

**Tube Investments of India Limited**

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3rd July 2023

National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai 400 051

BSE Ltd
1st Floor
New Trading Ring, Rotunda Building
P J Towers, Dalal Street, Fort
Mumbai 400 001

Dear Sirs,

Sub: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations") – ISIN: INE 974X01010 – Foray into electric small commercial vehicle and acquisition of controlling interest in M/s. Jayem Automotives Private Limited

We write to inform the following pursuant to Regulation 30 of the SEBI Listing Regulations:

1. Foray into electric small commercial vehicle business

M/s. TI Clean Mobility Private Limited ("TICMPL"), a subsidiary of the M/s. Tube Investments of India Limited ("TII") has today (3rd July 2023) entered into an agreement with Mr. Anand Jayachandran for pursuing electric small commercial vehicle business ("e-SCV") through a subsidiary to be incorporated by TICMPL.

TICMPL will be investing Rs. 160 Crores and Mr. Anand Jayachandran will be investing Rs. 40 Crores in the form of equity.

Further details are in the annexed statement of disclosure furnished pursuant to Regulation 30 of the SEBI Listing Regulations.

2. Acquisition of M/s. Jayem Automotives Private Limited ("Jayem")

TICMPL has today (3rd July 2023) entered into definitive agreements for acquisition of 50% in the equity share capital of M/s. Jayem Automotives Private Limited ("Jayem"), through a combination of purchase of equity shares from Mr. Anand Jayachandran and Mr. B Jayachandran, the promoters of Jayem & other existing shareholders of Jayem and by way of subscription to fresh equity shares, for an aggregate consideration of up to Rs. 206 Crores.

Jayem is an automotive research & development company engaged in design, development, testing and manufacturing of a wide range of automotive components, systems and prototypes.



The aforesaid acquisition by TICMPL is subject to the satisfactory completion of the conditions precedents as contained in the definitive agreements entered into.

Further details are in the annexed statement of disclosure furnished pursuant to Regulation 30 of the SEBI Listing Regulations.

A copy of the Press Release issued in the above regard is further attached for information.

We request you to kindly take the above on record.

Thanking you,

Yours faithfully,
For TUBE INVESTMENTS OF INDIA LIMITED

S KRITHIKA
COMPANY SECRETARY

Encl.



INDIA

Disclosure pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to execution of an agreement by TI Clean Mobility Private Limited (“TICMPL”), a subsidiary of Tube Investments of India Limited with Mr. Anand Jayachandran (“JA”).

Disclosure requirement	Details
a) Name(s) of parties with whom the agreement is entered.	TICMPL has entered into an agreement with JA for pursuing the business of electric small commercial vehicles, through a subsidiary to be incorporated by TICMPL.
b) Purpose of entering into the agreement	TICMPL is looking at new platforms to broaden its product and business portfolio in the productive end of electric vehicles.
c) Shareholding, if any, in the entity with whom the agreement is executed.	Not Applicable.
d) Significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc.	Significant terms of the agreement between TICMPL and JA include Board Composition, Unanimous Consent Matters, Drag Along Right, Tag Along Right, Non-Compete, Non-Solicitation and Fall Away of Rights.
e) Whether, the said parties are related to promoter/promoter group/ group companies in any manner. If yes, nature of relationship.	No. TICMPL and JA are not related in any manner.
f) Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arms’ length”.	No.
g) In case of issuance of shares to the parties, details of issue price, class of shares issued.	TICMPL will be investing up to Rs. 160 Cr. and JA will be investing up to Rs. 40 Cr., in the ratio of 80:20, in the form of equity shares in one or more tranches.
h) Any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements etc.	The proposed investment is subject to satisfactory completion of the Conditions Precedents as contained in the agreement executed between the parties.



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INDIA

Disclosure requirement	Details
i) In case of termination or amendment of agreement, listed entity shall disclose additional details to the stock exchange(s): a) name of parties to the agreement; b) nature of the agreement; c) date of execution of the agreement; d) details of amendment and impact thereof or reasons of termination and impact thereof.	Not Applicable.



INDIA

Disclosure pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 relating to execution of definitive agreements by M/s. TI Clean Mobility Private Limited (“TICMPL”), a subsidiary of TII with M/s. Jayem Automotives Private Limited (“Jayem”), its founders and other shareholders relating to acquisition of shareholding in Jayem by way of purchase and subscription to equity shares.

Disclosure requirement	Details
a) Name of the target entity, details in brief such as size, turnover etc.	<p>M/s. Jayem Automotives Private Limited (“Jayem”) is an automotive R&D company engaged in design, development, testing and manufacturing of a wide range of automotive components, systems and prototypes.</p> <p>Latest financial parameters (As per unaudited management accounts for 31st March 2023): Issued and Paid up equity capital – Rs. 11.90 Cr. Networth – Rs. 86.85 Cr. Turnover – Rs. 85.42 Cr. Loss after Tax – Rs. (1.29) Cr.</p>
b) Whether the acquisition would fall within related party transaction(s) and whether the promoter/promoter group/group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arms’ length”.	<p>The acquisition will not fall within the meaning of related party transaction. The promoter/promoter group/group companies do not have any interest in the entity being acquired.</p> <p>The proposed transaction is at arms’ length basis based on valuation.</p>
c) Industry to which the entity being acquired belongs.	Jayem is part of Engineering Research & Development (ER&D) services industry with specific focus on Automobile ER&D services.
d) Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if the business is outside the main line of business of the listed entity).	The proposed acquisition by TICMPL is to augment its research & development capabilities and to broaden its product and business portfolio in the productive end of electric vehicles.



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Disclosure requirement	Details
e) Brief details of any governmental or regulatory approvals required for the acquisition.	Not Applicable
f) Indicative time period for completion of the acquisition.	The acquisition is expected to be completed on or before 1 st September 2023, subject to satisfactory completion of the Conditions Precedents as contained in the Agreements executed between the parties.
g) Nature of consideration – whether cash consideration or share swap and details of the same.	All cash consideration up to Rs. 206 Crores towards purchase and subscription of fresh equity shares.
h) Cost of acquisition or the price at which the shares are acquired.	Cost of acquisition is as follows: (i) up to Rs. 176 Crores towards purchase of 54,82,722 equity shares from the founders and other shareholders of Jayem; and (ii) up to Rs. 30 Crores towards subscription to 9,34,556 equity shares of Jayem.
i) Percentage of shareholding/control acquired and/or number of shares acquired.	TICMPL proposes to acquire 64,17,278 equity shares of Jayem representing 50% of its equity share capital.
j) Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which acquired entity has presence and any other significant information (in brief).	<p>Jayem is an automotive R&D company, incorporated on 31 December 1999 and is engaged in design, development, testing and manufacturing of a wide range of automotive components, systems and prototypes.</p> <p>The product/line of business includes Engine testing, Design & Development projects for OEMs, Prototype development, Design & Development of Performance vehicles, Manufacture and sale of material handling equipment.</p> <p>Turnover of Jayem (as per audited financials): FY 2021-22 – Rs. 70.79 Cr. FY 2020-21 – Rs. 72.05 Cr. FY 2019-20 – Rs. 96.89 Cr</p>

Tube Investments forays into Electric Small Commercial Vehicle segment and augments R&D capability through 50% equity stake acquisition in Jayem Automotive

TI Clean Mobility Private Limited (TICMPL), a subsidiary of Tube Investments of India Limited (TII) announced its entry into the largest segment of commercial vehicles in India with its fourth Electric Vehicle platform. TICMPL will float a new subsidiary company to commercialize eSCV (electric small commercial vehicles). In this regard, TICMPL entered into an agreement with Mr. J. Anand, Managing Director of Jayem Automotives (P) Limited (Jayem Auto) to jointly invest in the new company, wherein TICMPL will hold 80% stake and Mr. J. Anand will hold 20%.

Further, to augment its R&D and rapid product development capability, TICMPL has entered into definitive agreements to acquire 50% stake in Jayem Auto through a combination of primary subscription and secondary purchase of shares, for a total sum of up to INR 206 Crore. Currently, Jayem is engaged in design, development, testing and manufacturing of a wide range of automotive components, systems and prototypes with deep expertise in electric vehicles.

Commenting on the development, Mr. M.A.M Arunachalam (also known as Arun Murugappan), Chairman of TICMPL said, *"We are happy to announce a significant milestone in our Electric Vehicle foray with the addition of small commercial vehicles to our electric mobility offerings. With the addition of eSCV, our fourth EV Platform, TICMPL will be in a position to offer end-to-end mobility solutions to enterprises and logistic companies across intercity, intracity and last mile applications. We will continue our efforts to provide environment friendly mobility solutions through our differentiated products and innovative mobility solutions."*

"We are also glad to partner with Mr. Anand, a passionate auto-enthusiast with deep EV industry knowledge. Jayem has established itself as a strong company in the automotive design and development segment having worked with leading auto OEMs over the last few decades. We, at TICMPL, strongly believe that the association with Jayem will supplement our in-house design and development capabilities and bring agility and innovation", he added.

Speaking on the partnership, Jayem's Managing Director, Mr. J. Anand said, *"We are very excited to partner with TICMPL and be a part of this transformation journey. With Jayem's capabilities in concept creation, design, development and prototyping, combined with TICMPL's manufacturing and marketing expertise, we are confident that we will deliver high-performance products to the market that surpass customer expectations in the EV small commercial vehicle segment."*

About Murugappa Group

Founded in 1900, the INR 74,220 Crore Murugappa Group is one of India's leading business conglomerates. The Group has 29 businesses including ten listed Companies traded in NSE & BSE. Headquartered in Chennai, the major Companies of the Group include Carborundum Universal Ltd., CG Power and Industrial Solutions Ltd., Cholamandalam Financial Holdings Ltd., Cholamandalam Investment and Finance Company Ltd., Cholamandalam MS General Insurance Company Ltd., Coromandel International Ltd., Coromandel Engineering Company Ltd., E.I.D. Parry (India) Ltd., Parry Agro Industries Ltd., Shanthi Gears Ltd., Tube Investments of India Ltd. and Wendt (India) Ltd.

The Group holds leadership position in several product lines including Abrasives, Technical Ceramics, Electro Minerals, Auto Components & Systems, Power Conversion Equipment, Transformers & Reactors

for the Power T&D segment, Solutions for Railways in Rolling Stock & Signalling Equipment, Bicycles, Fertilisers, Sugar, Tea and Spirulina (Nutraceuticals). The Group has forged strong alliances with leading international companies such as Groupe Chimique Tunisien, Foskor, Mitsui Sumitomo, Morgan Advanced Materials, Yanmar & Co. and Compagnie Des Phosphat De Gafsa (CPG). The Group has a wide geographical presence all over India and spanning 6 continents.

Renowned brands like BSA, Hercules, Montra, Mach City, Ballmaster, Ajax, Rhodius, Parry's, Chola, Gromor, Shanthi Gears and Paramfos are from the Murugappa stable. The Group fosters an environment of professionalism and has a workforce of over 59,000 employees.

For more details, visit <https://www.murugappa.com/>

About Jayem Automotives Private Limited

Jayem is an established Research & Development company providing end-to-end automotive solutions. It specializes in the design, development, prototyping, and production of a wide variety of performance vehicles and components. Jayem works with leading companies and cutting-edge technologies spread across the spectrum of high-performance automobiles, electric vehicles, engines for the aerospace sector, special performance engines and more.

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