

Registered Office :
"Chaitanya",
No. 12, Khader Nawaz Khan Road,
Nungambakkam,
Chennai – 600006
CIN: U74999TN2018PTC121693
Ph No: 044 -28332115
Fax: +91-44-28332113
E-Mail: phoenix@tvsholdings.in

TVS Holdings Private Limited

(Formerly known as TVS Investments and Holdings Private Limited
and Cheema Investments and Holdings Pvt Ltd)

Date: 16th February 2022

BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai 400 001

E-mail: corp.relations@bseindia.com

National Stock Exchange of India Limited

Exchange Plaza,
Bandra-Kurla-Complex, Bandra (East)
Mumbai – 400 051

Email: takeover@nse.co.in

Sundaram Clayton Limited

Chaitanya, No. 12, Khader Nawaz Khan Road
Nungambakkam, Chennai, Tamil Nadu, 600034

E-mail: corpsec@sundaramclayton.com

Dear Sir/ Madam,

Subject: Disclosure under Regulation 31 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("Takeover Regulations").

This disclosure is being made by TVS Holdings Private Limited (*formerly known as TVS Investments and Holdings Private Limited*) ("**THPL**") in relation to creation of pledge over the equity shares of Sundaram-Clayton Limited ("**SCL**").

We refer to our earlier disclosure dated February 08, 2022 ("**Initial Disclosure**") made under Regulation 31 of the Takeover Regulations relating to creation of encumbrance (as defined under Chapter V of the Takeover Regulations) over the equity shares of SCL held by THPL. As mentioned in the Initial Disclosure, a loan agreement ("**Loan Agreement**") dated January 20, 2022 was entered into, *inter alia* between (i) VS Investments Private Limited ("**Borrower**"), (ii) THPL, (iii) Citicorp Finance (India) Limited, JM Financial Products Limited, JM Financial Credit Solutions Limited and Aditya Birla Finance Limited (collectively "**Lenders**") and (iv) Beacon Trusteeship Limited ("**Security Trustee**") for the purposes of availing a facility of an aggregate amount of INR 1600,00,00,000/- (Indian Rupees One Thousand Six Hundred Crore only) ("**Facility**").

Further, in the Initial Disclosure, it was mentioned that a pledge would be created over SCL shares in relation to the Facility in a timebound manner. In this regard, please note that a pledge agreement dated February 11, 2022 has been executed between THPL, Security Trustee and the Borrower ("**Pledge Agreement**") pursuant to which THPL has created first ranking exclusive pledge over 85,00,000 shares of SCL held by it representing 42.01% of SCL's paid up equity share capital in favour of the Security Trustee on February 14, 2022 to secure the Facility. As per the Pledge Agreement, amongst other things, (a) THPL is required to ensure that the Pledge Security Cover (*as defined in the Pledge Agreement*) is maintained in accordance with the terms of the Pledge Agreement and in case of shortfall, THPL may be required to pledge additional shares of SCL; and (b) a power of attorney has been issued in favour of the Security Trustee wherein upon the occurrence of an Event of Default (*as defined in the Loan Agreement*), the Security Trustee can *inter alia* sell, transfer, dispose of or appropriate (to itself) the pledged securities. It is clarified that this encumbrance on the shareholding of THPL in SCL is in continuation of the encumbrance disclosed via Initial Disclosure.

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The enclosed disclosure is being made under Regulation 31 read with Securities and Exchange Board of India's circulars dated August 5, 2015, bearing reference no. CIR/CFD/POLICYCELL/3/2015 and August 7, 2019, bearing reference no. SEBI/HO/CFD/DCR1/CIR/P/2019/90 in relation to the above considering the definition of the term "encumbrance" for the purposes of Chapter V of the Takeover Regulations.

Kindly take the above on record.

Thanking you

Yours faithfully

For and on behalf of **TVS Holdings Private Limited**



K Gopala Desikan
Director



Encl:

Annexure I under SEBI Circular No. CIR/CFD/POLICYCELL/3/2015 dated August 5, 2015

Annexure II under SEBI Circular No. SEBI/HO/CFD/DCR1/CIR/P/2019/90 dated August 7, 2019

Annexure I

Disclosure by the Promoters to the stock exchanges and to the Target Company for encumbrance of shares / invocation of encumbrance/ release of encumbrance, in terms of Regulations 31(1) and 31(2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011													
Name of the Target Company (TC)							Sundaram-Clayton Limited						
Names of the stock exchanges where the shares of the target company are listed							BSE Limited and National Stock Exchange of India Limited						
Date of reporting							February 16, 2022						
Names of the promoters or PAC on whose shares encumbrance has been created/ released / invoked							TVS Holdings Private Limited						
Details of the creation of encumbrance:													
Name of the promoter(s) or PACs with him*	Promoter holding in the target company (1)		Promoter holding already encumbered (2)		Details of events pertaining to encumbrance (3)							Post event holding of encumbered shares {creation [(2)+(3)]/ release [(2)-(3)] / invocation [(1)-(3)] }	
	Number	% of total share capital	Number	% of total share capital	Type of event (creation / release / invocation)	Date of creation/ release / invocation of encumbrance	Type of encumbrance (pledge/ lien/ non disposal undertaking/ others)	Reasons for encumbrance**	Number	% of share capital	Name of the entity in whose favour shares encumbered ***	Number	% of total share capital
TVS Holdings Private Limited	1,30,94,460	64.72	1,30,94,460	64.72	creation	February 14, 2022	Pledge	Please refer to the Note below	85,00,000	42.01	Beacon Trusteeship Limited. Please refer to the Note below.	1,30,94,460	64.72
T.V. Sundram Iyengar & Sons Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-
Sundaram Finance Holdings Limited	19,69,600	9.74	-	-	-	-	-	-	-	-	-	-	-
Mr Venu Srinivasan	-	-	-	-	-	-	-	-	-	-	-	-	-
Mrs Mallika Srinivasan	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr Sudarshan Venu	-	-	-	-	-	-	-	-	-	-	-	-	-
Dr. Lakshmi Venu	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr Venu Srinivasan and VS Trustee Private Limited as trustees of VS Trust	-	-	-	-	-	-	-	-	-	-	-	-	-
VS Trustee Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-

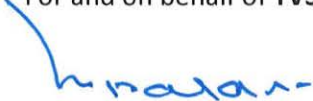
Mr Venu Srinivasan and S. Venu Trustee Private Limited as trustees of VS PTC Trust	-	-	-	-	-	-	-	-	-	-	-	-	-
VEE ESS Trading Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-
Venu Srinivasan Trustee Private Limited as trustee of VEE ESS Trust	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr Venu Srinivasan as trustee of Srinivasan Venu Trust	-	-	-	-	-	-	-	-	-	-	-	-	-
Venu Srinivasan Trustee Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-
VS Trustee Private Limited as trustee of Srinivasan Trust	-	-	-	-	-	-	-	-	-	-	-	-	-
S. Venu Trustee Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-
Srinivasan Trading Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-
VS Investments Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	1,50,64,060	74.46	1,30,94,460	64.72	-	-	-	-	85,00,000	42.01	-	1,30,94,460	64.72

^(#)**Note:** We refer to our earlier disclosure dated February 08, 2022 ("**Initial Disclosure**") made under Regulation 31 of the Takeover Regulations relating to creation of encumbrance (as defined under Chapter V of the Takeover Regulations) over the equity shares of SCL held by THPL. As mentioned in the Initial Disclosure, a loan agreement ("**Loan Agreement**") dated January 20, 2022 was entered into, *inter alia* between (i) VS Investments Private Limited ("**Borrower**"), (ii) THPL, (iii) Citicorp Finance (India) Limited, JM Financial Products Limited, JM Financial Credit Solutions Limited and Aditya Birla Finance Limited (collectively "**Lenders**") and (iv) Beacon Trusteeship Limited ("**Security Trustee**") for the purposes of availing a facility of an aggregate amount of INR 1600,00,00,000/- (Indian Rupees One Thousand Six Hundred Crore only) ("**Facility**").

Further, in the Initial Disclosure, it was mentioned that a pledge would be created over SCL shares in relation to the Facility in a timebound manner. In this regard, please note that a pledge agreement dated February 11, 2022 has been executed between THPL, Security Trustee and the Borrower ("**Pledge Agreement**") pursuant to which THPL has created first ranking exclusive pledge over 85,00,000 shares of SCL held by it representing 42.01% of SCL's paid up equity share capital in favour of the Security Trustee on February 14, 2022 to secure the Facility. As per the Pledge Agreement, amongst other things, (a) THPL is required to ensure that the Pledge Security Cover (*as defined in the Pledge Agreement*) is maintained in accordance with the terms of the Pledge Agreement and in case of shortfall, THPL may be required to pledge additional shares of SCL; and (b) a power of attorney has been issued in favour of the Security Trustee wherein upon the occurrence of an Event of Default (*as defined in the Loan Agreement*), the Security Trustee can *inter alia* sell, transfer, dispose of or appropriate (to itself) the pledged securities. It is clarified that this encumbrance on the shareholding of THPL in SCL is in continuation of the encumbrance disclosed via Initial Disclosure.

Signature of the Authorized Signatory

For and on behalf of **TVS Holdings Private Limited**



K Gopala Desikan
Director



Place: Chennai

Date: February 16, 2022

*The names of all the promoters, their shareholding in the target company and their pledged shareholding as on the reporting date should appear in the table irrespective of whether they are reporting on the date of event or not.

** For example, for the purpose of collateral for loans taken by the company, personal borrowing, third party pledge, etc.

***This would include name of both the lender and the trustee who may hold shares directly or on behalf of the lender.

Annexure II

**Format for disclosure of reasons for encumbrance
(In addition to Annexure - I prescribed by way of circular dated August 05, 2015)**

Name of listed company	Sundaram-Clayton Limited (“SCL”)
Name of the recognised stock exchanges where the shares of the company are listed	BSE Limited and National Stock Exchange of India Limited
Name of the promoter(s) / PACs whose shares have been encumbered	TVS Holdings Private Limited (“THPL”)
Total promoter shareholding in the listed company	No. of shares: 1,50,64,060 % of total share capital: 74.46%
Encumbered shares as a % of promoter shareholding	As on date, THPL holds 1,30,94,460 equity shares of SCL representing 64.72% of SCL’s paid up equity share capital. Pursuant to creation of pledge as specified in this disclosure together with the encumbrance disclosed pursuant to the disclosure dated February 8, 2022, 86.93% of the shareholding of the members of the promoter and promoter group in SCL is subject to encumbrance.
Whether encumbered share is 50% or more of promoter shareholding	YES / NO
Whether encumbered share is 20% or more of total share capital	YES / NO

DETAILS OF ALL THE EXISTING EVENTS/ AGREEMENTS PERTAINING TO ENCUMBRANCE


	Encumbrance (Date of creation of encumbrance: February 04, 2022)	Encumbrance 1 (Date of creation of encumbrance: February 14, 2022)
Type of encumbrance (pledge, lien, negative lien, non-disposal undertaking etc. or any other covenant, transaction, condition or arrangement in the nature of encumbrance)	As mentioned in the disclosure dated February 8, 2022.	Pledge
No. and % of shares encumbered	No. of shares: 1,30,94,460 % of total share capital: 64.72	No. of shares: 85,00,000 % of total share capital: 42.01
Specific details about the Name of the entity in whose favour shares encumbered (X)	Beacon Trusteeship Limited	Beacon Trusteeship Limited

encumbrance	Whether the entity X is a scheduled commercial bank, public financial institution, NBFC or housing finance company? If No, provide the nature of the business of the entity.	YES / NO Beacon Trusteeship Limited (<i>as security trustee</i>)	YES / NO Beacon Trusteeship Limited (<i>as security trustee</i>)
	Names of all other entities in the agreement	As mentioned in the disclosure dated February 8, 2022.	Please refer to Note 1 below.
	Whether the encumbrance is relating to any debt instruments viz. debenture, commercial paper, certificate of deposit etc.? If yes, provide details about the instrument, including credit rating	YES / NO If yes, 1. Name of the issuer: [●] 2. Details of the debt instrument: [●] 3. Whether the debt instrument is listed on stock exchanges?: [●] 4. Credit Rating of the debt instrument: [●] 5. ISIN of the instrument: [●]	YES / NO If yes, 6. Name of the issuer: [●] 7. Details of the debt instrument: [●] 8. Whether the debt instrument is listed on stock exchanges?: [●] 9. Credit Rating of the debt instrument: [●] 10. ISIN of the instrument: [●]
Security Cover / Asset Cover	Value of shares on the date of event / agreement (A)	As mentioned in the disclosure dated February 8, 2022.	Rs. 3499,19,50,000
	Amount involved (against which shares have been encumbered) (B)	As mentioned in the disclosure dated February 8, 2022.	Rs. 1600,00,00,000
	Ratio of A / B	As mentioned in the disclosure dated February 8, 2022.	2.15
End money use of	Borrowed amount to be utilized for what purpose – (a) Personal use by promoters and PACs (b) For the benefit of listed company Provide details including amount, purpose of raising money by listed company, schedule for utilization of amount, repayment schedule etc. (c) Any other reason (please specify)	Personal use for Mr Venu Srinivasan and his immediate family, and general corporate purposes of the Borrower.	Personal use for Mr Venu Srinivasan and his immediate family, and general corporate purposes of the Borrower.

^(#)**Note 1:** We refer to our earlier disclosure dated February 08, 2022 (“**Initial Disclosure**”) made under Regulation 31 of the Takeover Regulations relating to creation of encumbrance (as defined under Chapter V of the Takeover Regulations) over the equity shares of SCL held by THPL. As mentioned in the Initial Disclosure, a loan agreement (“**Loan Agreement**”) dated January 20, 2022 was entered into, *inter alia* between (i) VS Investments Private Limited (“**Borrower**”), (ii) THPL, (iii) Citicorp Finance (India) Limited, JM Financial Products Limited, JM Financial Credit Solutions Limited and Aditya Birla Finance Limited (collectively “**Lenders**”) and (iv) Beacon Trusteeship Limited (“**Security Trustee**”) for the purposes of availing a facility of an aggregate amount of INR 1600,00,00,000/- (Indian Rupees One Thousand Six Hundred Crore only) (“**Facility**”).

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Signature of the Authorized Signatory
For and on behalf of **TVS Holdings Private Limited**



K Gopala Desikan
Director



Place: Chennai
Date: February 16, 2022