



Sundaram-Clayton Limited

[formerly Sundaram-Clayton DCD Limited]

Registered Office:
"Chaitanya",
No. 12, Khader Nawaz Khan Road,
Nungambakkam,
Chennai – 600006
PH: 044 28332115

2nd July 2024

BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001
Scrip Code: 544066

National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor,
Bandra-Kurla Complex,
Bandra (E), Mumbai 400 051.
Scrip code: SUNCLAY

Dear Sir/Madam,

Sub.: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Notice of Postal Ballot seeking consent of the shareholders of the Company

Ref.: Our letter dated 26th March 2024

In terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the copy of Postal Ballot Notice sent today to the shareholders of the Company, seeking their consent, by way of Ordinary resolution for approval of Material Related Party Transaction(s) with TVS Motor Company Limited (Ordinary Resolution).

Date and time of occurrence of event: 2nd July 2024 at 05.53 P.M. (IST).

This is for your kind information.

Thanking you,

Yours faithfully,

For **Sundaram-Clayton Limited**

P D Dev Kishan
Company Secretary

Encl.: a/a

Sundaram-Clayton Limited

(Formerly known as Sundaram - Clayton DCD Limited)

Regd. Office: No. 12, "Chaitanya", Khader Nawaz Khan Road, Nungambakkam, Chennai - 600006.
Website: www.sundaram-clayton.com; e-mail: corpsec@sundaramclayton.com Tel: 044-2833 2115
CIN: L51100TN2017PLC118316

POSTAL BALLOT NOTICE

(Pursuant to Section 110 of the Companies Act, 2013)

Dear Member(s),

NOTICE is hereby given pursuant to Section 110 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (**"the Rules"**) under the Companies Act, 2013 (**"the Act 2013"**) the General Circular Nos. 14/2020 dated April 8, 2020, and 17/2020 dated April 13, 2020, read with other relevant circulars, including General Circular Nos. 3/2022 dated May 5, 2022, 11/2022 dated December 28, 2022, and 09/2023 dated September 25, 2023, issued by the Ministry of Corporate Affairs (**"MCA Circulars"**) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"Listing Regulations, 2015"**) and other applicable provisions, if any, for the time being in force and as amended from time to time and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India (**"SS-2"**), for obtaining approval of the members, by way of ordinary resolution, only through remote electronic voting (**"remote e-voting"**) process for the businesses as set out in this Postal Ballot Notice (**"Notice"**).

The draft of the resolution to be passed together with the Statement of material facts explaining the reasons thereof pursuant to Section 102(1) of the Act 2013, are being sent to the members in electronic form to their registered email IDs and annexed to the Notice for your consideration.

The Company is pleased to provide the facility for voting through "electronic means" to enable members to cast their votes for e-Voting by selecting appropriate options for the Resolution, in accordance with the provisions of the Act 2013 and Regulation 44 of the Listing Regulations, 2015.

The Company, for this purpose, has engaged National Securities Depository Limited (**"NSDL"**), an agency authorized by the Ministry of Corporate Affairs (**"MCA"**), for facilitating the members to communicate their assent or dissent through "electronic means" in respect of the resolutions through the remote e-Voting system. The detailed procedures for voting through "electronic means" are given in the Notes attached herewith.

The voting rights of the shareholders shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e., Friday, 28th June, 2024. A person who is not a member as on the cut-off date should treat this notice for information purposes only. The voting rights in respect of unclaimed shares held in Sundaram-Clayton Limited - Unclaimed Suspense Account and Investors Education Protection Fund stand frozen in terms of Regulation 39 read with Schedule VI of the Listing Regulations, 2015 and Section 124 of the Act, 2013, respectively.

Pursuant to Rule 22(5) of the Rules, the Board of Directors (the Board) has appointed M/s B Chandra & Associates, Practising Company Secretaries, Chennai, as the Scrutinizer, at its meeting held on Tuesday, 26th March 2024, for conducting the Postal Ballot Process through "electronic means" in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the said purpose.

Members are, therefore, requested to carefully read and follow the instructions for voting through "electronic means", viz., by casting their votes electronically from Wednesday, 3rd July 2024 [9.00 A.M (IST)] to Thursday, 1st August, 2024 [5.00 P.M (IST)] by following the procedures as explained in the Notes hereinbelow.

The Scrutinizer will submit their report on the results of voting through "electronic means" to the Chairman or any one of the directors of the Company as authorised, after completion of the scrutiny of voting by electronic means.

The results will be announced by the Chairman or any one of the directors of the Company, as authorized, at its registered office on or before Friday, 2nd August, 2024. The results will also be intimated to the Stock Exchanges where the shares of the Company are listed and also uploaded on the website of the Company i.e. www.sundaram-clayton.com and on the website of NSDL at www.evoting.nsdl.com.

The last date of voting, i.e., Thursday, 1st August, 2024 will be taken as the date of passing of the said resolutions by the members of the Company, subject to the votes cast in favour of the ordinary resolution being more than the votes cast against the resolution.

Members requiring any clarification may contact Mr P D Dev Kishan, Company Secretary at the registered office of the Company or through e-mail viz., dev.kishan@sundaramclayton.com or corpsec@sundaramclayton.com

All documents, referred to in this Notice and in the Statement of material facts referred to under Section 102(1) of the Act, 2013, are open for inspection at the Registered Office of the Company during office hours on all working days between 10.00 A.M. (IST) and 12.00 Noon (IST) up to Thursday, 1st August, 2024 .

The Postal Ballot Notice has also been placed on the Company's website viz, www.sundaram-clayton.com for use by the Members.

SPECIAL BUSINESS

Item No. 1

Material Related Party Transaction(s) with TVS Motor Company Limited

To consider and if thought fit, to give assent or dissent to the following resolution, with or without modification, as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulations 2(1)(zc), 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the **Listing Regulations, 2015**”), as amended from time to time and the Company's Policy on Related Party Transactions and based on the recommendation and approval of the Audit Committee and the Board of Directors (“**Board**”), consent of the Members be and is hereby accorded to the Board (which term shall include any committee) for entering into and/or continuing with the existing contract(s) / arrangement(s) / transaction(s) and / or enter into and/or carry out new contract(s) arrangement(s) / transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as detailed in the Explanatory Statement, with TVS Motor Company Limited (“**TVSM**”), a related party the Company) on such terms and conditions as may be agreed between the Company and TVSM, for an aggregate value not exceeding Rs. 650 crore during FY 2024-25, subject to such contract(s) / arrangement(s) / transaction(s) being carried out at arm's length and in the ordinary course of business of the Company.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform all such acts, deeds, matters and things as may be necessary and expedient, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Governmental authorities in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

“RESOLVED FURTHER THAT all actions taken by the Board, in connection with any matter referred to or contemplated in the foregoing resolution, be and are hereby approved, ratified and confirmed in all respects.”

“**RESOLVED FURTHER THAT** any of the Directors and/or the Chief Financial Officer or Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

By order of the Board
For Sundaram-Clayton Limited

Place: Chennai
Date: 26th March, 2024

P D Dev Kishan
Company Secretary

NOTES:

- (1) A statement of material facts pursuant to the provisions of Section 102 of the Act, 2013 setting out the material facts relating to the businesses to be transacted is annexed hereto.
- (2) The Notice is being sent to the members whose names appear in the register of members / list of beneficial owners on National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on Friday, 28th June, 2024 (cut-off date).
- (3) The Notice is being sent to the members to the e-mail addresses are registered with their Depository Participants (in case of electronic shareholding) / the Company's Registrar and Share Transfer Agent (in case of physical shareholding). Pursuant to the MCA circulars, physical copies of the Notice, postal ballot forms and pre-paid business reply envelopes are not being sent to Members for this Postal Ballot. Members are requested to provide their assent or dissent through remote e-voting only. For members whose e-mail addresses are not registered, the following procedure may be followed for registration of their email addresses:

Registration of e-mail ID

Members who have not yet registered their e-mail ID may register the same as under:

- a) Members holding shares in physical mode are requested to register / update their e-mail ID and other KYC details, if applicable, by sending request at srirams@integratedindia.in (if e-mail ID is already registered) or signed copy of the request letter providing the e-mail ID, mobile number, self-attested PAN copy, self-attested Aadhar copy, Form ISR-1 and other relevant forms and documents at below address:

Integrated Registry Management Services Private Limited,
Unit: Sundaram-Clayton Limited,
2nd Floor, Kences Towers, No. 1, Ramakrishna Street, North Usman Road,
T Nagar, Chennai-600 017

The format of Form ISR-1 is available on the website of the Company at <https://www.sundaramclayton.com/investors/communication>.

- b) Members holding shares in dematerialised mode are requested to register / update their e-mail IDs with the Depository Participant(s) (DPs) with whom they maintain their demat accounts.
- c) In case of queries, Members are requested to write to srirams@integratedindia.in or call 044 2814 0801-03.

- (4) Member(s) whose names appear in the Register of Members/List of Beneficial Owners as on the cut-off date i.e. Friday, 28th June, 2024 will be considered for e-Voting. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.
- (5) Resolution passed by the members through voting by electronic means shall be deemed to have been passed as if it has been passed at a general meeting of the members convened in that behalf.
- (6) Pursuant to the provisions of Section 110 of the Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and in terms of Regulation 44 of the Listing Regulations, 2015, the Company has provided facility to members to exercise their votes through electronic means and have engaged the services of NSDL as the Authorised Agency to provide e-Voting facility. Instructions for the process to be followed for voting through "electronic means" are annexed to the Notice.
- (7) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date, being the date fixed for determining the voting rights of members entitled to participate in the e-Voting process through e-Voting platform provided by NSDL by typing the URL: <https://www.evoting.nsdl.com>.
- (8) The Board of Directors have appointed M/s B Chandra & Associates, Practising Company Secretaries, as Scrutinizer to conduct the Postal Ballot through electronic means, in a fair and transparent manner.
- (9) The Scrutinizers will submit their report to the Chairman or any one of the directors as authorized by Chairman after the completion of scrutiny, and the results of voting through electronic means will be declared by placing it along with the Scrutinizer's report on the Company's website www.sundaram-clayton.com and communicated to the Stock Exchanges in which the Company's Shares are listed and uploaded on the website of NSDL.
- (10) The resolutions, if approved with the requisite majority shall be deemed to have been passed on the last date of voting, i.e., Thursday, 1st August, 2024.
- (11) In case of any query, members may refer to the Frequently Asked Questions (FAQs) for members and e-Voting user manual for members available at Downloads Section of www.evoting.nsdl.com or contact NSDL at the following telephone no. 022-48867000/24997000 .
- (12) Members who have not registered their e-mail addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/Depository Participant(s) for sending future communication(s) in electronic form. Members who have registered their e-mail addresses are requested to ensure that the same is operational and if not, provide the correct e-mail address.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat

account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  App Store </div> <div style="text-align: center;">  Google Play </div> </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any</p>

Type of shareholders	Login Method
	<p>further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.</p> <ol style="list-style-type: none"> 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the voting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

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/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is :
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

- b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c. How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below **in process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to bchandraandassociates@gmail.com with a copy marked to evoting@nsdl.co.in.
2. 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.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre Manager at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-Voting for the resolution set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) by email to corpserv@integratedindia.in
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) to corpserv@integratedindia.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step **1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder / members may send a request to evoting@nsdl.co.in for procuring user id and password for e-Voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

By order of the Board
For Sundaram-Clayton Limited

Place: Chennai
Date: 26th March ,2024

P D Dev Kishan
Company Secretary

Annexure to the Notice of Postal Ballot dated 26th March 2024

STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following statement sets out all the material facts relating to the Special Business mentioned in the accompanying notice dated 26th March 2024 and shall be taken as forming part of the Notice.

Item No. 1

Pursuant to the provisions of Section 188 of the Companies Act, 2013 (“the **Act, 2013**”) read with Rule 15 of the Companies ((Meetings of Board and its Powers) Rules, 2014, certain identified transactions between the Company and its related parties require prior approval of the shareholders upon breaching the prescribed thresholds; except for where such transactions are on an arm's length basis and in the ordinary course of business, in which case such transactions are exempted from the obligation of obtaining prior approval of shareholders.

Pursuant to the provision of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations, 2015**”), material related party transaction require prior approval of the shareholders by means of an ordinary resolution, wherein no related party shall vote to approve.

Under the Listing Regulations, 2015: (a) Regulation 2(1)(zb) of the Listing Regulations, 2015 defines related party as inclusive of *inter alia* definition of related party under the applicable accounting standards, and (b) Regulation 2(1)(zc) of the Listing Regulations, 2015 defines related party transaction as inclusive of a transaction involving a transfer of resources, services or obligations between (i) a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand; or (ii) a listed entity or any of its subsidiaries on one hand and any other person or entity on the other hand, the purpose and effect of which is to benefit any related party of the listed entity or any of its subsidiaries, regardless of whether a price is charged or not.

As regards material related party transactions under the Listing Regulations, 2015, which requires prior approval of the shareholder, proviso to Regulation 23(1) of the Listing Regulations, 2015, stipulates that a transaction with a related party shall be considered material, if the transaction(s) entered into/to be entered into individually or taken together with the previous transactions during a financial year, exceeds Rs. 1,000 crore or 10% of annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower. In accordance with the change in materiality threshold under the Listing Regulation, 2015, the Company had revised its 'Policy on Related Party Transactions' (“**RPT Policy**”), to align the definition of material related party transaction.

Accordingly, for the purpose of determining material related party transaction, in terms of proviso to Regulation 23(1) of the Listing Regulations, 2015 as well as the RPT Policy, the materiality threshold would be lower of: (a) Rs. 1000 crores, or (b) 10% of annual consolidated turnover of the Company as per the last audited financial statements of the Company, which would be Rs. 205.27 crores (being 10% of consolidated turnover of the Company for the last audited financial statements of the Company (i.e., restated consolidated financial statement for the financial year 2022-23) which was Rs. 2052.78 crores). Given that the computed value of threshold linked with turnover is lesser than the monetary cap of Rs. 1000 crores, the materiality threshold for the purpose of determining material related party transaction of the Company would be Rs. 205.27 crore.

The said limits are applicable, even if the transactions are in the ordinary course of business of the concerned company and at an arm's length basis.

In light of the aforesaid, approval of the members is required to be sought for the following related party transaction(s) / contract(s) / agreement(s) / arrangement(s), entered / proposed to be entered, between the Company and TVS Motor Company Limited, related party of the Company, which is considered material for the Company, on account of both proviso to Regulation 23(1) of the Listing Regulations,

2015 as well as the RPT Policy of the Company, despite being in the ordinary course of business and on arm's length basis.

By way of this resolution, such approval of shareholders is being sought for related party transaction(s) / contract(s) / agreement(s) / arrangement(s), entered / proposed to be entered, between the Company and TVS Motor Company Limited, related party of the Company which exceeds the aforesaid threshold and more particularly as set out in Table, as required under Regulation 23(4) of the Listing Regulations, 2015 read with Section III-B of the SEBI Master Circular bearing reference no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 ("**SEBI Master Circular**"), appended hereunder:

Background, details and benefits of the transaction:

TVS Motor Company Limited ("**TVSM**") is a related party of the Company since it is considered as the enterprises under common control. The Company primarily sells die casting goods, purchases scraps and avails services which includes Software services / Training / other business support.

The Company has existing transactions / contracts / arrangements / agreements with TVSM which are at present within the materiality thresholds as prescribed by the Listing Regulations, 2015.

Based on the proposed transaction with TVSM, the aggregate value of transactions with TVSM is now expected to exceed the materiality threshold and hence, the Company is approaching the shareholders for approval of the Material Related Party Transactions with TVSM.

The Company has in place a structured process for approval of Material Related Party Transactions and on Dealing with Related Parties. As per the process, necessary details for each of the Related Party Transaction irrespective of the materiality threshold along with the justification are provided to the Audit Committee which enables them to arrive at the right decision.

Details of Material Related Party Transactions:

S. No.	Particulars	Details
1.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	TVS Motor Company Limited (TVSM) Relationship TVSM are the enterprises under 'common control' in terms of accounting standards.
2.	Type, material terms and particulars of the proposed transaction	The following are the proposed transactions during the financial year 2024-25, and the aggregate value not exceeding Rs. 650 crore: <ul style="list-style-type: none"> • Supplying the aluminium die castings to automotive components; • Purchase of aluminium scrap; • Sale of assets; and • Transactions relating to availing of services viz., Information Technology related software services, training of employees and other business support.
3.	Tenure of the proposed Transaction (particular tenure shall be specified)	Financial year 2024-2025

S. No.	Particulars	Details
4.	Value of the proposed Transaction	Up to Rs. 650 crore
5.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	Based on the restated consolidated financial statements for the financial year 2022-23, the percentage of the annual consolidated turnover represented by the value of the transaction is 31.66%.
6.	<p>If the transaction relates to any loans, inter - corporate deposits, advances or investments made or given by the listed entity or its subsidiary</p> <ul style="list-style-type: none"> • details of the source of funds in connection with the proposed transaction • where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, nature of indebtedness; cost of funds; and tenure • applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security • the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT 	Not applicable
7.	Justification as to why the RPT is in the interest of the listed entity	TVSM is a reputed two and three-wheeler manufacturer globally, championing progress through sustainable mobility with four state-of-the-art manufacturing facilities located in India and Indonesia.
8.	A copy of the valuation or other external party report, if any such report has been relied upon	The transactions at present do not contemplate any valuation. Independent Valuation Report shall be obtained, if required.

S. No.	Particulars	Details
9.	Any other information that may be relevant	The RPTs proposed to be entered with TVSM shall be in the ordinary course of business and on arm's length basis.

Mr Venu Srinivasan, Chairman Emeritus and Managing Director of the Company and Dr. Lakshmi Venu, Managing Director of the Company, who are also directors on the Board of TVSM; and relatives of the Director / KMP, to the extent of their shareholding in the Company, if any, may be deemed to be concerned or interested, in the said transactions.

Save and except the above, none of the other Directors / other Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the said transactions.

Pursuant to Regulation 23(4) of the Listing Regulations, 2015, members may also note that no related party of the Company shall vote to approve the ordinary resolution set out at Item No.1 whether the entity is a related party to the particular transaction or not.

The Board therefore recommends the ordinary resolution as set out at Item No. 1 of the Notice for approval by the members of the Company.

By order of the Board
For Sundaram Clayton Limited

Place: Chennai
Date: 26th March,2024

P D Dev Kishan
Company Secretary