

Registered Office :
"Chaitanya",
No. 12, Khader Nawaz Khan Road,
Nungambakkam,
Chennai – 600006
CIN: U74999TN2018PTC121693
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TVS Holdings Private Limited

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

Date: 8 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 in relation to creation of encumbrance (as defined under Chapter V of the Takeover Regulations) over the equity shares of Sundaram-Clayton Limited ("SCL").

A loan agreement (the "**Loan Agreement**") dated January 20, 2022 has been entered, *inter alia*, between: (i) VS Investments Private Limited ("**Borrower**"), (ii) TVS Holdings Private Limited (*formerly known as TVS Investments and Holdings Private Limited*) ("**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**").

As per the Loan Agreement, amongst other things, (a) the Borrower may be required to prepay the facility on occurrence of change of control, wherein change of control is defined to mean, *inter alia*, THPL, and Mr Venu Srinivasan and members of his immediate family, cease to own at least 50% of the fully paid-up equity share capital of SCL (on a fully diluted basis) and retain Control (*as defined in the Loan Agreement*) over SCL; (b) there are certain restrictions with respect to sale, transfer and/ or creation of encumbrance over SCL's shares; and (c) there is a requirement to maintain security cover by pledging SCL shares. Given the nature of conditions under the Loan Agreement, one or more conditions therein are likely to fall within the definition of the term 'encumbrance' provided under Chapter V of the Takeover Regulations. For completeness, it is clarified that no pledge has been created over SCL shares in relation to the Facility as on the date of this disclosure. However, THPL is obliged to create such pledge in a timebound manner, and such pledge will be created in due course after this disclosure.



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Further, we refer to our earlier disclosures made under Regulation 10(6) and 29(1) of the Takeover Regulations relating to the composite scheme of amalgamation and arrangement (demerger) ("**Composite Scheme**") which became effective on January 06, 2022. We also refer to our letter dated February 04, 2022 to SCL which was published by SCL under Regulation 30 the SEBI (Listing Obligations and Disclosure) Regulations, 2015 where we have clarified that in terms of the Composite Scheme, the two-wheeler auto parts and die casting business undertaking of T.V. Sundram Iyengar & Sons Private Limited (which inter alia includes 1,30,94,460 equity shares of SCL representing 64.72% of its paid up share capital) have vested in THPL with effect from the second appointed date (as defined in the Composite Scheme) i.e., February 04, 2022 ("**Second Appointed Date**"). In view of this, it is clarified that while the Loan Agreement was executed on January 20, 2022, this disclosure is being made within the specified timelines from the Second Appointed Date.

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**



Name : K Gopala Desikan
Designation : 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

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 08, 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	-	-	Creation	February 04, 2022 ^(#)	Others. Please refer to the <u>Note</u> below	Please refer to the <u>Note</u> below	1,30,94,460	64.72	Beacon Trusteeship Limited. Please refer to the <u>Note</u> below.	1,30,94,460	64.72	
Mr Venu Srinivisan	-	-	-	-	-	-	-	-	-	-	-	-	-	
Mrs Mallika Srinivasan	-	-	-	-	-	-	-	-	-	-	-	-	-	
Mr Sudarshan Venu	-	-	-	-	-	-	-	-	-	-	-	-	-	
Mr Venu Srinivisan 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	-	-	-	-	-	-	-	-	-	-	-	-	-
T V Sundram Iyengar & Sons Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-
Sundaram Finance Holdings Limited	19,69,600	9.74	Nil	Nil	-	-	-	-	-	-	-	-	-
Total	1,50,64,060	74.46	-	-	-	-	-	-	1,30,94,460	64.72	-	1,30,94,460	64.72

(#)Note:

A loan agreement (the "**Loan Agreement**") dated January 20, 2022 has been entered, *inter alia*, between: (i) VS Investments Private Limited ("**Borrower**"), (ii) TVS Holdings Private Limited (formerly known as TVS Investments and Holdings Private Limited) ("**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").

As per the Loan Agreement, amongst other things, (a) the Borrower may be required to prepay the facility on occurrence of change of control, wherein change of control is defined to mean, *inter alia*, THPL, and Mr Venu Srinivasan and members of his immediate family, cease to own at least 50% of the fully paid-up equity share capital of SCL (on a fully diluted basis) and retain Control (*as defined in the Loan Agreement*) over SCL; (b) there are certain restrictions with respect to sale, transfer and/ or creation of encumbrance over SCL's shares; and (c) there is a requirement to maintain security cover by pledging SCL shares. Given the nature of conditions under the Loan Agreement, one or more conditions therein are likely to fall within the definition of the term 'encumbrance' provided under Chapter V of the Takeover Regulations. For completeness, it is clarified that no pledge has been created over SCL shares in relation to the Facility as on the date of this disclosure. However, THPL is obliged to create such pledge in a timebound manner, and such pledge will be created in due course after this disclosure.

Further, we refer to our earlier disclosures made under Regulation 10(6) and 29(1) of the Takeover Regulations relating to the composite scheme of amalgamation and arrangement (demerger) ("**Composite Scheme**") which became effective on January 06, 2022. We also refer to our letter dated February 04, 2022 to SCL which was published by SCL under Regulation 30 the SEBI (Listing Obligations and Disclosure) Regulations, 2015 where we have clarified that in terms of the Composite Scheme, the two-wheeler auto parts and die casting business undertaking of T.V. Sundram Iyengar & Sons Private Limited (which *inter alia* includes 1,30,94,460 equity shares of SCL representing 64.72% of its paid up share capital) have vested in THPL with effect from the second appointed date (as defined in the Composite Scheme) i.e., February 04, 2022 ("**Second Appointed Date**"). In view of this, it is clarified that while the Loan Agreement was executed on January 20, 2022, this disclosure is being made within the specified timelines from the Second Appointed Date.

Signature of the Authorized Signatory

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



Name : K Gopala Desikan
Designation : Director



Place: Chennai

Date: February 08, 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.*

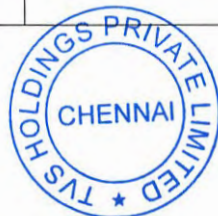
****This would include name of both the lender and the trustee who may hold shares directly or on behalf of the lender.*

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. As on date, 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 (i.e., the date on which title of the shares of SCL will vest in THPL). Please refer to Note below.)
Type of encumbrance (pledge, lien, negative lien, non-disposal undertaking etc. or any other covenant, transaction, condition or arrangement in the nature of encumbrance)		Conditions in the nature of encumbrance. Please refer to Note below.
No. and % of shares encumbered		No. of shares: 1,30,94,460 % of total share capital: 64.72
Specific details about the encumbrance	Name of the entity in whose favour shares encumbered (X)	Beacon Trusteeship Limited
	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>)
	Names of all other entities in the agreement	Please refer to Note 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: [●]
Security Cover / Asset Cover	Value of shares on the date of event / agreement (A)	Please refer to Note below.
	Amount involved (against which shares have been encumbered) (B)	Please refer to Note below.
	Ratio of A / B	Please refer to Note below.
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.

^(#)**Note:** A loan agreement (the “**Loan Agreement**”) dated January 20, 2022 has been entered, *inter alia*, between: (i) VS Investments Private Limited (“**Borrower**”), (ii) TVS Holdings Private Limited (formerly known as TVS Investments and Holdings Private Limited) (“**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**



Name : K Gopala Desikan
Designation : Director



Place: Chennai
Date: February 08, 2022