Foundation
xii. Venu Srinivasan Trustee Private Limited
xiii. TVS Electric Mobility Limited
xiv. Sundaram Auto Components Limited

Foreign Companies:

i. TVS Digital Pte. Ltd., Singapore
ii. TVS Motor (Singapore) Pte Limited, Singapore
iii. Sundaram Holding USA Inc., USA
iv. The Norton Motorcycle Co. Limited
v. Swiss E-Mobility Group (Holding) AG
vi. Swiss E-Mobility Group (Schweiz) AG

Annexure 2

Dr. Lakshmi Venu - Experience, Educational Qualification and Other Directorships

Dr. Lakshmi Venu is a graduate of Yale University, and holds a Doctorate in Engineering Management from the University of Warwick.

She underwent her initial training in Sundaram Auto Components Limited, a subsidiary of the Sundarm-Clayton Limited. Thereafter, she underwent an extensive in-depth induction at the Sundarm-Clayton Limited. She had worked in the areas of business strategy, corporate affairs, product design and sales & marketing of the Company.

Dr. Lakshmi Venu is currently the Managing Director of Sundaram-Clayton Limited and Deputy Managing Director of TAFE Motors and Tractors Limited and also holds directorships in various other companies, including Independent Directorship in ZF Commercial Vehicle Control Systems India Limited.

Indian Companies:

i. Sundaram-Clayton Limited

ii. TVS Motor Company Limited

iii. TAFE Motors and Tractors Limited

iv. Sundram Non- Conventional Energy Systems Limited

v. Sundaram Auto Components Limited

vi. ZF Commercial Vehicle Control Systems India Limited (Formerly known as WABCO India Limited)

vii. LV Trustee Private Limited

viii. Sivasailam Chamraj Education Foundation

ix. Sivasailam Chamraj Hospital Foundation

x. TAFE Foundation

Foreign Companies:

i. Sundaram-Clayton (USA) Limited

ii. Sundaram Holding (USA) Inc.

Annexure 3

Mr R Gopalan - Experience, Educational Qualification and Other Directorships

Mr R Gopalan served till April 2016, as Member, Public Enterprises Selection Board (PESB) under the control of the PM. This body selects CMDs, MDs and Directors of Central Public Sector Enterprises (CPSEs). PESB also helps in framing personnel policies for the CPSEs. During this period, he has assisted in selection of over 400 Officers. Served as Secretary, Department of Economic Affairs, Ministry of Finance, Government of India till 31st July, 2012 before retirement.

Was handling matters relating to Capital Markets, Infrastructure Finance, G-20, World Bank (WB), International Monetary Fund (IMF), Asian Development Bank (ADB), Budget preparation, Public Private Partnership (PPP), Directorate of Currency and other related matters pertaining to the economy.

Represented the country effectively in the G-20 meetings, ADB, World Bank and IMF meetings. Brought about a number of changes in the functioning of the Capital Markets and initiated new policy measures in infrastructure. Initiated a number of measures to enhance financing for infrastructure. Represented Government of India on the Board of the Reserve Bank of India (RBI). Chaired the Foreign Investment Promotion Board (FIPB) which clears proposals for Foreign Direct Investment (FDI) into India. Was the cadre controlling authority for Officers belonging to the Indian Economic Service.

Prior to this assignment, was Secretary in the Department of Financial Services, Ministry of Finance - overall in charge of banking, insurance and pension reforms. The function included supervision of policy support to Public Sector Banks (PSBs), Insurance Companies and Development Financial Institutions (DFIs) through policy guidelines, legislative and other administrative changes; Monitoring their performance; Policy formulation in respect of NBFCs, private banks and foreign banks; Support to regulatory authorities i.e. RBI, IRDA, PFRDA, NHB and NABARD; administration of the all Acts relating to Banks, DFIs and Insurance Companies; framing rules and regulations, wage settlement in banking and insurance industry; coordination between industry, banks and

financial institutions.

He was also responsible for selection of Chairman and EDs of Public Sector Banks, MD of SIDBI, Chairman of Nabard, Deputy Governor of RBI, Chairman and MDS of SBI, and Chairman of SEBI. Responsible for introduction of "Swavalamban" - an insurance scheme for unorganized sector and "Swabhiman" -a scheme for financial inclusion through business correspondents model.

As Special Secretary in the Department of Commerce, Ministry of Commerce & Industry, served as Director General, Anti-Dumping and Anti-Subsidy Investigations; Director on the Boards of MMTC, STC and PEC Ltd. During his long and varied career in Govt of India, he held several key assignments, like Joint Secretary, National Manufacturing Competitiveness Council (NMCC); Joint Secretary in Commerce Department in charge of WTO and FTA negotiations; Joint Secretary in charge of export promotion division in the Commerce Ministry; and CMD, Tamil Nadu Industrial Development Corporation (TIDCO).

He has participated actively in Ministerial Meetings of WTO for Trade Negotiations at Doha, Cancun and Hong Kong, and assisted the Commerce Minister at the G-6, G-20 and G-1 10 meetings. He also participated in inter-governmental negotiations for Free Trade Agreements in the areas of agriculture, services and environmental goods, and led the Indian delegation at the WTO.

As Chairman, TIDEL Park Ltd, helped in financial closure, selection of design, selection of contractors through international competitive bidding, supervising construction and marketing of major Software Technology Park at Chennai. Completed the project estimated to cost Rs. 340 cr within Rs. 297 cr. Helped the State Government in formulation of policies on IT and biotechnology.

Managed the establishment of Auto Ancillary Park, Hi-tech Park for manufacturing hardware components, Petrochemical Park, Floriculture Infrastructure Park for exports and Rubber Park.

Mr Gopalan has a Master's Degree in Economics from Boston University and a Master's Degree in Public Administration and Management from the John F. Kennedy School of Government, Harvard University.

Indian Companies:

i. Sundaram-Clayton Limited

ii. TVS Motor Company Limited

iii. TVS Credit Services Limited

iv. Zee Entertainment Enterprises Limited

v. MB Power (Madhya Pradesh) Limited

vi. ANA Arc Private Limited

vii. New Delhi Center for Sight Limited

Annexure 4

Mr Rajesh Narasimhan - Experience, Educational Qualification and Other Directorships

Mr Rajesh Narasimhan is an alumnus of the Indian Institute of Management - Ahmedabad and also holds a Masters in Computer Applications and a Bachelor's Degree in Statistics. He currently serves as the Director and Chief Executive Officer of TVS Digital, headquartered in Singapore that is being leveraged to operationalise a digital technology start-up focused on the Automotive and Fintech industries with portfolios & offerings that will deliver high quality solutions and platforms to help address real life business challenges by harnessing the power of exponential technologies including Analytics, Artificial Intelligence (AI), Augmented Reality (AR), Internet of Things (IoT), Machine Learning (ML) and Virtual reality (VR).

Mr Narasimhan is currently a Non-Executive and Non-Independent Director on the boards of Sundaram-Clayton Limited and TVS Motors Singapore in addition to serving as the TVS Motor Company and TVS Digital Nominee Director in a Non-Executive capacity on the board of several digital start-ups in which they have invested including Altizon Systems, Fabric IoT, Intellicar Telematics, Predictronics Corp., Scienaptic AI and Tagbox. He has also served as a Non-Executive Independent Director and as a Non - Executive Non-Independent Director on the board of TVS Motor Company between May 2017 - March 2021 in addition to serving as a Non-Executive Director on the board of Parrot Solutions Pte. Limited, a Singapore incorporated digital start-up between May 2017 - January 2021.

Mr Narasimhan is an Innovative & highly adaptable leader with more than three and a half decades of experience in both start-up and mature organizations across multiple industries including Information Technology, Consumer Durables & Consumer Electronics and brings extensive experience in General Management, Executive & Technology Leadership, Business & Digital Transformation and Leadership & Talent development.

Mr Narasimhan has a successful and credible career track record at various TVS companies, CSC / Covansys (Public listed, US headquartered and a CSC Group Company) and Hewlett Packard, where he has been highly rated and valued as a quality top talent consistently delivering in every role and growing rapidly within the respective organizations. He held several Senior Executive positions at Hewlett Packard where he successfully led multiple business transformations and turnarounds last leading the delivery of their multi-billion $ enterprise services business across 25 countries in Asia Pacific & Japan where he had accountability for over 15,000 employees and more than 400 partners and vendors. Prior to this, he also served as the Vice President & General Manager of the Enterprise Services business in Asia and as Vice President of Hewlett Packard's multi-billion $ Applications services business for Asia Pacific & Japan.

Mr Narasimhan has advised several Fortune 500 clients on their business transformation through digital and technology innovation leveraging Automation, Cloud, Cyber-security, Data Analytics and Management, Mobility & Social and is currently helping the Sundaram Clayton Limited and TVS Motor Company Limited group companies with their Digital Transformation and Cybersecurity initiatives. He is very passionate and highly focused on Human Capital Management including Leadership and Talent development and has an established track record in acquiring, developing and retaining talent and in building high performance teams.

Prior to joining Hewlett Packard in June 2010, Mr Narasimhan had a 15+ year tenure with CSC / Covansys during which he lived and worked in France, the Middle East & Singapore establishing and expanding its business & presence in the Asia Pacific, Japan and the Middle East geography last serving as their Senior Vice President and Head for the geography. Prior to joining CSC / Covansys in January 1994, he held several executive positions with TVS companies in India including at Sundaram-Clayton Ltd., TVS Whirlpool and TVS Electronics.

Indian Companies:

i. Sundaram-Clayton Limited
ii. Altizon Systems Private Limited
iii. Tagbox Solutions Private Limited
iv. Intellicar Telematics Private Limited
v. Fabric IOT Private Limited

Foreign Companies:

i. TVS Motor (Singapore) Pte Limited
ii. Altizon Inc (USA)
iii. Predictronics Corporation USA
iv. Scienaptic AI USA
v. Tagbox Pte Limited, Singapore
vi. TVS Digital Pte Limited
vii. Intellicar Singapore Pte Limited, Singapore

Annexure 5

Ms Sasikala Varadachari - Experience, Educational Qualification and Other Directorships.

Ms Sasikala Varadachari, born in 1954, is a retired banker with over 37 years of experience in the fields of banking operations both in India and Overseas.

Ms Sasikala Varadachari worked as chief general manager of State Bank of India (SBI), spearheading the strategic training unit, SBI, corporate center Mumbai, having profound knowledge in Credit and Merchant Banking.

Ms Sasikala was the first CEO of SBI in Israel and was responsible for setting up SBI's Commercial Operations there.

Ms Sasikala is presently on the Board of Tube Investments of India Limited, Cholamandalam Securities Limited and CG Power & Industrial Solutions Limited.

Indian Companies:

i. Sundaram-Clayton Limited
ii. TVS Motor Services Limited
iii. Cholamandalam Home Finance Limited
iv. Tube Investments of India Limited
v. CG Power and Industrial Solutions Limited

Annexure 6

Mr Vivek Joshi - Experience, Educational Qualification and Other Directorships

Mr Vivek Joshi is a graduate in Metallurgy Engineering with Masters in Science, Industrial & Systems Engineering from Ohio State University and MBA from Indiana Tech University, USA. He has more than 23 years of rich experience in the areas like plant operations, quality, engineering, systems and metallurgy in companies like Greaves, Perfect Alloy Components, Ryobi Die Casting USA and Jaya Hind Industries.

Foreign Companies:

Sundaram Holding (USA) Inc.,

OBJECT OF THE ISSUE

Details of means of finance - Not applicable

The fund requirements for each of the objects of the Issue are stated as follows: (Rs. in crores)

Sr. No.	Objects of the Issue	Total estimate cost	Amount Deployed till	Amount to be financed from Net Proceeds	Estimated Net Proceeds Utilization	
					Fiscal 22	Fiscal 21
Not applicable						

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues / rights issue, if any, of the Company in the preceding 10 years.- Not applicable

Name of monitoring agency, if any- Not applicable

Terms of Issuance of Convertible Security, if any

Convertible securities being offered by the Company	**Not applicable**
Face Value / Issue Price per Convertible securities	
Issue Size	
Interest on Convertible Securities	
Conversion Period of Convertible Securities	
Conversion Price for Convertible Securities	
Conversion Date for Convertible Securities	
Details of Security created for CCD	

Shareholding Pattern:

Sr. No.	Particulars	Pre Issue number of shares	% Holding of Pre issue
1.	Promoter and Promoter Group	2,500	100.00%
2.	Public	–	–
	Total	**2,500**	**100.00%**

Number / amount of equity shares proposed to be sold by selling shareholders, if any- Not applicable

AUDITED FINANCIALS

Particulars	For the three months period ended June 30, 2022	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Total income from operations (Net)	–	–	–	–
Net Profit / (Loss) before tax and extraordinary items	–	(28,544)	(31,466)	(17,869)
Net Profit / (Loss) after tax and extraordinary items	–	(28,544)	(31,466)	(17,869)
Equity Share Capital	25,000	25,000	25,000	25,000
Reserves and Surplus	(1,24,329)	(1,24,329)	(95,785)	(64,319)
Net worth	(99,329)	(99,329)	(70,785)	(39,319)
Basic earnings per share (Rs.)	–	(11)	(12.59)	(7.15)
Diluted earnings per share (Rs.)	–	(11)	(12.59)	(7.15)
Return on net worth (%)	–	28.74%	44.45%	45.45%
Net asset value per share (Rs.)	(39.73)	(39.73)	(28.31)	(15.73)

The aforesaid financials are on standalone basis, as there are no entities for consolidation.

INTERNAL RISK FACTORS

The below mentioned risks are top 5 risk factors as per the Abridged Prospectus:

1. **Business Strategy Risk**

   We rely on regulated and unregulated markets for revenue. Lack of strategy roadmap for revenue growth of the site may lead to the non-achievement of growth objectives. Also, the dependence of existing customer base for new business could result in restricted growth. Growth restriction and complete dependency on existing customers and existing set of products.

2. **Compliance Risk**

   Any non-compliance with the regulatory and environmental laws of the land may lead to penalties and fines.

3. **IT Risk**

   We rely on information technology systems, networks and infrastructure to operate our business and any interruption or breakdown in such systems, networks or infrastructure could impair our ability to effectively deliver our products and services. The inability of the Company to suitably upgrade its IT infrastructure may impair its ability to efficiently manage its business and deliver accurate information to various internal and external stakeholders. Further, any cyber-attack on our systems & firewall failure could cause inability to function and transact.

4. **External Factors**

   Risk of customer attrition is significantly high because of the high gestation period in product development and launch. The financial health of customer i.e. Solvency of customer, Funding issues, M&A may exert a significant adverse impact on services rendered impacting revenue & EBITDA and the Profit & Loss statement, overall.

5. **Supply Chain Management**

   Due to COVID there are many restrictions on international routes & hence sourcing of raw materials and export of goods to multiple geographies becomes challenging and newer and longer routes needs to be taken which make transportation cost costly. These factors also create risk of overstocking / building of inventories and working capital blockages.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Total number of outstanding litigations against the company and amount involved

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (Rs in crores)
Company						
By the Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	Nil	Nil	Nil	Nil	Nil
Directors						
By our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Promoters						
By Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against Promoters	Nil	20 cases	Nil	Nil	Nil	25.07
Subsidiaries						
By Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
Against Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil

B. Brief details of top 5 material outstanding litigations against the company and amount involved - Nil

C. Regulatory Action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any (200 - 300 word limit in total) - Not Applicable

D. Brief details of outstanding criminal proceedings against Promoters (200 - 300-word limit in total) - Nil

ANY OTHER IMPORTANT INFORMATION AS PER BRLM / ISSUER COMPANY

NIL

DECLARATION BY THE COMPANY

We hereby declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines / regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may he have been complied with and no statement made in the Abridged Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulation issued there under, as the case may be. We further certify that all statements in the Abridged Prospectus are true and correct.

For **Sundaram-Clayton DCD Limited**

Sd/-
VIVEK JOSHI
Director
Place : Chennai
Date : 11th November 2022

Annexure – XV and XVI to the Notice of NCLT Convened Meeting
COMPLAINT REPORTS SUBMITTED TO BSE & NSE

Registered Office :
"Chaitanya"
No.12, Khader Nawaz Khan Road,
Chennai - 600006, Tamilnadu, India.
Telephone : +91-44-28332115
Fax : +91-44-28332113

Sundaram-Clayton Limited

1st April 2022

To
Manager - Listing Compliance
National Stock Exchange of India Limited,
Exchange Plaza,
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400 051.
Scrip Code: SUNCLAYLTD

Dear Sir/Madam,

Sub. : Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the proposed Composite Scheme of Arrangement amongst Sundaram-Clayton Limited ("Company") and TVS Holdings Private Limited and VS Investments Private Limited and Sundaram-Clayton DCD Limited and their respective shareholders and creditors ("Scheme").

Ref. : Report on Complaints in terms of Para I(A)(6) of the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021 /0000000665 dated 23rd November 2021 as amended from time to time ("SEBI Master Circular").

This is in reference to the Scheme filed by the Company under Regulation 37 of the SEBI Listing Regulations with National Stock Exchange of India Limited (**"NSE"**) on 26th February 2022.

As per Para I(A)(6) of the SEBI Master Circular, the Company is inter-alia required to submit a 'Report on Complaints' containing the details of complaints received by the Company on the Scheme from various sources within 7 days of expiry of 21 days from the date of uploading of the draft Scheme and related documents on the website of the relevant stock exchange.

SUNDARAM-CLAYTON LIMITED CHENNAI

SUNDARAM –CLAYTON LIMITED
CHENNAI 600 006

The period of 21 days from the date of uploading of the draft Scheme along with related documents by NSE on its website i.e., 10th March 2022, has expired on 31th March 2022, accordingly, we attach herewith a 'Report on Complaints', as **Annexure-1** to this letter.

The Report on Complaints is also being uploaded on the website of the Company, i.e., www.sundaramclayton.com, as per the requirement of the aforementioned said SEBI Master Circular.

We request you to take the above on record as compliance under the applicable provisions of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 and SEBI Circulars.

Thanking You,
Yours sincerely,

For Sundaram-Clayton Limited

R Raja Prakash
Company Secretary

SUNDARAM-CLAYTON LIMITED CHENNAI

SUNDARAM –CLAYTON LIMITED
CHENNAI 600 006

Annexure-1

COMPLAINTS REPORT

Period of Complaints Report: 10th March 2022 to 31st March 2022

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchanges/ SEBI	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Not applicable
5.	Number of complaints pending	Not applicable

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	Not Applicable		

oOo

SUNDARAM-CLAYTON LIMITED CHENNAI

Registered Office :
"Chaitanya"
No.12, Khader Nawaz Khan Road,
Chennai - 600006, Tamilnadu, India.
Telephone : +91-44-28332115
Fax : +91-44-28332113

Sundaram-Clayton Limited

7th April 2022

To
The General Manager,
Department of Corporate Services,
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400 001.
Scrip Code: 520056

Dear Sir/Madam,

Sub. : Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the proposed Composite Scheme of Arrangement amongst Sundaram-Clayton Limited ("Company") and TVS Holdings Private Limited and VS Investments Private Limited and Sundaram-Clayton DCD Limited and their respective shareholders and creditors ("Scheme").

Ref. : Report on Complaints in terms of Para I(A)(6) of the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021 /0000000665 dated 23rd November 2021 as amended from time to time ("SEBI Master Circular").

This is in reference to the Scheme filed by the Company under Regulation 37 of the SEBI Listing Regulations with BSE Limited (**"BSE"**) on 26th February 2022.

As per Para I(A)(6) of the SEBI Master Circular, the Company is inter-alia required to submit a 'Report on Complaints' containing the details of complaints received by the Company on the Scheme from various sources within 7 days of expiry of 21 days from the date of uploading of the draft Scheme and related documents on the website of the relevant stock exchange.

SUNDARAM-CLAYTON LIMITED CHENNAI 600 006

SUNDARAM –CLAYTON LIMITED
CHENNAI 600 006

The period of 21 days from the date of uploading of the draft Scheme along with related documents by BSE on its website i.e., 16th March 2022, has expired on 6th April 2022, accordingly, we attach herewith a 'Report on Complaints', as **Annexure-1** to this letter.

The Report on Complaints is also being uploaded on the website of the Company, i.e., www.sundaramclayton.com, as per the requirement of the aforementioned said SEBI Master Circular.

We request you to take the above on record as compliance under the applicable provisions of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 and SEBI Circulars.

Thanking You,
Yours sincerely,

For Sundaram-Clayton Limited

R Raja Prakash
Company Secretary

Encl. : a/a

SUNDARAM-CLAYTON LIMITED ★ CHENNAI 600 006

SUNDARAM –CLAYTON LIMITED
CHENNAI 600 006

Annexure-1

COMPLAINTS REPORT

Period of Complaints Report: 16th March 2022 to 6th April 2022

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchanges/ SEBI	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Not applicable
5.	Number of complaints pending	Not applicable

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	Not Applicable		

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SUNDARAM-CLAYTON LIMITED CHENNAI 600 006

Annexure - XVII and XVIII to the Notice of NCLT Convened Meeting
OBSERVATION LETTERS ISSUED BY BSE AND NSE

DCS/AMAL/MJ/IP/2429/2022-23 **"E-Letter"** **July 29, 2022**

The Company Secretary,
SUNDARAM-CLAYTON LTD.
Chaitanya, No. 12, Khader Nawaz Khan Road,
Nungambakkam, Chennai, Tamil Nadu- 600034.

Dear Sir,

Sub: Observation letter regarding the Composite Scheme of Arrangement amongst Sundaram -Clayton Limited and TVS Holdings Private Limited and VS Investments Private Limited and Sundaram - Clayton DCD Limited and their respective Shareholders and Creditors.

We are in receipt of the Composite Scheme of Arrangement of Sundaram -Clayton Limited as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated July 28, 2022 has inter alia given the following comment(s) on the draft scheme of Arrangement:

a) **"Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."**

b) **"Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."**

c) **"Company shall ensure compliance with the said circular issued from time to time."**

d) **"The entities involved in the Scheme shall duly comply with various provisions of the Circular."**

e) **"Company is advised that the information pertaining to all the Unlisted Companies involved in the Scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."**

f) **"Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."**

g) **"Company is advised that the details of the proposed scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders."**

h) **"Company is advised that the proposed equity shares to be issued in terms of the Scheme shall mandatorily be in demat form only."**

i) **"Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document."**

S&P BSE SENSEX
BSE Limited (Formerly Bombay Stock Exchange Ltd.)
Floor 15, P J Towers, Dalal Street, Mumbai 400 001 India.
T: +91 22 2272 1233 | E: corp.comm@bseindia.com | www.bseindia.com
Corporate Identity Number: U67120MH2005PLC155188
BSE - INTERNAL

j) **"No changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI."**

k) **"Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the company is obliged to bring the observations to the notice of Hon'ble NCLT."**

l) **"Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme."**

m) **"It is to be noted that the petitions are filed by the company before Hon'ble NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT. Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose Information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

However, the listing of equity shares of Sundaram - Clayton DCD Limited shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 and compliance with the requirements of SEBI circular. No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. Further, Sundaram - Clayton DCD Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authority and Rules, Byelaws, and Regulations of the Exchange.

The Company shall fulfill the Exchange's criteria for listing the securities of such company and also comply with other applicable statutory requirements. However, the listing of shares of Sundaram - Clayton DCD Limited is at the discretion of the Exchange. In addition to the above, the listing of Sundaram - Clayton DCD Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval and the Company satisfying the following conditions:

BSE - INTERNAL

1. To submit the Information Memorandum containing all the information about Sundaram - Clayton DCD Limited in line with the disclosure requirements applicable for public issues with BSE, for making the same available to the public through the website of the Exchange. Further, the company is also advised to make the same available to the public through its website.

2. To publish an advertisement in the newspapers containing all Sundaram - Clayton DCD Limited in line with the details required as per the aforesaid SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as BSE.

3. To disclose all the material information about Sundaram - Clayton DCD Limited on a continuous basis so as to make the same public, in addition to the requirements if any, specified in Listing Agreement for disclosures about the subsidiaries.

4. The following provisions shall be incorporated in the scheme:

   I. The shares allotted pursuant to the Scheme shall remain frozen in the depository system till listing/trading permission is given by the designated stock exchange."

   II. "There shall be no change in the shareholding pattern of Sundaram - Clayton DCD Limited between the record date and the listing which may affect the status of this approval."

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also in your application for approval of the scheme of Arrangement.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the **validity of this Observation Letter shall be Six Months from the date of this Letter**, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted**. You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,
Sd/-

Rupal Khandelwal
Assistant General Manager

S&P BSE SENSEX

BSE Limited (Formerly Bombay Stock Exchange Ltd.)
Floor 25, P J Towers, Dalal Street, Mumbai 400 001 India.
T: +91 22 2272 1233 | E: corp.comm@bseindia.com | www.bseindia.com
Corporate Identity Number: L67120MH2005PLC155188

BSE - INTERNAL

NSE

National Stock Exchange Of India Limited

Ref: NSE/LIST/30196_II

July 29, 2022

The Company Secretary
Sundaram Clayton Limited
No.12, Khader Nawaz Khan Road,
Chennai – 600006.

Kind Attn.: Mr. R Raja Prakash

Dear Sir,

Sub: Observation Letter for Draft composite scheme of arrangement between Sundaram-Clayton Limited ("Demerged/Transferee Company"), TVS Holdings Private Limited ("Transferor Company 1"), VS Investments Private Limited ("Transferor Company 2") and Sundaram-Clayton DCD Limited ("Resulting Company") and their respective shareholders and creditors.

We are in receipt of Draft composite scheme of arrangement between Sundaram-Clayton Limited ("Demerged/Transferee Company"), TVS Holdings Private Limited ("Transferor Company 1"), VS Investments Private Limited ("Transferor Company 2") and Sundaram-Clayton DCD Limited ("Resulting Company") and their respective shareholders and creditors vide application dated February 26, 2022.

Based on our letter reference no. NSE/LIST/30196 dated June 08, 2022, submitted to SEBI and pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, read with Master circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 and Regulation 94(2) SEBI (LODR) Regulations 2015, kindly find following comments on the draft scheme:

a. *Company shall ensure disclosure of all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme.*

b. *Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the Stock Exchanges, from the date of receipt of this letter is displayed on the websites of the listed company and the Stock Exchanges.*

c. *Company shall ensure compliance with the SEBI circulars issued from time to time.*

d. *The entities involved in the scheme shall duly comply with various provisions of the Circular.*

e. *Company shall ensure that information pertaining to all the unlisted Companies involved in the scheme, shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*

f. *Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*

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Signer: DIPTI VIPIL CHINCHKHEDE
Date: Jul 29, 2022 18:35:09 IST
Location: NSE

g. *Company shall ensure that the details of the proposed scheme under consideration as provided to the stock exchange shall be prominently disclosed in the notice sent to the shareholders.*

NSE

Continuation Sheet

h. *Company shall ensure that the proposed equity shares to be issued in terms of the "scheme" shall mandatorily be in a demat form only.*

i. *Company shall ensure that the "scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.*

j. *Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ tribunals shall be made without specific written consent of SEBI.*

k. *Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the company is obliged to bring the observations to the notice of NCLT.*

l. *Company to comply with the all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.*

m. *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observations/ representations.*

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the Circular.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our "No objection" in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

The Company should also fulfil the Exchange's criteria for listing of such company and also comply with other applicable statutory requirements. However, the listing of shares of Sundaram-Clayton DCD Limited is at the discretion of the Exchange.

The listing of Sundaram-Clayton DCD Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval & Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Sundaram-Clayton DCD Limited and its group companies in line with the disclosure requirements applicable for public issues with National Stock Exchange of India Limited ("NSE") for making the same available to the public through website of the companies. The following lines must be inserted as a disclaimer clause in the Information Memorandum:

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Date: Fri, Jul 29, 2022 18:35:09 IST
Location: NSE

NSE

Continuation Sheet

"The approval given by the NSE should not in any manner be deemed or construed that the Scheme has been approved by NSE; and/ or NSE does not in any manner warrant, certify or endorse the correctness or completeness of the details provided for the unlisted Company; does not in any manner take any responsibility for the financial or other soundness of the Resulting Company, its promoters, its management etc."

2. To publish an advertisement in the newspapers containing all the information about Sundaram-Clayton DCD Limited in line with the details required as per SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as NSE.

3. To disclose all the material information about Sundaram-Clayton DCD Limited to NSE on the continuous basis so as to make the same public, in addition to the requirements, if any, specified in SEBI (LODR) Regulations, 2015 for disclosures about the subsidiaries.

4. The following provision shall be incorporated in the scheme:

   (a) "The shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange."

   (b) "There shall be no change in the shareholding pattern or control in Sundaram-Clayton DCD Limited between the record date and the listing which may affect the status of this approval."

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from July 29, 2022 within which the scheme shall be submitted to NCLT.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37(1) of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.

Yours faithfully,
For National Stock Exchange of India Limited

Dipti Chinchkhede
Manager

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P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL: https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist

Signer: DIPTI VIBHAS CHINCHKHEDE
Date: Fri, Jul 29, 2022 18:35:09 IST
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