

SUNDARAM FINANCE LIMITED

CIN: L65191TN1954PLC002429

Regd. Office: 21, Patullos Road, Chennai 600 002 Tel: 044 2888 1236, Fax: 044 2855 8180

Email: investorservices@sundaramfinance.in www.sundaramfinance.in

POSTAL BALLOT NOTICE

(Pursuant to Section 110 of the Companies Act, 2013)

To
The Members

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, for obtaining the approval of the Members by way of Special Resolution through postal ballot to raise the present limit of borrowing from ₹21,000 cr. to ₹30,000 cr.

The draft of Special Resolution together with the Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, setting out the material facts and reasons thereto is enclosed.

Chennai 600 002
Date: 1.11.2018

By Order of the Board
P VISWANATHAN
Secretary & Compliance Officer

Notes:

1. This Notice is being sent to all the shareholders whose names appeared on the Register of Members/ list of Beneficial Owners, as received from National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL) as at the close of business hours on Friday, the 26th October 2018.
2. The postal ballot facility (including e-voting) is being provided to the members in accordance with the provisions of Sections 108 and 110 of the Companies Act, 2013 read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide e-voting facilities, enabling the members to cast their vote electronically in a secure manner.
4. The e-voting is optional and will be available at the link www.evotingindia.com. The detailed instructions on e-voting are enclosed. Grievances, if any, connected with e-voting may be addressed to Sri P. Viswanathan, Secretary & Compliance Officer at investorservices@sundaramfinance.in
5. The voting (including e-voting) will commence on Tuesday, the 6th November 2018 (9.00 A.M.) and end on Wednesday, the 5th December 2018 (5.00 P.M.).
A member desiring to exercise the vote by postal ballot is requested to read the instructions provided in the Postal Ballot Form carefully and return the Form duly completed, in the attached self-addressed postage pre-paid envelope so as to reach the Scrutinizer by **5:00 P.M., on Wednesday, the 5th December 2018**.
Postal ballot forms received from members beyond the said date will not be valid and voting whether by post or electronic means shall not be allowed beyond the said date.
6. Members who have not received the postal ballot forms may write to the company or send a mail to investorservices@sundaramfinance.in and obtain a duplicate thereof.

7. The Board of Directors has appointed Sri T K Bhaskar, Partner, HSB Partners, Advocates, Chennai, as the Scrutinizer, for conducting the postal ballot process in a fair and transparent manner.
8. The Scrutinizer will submit his report to the Chairman / Audit Committee Chairman / Managing Director of the Company after completion of the scrutiny and the results of the postal ballot will be announced by the Chairman / Audit Committee Chairman / Managing Director on **Thursday, the 6th December 2018 at 5.00 P.M.**, at the Registered Office of the Company at 21, Patullos Road, Chennai 600 002.
9. The date of declaration of the postal ballot result will be taken to be the date of passing the Special Resolution.
10. The results of the postal ballot will be posted on the Company's website – www.sundaramfinance.in.

DRAFT RESOLUTION

SPECIAL BUSINESS

To consider and if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:

“RESOLVED that pursuant to Section 180(1)(c) of the Companies Act, 2013, the consent of the Company be and is hereby accorded to the Board of Directors of the Company, for borrowing moneys, including foreign currency loans, for the purposes of the Company, from time to time, notwithstanding that the moneys to be borrowed

together with the moneys already borrowed, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, will or may exceed the aggregate of the paid-up capital of the Company and its free reserves, provided however, that the aggregate of the amounts so borrowed and to be borrowed and outstanding at any time (excluding exchange fluctuations in respect of foreign currency loans), apart from temporary loans obtained from the Company's bankers in the ordinary course of business, shall not exceed ₹30,000 cr. (Rupees thirty thousand crores only).”

EXPLANATORY STATEMENT UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013

SPECIAL BUSINESS

At the Annual General Meeting held on 20.07.2017, the Board of Directors were authorised to borrow upto a limit of ₹21,000 cr., apart from the temporary loans obtained from the Company's bankers in the ordinary course of business, under Section 180(1)(c) of the Companies Act, 2013. The aggregate borrowings of the Company as on 30th September 2018 amount to ₹16,644.40 cr.

As at 31.03.2018, the own funds of the Company were ₹3839.02 cr. The capital adequacy ratio of the Company was at 17.64%, based on own funds.

It is considered desirable to raise the present limit of borrowing (including foreign currency loans) to ₹30,000 cr. (excluding exchange fluctuations in respect of foreign currency loans), apart from the temporary loans obtained from the Company's bankers in the ordinary course of

business. Accordingly, the Special Resolution as set out in the notice, is submitted for consideration.

The Board recommends that the Special Resolution be passed.

Your approval is sought by voting through postal ballot or e-voting.

INTEREST OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

None of the Directors & Key Managerial Personnel of the Company and their relatives is interested in the resolution.

By Order of the Board

Chennai 600 002
Date: 1.11.2018

P VISWANATHAN
Secretary & Compliance Officer

SUNDARAM FINANCE LIMITED

INSTRUCTIONS FOR E-VOTING

- (i) The voting period begins on Tuesday, the 6th November 2018 9.00 A.M. and ends on Wednesday, the 5th December 2018 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on Friday, the 26th October 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<ul style="list-style-type: none"> • Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company's records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the "Company selection screen". However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

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- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.