Regd. & Corporate Office :
"Jayalakshmi Estates", 5th Floor
P.O. Box : 732,
29, Haddows Road,
Chennai - 600 006. India.
Telephone : (044) 28272233
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Sundaram-Clayton Limited

01/01/C/02/

8th February 2013

The Manager, Listing department
National Stock Exchange of India Ltd
Exchange Plaza, C-1, Block G
Bandra-Kurla Complex
Bandra (E), Mumbai 400 051

Scrip code: SUNCLAYLTD

Dear Sir,

Reg: Proposal approved for offering 'additional equity shares of Rs.5/- each' to Qualified Institutional Buyers (QIB) under Institutional Placement Program (IPP) for complying with the requirement of minimum public shareholding of 25% by the Company, subject to the compliance with the applicable 'Securities Laws' as defined under the Listing Agreement

We wish to notify that –

(i) The Board of Directors, while discussing over the future strategy and fund requirements of the Company, observed that the public shareholding in the Company has to be increased to the minimum cap of 25% of total paid-up share capital of the Company, pursuant to the amendments made to the Securities Contracts Regulation Act, 1957 and in the manner specified and / or approved by the Securities and Exchange Board of India (SEBI), in accordance with the applicable Securities Laws.

The board, accordingly, approved the proposal, subject to approval of the shareholders under Section 81(1A) of the Companies Act, 1956 (the Act) and such other regulatory approvals under other Securities Laws, for offering further equity shares of Rs.5/- each to such prospective investors in order to increase the public shareholding to the extent of 25% of the total paid-up share capital of the Company.

(ii) Further, the Board also resolved to seek the approval of shareholders, by way of a special resolution, in terms of Section 81(1A) of the Act through the process of 'Postal Ballot, in terms of the provisions of Section 192A of the Act and the rules made thereunder.

This is for your information.

Thanking You,

Yours faithfully,
for SUNDARAM-CLAYTON LIMITED

R Raja Prakash
Company Secretary