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WHEELS INDIA LIMITED

Corporate Identity Number : L35921TN1960PLC004175

Registered Office :
21, Patullos Road, Chennai - 600 002.

Factory :
Padi, Chennai - 600 050.

December 08, 2021

To
National Stock Exchange of India Limited,
The Manager, Listing Department,
"Exchange Plaza", C-1, Block G,
Bandra-Kurla Complex, Bandra (E),
Mumbai – 400 051

To
BSE Limited,
The Corporate Relationship Department,
1st Floor New Trading Wing, Rotunda Building,
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai – 400 001

Scrip Code: WHEELS

Scrip Code: 590073

Subject – Outcome of Board meeting held on December 07, 2021 – Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular bearing reference number CIR/CFD/CMD/4/2015 dated September 9, 2015

Dear Sir / Madam,

Please note that pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") read with SEBI circular bearing reference number CIR/CFD/CMD/4/2015 dated September 9, 2015, we hereby submit the outcome of the meeting of the Board of Directors ("Board") of Wheels India Limited ('WIL' or the 'Company') held on December 07, 2021. Based on the recommendations of the Audit Committee and the Independent Directors, the Board has considered and approved the Scheme of Amalgamation (the 'Scheme') under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder ("the Act"). Further, the Board has given authorisation to file the Scheme along with relevant disclosures, documents, certifications, and undertakings with the stock exchanges.

The Scheme provides for amalgamation of Sundaram Hydraulics Limited ("SHL" or "Transferor Company") with Wheels India Limited ("WIL" or "Transferee Company") and their respective shareholders along with various other matters consequential or otherwise integrally connected herewith.



PLEASE ADDRESS ALL COMMUNICATIONS TO THE FACTORY

The Scheme is subject to receipt of approvals of shareholders and creditors of companies involved and approval of other regulatory authorities, as may be required, including those of the National Stock Exchange of India Limited, Securities and Exchange Board of India and the National Company Law Tribunal, Chennai bench ("NCLT").

Please find enclosed **Annexure-I** containing details as per Regulation 30 of the SEBI LODR read with Circular reference no. CIR/CFD/CMD/4/2015 dated September 9, 2015.

This is for your information and record.

Thanking you,

For **Wheels India Limited**

K.V. Lakshmi



K V Lakshmi
Company Secretary

Enclosed: Details as per SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015

Annexure - I

Sl. No.	Particulars	Details									
a)	Name of the entity(ies) forming part of the amalgamation / merger, details in brief such as, size, turnover etc.	<p>Pursuant to the Scheme of Amalgamation, Sundaram Hydraulics Limited ("SHL") shall amalgamate, on a going concern basis with Wheels India Limited ("WIL") with effect from October 01, 2021, being the Appointed Date of the Scheme.</p> <p>Set out below is the turnover and net-worth as on March 31, 2021 of the entities involved in the Scheme:</p> <p style="text-align: right;">(Rs. in crores)</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>WIL</th> <th>SHL</th> </tr> </thead> <tbody> <tr> <td>Turnover</td> <td>2,215.55</td> <td>57.50</td> </tr> <tr> <td>Net Worth</td> <td>599.32</td> <td>2.46</td> </tr> </tbody> </table>	Particulars	WIL	SHL	Turnover	2,215.55	57.50	Net Worth	599.32	2.46
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b)	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms' length";	<p>The proposed Scheme does not fall within the purview of related party transactions in terms of General Circular No.30/2014 dated July 17, 2014 issued by the Ministry of Corporate Affairs since the same is subject to the sanction of the National Company Law Tribunal and provisions of Section 188 of the Companies Act, 2013 are not applicable.</p> <p>Without prejudice to the above, the consideration as set forth in the Scheme will be discharged on "arm's length basis". The share exchange ratio for the shares to be allotted to the shareholders of SHL is based on a valuation report provided by Mr. Niranjan Kumar, Registered Valuer. M/s. Kunvarji Finstock Private Limited, a SEBI registered Category-I Merchant Banker has also issued a fairness opinion on the share exchange ratio and the share entitlement ratio. The aforementioned Valuation Report and Fairness Opinion have duly been considered by the Audit Committee, the Independent Directors and Board of WIL.</p>									
c)	Area of business of the entity(ies);	<p>WIL is engaged in the business of manufacturing of automotive and Industrial Components.</p> <p>SHL is engaged in the business of design, manufacture and distribution of hydraulic cylinders for the domestic and global MCE industry.</p>									
d)	Rationale for amalgamation / merger;	<ol style="list-style-type: none"> 1. The amalgamation will enable product diversification and growth to the Transferee company 2. This will facilitate expansion of the business of Transferor company by using the customer base of the Transferee company. 3. As a combined entity, the amalgamation will help in widening the product offering to the existing strategic customers of both the transferor as well as the transferee company. 4. Will help in achieving consolidation, greater integration and flexibility that will maximize overall shareholder's value and improve the competitive position and negotiating power of the combined entity. 5. Improves organizational capability and leadership, arising from the pooling of human capital who have the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry. 									



Sl. No.	Particulars	Details																													
		<p>6. Cost savings are expected to flow from more focused operational efforts, rationalization, standardization and simplification of business processes, elimination of duplication and rationalization of administrative expenses.</p> <p>7. The amalgamation will result in reduction of multiplicity of entities, thereby reducing compliance cost of multiple entities viz., statutory filings, regulatory compliances, labour law/ establishment related compliances.</p>																													
e)	In case of cash consideration – amount or otherwise share exchange ratio;	<p>Following share exchange ratio has been determined for the allotment of the equity shares of the Transferee Company having a face value of INR 10 each to the shareholders of the Transferor Company as on the Record Date (<i>as per the scheme</i>), in consideration for the amalgamation of the Transferor Company with the Transferee Company:</p> <p>"151 (One Hundred and Fifty One) equity shares in Transferee Company of the face value of Rs. 10/- (Rupees Ten only) each, credited as fully paid-up for every 15,000 (Fifteen Thousand) Equity shares of Rs. 10/- (Rupees Ten only) fully paid-up held in Transferor Company."</p>																													
f)	Brief details of change in shareholding pattern (if any) of listed entity.	<p>Change in shareholding of WIL:</p> <table border="1"> <thead> <tr> <th rowspan="2">Category</th> <th colspan="2">Pre-scheme</th> <th colspan="2">Post-scheme</th> </tr> <tr> <th>No. of shares</th> <th>% share holding</th> <th>No. of shares</th> <th>% share holding</th> </tr> </thead> <tbody> <tr> <td>Promoter</td> <td>1,38,43,428</td> <td>57.53</td> <td>1,39,56,678</td> <td>57.12</td> </tr> <tr> <td>Public</td> <td>1,02,21,130</td> <td>42.47</td> <td>1,04,76,334</td> <td>42.88</td> </tr> <tr> <td>Non-Promoter Non-Public</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Total</td> <td>2,40,64,558</td> <td>100.00</td> <td>2,44,33,012</td> <td>100.00</td> </tr> </tbody> </table>	Category	Pre-scheme		Post-scheme		No. of shares	% share holding	No. of shares	% share holding	Promoter	1,38,43,428	57.53	1,39,56,678	57.12	Public	1,02,21,130	42.47	1,04,76,334	42.88	Non-Promoter Non-Public	-	-	-	-	Total	2,40,64,558	100.00	2,44,33,012	100.00
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