

DEROGATION LETTER IN RESPECT OF INITIAL ENFORCEMENT ORDER ISSUED PURSUANT TO SECTION 72(2) ENTERPRISE ACT 2002 COMPLETED ACQUISITION

Consent under section 72(3C) of the Enterprise Act 2002 to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority (CMA) on 10 February 2020.

Completed acquisition of 3G Truck & Trailer Parts Limited by TVS Europe Distribution Limited

We refer to your emails of 2 March and 9 March 2021 requesting that the CMA consents to derogations to the Initial Enforcement Order of 10 February 2020 (the '**Initial Order**'). The terms defined in the Initial Order have the same meaning in this letter.

Under the Initial Order, except with the prior written consent of the CMA, TVS Automobile Solutions Private Limited (**TVS ASPL**), TVS Europe Distribution Limited (**TVS EDL**) and Universal Components UK Limited (**Universal Components**) shall not take any action which might prejudice a reference under section 22 of the Enterprise Act 2002 or impede the taking of any remedial action following such a reference, including any action which might, among other matters, lead to the integration of the 3G Truck & Trailer Parts Ltd (**3G**) business with the TVS ASPL business, or transfer the ownership or control of either of them or their subsidiaries. After due consideration of your request for derogations from the Initial Order, based on the information received from you and in the particular circumstances of this case, TVS ASPL, TVS EDL and Universal Components may carry out the following actions, in respect of the specific paragraphs:

Paragraph 4(b) of the Initial Order prohibits the transfer of ownership or control of the TVS ASPL business or the 3G business or any of their subsidiaries

The CMA understands that TVS ASPL, TVS EDL and Universal Components are proposing to make the following changes (the '**Internal Restructuring**')

- a) The transfer of the trade and assets of Scuderia Tuning Parts Limited and Diplomat Lease and Hire Limited to Scuderia Car Parts Limited (**SCP**).
- b) The transfer of SCP to Ki Mobility Solutions Limited (**Ki**). This transfer will take place in two parts:
 - a. Before 31 March 2021, Ki will acquire 20% of the equity in SCP, which will nonetheless effectively give it 100% of the voting rights and therefore control over SCP.
 - b. Ki will acquire the remaining 80% of the equity in SCP after 31 March 2021.

The CMA consents to TVS ASPL, TVS EDL and Universal Components taking the actions necessary to carry out the Internal Restructuring.

**Alistair
Thompson**
Director, RBFA
11 March 2021