
SUNDARAM FINANCE LIMITED

CIN: L65191TN1954PLC002429

Regd. Office: 21, Patullos Road, Chennai 600 002. Tel: 044 2852 1181, Fax: 044 2858 6641

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 for private placement of debentures under Section 42 of the Companies Act, 2013 upto a sum of ₹7500 cr. during the period from 1st April 2016 to 31st March 2017.

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 are enclosed.

Chennai 600 002

Date: 29.01.2016

By Order of the Board

P VISWANATHAN

Secretary & Compliance Officer

Notes:

1. This Notice is being sent to all the shareholders whose names appear 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 29th January 2016.
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.e-votingindia.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, 9th February 2016 (9.00 A.M.) and end on Wednesday, 9th March 2016 (5.00 P.M.).**
A member desiring to exercise the vote by postal ballot is requested to carefully read the instructions provided in the Postal Ballot Form 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 9th March 2016.**

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 **Friday, the 11th March 2016 at 4.30 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 the provisions of Section 42, 71 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Companies (Share Capital and Debentures) Rules, 2014 and subject to such other Regulations / Guidelines, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers, including the powers conferred by this Resolution) for making offer(s) or invitation(s) to subscribe to Non-Convertible Debentures including but not limited to Subordinated Debentures, bonds and / or other debt securities, on a private placement basis, in one or more tranches, during the period from 1st April 2016 to

31st March 2017 for a sum not exceeding ₹7500 cr., within the overall borrowing limits of the Company.

FURTHER RESOLVED that the Board be and is hereby authorised and empowered to arrange or settle the terms and conditions on which all such moneys are to be borrowed from time to time, as to interest rate, tenor, repayment, security or otherwise and listing, as it may deem expedient and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

FURTHER RESOLVED that the Board be and is hereby authorised to execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto including intimating the concerned authorities or other regulatory bodies and delegating all or any of the powers conferred herein to any Committee of Directors or Officers of the Company.”

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

SPECIAL BUSINESS

As per Section 42 of the Companies Act, 2013 read with Rule 2 (a) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company offering or making an invitation to subscribe to Non-Convertible Debentures (NCDs) on a private placement basis, is required to obtain the prior approval of the Members by way of a Special Resolution. Such an approval by a Special Resolution can be obtained once a year for all the offers and invitations for such NCDs during the year.

The aggregate borrowings of the Company is ₹14151.54 cr. of which NCDs including Subordinated Debentures, comprise ₹7559.21 cr. as on 31st December 2015.

It is proposed to offer or invite additional subscriptions for NCDs including Subordinated Debentures, Bonds and / or other debt securities, on a private placement basis, in one or more tranches, during the period from 1st April 2016 to 31st March 2017 for a sum not exceeding ₹7500 cr., with authority to the Board to determine the terms and conditions, including the issue price of the NCDs, interest rate, tenor, repayment, security or otherwise and listing, as it may deem expedient and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion may deem fit, without being required to seek any further consent or

approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of the Resolution. Accordingly, the approval of the Members is being sought by way of Special Resolution under Section 42, Section 71 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder and listing requirements.

The Board recommends the passing of the Special Resolution.

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: 29.01.2016

P VISWANATHAN
Secretary & Compliance Officer

PROCEDURE AND INSTRUCTIONS FOR E-VOTING

In case of members receiving e-mail:

- (i) The shareholders should log on to the e-voting website **www.evotingindia.com**.
- (ii) Click on Shareholders.
- (iii) 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.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) 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.
- (vi) If you are a first time user follow the steps given below:

PAN*	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">• 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)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <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 (iv).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
 - (viii) 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.
 - (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
 - (xi) 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.
 - (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 - (xiii) 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.
 - (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
 - (xvi) 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.
 - (xvii) 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.
- 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**