

Sundaram Finance Limited

CIN: L65191TN1954PLC002429

Registered Office: 21 Patullos Road, Chennai 600 002 • Tel: 044 2888 1207 • Fax: 044 2855 8180

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NOTICE OF THE MEETING OF THE EQUITY SHAREHOLDERS OF SUNDARAM FINANCE LIMITED CONVENED AS PER THE DIRECTIONS OF THE NATIONAL COMPANY LAW TRIBUNAL, DIVISION BENCH, CHENNAI ('NCLT' OR 'TRIBUNAL')

Day	Monday
Date	23.10.2017
Time	10.00 A.M
Venue	The Music Academy (Main Hall), New No. 168 (Old No. 306), T.T.K. Road, Chennai 600 014

E-VOTING

Commencing on	Saturday, September 23, 2017 (9.00 A.M)
Ending on	Sunday, October 22, 2017 (5.00 P.M.)

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BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, CHENNAI
FORM NO. CAA. 2

[Pursuant to Section 230 (3) and Rules 6 and 7]
CA/149/CAA/2017

In the Matter of Section 230 to 232 of The Companies Act, 2013
And

In the Matter of Composite Scheme of Arrangement and Amalgamation
Between

SUNDARAM FINANCE LIMITED
(‘SFL’) (Transferee Company/ First Resulting Company/ Second Demerged Company)

And

SUNDARAM INSURANCE BROKING SERVICES LIMITED
(‘SIBSL’) (First Transferor Company)

And

INFREIGHT LOGISTICS SOLUTIONS LIMITED
(‘Infreight’) (Second Transferor Company)

And

SUNDARAM BPO INDIA LIMITED
(‘Sundaram BPO’) (First Demerged Company)

And

SUNDARAM FINANCE HOLDINGS LIMITED
(‘SFHL’) (Second Resulting Company)

And

Their Respective Share Holders and Creditors

Sundaram Finance Limited

Having its registered office at
21, Patullos Road,
Chennai 600 002

.... Applicant Company / Transferee Company /
First Resulting Company / Second Demerged Company

**NOTICE CONVENING MEETING OF THE
EQUITY SHAREHOLDERS OF SUNDARAM FINANCE LIMITED**

To

The Equity Shareholders of Sundaram Finance Limited

NOTICE is hereby given that by an Order dated September 05, 2017, (the ‘Order’) the Hon’ble National Company Law Tribunal, Division Bench, Chennai has directed that a meeting of the Equity Shareholders of the Applicant Company be held at ‘The Music Academy’ (Main Hall), New No. 168 (Old no.306), T.T.K Road, Chennai – 600 014, on Monday, October 23, 2017 at 10.00 A.M., for the purpose of considering, and if thought fit, approving, with or without modification(s), the Composite Scheme of Arrangement and Amalgamation between Sundaram Finance Limited (Applicant Company/SFL/ Transferee Company/ First Resulting Company/ Second Demerged Company) and Sundaram Insurance Broking Services Limited (SIBSL/First Transferor Company) and Infreight Logistics Solutions Limited (Infreight/Second Transferor Company) and Sundaram BPO India Limited (Sundaram BPO/First Demerged Company) and Sundaram Finance Holdings Limited (SFHL/Second Resulting Company) and their respective Share Holders and Creditors (‘Scheme’ or ‘the Scheme’).

Take further notice that in pursuance of the said Order, a meeting of the Equity Shareholders of the Applicant Company will be convened and held at ‘The Music Academy’ (Main Hall), New No. 168 (Old no.306), T.T.K Road, Chennai – 600 014, on Monday, October 23, 2017 at 10.00 A.M., at which time and place you are requested to attend.

The quorum for the Meeting shall be 100 (One Hundred) Members. In case the quorum is not in place at the designated time, the Meeting shall be adjourned by half an hour and thereafter, the persons present for voting shall be deemed to constitute the quorum.

Please note that each Equity Shareholder can opt for only one mode of voting i.e. either by way of remote e-voting or voting at the venue through polling paper. If the Equity Shareholder opts for e-voting, then he cannot vote at the venue of the meeting. In case any Equity Shareholder exercises his right to vote by e-voting as well as at the venue of the meeting

of the Equity Shareholders of SFL, then votes cast at the venue of the meeting by that Equity Shareholder shall be treated as invalid.

Copies of the Composite Scheme of Arrangement and Amalgamation and of the Statement under Section 230 read with Section 102 of the Companies Act, 2013 can be obtained free of charge at the Registered Office of the Company.

Persons entitled to attend and vote at the meeting may vote in person or by proxy, provided that all proxies in the prescribed form are deposited at the Registered Office of the Company at 21, Patullos Road, Chennai 600 002, not later than 48 hours before the meeting.

Copies of the Scheme and of the Statement under Section 230 read with Section 102 of the Companies Act, 2013, Form of Proxy and Attendance Slip and other annexures as stated in the Index are enclosed herewith.

The Tribunal has appointed Mr. S. Viji, Chairman of the Company, failing him Mr. S. Prasad, Chairman – Audit Committee of the Company as the Chairman of the said meeting. The Scheme, if approved by the meeting, will be subject to the subsequent approval of the Tribunal.

Dated this the 11th day of September, 2017

Place: Chennai

Sd/-

S. Viji

Chairman Appointed for the Meeting

Sundaram Finance Limited

CIN: L65191TN1954PLC002429

Registered Office: 21 Patullos Road, Chennai – 600 002

Notes:

- 1 A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company. The form of proxy duly completed should, however, be deposited at the Registered Office of the Company not less than 48 (forty-eight) hours before the meeting. A person can act as a proxy on behalf of not more than 50 (fifty) members and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. A member holding more than 10 (ten) percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 2 All alterations made in the Form of Proxy should be initialled.
- 3 Only registered Equity Shareholders of the Company may attend and vote (either in person or by proxy or by authorised representative under applicable provisions of the Companies Act, 2013) at the Equity Shareholders' meeting. The authorised representative of a body corporate which is a registered Equity Shareholder of the Company may attend and vote at the Equity Shareholders' meeting provided a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate authorising such representative to attend and vote at the Equity Shareholders' meeting is deposited at the Registered Office of the Company not later than 48 (forty-eight) hours before the meeting.
- 4 Foreign Portfolio Investors (FPIs) who are registered Equity Shareholder(s) of the Company would be required to deposit certified copies of Custodial Resolutions/Power of Attorney, as the case may be, authorising the individuals named therein, to attend and vote at the meeting on its behalf. These documents must be deposited at the Registered Office of the Company not later than 48 (forty-eight) hours before the commencement of the meeting.
- 5 A member or his proxy is requested to hand over the enclosed attendance slip, duly completed and signed as per the specimen signature(s) registered with the Company at the entrance of the meeting hall.
- 6 Members who hold shares in dematerialized form may be required to quote their Client ID and DP ID number for easy identification for attendance at the meeting.
- 7 Members are informed that in case of joint holders attending the meeting, only such joint holders whose name stands first in the Register of Members of the Company/list of Beneficial Owners as received from the National Securities Depository Limited/Central Depository Services (India) Limited in respect of such joint holding will be entitled to vote.
- 8 The Notice is being sent to all the Equity Shareholders, whose names appeared in the Register of Members/Beneficial Owners as per the details furnished by the depositories as on 8th September 2017. A soft/electronic copy of the Notice indicating the process and manner of e-voting along with the Attendance Slip and Proxy Form is being sent to all the Equity Shareholders whose e-mail ids are registered with the Applicant Company/Registrar and Transfer Agent (RTA)/Depository Participant(s) for communication purposes unless any Member has requested for a physical copy of the same. For those Members who have not registered their e-mail addresses, physical copies of this Notice along

with Attendance Slip and Proxy Form are being sent in the permitted mode. This Notice is also displayed/posted on the website of the Company <http://www.sundaramfinance.in>.

- 9 In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ("Amended Rules 2015") and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Company is providing the Members the facility to exercise their right to vote on the resolution proposed by electronic means using an e-voting system from a place other than the venue of the meeting ("remote e-voting") through Central Depository Services (India) Limited (CDSL).
- 10 Members can only opt only for one mode of voting. The facility of voting through ballot paper shall be made available at the meeting to those Members, who have not cast their votes through remote e-voting. Those Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting, but shall not be entitled to cast their votes again.
- 11 The material documents referred to in the accompanying Statement shall be open for inspection by the Equity Shareholders at the Registered Office of the Company on all working days upto 22/10/2017 between 11.00 A.M. to 1.00 P.M. except Saturday, Sunday and Public Holidays.
- 12 The remote e-voting period commences on Saturday, the 23rd September 2017 (9.00 a.m.) and ends on Sunday, the 22nd October 2017 (5.00 p.m.). During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the 'cut-off date' of 15th October 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled on 22nd October 2017 at 5.00 P.M. for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- 13 However, a person who is not a member as on cut-off date should treat this notice for information purpose only.
- 14 The instructions, as provided by CDSL, regarding the process and manner for remote e-voting are enclosed in loose leaf form.
- 15 A person whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on the Cut-off Date only shall be entitled to avail the facility of e-voting as well as voting at the meeting.
- 16 Mr. M. Damodaran of M/s. M. Damodaran & Associates, Practicing Company Secretaries, Chennai, will be acting as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
- 17 The Chairman of the meeting shall, at the meeting, at the end of discussion on the resolution on which voting is to be held, allow voting with the assistance of the Scrutiniser, for all those Members who are present at the meeting who have not cast their votes by availing the remote e-voting facility.
- 18 The Scrutiniser shall after the conclusion of voting at the meeting first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company who shall make, a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- 19 In terms of Regulation 44 of the SEBI Listing Regulations, the results of e-voting will be submitted to the Stock Exchanges within forty-eight hours of the conclusion of the meeting. The results declared along with the Scrutiniser's Report shall be placed on the Company's website, www.sundaramfinance.in

Enclosure: As above

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

DIVISION BENCH, CHENNAI

FORM NO. CAA. 2

[Pursuant to Section 230 (3) and Rules 6 and 7]]

CA/149 /CAA/2017

In the Matter of Section 230 to 232 of The Companies Act, 2013

And

In the Matter of Composite Scheme of Arrangement and Amalgamation

Between

SUNDARAM FINANCE LIMITED

(‘SFL’) (Transferee Company/ First Resulting Company/ Second Demerged Company)

And

SUNDARAM INSURANCE BROKING SERVICES LIMITED

(‘SIBSL’) (First Transferor Company)

And

INFREIGHT LOGISTICS SOLUTIONS LIMITED

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And

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(‘SFHL’) (Second Resulting Company)

And

Their Respective Share Holders and Creditors

Sundaram Finance Limited

Having its registered office at

21, Patullos Road,

Chennai 600 002

.... Applicant Company / Transferee Company /

First Resulting Company / Second Demerged Company

**STATEMENT UNDER SECTION 230(3) OF THE COMPANIES ACT, 2013
READ WITH SECTION 102 OF THE COMPANIES ACT 2013 FOR THE
MEETING OF THE EQUITY SHAREHOLDERS OF SUNDARAM FINANCE
LIMITED CONVENED AS PER THE DIRECTIONS OF THE NATIONAL
COMPANY LAW TRIBUNAL, DIVISION BENCH, CHENNAI**

1. Pursuant to the Order dated September 05, 2017, passed by the Hon’ble National Company Law Tribunal, Division Bench, Chennai in the Company Application No. 149/CAA/2017, a meeting of the Equity Shareholders of the Applicant Company is scheduled to be held on October 23, 2017 at 10.00 A.M. to obtain their approval to the Composite Scheme of Arrangement and Amalgamation between Sundaram Finance Limited (Applicant Company/SFL/Transferee Company/ First Resulting Company/ Second Demerged Company) and Sundaram Insurance Broking Services Limited (SIBSL/ First Transferor Company) and Infreight Logistics Solutions Limited (Infreight/Second Transferor Company) and Sundaram BPO India Limited (Sundaram BPO/First Demerged Company) and Sundaram Finance Holdings Limited (SFHL/Second Resulting Company) and their respective Share Holders and Creditors (‘Scheme’ or ‘the Scheme’).
2. The Hon’ble National Company Law Tribunal, Division Bench, Chennai by an Order dated 05/09/2017 was pleased to issue directions for convening of the meeting of the Equity Shareholders of the Applicant Company at ‘The Music Academy’ (Main Hall), New No. 168 (Old no. 306), T T K Road, Chennai – 600014 on Monday, the 23rd day of October, 2017 at 10.00 A.M to be presided over by Mr. S.Viji, Chairman of the Applicant Company, failing him Mr. S. Prasad, Chairman – Audit Committee of the Applicant Company, as the Chairman of the Meeting. The said Order will be available for inspection at the Registered Office of the Applicant Company at 21 Patullos Road, Chennai – 600 002 on any working day of the Company up to the date of meeting, after receipt from the Court.
3. In addition to the meeting of the Equity Shareholders of the Applicant Company convened on the directions of the Hon’ble National Company Law Tribunal, to seek the approval of the said Shareholders pursuant to Section 230 read with Section 232 of the Companies Act, 2013 further read with other relevant provisions of the Companies Act, 2013, approval of the Equity Shareholders of the Demerged Company is also sought by way of e-voting as required under Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (erstwhile Clause 35B of the Listing Agreement with the Stock Exchanges) and the SEBI Circulars and the Companies Act, 2013.

4. The Board of Directors of the Applicant Company/SFL, SIBSL, Infreight, Sundaram BPO and SFHL at their respective meetings held on 17/02/2017 have approved the Composite Scheme of Arrangement and Amalgamation under which
- the entire undertaking of SIBSL and Infreight (together referred to as 'Transferor Companies') will get merged with the Applicant Company/SFL;
 - the shared services business of Sundaram BPO will be demerged and transferred to the Applicant Company/SFL; and
 - the non-core business activities of the Applicant Company/SFL will be demerged after "b" above and vested into SFHL.

The Board of Directors of the Company once again at a meeting held on 29/05/2017 approved certain modifications to the Composite Scheme of Arrangement and Amalgamation based on the recommendation of NSE vide their Observation letter dated 19/05/2017, whereby, Clause 42.4 of the Scheme was added and also the name of the Second Resulting Company was changed from 'Sundaram Finance Investments Limited' (SFIL) to 'Sundaram Finance Holdings Limited' (SFHL) in the Scheme. The other four Companies also approved the amended Scheme to incorporate the above changes vide Resolutions passed in Circulation by the respective Companies on 29/05/2017. A copy of the Scheme, setting out the terms and conditions of the arrangement and amalgamation as revised and approved by the Board of Directors of SFL, SIBSL, Infreight, Sundaram BPO and SFHL is enclosed herewith as **Annexure A**. The proposed Scheme is envisaged to be effective from the Appointed Date but shall be made operative from the Effective Date (as defined in the Scheme).

5. Particulars of the Companies

5.1. Sundaram Finance Limited

- 5.1.1. Sundaram Finance Limited ('SFL') was incorporated under the Companies Act, 1913 on 11/08/1954 in the State of Tamil Nadu. The Corporate Identity Number of SFL is L65191TN1954PLC002429 and the PAN is AAACS4944A. The e-mail address of the Company is investorservices@sundaramfinance.in. The Applicant Company is a non-banking finance company registered with the Reserve Bank of India and is a publicly listed company whose share are listed on the National Stock Exchange of India Limited ('NSE'). The registered office of SFL is situated at 21, Patullos Road, Chennai 600 002, Tamil Nadu.
- 5.1.2. SFL is also the Transferee Company, First Resulting Company and the Second Demerged Company. The main objects of SFL are as follows:
- To carry on and undertake business as Financiers and Capitalists to finance operations of all kinds such as managing, purchasing, selling, hiring, letting on hire, and dealing in all kinds of property, movable or immovable, goods, chattels, motor cars, motor buses, motor lorries, lands, bullion, stocks, share, government bonds, etc.
 - To undertake to carry on all operations and transactions in regard to business of any kind in the same way as an individual capitalist may lawfully undertake and carry out and, in particular, the financing Hire Purchase Contracts relating to property or assets of any description, either fixed or movable, such as houses, lands, vehicles, government bonds, etc.
 - To carry on and become engaged in financial, monetary and other business transactions that are usually and commonly carried on by Commercial Financing Houses, Shroffs, Credit Corporations, Merchants, Factors, Trade and General Financiers and Capitalists.
 - To lend, with or without security, deposit or advance money, securities and property to, or with, such persons and on such terms as may seem expedient.
- 5.1.3. The authorised, issued, subscribed and paid up capital of the Applicant Company as on 31/03/2017 is as follows:

Particulars	Amount in Rs.
Authorised Share Capital:	
25,00,00,000 Equity Shares of Rs.10/- each	250,00,00,000
Total	250,00,00,000
Issued, Subscribed and Paid Up:	
11,11,03,860 Equity Shares of Rs.10/- each	111,10,38,600
Total	111,10,38,600

As on date, there has been no change in the authorised, issued, subscribed and paid up share capital of the Applicant Company.

5.1.4. The details of the Directors and Promoters of the Applicant Company along with their addresses are as follows:

a. Name(s) of Directors and their Address

Sl. No.	Name	Designation	Address
1.	S. Viji	Non- Executive Chairman	Old No. 33, New No. 71 Poes Garden Chennai 600086
2.	S. Ram	Non-Executive Director	Old No. 29, New No. 57, Prithvi Avenue Chennai 600018
3.	N. Venkataramani	Independent Director	'Lakshmi', No. 12, Boat Club Road Chennai 600028
4.	P.N. Venkatachalam	Independent Director	Flat No.3C, Settlor Manor, No.2, Sivaswamy Street Opp:Dr. Radhakrishnan Salai, Mylapore Chennai 600004
5.	S. Mahalingam	Independent Director	6, Subbaraya Iyer Avenue, Abhirampuram, Chennai 600018
6.	S. Prasad	Independent Director	Flat D-1, New No.41, Old No.87 Ashok Prithvi, IV Street, Abhirampuram Chennai 600018
7.	Shobhana Ramachandhran	Independent Director	No,16, Jawahar Road, Madurai 625002
8.	Rajiv C. Lochan	Independent Director	No.4/1, Ambadi Road Kotturpuram Chennai 600085
9.	S. Ravindran	Non-Executive Director	New No,7 (Old No.4), Kasturi Estates 3rd Street, Gopalapuram Chennai 600086
10.	T.T. Srinivasaraghavan	Managing Director	New no. 9, Old no. 5, III Street Kasturi Estates, Chennai 600086
11.	Harsha Viji	Deputy Managing Director	20 D'silva Road Mylapore Chennai 600004
12.	A.N. Raju	Director (Operations)	Flat 1A, Block I, Magnolia Park 2, Five Furlong Road, Guindy Chennai 600032

b. The details of the Promoters of the Applicant company along with their address is appended and marked as **Annexure B**.

5.1.5. The amount due to unsecured creditors of the Applicant Company as on 30/06/2017 is Rs. 718269.83 lakhs.

5.2. Sundaram Insurance Broking Services Limited

5.2.1. Sundaram Insurance Broking Services Limited was incorporated under the Companies Act, 1956 on 15/11/2010 in the State of Tamil Nadu. The Corporate Identity Number of the First Transferor Company is U67100TN2010PLC078063 and the PAN is AAOCS9906Q. The First Transferor Company is a public limited company and a wholly owned subsidiary of Sundaram Finance Limited. The registered office of the First Transferor Company is situated at 21, Patullos Road, Chennai 600 002, Tamil Nadu.

5.2.2. The main objects of the First Transferor Company are as follows:

To carry on the business of Insurance brokers of all kinds of Insurable perils including of Life, Medical and other general insurance and such other business as may be allowed from time to time for the Insurance Brokers under the rules of Insurance Regulatory Development Authority.

- 5.2.3. The authorised, issued, subscribed and paid up capital of the First Transferor Company as on 31/03/2017 is as follows:

Particulars	Amount in Rs.
Authorised Share Capital:	
10,00,000 Equity Shares of Rs.10/- each	1,00,00,000
Total	1,00,00,000

Issued, Subscribed and Paid Up:	
5,00,000 Equity Shares of Rs.10/- each	50,00,000
Total	50,00,000

As on date, there has been no change in the authorised, issued, subscribed and paid up share capital of the First Transferor Company.

- 5.2.4. The details of the Directors and Promoters of the First Transferor Company along with their addresses are as follows:

Sl. No.	Name	Designation	Address
1.	Srinivas Acharya	Director	"Srinivas" 3rd Floor, 7, Rukmini Road Kalakshetra Colony, Besant Nagar Chennai 600090
2.	S. Ravindran	Director	No. 3/2, 50th Street, Ashok Nagar, Chennai 600083
3.	S. Sivakumar	Director	6G, SIS Meridian 100 Feet By Pass Road, Velachery Chennai 600042
4	Sundaram Finance Limited	Promoter	No. 21, Patullos Road, Chennai 600002

- 5.2.5. The amount due to unsecured creditors of the First Transferor Company as on 30/06/2017 is Rs. 25,158/-.

5.3. Infreight Logistics Solutions Limited

- 5.3.1. Infreight Logistics Solutions Limited was incorporated under the Companies Act, 1956 on 25/04/2000 in the State of Maharashtra. The registered office of the Second Transferor Company was shifted to the State of Tamil Nadu on 18/06/2007. The Second Transferor Company is a public limited company and is also a wholly owned subsidiary of the Applicant Company i.e. Sundaram Finance Limited. The Corporate Identity Number of the Second Transferor Company is U72900TN2000PLC063984 and the PAN is AAACI6910N. The registered office of the Second Transferor Company is situated at 21, Patullos Road, Chennai 600 002, Tamil Nadu.

- 5.3.2. The objects of the Second Transferor Company are as follows:

- To carry on the business of manufacturing, importing, exporting, supplying, installing, maintain, drawing, designing or otherwise dealing in computers, software, hardware, teaching and training aids, electronic security equipment's telecommunications equipment/systems and other equipment's required for providing systems management.
- To plan, develop, set up, install operate, maintain repairs, offer or otherwise run online information services Bulletin Board Services (BBS), online database information houses or storage's information systems, internet services, world-wide web system including remote data bases file transfers new bulletin boards, remote, log-in to host computers, electronic mail and voice mail for the purpose manufacture import exports supply installs maintain, repairs, draw design or otherwise deal in computers, software, hardware teaching and training aids electronic equipments and systems and to provide consultancy service thereof.

- 5.3.3. The authorised, issued, subscribed and paid up capital of the Second Transferor Company as on 31/03/2017 is as follows:

Particulars	Amount in Rs.
Authorised Share Capital:	
1,01,00,000 Equity Shares of Rs.10/- each	10,10,00,000
Total	10,10,00,000

Issued, Subscribed and Paid Up:	
56,11,200 Equity Shares of Rs.10/- each	5,61,12,000
Total	5,61,12,000

As on date, there has been no change in the authorised, issued, subscribed and paid up share capital of the Second Transferor Company.

- 5.3.4. The details of the Directors and Promoters of the Second Transferor Company along with their addresses are as follows:

Sl. No.	Name	Designation	Address
1.	Srinivas Acharya	Director	"Srinivas" 3rd Floor, 7, Rukmini Road Kalakshetra Colony, Besant Nagar Chennai 600090
2.	P. Viswanathan	Director	Flat No. 1, 4th Floor, 'Voora Vijayashree Flats' New No. 47, Old No. 22, North Boag Road, T. Nagar Chennai 600017
3.	S. Sivakumar	Director	6G, SIS Meridian 100 Feet By Pass Road, Velachery Chennai 600042
4	Sundaram Finance Limited	Promoter	No. 21, Patullos Road, Chennai 600002

- 5.3.5. The amount due to unsecured creditors of the Second Transferor Company as on 30/06/2017 is Rs. Nil

5.4. Sundaram BPO India Limited

- 5.4.1. Sundaram BPO India Limited was incorporated under the Companies Act, 1956 on 07/08/2012 in the State of Tamil Nadu. The First Demerged Company is a subsidiary of the Applicant Company i.e. Sundaram Finance Limited. The Corporate Identity Number of the First Demerged Company is U74900TN2012PLC087102 and the PAN is AARCS8372D. The registered office of the First Demerged Company is at 21, Patullos Road, Chennai 600002, Tamil Nadu.

- 5.4.2. The objects of the First Demerged Company are as follows:

- To carry on in India or elsewhere, the business of BPO (Business Process Outsourcing) and call centres, contract centres, undertake other activities relating to information technology enabled services in areas of accounting, insurance, banking, human resources, health care, legal telecom etc. and to provide all kinds of support services including without any limitations, administrative, managerial, maintenance, document processing, data entry, reconciliation, training and orientation and other support services.
- To carry on in India or elsewhere business as consultants and/or advisors.
- To engage in data base management, programming in all languages, in all aspects of Information Technology, related to the aforesaid objects.

- 5.4.3. The authorised, issued, subscribed and paid up capital of the First Demerged Company as on 31/03/2017 is as follows:

Particulars	Amount in Rs.
Authorised Share Capital:	
1,52,50,000 Equity Shares of Rs. 10/- each	15,25,00,000
Total	15,25,00,000

Issued, Subscribed and Paid Up:	
89,51,259 Equity Shares of Rs.10/- each	8,95,12,590
Total	8,95,12,590

As on date, there has been no change in the authorised, issued, subscribed and paid up share capital of the First Demerged Company.

- 5.4.4. The details of the Directors and Promoters of the First Demerged Company along with their addresses are as follows:

Sl. No.	Name	Designation	Address
1.	T.T. Srinivasaraghavan	Director	New no. 9, Old no. 5, Ill Street Kasturi Estates, Chennai 600086
2.	A.N. Raju	Director	Flat 1A, Block I, Magnolia Park 2, Five Furlong Road, Guindy Chennai 600032
3.	P. Viswanathan	Director	Flat No. 1, 4th Floor, 'Voora Vijayashree Flats' New No. 47, Old No. 22, North Boag Road, T. Nagar Chennai 600017
4.	S. Sridhar	Director	4/4, Mahalakshmi Flats, Rangarajapuram, 1st Street Kodambakkam Chennai 600024
5.	Rajesh Venkat	Director	C3, Sai Sangrith Apartments, 29, Police Commissioner Office Road, Egmore Chennai 600028
6	Sundaram Finance Limited	Promoter	No. 21, Patullos Road, Chennai 600002
7	Sundaram Finance Holdings Limited	Promoter	No. 21, Patullos Road, Chennai 600002

- 5.4.5. The amount due to unsecured creditors of the First Demerged Company as on 30/06/2017 is Rs. 17.46 lakhs.

5.5. Sundaram Finance Holdings Limited

- 5.5.1. Sundaram Finance Holdings Limited was incorporated under the Companies Act, 1956 on 13/10/1993 in the State of Tamil Nadu. The Second Resulting Company is a wholly owned subsidiary of the Applicant Company i.e. Sundaram Finance Limited. The Corporate Identity Number of the Second Resulting Company is U65100TN1993PLC025996 and PAN is AAACS3116J. The registered office of the Second Resulting Company is at 21, Patullos Road, Chennai 600 002, Tamil Nadu.

The main object clause in the Memorandum of Association of the Company was amended w.e.f. from 15/12/2016 to carry on the business of an investment company. The name of the Company was changed from Sundaram Finance Distribution Limited to Sundaram Finance Investments Limited w.e.f 21/12/2016. Thereafter, the name was changed as Sundaram Finance Holdings Limited w.e.f. 29/03/2017.

- 5.5.2. The objects of the Second Resulting Company are as follows:
- To carry on the business of an investment company and to invest that capital and other moneys of the Company in the purchase of or lend on the security of shares, stocks, units, debentures, debenture-stick, bonds, mortgages obligations and securities of any kind issued or guaranteed by any company, corporation or undertaking of whatever nature, whether incorporated or otherwise, and wheresoever constituted or carrying on business, including investments in financial service enablers, 'Fin-tech' investments and 'small startup type' (incubator) investments and to buy sell or otherwise deal in shares, stocks, debentures, debenture-stick, bonds, mortgages obligations and securities issued or guaranteed by any government, sovereign ruler, commissioner, trust, municipal, local or other authority or body of whatever nature in India or abroad.
 - To engage in the business of assisting early-stage companies like non-profit or a for-profit entity through the developmental phases which includes relationships with financial partners, providing access to experienced business consultants and management-level executives, access to physical location space and business hardware or software and access to informational and research resources via relationships with local universities and government entities until such time as the entity has sufficient financial, human and physical resources to function on its own.
 - To finance industrial and other enterprises, lend and advance moneys to entrepreneurs, promoters and industrial concerns.
- 5.5.3. The authorised, issued, subscribed and paid up capital of the Second Resulting Company as on 31/03/2017 is as follows:

Particulars	Amount in Rs.
Authorised Share Capital:	
2,50,00,000 Equity Shares of Rs. 10/- each	25,00,00,000
Total	25,00,00,000
Issued, Subscribed and Paid Up:	
2,00,00,000 Equity Shares of Rs.10/- each	20,00,00,000
Total	20,00,00,000

As on date, there has been no change in the authorised, issued, subscribed and paid up share capital of the Second Resulting Company.

- 5.5.4. The details of the Directors and Promoters of the Second Resulting Company along with their addresses are as follows:

Sl. No.	Name	Designation	Address
1.	S. Viji	Non-Executive Chairman	Old No. 33, New No. 71 Poes Garden Chennai 600086
2.	S. Prasad	Independent Director	Flat D-1, New No.41, Old No.87 Ashok Prithvi, IV Street, Abhiramapuram Chennai 600018
3.	Shobhana Ramachandhran	Independent Director	No,16, Jawahar Road, Madurai 625002
4.	R. Venkatraman	Independent Director	New No.6-B, Old No.13/2, 1st Floor, 9th Cross Street, Shastrinagar, Adyar Chennai 600020
5.	T.T. Srinivasaraghavan	Managing Director	New no. 9, Old no. 5, III Street Kasturi Estates, Chennai 600086
6.	Harsha Viji	Non-Executive Director	20 D'silva Road Mylapore Chennai 600004
7.	Sundaram Finance Limited	Promoter	No. 21, Patullos Road, Chennai 600002

- 5.5.5. The amount due to unsecured creditors of the Second Resulting Company as on 30/06/2017 is Rs. 4.67 lakhs.

6. Relationship subsisting between the companies who are parties to the Scheme of Arrangement:

- a) The First Transferor Company is a wholly owned subsidiary of the Applicant Company/ Transferee Company;
- b) The Second Transferor Company is a wholly owned subsidiary of the Applicant Company/ Transferee Company;
- c) The First Demerged Company is a subsidiary of the Applicant Company/ First Resulting Company; and
- d) The Second Resulting Company is a wholly owned subsidiary of the Applicant Company/ Second Demerged Company.

7. Rationale and Benefits of the Composite Scheme of Arrangement and Amalgamation

- a. The Transferor Companies are wholly owned subsidiaries of the Transferee Company and the amalgamation of the Transferor Companies with the Transferee Company shall bring about operational efficiencies and reduction of administrative and managerial overheads as well as multiplicity of legal compliances.
- b. The demerger of the shared services division of the First Demerged Company into the First Resulting Company shall:
 - i. Facilitate the consolidation of the shared services activities / business carried on by the First Demerged Company to group companies along with similar services rendered by the First Resulting Company for the purpose of achieving administrative efficiencies and economies of scale while servicing such group companies; and
 - ii. Enable maintenance of an optimal shareholding structure.
- c. The demerger of non-core business activities of the Second Demerged Company into the Second Resulting Company (which would include the consolidated shared services business) shall:
 - i. Unlock the value of the non-core business, including investments in non-financial services related businesses, to maximize shareholders' wealth;
 - ii. Create a platform for shareholders to participate in the growth prospects of the non-core investments/ business;
 - iii. Enable the attribution of appropriate risk and valuation to the concerned businesses based on its risk-return profile and cash flows;
 - iv. Ensure dedicated leadership and management in respect of the core and non-core businesses;
 - v. Provide greater visibility on the performance of the businesses;
 - vi. Ring fence the core and non-core activities;
 - vii. Facilitate investments by strategic players; and
 - viii. Facilitate effective provisioning of shared services to group companies as well as affiliates.

8. The salient features of the Scheme are as follows:

PART A - DEFINITION, DATE OF TAKING EFFECT & SHARE CAPITAL

1. DEFINITIONS

1.2 "Appointed Date" means

1.2.1 For the purpose of Parts B and C of this Scheme, the opening hours of business on 01 April 2016; and

1.2.2 For the purpose of Part D of this Scheme, 01 April 2016, after giving effect to Parts B and C of the Scheme.

1.8 "Effective Date" means the last of the dates on which the conditions specified in Clause 42(Part E) of this Scheme are fulfilled with respect to the Scheme. Any references in this Scheme to "upon the Scheme becoming effective" shall mean the "Effective Date";

1.14 "Scheme" or "The Scheme" or "This Scheme" means this Composite Scheme of Arrangement and Amalgamation in its present form or with any modification(s) as approved or directed by the Tribunal.

PART B - AMALGAMATION OF TRANSFEROR COMPANIES WITH SFL

4. TRANSFER AND VESTING OF UNDERTAKING OF TRANSFEROR COMPANIES

This Part of the Scheme has been drawn up to comply with the conditions relating to "amalgamation" as specified under Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme is/are inconsistent with the provisions of Section 2(1B) of the Income-tax Act, 1961, the provisions of Section 2(1B) of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(1B) of the Income-tax Act, 1961, such that the modification does not affect other parts of the Scheme.

With effect from the Appointed Date and upon coming into effect of the Scheme, the entire business and undertaking of the Transferor Companies shall in accordance with Section 2(1B) of the Income-tax Act, 1961, stand transferred to and be vested in or deemed to be transferred to and vested in SFL, as a going concern.

Without prejudice to the generality of the above said Clause:

- 4.1 With effect from the Appointed Date and upon the Scheme becoming effective, the whole of the undertaking and properties of the Transferor Companies, shall, pursuant to the provisions contained in Sections 230 to 232 and all other applicable provisions, if any, of the Act and without any further act, deed, matter or thing, stand transferred to and vested in and / or be deemed to be transferred to and vested in SFL so as to vest in SFL all rights, title and interest pertaining to the Transferor Companies.
- i) All the movable assets pertaining to the Transferor Companies, which are capable of being physically transferred including cash on hand, shall be physically handed over by delivery to SFL to the end and intent that the property therein passes to SFL. Such delivery and transfer shall be made on a date to be mutually agreed upon between the respective Board of Directors or Committees thereof of Transferor Companies and SFL;
 - ii) In respect of other assets pertaining to the Transferor Companies including actionable claims, sundry debtors, outstanding loans, advances recoverable in cash or kind or for value to be received and deposits with the Government, semi-Government, local and other authorities and bodies and customers, SFL may issue notices stating that pursuant to this Scheme, the relevant debt, loan, advance, deposit or other asset, be paid or made good to, or be held on account of SFL as the person entitled thereto, to the end and intent that the right of the Transferor Companies to receive, recover or realize the same, stands transferred to SFL and that appropriate entries should be passed in their respective books to record the aforesaid changes;
 - iii) all immovable properties (including land together with the buildings and structures standing thereon) of the Transferor Companies whether freehold or leasehold and any documents of title, rights and easements in relation thereto shall stand transferred to and be vested in SFL, without any act or deed done by the Transferor Companies or SFL. With effect from the Appointed Date, SFL shall be entitled to exercise all rights and privileges and be liable to pay ground rent, municipal taxes and fulfill all obligations, in relation to or applicable to such immovable properties. The mutation of title to the immovable properties in the name of SFL shall be made and duly recorded by the appropriate authorities pursuant to the sanction of this Scheme by the Tribunal and this Scheme becoming effective in accordance with the terms hereof without any further act or deed on the part of SFL;
 - iv) In respect of such of the assets belonging to the Transferor Companies other than those referred to in clauses (i) to (iii), the same shall be transferred to and vested in and/or be deemed to be transferred to and vested in SFL on the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.
- 4.2 With effect from the Appointed Date and upon the Scheme becoming effective, all debts, liabilities including accrued interest thereon, contingent liabilities, duties and obligations of every kind, nature and description of the Transferor Companies under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to or be deemed to be transferred to SFL, so as to become from the Appointed Date the debts, liabilities including accrued interest thereon, contingent liabilities, duties and obligations of SFL and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities including accrued interest thereon, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause.
- 4.3 With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licenses, permissions or approvals or consents held by the Transferor Companies shall stand vested in or transferred to SFL without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of SFL and the benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licenses, and consents shall vest in and become available to SFL as if they were originally obtained by SFL. In so far as the various incentives, subsidies, rehabilitation schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by the Transferor Companies, are concerned, the same shall vest with and be available to SFL on the same terms and conditions as applicable to the Transferor Companies, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to SFL.
- 4.4 The transfer and vesting of the entire business and undertaking of the Transferor Companies as aforesaid shall be subject to the existing securities, charges, mortgages, if any, in respect of any assets of the Transferor Companies.

Provided always that the Scheme shall not operate to enlarge the security for any loan, deposit or facility availed of by the Transferor Companies and SFL shall not be obliged to create any further or additional security thereof after the Effective Date or otherwise.

5. CONSIDERATION

- 5.1 Since the entire share capital of the Transferor Companies are held by SFL, no shares or consideration shall be issued / payable by SFL pursuant to this Part of the Scheme.
- 5.2 The entire share capital of the Transferor Companies shall stand cancelled.

7. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

- 7.1 The Transferor Companies shall carry on and be deemed to have been carrying on the business and activities and shall stand possessed of and hold all of its properties and assets for and on account of and in trust for SFL. The Transferor Companies hereby undertake to hold the said assets with utmost prudence until the Effective Date.
- 7.2 With effect from the Appointed Date, all the profits or income accruing or arising to the Transferor Companies or expenditure or losses arising to or incurred by the Transferor Companies, shall for all purposes and intents be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses (as the case may be) of SFL.
- 7.3 The Transferor Companies shall carry on the business and activities with reasonable diligence, business prudence and shall not without the prior written consent of SFL, alienate, charge, mortgage, encumber or otherwise deal with or dispose any asset except in respect of activities in the ordinary course of business.
- 7.4 The Transferor Companies shall not vary the terms and conditions of service of the employees or conclude settlements with unions or employees, except in the ordinary course of business or consistent with past practice or pursuant to any pre-existing obligation without the prior written consent of the Board of Directors of SFL.

12. STAFF, WORKMEN AND EMPLOYEES

- 12.1 Upon the Scheme becoming effective, all employees of the Transferor Companies and who are in such employment as on the Effective Date shall become the employees of SFL from the Appointed Date or their respective joining date, whichever is later and, subject to the provisions of this Scheme, on terms and conditions not less favourable than those on which they are engaged by the Transferor Companies and without any interruption of or break in service as a result of the amalgamation of the Transferor Companies.
- 12.2 In so far as the existing provident fund, gratuity fund and pension and/or superannuation fund, trusts, retirement fund or benefits and any other funds or benefits (collectively referred to as the "Funds") created by the Transferor Companies for its employees is concerned, the Funds and such of the investments made by the Funds that are being transferred in terms of this Scheme shall be held for their benefit pursuant to this Scheme. The Funds shall, subject to the necessary approvals and permissions and at the discretion of SFL, either be continued as separate funds of SFL for the benefit of the employees of the Transferor Companies or be transferred to and merged with other similar funds of SFL. It is clarified that the services of the employees of the Transferor Companies will be treated as having been continuous and not interrupted for the purpose of the said fund or funds.

15. WINDING UP OF TRANSFEROR COMPANIES

- 15.1 On and from the Effective Date, the Transferor Companies shall stand dissolved without being wound up.
- 15.2 On and with effect from the Effective Date, the name of the Transferor Companies shall be struck off from the records of the Registrar of Companies, Chennai.

PART C

DEMERGER OF SUNDARAM BPO DEMERGED UNDERTAKING

16. TRANSFER AND VESTING OF SUNDARAM BPO DEMERGED UNDERTAKING

The provisions of this Part of the Scheme have been drawn up to comply with the conditions relating to "Demerger" as defined under Section 2(19AA) of the Income Tax Act, 1961. If any terms or provisions of this Scheme are found or interpreted to be inconsistent with the provisions of Section 2(19AA) of the Income Tax Act, 1961 at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of Section 2(19AA) of the Income Tax Act, 1961 shall prevail and this Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income Tax Act, 1961. Such modifications will however, not affect the other parts of this Scheme.

With effect from the Appointed Date, the Sundaram BPO Demerged Undertaking shall, in accordance with Section 2(19AA) of the Income-tax Act, 1961, stand transferred to and be vested in or deemed to be transferred to and vested in SFL, as a going concern and in the following manner:

- 16.1 With effect from the Appointed Date and upon the Scheme becoming effective, the whole of the undertaking and properties of the Sundaram BPO Demerged Undertaking, shall, pursuant to the provisions contained in Sections 230 to 232 and all other applicable provisions, if any, of the Act and without any further act, deed, matter or thing, stand transferred to and vested in and /or be deemed to be transferred to and vested in SFL so as to vest in SFL all the rights, liabilities, properties, title and interest pertaining to the Sundaram BPO Demerged Undertaking.
 - i. All the movable assets pertaining to the Sundaram BPO Demerged Undertaking, which are capable of being physically transferred including cash on hand, shall be physically handed over by delivery to SFL to the end and intent that the property therein passes to SFL. Such delivery and transfer shall be made on a date to be mutually agreed upon between the respective Board of Directors or Committees thereof of SFL and Sundaram BPO.

- ii. In respect of other assets pertaining to the Sundaram BPO Demerged Undertaking including actionable claims, sundry debtors, outstanding loans, advances recoverable in cash or kind or for value to be received and deposits with the Government, semi-Government, local and other authorities and bodies and customers, Sundaram BPO shall, on being so requested by SFL, issue notices in such form as SFL may specify stating that pursuant to this Scheme, the relevant debt, loan, advance, deposit or other asset, be paid or made good to, or be held on account of, SFL as the person entitled thereto, to the end and intent that the right of Sundaram BPO to receive, recover or realize the same, stands transferred to SFL and that appropriate entries should be passed in their respective books to record the aforesaid changes.
- iii. All immovable properties (including land together with the buildings and structures standing thereon) of Sundaram BPO relating to the Sundaram BPO Demerged Undertaking, whether freehold or leasehold and any documents of title, rights and easements in relation thereto shall stand transferred to and be vested in SFL, without any act or deed done by Sundaram BPO or SFL. With effect from the Appointed Date, SFL shall be entitled to exercise all rights and privileges and be liable to pay ground rent, municipal taxes and fulfill all obligations, in relation to or applicable to such immovable properties. The mutation of title to the immovable properties in the name of SFL shall be made and duly recorded by the appropriate authorities pursuant to the sanction of this Scheme by the Tribunal and this Scheme becoming effective in accordance with the terms hereof without any further act or deed on the part of SFL.
- iv. In respect of such of the assets belonging to the Sundaram BPO Demerged Undertaking other than those referred to in clauses (i) to (iii), the same shall be transferred to and vested in and/or be deemed to be transferred to and vested in SFL on the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.

16.2 With effect from the Appointed Date and upon the Scheme becoming effective, all debts, liabilities including accrued interest thereon, contingent liabilities, duties and obligations of every kind, nature and description of Sundaram BPO pertaining to the Sundaram BPO Demerged Undertaking under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to or be deemed to be transferred to SFL, so as to become from the Appointed Date the debts, liabilities including accrued interest thereon, contingent liabilities, duties and obligations of SFL and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities including accrued interest thereon, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause.

In so far as any securities, charges, hypothecation and mortgages over the assets comprised in the Sundaram BPO Demerged Undertaking are securities for liabilities of the Sundaram BPO Remaining Undertaking, the same shall, on the Effective Date, without any further act, instrument or deed be modified to the extent that all such assets shall stand released and discharged from the obligations and security relating to the same and the securities, charges, hypothecation and mortgages shall only extend to and continue to operate against the assets retained by Sundaram BPO and shall cease to operate against any of the assets transferred to SFL in terms of this Scheme. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above. The provisions of this Clause shall operate notwithstanding anything contained in any instrument, deed or writing or terms of sanction or issue or any security document, all of which instruments, deeds and writings shall stand modified and/or superseded by the foregoing provision.

In so far as any assets comprised in the Sundaram BPO Remaining Undertaking are secured, charged, hypothecated or mortgaged in respect of liabilities of the Sundaram BPO Demerged Undertaking, the same shall, on the Effective Date, without any further act, instrument or deed be modified to the extent that all such assets shall stand released and discharged from the obligations and security relating to the same and the securities, charges, hypothecation and mortgages shall only extend to and continue to operate against the assets transferred to SFL and shall cease to operate against any of the assets retained in SFL in terms of this Scheme. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above. The provisions of this Clause shall operate notwithstanding anything contained in any instrument, deed or writing or terms of sanction or issue or any security document, all of which instruments, deeds and writings shall stand modified and/or superseded by the foregoing provision.

16.3 With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licenses, permissions or approvals or consents held by Sundaram BPO required to carry on operations of the Sundaram BPO Demerged Undertaking shall stand vested in or transferred to SFL without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of SFL and the benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licenses, and consents shall vest in and become available to SFL as if they were originally obtained by SFL. In so far as the various incentives, subsidies, rehabilitation schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by Sundaram BPO relating to the Sundaram BPO Demerged Undertaking, are concerned, the same shall vest with and be available to SFL on the

same terms and conditions as applicable to Sundaram BPO, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to SFL.

- 16.4 The transfer and vesting of the Sundaram BPO Demerged Undertaking as aforesaid shall be subject to the existing securities, charges, mortgages and other encumbrances if any, subsisting over or in respect of the property and assets or any part thereof relating to the Sundaram BPO Demerged Undertaking to the extent such securities, charges, mortgages, encumbrances are created to secure the liabilities forming part of the Sundaram BPO Demerged Undertaking.
- 16.5 It is clarified that if any assets, estate, claims, rights, title, interest in, or authorities relating to such assets or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever in relation to any of the Sundaram BPO Demerged Undertaking which Sundaram BPO owns or to which Sundaram BPO is a party and which cannot be transferred to SFL for any reason whatsoever, Sundaram BPO may hold such assets or contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of SFL to which the Sundaram BPO Demerged Undertaking is being transferred in terms of this scheme, in so far as it is permissible so to do, till such time as the transfer is effected.
- 16.6 It is hereby clarified that the transfer and vesting of the Sundaram BPO Demerged Undertaking shall be on a going concern basis.

17. CONSIDERATION

Since the entire share capital of Sundaram BPO is held by SFL and its wholly owned subsidiary, no shares or consideration shall be issued / payable by SFL pursuant to this Part of the Scheme.

20. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

- 20.1 Sundaram BPO in respect of the Sundaram BPO Demerged Undertaking, shall carry on and be deemed to have been carrying on the business and activities and shall stand possessed of and hold all of its properties and assets for and on account of and in trust for SFL. Sundaram BPO hereby undertakes to hold the said assets with utmost prudence until the Effective Date.
- 20.2 With effect from the Appointed Date, all the profits or income accruing or arising to Sundaram BPO in respect of the Sundaram BPO Demerged Undertaking or expenditure or losses arising to or incurred by Sundaram BPO in respect of the Sundaram BPO Demerged Undertaking, shall for all purposes and intents be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses (as the case may be) of SFL.
- 20.3 Sundaram BPO in respect of the Sundaram BPO Demerged Undertaking shall carry on the business and activities with reasonable diligence, business prudence and shall not without the prior written consent of SFL, alienate, charge, mortgage, encumber or otherwise deal with or dispose off the Sundaram BPO Demerged Undertaking or any part thereof except in respect of activities in the ordinary course of business nor shall it undertake any new businesses within the Sundaram BPO Demerged Undertaking or a substantial expansion of Sundaram BPO Demerged Undertaking.

25. STAFF, WORKMEN & EMPLOYEES.

- 25.1 Upon the Scheme becoming effective, all employees of Sundaram BPO engaged in or in relation to the Sundaram BPO Demerged Undertaking and who are in such employment as on the Effective Date shall become the employees of SFL from the Appointed Date or their respective joining date, whichever is later and, subject to the provisions of this Scheme, on terms and conditions not less favourable than those on which they are engaged by Sundaram BPO and without any interruption of or break in service as a result of the transfer of the Sundaram BPO Demerged Undertaking.
- 25.2 In so far as the existing provident fund, gratuity fund and pension and/or superannuation fund, trusts, retirement fund or benefits and any other funds or benefits (collectively referred to as the "Funds") created by Sundaram BPO for the employees related to the Sundaram BPO Demerged Undertaking is concerned, the Funds and such of the investments made by the Funds which are relating to the employees related to the Sundaram BPO Demerged Undertaking which are being transferred in terms of this Scheme shall be held for their benefit pursuant to this Scheme. The Funds shall, subject to the necessary approvals and permissions and at the discretion of SFL, either be continued as separate funds of SFL for the benefit of the employees related to Sundaram BPO Demerged Undertaking or be transferred to and merged with other similar funds of SFL. It is clarified that the services of the employees of the Sundaram BPO Demerged Undertaking will be treated as having been continuous and not interrupted for the purpose of the said fund or funds.
- 25.3 Any question that may arise as to whether any employee belongs to or does not belong to the Sundaram BPO Demerged Undertaking shall be decided by the Board of Directors or Committee thereof of Sundaram BPO.

26. REMAINING UNDERTAKING OF SUNDARAM BPO

- 26.1 It is clarified that, the Remaining Undertaking of Sundaram BPO shall continue with Sundaram BPO as follows:
- a) The Remaining Undertaking of Sundaram BPO and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be managed by Sundaram BPO.
 - b) All legal and other proceedings by or against Sundaram BPO under any statute, whether pending on the Appointed Date or which may be initiated in future, whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Undertaking of Sundaram BPO (including those relating to any property, right, power, liability, obligation or duty, of Sundaram BPO in respect of the Remaining Undertaking of Sundaram BPO) shall be continued and enforced by or against Sundaram BPO.
- 26.2 With effect from the Appointed Date and including the Effective Date
- a) Sundaram BPO shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Remaining undertaking of Sundaram BPO for and on its own behalf;
 - b) all profit accruing to Sundaram BPO thereon or losses arising or incurred by it relating to the Remaining undertaking of Sundaram BPO shall, for all purposes, be treated as the profit, or losses, as the case may be, of Sundaram BPO.

PART D

DEMERGER OF THE SFL DEMERGED UNDERTAKING

28. TRANSFER AND VESTING OF SFL DEMERGED UNDERTAKING

The provisions of this Part of the Scheme have been drawn up to comply with the conditions relating to "Demerger" as defined under Section 2(19AA) of the Income Tax Act, 1961. If any terms or provisions of this Scheme are found or interpreted to be inconsistent with the provisions of Section 2(19AA) of the Income Tax Act, 1961 at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of Section 2(19AA) of the Income Tax Act, 1961 shall prevail and this Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income Tax Act, 1961. Such modifications will however, not affect the other parts of this Scheme.

With effect from the Appointed Date, the SFL Demerged Undertaking shall, in accordance with Section 2(19AA) of the Income-tax Act, 1961, stand transferred to and be vested in or deemed to be transferred to and vested in the Resulting Company, as a going concern and in the following manner:

- 28.1 With effect from the Appointed Date and upon the Scheme becoming effective, the whole of the undertaking and properties of the SFL Demerged Undertaking, shall, pursuant to the provisions contained in Sections 230 to 232 and all other applicable provisions, if any, of the Act and without any further act, deed, matter or thing, stand transferred to and vested in and / or be deemed to be transferred to and vested in the Resulting Company so as to vest in the Resulting Company all the rights, liabilities, properties, title and interest pertaining to the SFL Demerged Undertaking.
- i. All the movable assets pertaining to the SFL Demerged Undertaking, which are capable of being physically transferred including cash on hand, shall be physically handed over by delivery to the Resulting Company to the end and intent that the property therein passes to the Resulting Company. Such delivery and transfer shall be made on a date to be mutually agreed upon between the respective Board of Directors or Committees thereof of SFL and the Resulting Company;
 - ii. In respect of other assets pertaining to the SFL Demerged Undertaking including actionable claims, sundry debtors, outstanding loans, advances recoverable in cash or kind or for value to be received and deposits with the Government, semi-Government, local and other authorities and bodies and customers, SFL shall, on being so requested by the Resulting Company, issue notices in such form as the Resulting Company may specify stating that pursuant to this Scheme, the relevant debt, loan, advance, deposit or other asset, be paid or made good to, or be held on account of, the Resulting Company as the person entitled thereto, to the end and intent that the right of SFL to receive, recover or realize the same, stands transferred to the Resulting Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.
 - iii. all immovable properties (including land together with the buildings and structures standing thereon) of SFL relating to the SFL Demerged Undertaking, whether freehold or leasehold and any documents of title, rights and easements in relation thereto shall stand transferred to and be vested in the Resulting Company, without any act or deed done by SFL or the Resulting Company. With effect from the Appointed Date, the Resulting Company shall be entitled to exercise all rights and privileges and be liable to pay ground rent, municipal taxes and fulfill all obligations, in relation to or applicable to such

immovable properties. The mutation of title to the immovable properties in the name of the Resulting Company shall be made and duly recorded by the appropriate authorities pursuant to the sanction of this Scheme by the Tribunal and this Scheme becoming effective in accordance with the terms hereof without any further act or deed on the part of the Resulting Company.

- iv. In respect of such of the assets belonging to the SFL Demerged Undertaking other than those referred to in clauses (i) to (iii), the same shall be transferred to and vested in and/or be deemed to be transferred to and vested in the Resulting Company on the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.
- 28.2 With effect from the Appointed Date and upon the Scheme becoming effective, all debts, liabilities including accrued interest thereon, contingent liabilities, duties and obligations of every kind, nature and description of SFL pertaining to the SFL Demerged Undertaking under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to or be deemed to be transferred to the Resulting Company, so as to become from the Appointed Date the debts, liabilities including accrued interest thereon, contingent liabilities, duties and obligations of the Resulting Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities including accrued interest thereon, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause.
- In so far as any assets comprised in the SFL Demerged Undertaking are secured, charged, hypothecated or mortgaged in respect of liabilities of the SFL Remaining Undertaking, the same shall, on the Effective Date, without any further act, instrument or deed be modified to the extent that all such assets shall stand released and discharged from the obligations and security relating to the same and the securities, charges, hypothecation and mortgages shall only extend to and continue to operate against the assets retained by SFL and shall cease to operate against any of the assets transferred to the Resulting Company in terms of this Scheme. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above. The provisions of this Clause shall operate notwithstanding anything contained in any instrument, deed or writing or terms of sanction or issue or any security document, all of which instruments, deeds and writings shall stand modified and/or superseded by the foregoing provision.
- 28.3 With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licenses, permissions or approvals or consents held by SFL required to carry on operations of the SFL Demerged Undertaking shall stand vested in or transferred to the Resulting Company without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Resulting Company and the benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licenses, and consents shall vest in and become available to the Resulting Company as if they were originally obtained by the Resulting Company. In so far as the various incentives, subsidies, rehabilitation schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by SFL relating to the SFL Demerged Undertaking, are concerned, the same shall vest with and be available to the Resulting Company on the same terms and conditions as applicable to SFL, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to the Resulting Company.
- 28.4 The transfer and vesting of the SFL Demerged Undertaking as aforesaid shall be subject to the existing securities, charges, mortgages and other encumbrances if any, subsisting over or in respect of the property and assets or any part thereof relating to the SFL Demerged Undertaking to the extent such securities, charges, mortgages, encumbrances are created to secure the liabilities forming part of the SFL Demerged Undertaking.
- 28.5 It is clarified that if any assets, estate, claims, rights, title, interest in, or authorities relating to such assets or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever in relation to any of the SFL Demerged Undertaking which SFL owns or to which SFL is a party and which cannot be transferred to the Resulting Company for any reason whatsoever, SFL may hold such assets or contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Resulting Company to which the SFL Demerged Undertaking is being transferred in terms of this scheme, in so far as it is permissible so to do, till such time as the transfer is effected.
- 28.6 It is hereby clarified that the transfer and vesting of the SFL Demerged Undertaking shall be on a going concern basis.

29. CONSIDERATION

- 29.1 Upon this Scheme coming into effect, in consideration of the transfer of the SFL Demerged Undertaking by SFL to the Resulting Company in terms of this Scheme, the Resulting Company shall, without any further act or deed, issue and allot to each Shareholder whose name appears in the records of SFL or as

- beneficiary in the records of the depositories of SFL in respect of the shares of SFL on the Record Date, 1 (One) equity share of Rs. 5/- each, credited as fully paid in the capital of the Resulting Company, for every 1 (One) fully paid up SFL Equity Share held by them in SFL (the "SFL Share Entitlement Ratio").
- 29.2 The equity shares to be issued and allotted by the Resulting Company as per Clause 29.1 hereof shall be at par, credited as fully paid up and shall have rights attached thereto as under:
- a) they shall in all respects, rank *paripassu* with the existing equity shares of the Resulting Company; and
 - b) they will be subject to the applicable provisions of the Articles of Association of the Resulting Company.
- 29.3 Shares to be issued by the Resulting Company pursuant to Clause 29.1 in respect of any SFL Equity Shares which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall, pending allotment or settlement of dispute by order of Court or otherwise, also be held in abeyance by the Resulting Company.
- 29.4 In so far as the issue of shares pursuant to Clause 29.1 is concerned, the same shall be issued and allotted in dematerialized form to those SFL Equity Shareholders who hold SFL Equity Shares in dematerialized form, in to the account with the Depository Participant in which the SFL Equity Shares in SFL are held or such other account with the Depository Participant as is intimated by the SFL Equity Shareholders to the Resulting Company before the Record Date. All those SFL Equity Shareholders who hold SFL Equity Shares of SFL in physical form shall also have the option to receive the shares, as the case may be, in dematerialized form, provided the details of their account with the Depository Participant are intimated in writing to the Resulting Company before the Record Date. In the event that the Resulting Company has received notice from any SFL Equity Shareholder that equity shares are to be issued in physical form or if any member has not provided the requisite details relating to his/her /its account with a Depository Participant or other confirmations as may be required or if the details furnished by any member do not permit electronic credit of the shares of the Resulting Company, then the Resulting Company shall issue equity shares of the Resulting Company, in accordance with the SFL Share Entitlement Ratio, in physical form to such SFL Equity Shareholder.
- 29.5 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of SFL, the Board of Directors or any committee thereof of SFL shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in SFL as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transfer of the share in SFL and in relation to the shares issued by the Resulting Company after the effectiveness of this Scheme. The Board of Directors of SFL and the Resulting Company shall be empowered to jointly remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in the Resulting Company on account of difficulties faced in the transaction period.
- 29.6 The shares of the Resulting Company will be listed and admitted for trading on National Stock Exchange of India Limited and all necessary applications will be made in this respect by the Resulting Company.
- 29.7 Approval of this Scheme by the shareholders of the Resulting Company shall be deemed to be the due compliance of the provisions of Section 62 and the other relevant and applicable provisions of the Act for the issue and allotment of equity shares by the Resulting Company to the shareholders of SFL, as provided in this Scheme.

32. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

- 32.1 SFL in respect of the SFL Demerged Undertaking, shall carry on and be deemed to have been carrying on the business and activities and shall stand possessed of and hold all of its properties and assets for and on account of and in trust for the Resulting Company. SFL hereby undertakes to hold the said assets with utmost prudence until the Effective Date.
- 32.2 With effect from the Appointed Date, all the profits or income accruing or arising to SFL in respect of the SFL Demerged Undertaking or expenditure or losses arising to or incurred by SFL in respect of the SFL Demerged Undertaking, shall for all purposes and intents be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses (as the case may be) of the Resulting Company.
- 32.3 SFL in respect of the SFL Demerged Undertaking shall carry on the business and activities with reasonable diligence, business prudence and shall not without the prior written consent of the Resulting Company, alienate, charge, mortgage, encumber or otherwise deal with or dispose off the SFL Demerged Undertaking or any part thereof except in respect of activities in the ordinary course of business nor shall it undertake any new businesses within the SFL Demerged Undertaking or a substantial expansion of SFL Demerged Undertaking.

37. STAFF, WORKMEN & EMPLOYEES

- 37.1 Upon the Scheme becoming effective, all employees of SFL engaged in or in relation to the SFL Demerged Undertaking and who are in such employment as on the Effective Date shall become the employees of the Resulting Company from Appointed Date or their respective joining date, whichever is later and, subject to the provisions of this Scheme, on terms and conditions not less favourable than those on which they are engaged by SFL and without any interruption of or break in service as a result of the transfer of the SFL Demerged Undertaking.
- 37.2 In so far as the existing provident fund, gratuity fund and pension and/or superannuation fund, trusts, retirement fund or benefits and any other funds or benefits (collectively referred to as the "Funds") created by SFL for the employees related to the SFL Demerged Undertaking, the Funds and such of the investments made by the Funds which are relatable to the employees related to the SFL Demerged Undertaking being transferred to the Resulting Company, in terms of the Scheme shall be transferred to the Resulting Company and shall be held for their benefit pursuant to this Scheme in the manner provided hereinafter. The Funds shall, subject to the necessary approvals and permissions and at the discretion of the Resulting Company, either be continued as separate funds of the Resulting Company for the benefit of the employees related to SFL Demerged Undertaking or be transferred to and merged with other similar funds of the Resulting Company. In the event that the Resulting Company does not have its own funds in respect of any of the above, SFL may, subject to necessary approvals and permissions, continue to contribute to relevant funds of SFL, until such time that the Resulting Company creates its own fund, at which time the Funds and the investments and contributions pertaining to the employees related to SFL Demerged Undertaking shall be transferred to the funds created by the Resulting Company. Subject to the relevant law, rules and regulations applicable to the Funds, the Board of Directors or any committee thereof of SFL and the Resulting Company may decide to continue to make the said contributions to the Funds of SFL. It is clarified that the services of the employees of the SFL Demerged Undertaking will be treated as having been continuous and not interrupted for the purpose of the said fund or funds.
- 37.3 It is clarified that the Funds and investments made by such Funds, as are relatable to employees of Sundaram BPO Demerged Undertaking, which are required to be transferred to SFL pursuant to Part C of the Scheme and subsequently to be transferred to the Resulting Company pursuant to this Part, may be directly transferred to the Resulting Company and dealt with in the manner provided in Clause 37.2.
- 37.4 Any question that may arise as to whether any employee belongs to or does not belong to the SFL Demerged Undertaking shall be decided by the Board of Directors or Committee thereof of SFL.
- 37.5 Having regard to the terms and conditions of the Sundaram Finance Employees Stock Option Scheme (SFESOS) managed by SFL, the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014 and other regulatory provisions, if any, approval of the shareholders shall be deemed to have been obtained for authorising the Board of Directors of SFL and SFHL to:
- a) make suitable amendments to the SFESOS, the objects of the Sundaram Finance Employees Welfare Trust (SFEWT) and other related documents, if necessary;
 - b) create a 'stock option scheme' and 'employee welfare trust' on similar lines in respect of SFHL, if considered necessary, to give effect to the consequences that may arise out of this Scheme; and
 - c) take all other steps in this regard.

38. REMAINING UNDERTAKING OF SFL

- 38.1 It is clarified that, the Remaining Undertaking of SFL shall continue with SFL as follows:
- a) The Remaining Undertaking of SFL and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be managed by SFL.
 - b) All legal and other proceedings by or against SFL under any statute, whether pending on the Appointed Date or which may be initiated in future, whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Undertaking of SFL (including those relating to any property, right, power, liability, obligation or duty, of SFL in respect of the Remaining Undertaking of SFL) shall be continued and enforced by or against SFL.
- 38.2 With effect from the Appointed Date and including the Effective Date –
- a) SFL shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Remaining Undertaking of SFL for and on its own behalf;
 - b) all profit accruing to SFL thereon or losses arising or incurred by it relating to the Remaining Undertaking of SFL shall, for all purposes, be treated as the profit, or losses, as the case may be, of SFL.

PART E - GENERAL TERMS & CONDITIONS

41. REORGANIZATION OF CAPITAL OF THE RESULTING COMPANY

- 41.1 As an integral part of the Scheme, and, upon the Scheme becoming effective but prior to giving effect to Clause 29, the authorised share capital and the issued, subscribed and paid-up share capital of the Resulting Company shall be restructured and re-organised in the manner set out herein below without any further act or deed:
- 41.1.1 The face value of equity shares of the Resulting Company shall be sub-divided from Rs. 10/- to Rs.5/-.Consequently,
- a) The authorised share capital of the Resulting Company will be Rs. 25,00,00,000/- divided into 5,00,00,000 equity shares of the face value of Rs. 5/- each.
 - b) The issued, subscribed and paid up equity capital of the Resulting Company will be Rs. 20,00,00,000/- divided into 4,00,00,000 equity shares of the face value of Rs. 5/- each fully paid.
- 41.1.2 Subsequent to clause 41.1.1 above, the authorised share capital of the Resulting Company shall stand further increased to Rs. 80,00,00,000 comprising of 16,00,00,000equity shares of Rs. 5/- (Rupees Five only) each.
- 41.2 Clause 5 of the Memorandum of Association of the Resulting Company shall, upon the Scheme becoming effective and without any further act or deed, be replaced by the following clause:
'The Authorised Share Capital of the Company is Rs. 80,00,00,000 (Rupees Eighty crores only) divided into 16,00,00,000 (Sixteen crores only) equity shares of Rupees 5/- each with power to the Company to increase and reduce of the capital. The shares forming the capital, original, increased and reduced, of the Company may be sub-divided consolidated or divided into such classes with any preferential, deferred, qualified, special or other rights, privileges or conditions attached thereto and be held upon such terms as may be determined by the Articles of Association and regulations of the Company for the time being in force or otherwise.'
- 41.3 Article 4 of the Articles of Association of the Resulting Company shall, upon the Scheme becoming effective and without any further act or deed, be deleted and replaced with the following clause:
'The Authorised Capital of the Company shall be as stated in the Memorandum of Association of the Company from time to time.'
- 41.4 Pursuant to this Scheme, the Resulting Company shall file the requisite forms with the Registrar of Companies for alteration of its authorised and issued, subscribed and paid up share capital and pay necessary fees and stamp duty.
- 41.5 It is hereby clarified that for the purposes of Clauses 41.1 to 41.3 above, the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting the above amendment or increase in authorised share capital of the Resulting Company, and no further resolution under any applicable provisions of the Act would be required to be separately passed.

42. CONDITIONALITY OF THE SCHEME

- 42.1 This Scheme is and shall be conditional upon and subject to:
- a) The Scheme being approved by the requisite majority in number and value of such classes of persons including the respective members and/or creditors of SFL, the Transferor Companies, Sundaram BPO and the Resulting Company as may be directed by the Tribunal.
 - b) The sanction of the Tribunal under Sections 230 to 232 of the said Act in favour of SFL, the Transferor Companies, Sundaram BPO and the Resulting Company under the said provisions and to the necessary Order being obtained;
 - c) Receipt of approval from the National Stock Exchange of India Limited and the Securities and Exchange Board of India.
- 42.2 Each Part of the Scheme shall be given effect to as per the chronology in which it has been provided for in the Scheme. Each Part is independent of the other Part(s) of the Scheme and is severable. The Scheme shall be effective upon sanction of the Tribunal. However, failure of any one Part for lack of necessary approval from the shareholders / creditors / statutory or regulatory authorities or for any other reason that the Board of Directors may deem fit, shall not result in the whole Scheme failing. It shall be open to the concerned Board of Directors to consent to sever such Part(s) of the Scheme and implement the rest of the Scheme with such modification.
- 42.3 Subject to provisions of the Scheme and save as provided in the Scheme, there shall be no change in the shareholding pattern or control in the Resulting Company between the Record Date and the listing which may affect the status of approval of Stock Exchanges.
- 42.4 The shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange.

9. The Salient features as set out above being only the salient features of the Composite Scheme of Arrangement and Amalgamation as are statutorily required to be included in this explanatory statement, the members are requested to read the entire text of the Composite Scheme of Arrangement and Amalgamation (annexed herewith) to get fully acquainted with the provisions thereof and the rationale and objectives of the proposed Composite Scheme of Arrangement and Amalgamation.

EXTENT OF SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

10. The directors of SFL, SIBSL, Infreight, Sundaram BPO and SFHL may be deemed to be concerned and/or interested in the Scheme to the extent of their shares that may be held by them, if any, or by the Companies, firms, institutions, trusts of which they are directors, partners, members or trustee in SFL, SIBSL, Infreight, Sundaram BPO and SFHL. None of the directors, Key Managerial Personnel ('KMPs') or relatives of the directors and KMPs of SFL, SIBSL, Infreight, Sundaram BPO and SFHL have any material, financial or other interest, in the Scheme, except as shareholders to the extent appearing in the Register of Directors' shareholding and Register of Members maintained by SFL, SIBSL, Infreight, Sundaram BPO and SFHL respectively. The directors holding the shares in SFL do not have any other interest in the Scheme otherwise than that as shareholder in general. Further, none of the managers, key managerial personnel and relatives of the directors of SFL is concerned or interested, financial or otherwise in the proposed Scheme. Save as aforesaid, none of the Directors of SFL has any material interest in the proposed Scheme. Further, the Debenture Trustee(s) of SFL do not have any material interest in the proposed Scheme.
11. The details of the present Directors, Key Managerial Personnel of SFL and their shareholding either individually or jointly as a first holder or as a nominee in SFL, SIBSL, Infreight, Sundaram BPO and SFHL, as on 30/06/2017, is as under:

Name of the Director & Key Managerial Personnel	Position	Equity Share held in				
		SFL	SIBSL	Infreight	Sundaram BPO	SFHL
S. Viji	Non-Executive Chairman	9,18,464 ⁽¹⁾	-	-	-	1*
S. Ram	Non-Executive Director	5,06,788 ⁽²⁾	-	-	-	-
N. Venkataramani	Independent Director	-	-	-	-	-
P.N. Venkatachalam	Independent Director	-	-	-	-	-
S. Mahalingam	Independent Director	- ⁽³⁾	-	-	-	-
S. Prasad	Independent Director	12,600	-	-	-	-
Shobhana Ramachandhran	Independent Director	3,44,720	-	-	-	-
Rajiv C. Lochan	Independent Director	-	-	-	-	-
S. Ravindran	Non-Executive Director	3,89,920 ⁽⁴⁾	-	-	-	-
T.T. Srinivasaraghavan	Managing Director	1,95,084 ⁽⁵⁾	1*	1*	1*	1*
Harsha Viji	Deputy Managing Director	13,69,224	-	-	-	-
A. N. Raju	Director (Operations)	30,028	1*	1*	1*	1*
M. Ramaswamy	Chief Financial Officer	25,902	1*	1*	1*	1*
P. Viswanathan	Secretary & Compliance Officer	33,139 ⁽⁶⁾	1*	1*	1*	1*

Note: The shareholding of Directors and KMPs in SFL, as mentioned above, excludes the following:

- (1) 4,79,912 shares held as Karta of HUF and 12,25,160 shares held as Trustee jointly with Mr. S. Ram.
- (2) 12,25,160 shares held as Trustee with Mr. S. Viji as joint holder.
- (3) 3,200 shares held as joint holder.
- (4) 85,622 shares held as joint holder.
- (5) 1,10,000 shares held as Trustee, 1,23,192 shares held as Karta of HUF and 1,31,292 shares held as joint holder.
- (6) 6,852 shares held as joint holder.

* Held as nominee of SFL

12. The details of the present Directors, Key Managerial Personnel of SIBSL and their shareholding either individually or jointly as a first holder or as a nominee in SFL, SIBSL, Infreight, Sundaram BPO and SFHL, as on 30/06/2017, is as under:

Name of the Director & Key Managerial Personnel	Position	Equity Share held in				
		SFL	SIBSL	Infreight	Sundaram BPO	SFHL
Srinivas Acharya	Director	54,562 ⁽¹⁾	-	1*	-	1*
S. Ravindran	Director	6,984	1*	1*	1*	-
S. Sivakumar	Director	5,824	1*	1*	1*	-

Note:

- 1) The shareholding of Mr. Srinivas Acharya in SFL excludes 20,524 shares held as joint holder.

* Held as nominee of SFL

13. The details of the present Directors, Key Managerial Personnel of Infreight and their shareholding either individually or jointly as a first holder or as a nominee in SFL, SIBSL, Infreight, Sundaram BPO and SFHL, as on 30/06/2017, is as under:

Name of the Director & Key Managerial Personnel	Position	Equity Share held in				
		SFL	SIBSL	Infreight	Sundaram BPO	SFHL
Srinivas Acharya	Director	54,652 ⁽¹⁾	-	1*	-	1*
P. Viswanathan	Director	33,139 ⁽²⁾	1*	1*	1*	1*
S. Sivakumar	Director	5,824	1*	1*	1*	-
Sidhartha Sankar Malla	Manager	-	-	-	-	-

Note:

- (1) The shareholding of Mr. Srinivas Acharya in SFL excludes 20,524 shares held as joint holder.

- (2) The shareholding of Mr. P. Viswanathan in SFL excludes 6,852 shares held as joint holder.

* Held as nominee of SFL

14. The details of the present Directors, Key Managerial Personnel of Sundaram BPO and their shareholding either individually or jointly as a first holder or as a nominee in SFL, SIBSL, Infreight, Sundaram BPO and SFHL, as on 30/06/2017, is as under:

Name of the Director & Key Managerial Personnel	Position	Equity Share held in				
		SFL	SIBSL	Infreight	Sundaram BPO	SFHL
T.T. Srinivasaraghavan	Director	1,95,084 ⁽¹⁾	1*	1*	1*	1*
A.N. Raju	Director	30,028	1*	1*	1*	1*
P. Viswanathan	Director	33,139 ⁽²⁾	1*	1*	1*	1*
S. Sridhar	Director	1,500	1*	1*	-	1*
Rajesh Venkat	Director	2,000	-	1*	1*	-
S. Shobana	Company Secretary	-	-	-	-	-

Note: The shareholding of Directors and KMPs in SFL, as mentioned above, excludes the following:

- (1) 1,10,000 shares held as Trustee, 1,23,192 shares held as Karta of HUF and 1,31,292 shares held as joint holder.

- (2) 6,852 shares held as joint holder.

* Held as nominee of SFL

15. The details of the present Directors, Key Managerial Personnel of SFHL and their shareholding either individually or jointly as a first holder or as a nominee in SFL, SIBSL, Infreight, Sundaram BPO and SFHL, as on 30/06/2017, is as under:

Name of the Director & Key Managerial Personnel	Position	Equity Share held in				
		SFL	SIBSL	Infreight	Sundaram BPO	SFHL
S. Viji	Non-Executive Chairman	9,18,464 ⁽¹⁾	-	-	-	1*
S. Prasad	Independent Director	12,600	-	-	-	-
Shobhana Ramachandhran	Independent Director	3,44,720	-	-	-	-
R. Venkatraman	Independent Director	-	-	-	-	-
T.T. Srinivasaraghavan	Managing Director	1,95,084 ⁽²⁾	1*	1*	1*	1*
Harsha Viji	Non-Executive Director	13,69,224	-	-	-	-
R. Prem	Chief Financial Officer	-	-	-	-	-
P.N. Srikant	Company Secretary	25	1*	1*	-	1*

Note: The shareholding of Directors and KMPs in SFL, as mentioned above, excludes the following:

- (1) 4,79,912 shares held as Karta of HUF and 12,25,160 shares held as Trustee.
 - (2) 1,10,000 shares held as Trustee, 1,23,192 shares held as Karta of HUF and 1,31,292 shares held as joint holder.
- * Held as nominee of SFL

PRE AND POST ARRANGEMENT AND AMALGAMATION CAPITAL STRUCTURE

16. The Pre Arrangement and Amalgamation capital structure of SFL, SIBSL, Infreight, Sundaram BPO and SFHL has already been provided under Para 5 of this Statement.
17. The Post Arrangement and Amalgamation capital structure of SFL, SIBSL, Infreight, Sundaram BPO and SFHL is as follows:

17.1. Name of the Company: Sundaram Finance Limited

Particulars	Amount in Rs.
Authorised Share Capital:	
25,00,00,000 Equity Shares of Rs.10/- each	250,00,00,000
Total	250,00,00,000
Issued, Subscribed and Paid Up:	
11,11,03,860 Equity Shares of Rs.10/- each	111,10,38,600
Total	111,10,38,600

17.2. Name of the Company: Sundaram Insurance Broking Services Limited

Upon the proposed Scheme becoming effective, the entire share capital of Sundaram Insurance Broking Services Limited shall stand cancelled.

17.3. Name of the Company: Infreight Logistics Solutions Limited

Upon the proposed Scheme becoming effective, the entire share capital of Infreight Logistics Solutions Limited shall stand cancelled.

17.4. Name of the Company: Sundaram BPO India Limited

Particulars	Amount in Rs.
Authorised Share Capital:	
1,52,50,000 Equity Shares of Rs. 10/- each	15,25,00,000
Total	15,25,00,000
Issued, Subscribed and Paid Up:	
89,51,259 Equity Shares of Rs.10/- each	8,95,12,590
Total	8,95,12,590

17.5. Name of the Company: Sundaram Finance Holdings Limited

Particulars	Amount in Rs.
Authorised Share Capital:	
16,00,00,000 Equity Shares of Rs. 5/- each	80,00,00,000
Total	80,00,00,000

Issued, Subscribed and Paid Up:	
15,11,03,860 Equity Shares of Rs.5/- each	75,55,19,300
Total	75,55,19,300

PRE AND POST ARRANGEMENT SHARE HOLDING PATTERN

18. The expected pre and post Arrangement shareholding pattern of SFL, SIBSL, Infreight, Sundaram BPO and SFHL is as follows:

18.1. Sundaram Finance Limited

Sl. No.	Category	Pre Scheme of Arrangement (as on 30.06.2017)		Post Scheme of Arrangement	
		No. of shares	%	No. of shares	%
(A)	Promoter & Promoter Group				
(1)	Indian				
(a)	Individuals / Hindu Undivided Family	2,77,38,000	24.96	2,77,38,000	24.96
(b)	Body Corporate	1,11,85,738	10.07	1,11,85,738	10.07
	Sub-total (A)(1)	3,89,23,738	35.03	3,89,23,738	35.03
(2)	Foreign				
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	10,20,856	0.92	10,20,856	0.92
	Sub-total (A)(2)	10,20,856	0.92	10,20,856	0.92
	Total A= A(1)+A(2)	39944594	35.95	39944594	35.95
(B)	Public Shareholding				
(1)	Institutions				
(a)	Mutual Funds / UTI	1,05,13,803	9.46	1,05,13,803	9.46
(b)	Alternate Investment Funds	23,137	0.02	23,137	0.02
(c)	Foreign Portfolio Investors	65,03,868	5.85	65,03,868	5.85
(d)	Financial Institutions / Banks	25,216	0.02	25,216	0.02
(e)	Insurance Companies	20,47,168	1.84	20,47,168	1.84
	Sub-total (B)(1)	1,91,13,192	17.19	1,91,13,192	17.19
(2)	Non-Institutions				
(a)	Individuals	4,07,79,894	36.70	4,07,79,894	36.70
i	Individual shareholders holding nominal share capital upto Rs. 2 lakhs	1,42,99,685	12.87	1,42,99,685	12.87
ii	Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	2,64,80,209	23.83	2,64,80,209	23.83
(b)	NBFCs registered with RBI	12,956	0.01	12,956	0.01
(c)	Any other	1,02,73,714	9.25	1,02,73,714	9.25
i	Body Corporate	1,01,88,761	9.17	1,01,88,761	9.17
ii	Clearing Member	26,190	0.02	26,190	0.02
iii	Foreign National	18,720	0.02	18,720	0.02
iv	Trusts	6,473	0.01	6,473	0.01
v	Unclaimed Share Suspense Account	33,570	0.03	33,570	0.03
	Sub-total (B)(2)	5,10,66,564	45.96	5,10,66,564	45.96
	Total Public Shareholding (B) = (B)(1) + (B)(2)	7,01,79,756	63.17	7,01,79,756	63.17
(C)	Non-Promoter Non Public				
	Sundaram Finance Employees Welfare Trust	9,79,510	0.88	9,79,510	0.88
	Total C	9,79,510	0.88	9,79,510	0.88
	Total Shareholding (A+B+C)	11,11,03,860	100.00	11,11,03,860	100.00

18.2. Sundaram Insurance Broking Services Limited

Sl. No.	Category	Pre Scheme of Arrangement		Post Scheme of Arrangement	
		No. of shares	%	No. of shares	%
1	Sundaram Finance Limited and its nominees	5,00,000	100	-	-
	Total	5,00,000	100	-	-

18.3. Infreight Logistics Solutions Limited

Sl. No.	Category	Pre Scheme of Arrangement		Post Scheme of Arrangement	
		No. of shares	%	No. of shares	%
1	Sundaram Finance Limited and its nominees	56,11,200	100.00	-	-
	Total	56,11,200	100.00	-	-

18.4. Sundaram BPO India Limited

Sl. No.	Category	Pre Scheme of Arrangement		Post Scheme of Arrangement	
		No. of shares	%	No. of shares	%
1	Sundaram Finance Limited and its nominees	75,41,009	84.25	-	-
2	Sundaram Finance Holdings Limited	14,10,250	15.75	89,51,259	100.00
	Total	89,51,259	100.00	89,51,259	100.00

18.5. Sundaram Finance Holdings Limited

Sl. No.	Category	Pre Scheme of Arrangement		Post Scheme of Arrangement (based on SFL's Shareholding Pattern as on 30.06.2017)	
		No. of shares	%	No. of shares	%
(A)	Promoter & Promoter Group				
(1)	Indian				
(a)	Individuals / Hindu Undivided Family	-	-	2,77,38,000	18.36
(b)	Body Corporate	2,00,00,000	100.00	5,11,85,738	33.87
	Sub-total (A)(1)	2,00,00,000	100.00	7,89,23,738	52.23
(2)	Foreign				
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	-	-	10,20,856	0.68
	Sub-total (A)(2)	-	-	10,20,856	0.68
	Total A= A(1)+A(2)	2,00,00,000	100.00	7,99,44,594	52.91
(B)	Public Shareholding				
(1)	Institutions				
(a)	Mutual Funds / UTI	-	-	1,05,13,803	6.96
(b)	Alternate Investment Funds	-	-	23,137	0.02
(c)	Foreign Portfolio Investors	-	-	65,03,868	4.30
(d)	Financial Institutions / Banks	-	-	25,216	0.02
(e)	Insurance Companies	-	-	20,47,168	1.35
	Sub-total (B)(1)	-	-	1,91,13,192	12.65
(2)	Non-Institutions				
(a)	Individuals			4,07,79,894	26.98
i	Individual shareholders holding nominal share capital upto Rs. 2 lakhs	-	-	1,42,99,685	9.46
ii	Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	-	-	2,64,80,209	17.52
(b)	NBFCs registered with RBI	-	-	12,956	0.01
(c)	Any other			1,02,73,714	6.80
i	Body Corporate	-	-	1,01,88,761	6.74
ii	Clearing Member	-	-	26,190	0.02
iii	Foreign National	-	-	18,720	0.01
iv	Trusts	-	-	6,473	0.01
v	Unclaimed Share Suspense Account	-	-	33,570	0.02
	Sub-total (B)(2)	-	-	5,10,66,564	33.79
	Total Public Shareholding (B) = (B)(1) + (B)(2)	-	-	7,01,79,756	46.44
(C)	Non-Promoter Non Public				
	Sundaram Finance Employees Welfare Trust	-	-	9,79,510	0.65
	Total C	-	-	9,79,510	0.65
	Total Shareholding (A+B+C)	2,00,00,000	100.00	15,11,03,860	100.00

19. Valuation, Fairness Opinion and Approvals

- 19.1. M/s B S R & Co. LLP, Chartered Accountants, based on their Independent Valuation Report dated 17/02/2017 (Share Entitlement Ratio Report), recommended to the Board of Directors of SFL the share exchange ratio in which Equity Shares of SFHL should be issued to the shareholders of SFL. A copy of the Share Entitlement Ratio Report is enclosed herewith as **Annexure C**.
 - 19.2. Fairness Opinion dated 17/02/2017 on the Independent Valuation Report of M/s B S R & Co. LLP, Chartered Accountants, was obtained from Spark Capital Advisors (India) Private Limited, a SEBI registered Category I Merchant Banker as prescribed by SEBI. The copy of the Fairness Opinion issued by Spark Capital Advisors (India) Private Limited is enclosed herewith as **Annexure D**.
 - 19.3. The proposed Scheme was placed before the Audit Committee of SFL at its meeting held on 17/02/2017. The Audit committee recommended and approved the proposed Scheme after considering the Independent Valuation Report of M/s B S R & Co. LLP, Chartered Accountants and Fairness Opinion of Spark Capital Advisors (India) Private Limited, a SEBI registered Merchant Banker.
 - 19.4. The Board of Directors of SFL have at their Board Meeting held on 17/02/2017 unanimously approved the Scheme based on the recommendation of the Audit Committee, Independent Valuation Report of M/s. B S R & Co. LLP, Chartered Accountants recommending the share exchange ratio in which Equity Shares should be issued by SFHL to the shareholders of SFL and Fairness Opinion of Spark Capital Advisors (India) Private Limited, a SEBI registered Category I Merchant Banker. The copies of the said report, fairness opinion and other documents submitted to the Stock Exchange are also displayed on the website of SFL at www.sundaramfinance.in and the website of National Stock Exchange of India Limited, the designated stock exchange where the shares of SFL are listed, in terms of the Securities and Exchange Board of India circular CIR/CFD/CMD/16/2015 dated 30th November, 2015.
 - 19.5. At the Board Meeting held on February 17, 2017, all the Directors of SFL, as mentioned under Para 5.1.4, approved the Scheme.
 - 19.6. Pursuant to the Securities and Exchange Board of India ("SEBI") circular CIR/CFD/CMD/16/2015 dated 30th November, 2015 (the "SEBI Circular") read with Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations') SFL had applied to National Stock Exchange of India Limited (NSE) on 20/02/2017 for seeking their No objection to the proposed Composite Scheme of Arrangement and Amalgamation. NSE, the Designated Stock Exchange forwarded the said application along with the Draft Scheme to SEBI for its approval and/or comments. The NSE gave its Observation Letter on 19/05/2017 which is enclosed herewith as **Annexure E**. As per the Observation Letter, the NSE had requested the Company to incorporate certain provisions in the Scheme as provided below:
 - a) "The shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange."
 - b) "There shall be no change in the shareholding pattern or control in Sundaram Finance Investments Limited between the record date and the listing which may affect the status of this approval."
 - 19.7. The Board of Directors of SFL, at its meeting held on 29/05/2017, approved the amended Scheme which incorporated the provision mentioned in point 19.6.(a) of this Statement under Clause 42.4 of the Scheme and also changed the name of the Second Resulting Company from 'Sundaram Finance Investments Limited' (SFIL) to 'Sundaram Finance Holdings Limited' (SFHL) in the Scheme. The other four Applicant Companies have also approved the amended Scheme to incorporate the above changes vide Resolutions passed in Circulation by the respective Companies on 29/05/2017. The provision mentioned in point 19.6.(b) was already provided in the Scheme under Clause 42.3 and the same was communicated to the NSE.
 - 19.8. The Competition Commission of India (CCI) vide its Order dated 26/05/2017 have approved the Scheme under Section 31(c) of the Competition Act, 2002. A copy of the said Order is filed herewith as **Annexure F**.
 - 19.9. The Composite Scheme of Arrangement and Amalgamation along with related documents were hosted on the websites of SFL and NSE and have been open for complaints/comments from 22/02/2017 to 14/03/2017. During the above period, SFL has received no complaint/comment and accordingly the complaints report (indicating Nil complaints) was filed with the NSE on 15/03/2017 and taken on record by NSE. A copy of the said Complaints Report is enclosed herewith as **Annexure G**.
 - 19.10. A copy of the Unaudited Financial Statements of SFL for the quarter ended June 30, 2017 together with the Limited Review Report and the Provisional Unaudited Financial Statements of SIBSL, Infreight, Sundaram BPO, SFHL for the period ending June 30, 2017 are enclosed herewith as **Annexure H**.
20. SFL will make a petition under Section 230-232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 to the Hon'ble National Company Law Tribunal, Chennai Bench, for sanctioning of the Scheme.

21. Under Section 230 of the Companies Act, 2013, the proposed Scheme will have to be approved by a majority in number representing three-fourths in value of the Equity Shareholders present and voting either in person or by proxy at the meeting. A proxy form is enclosed. It is hoped that in view of the importance of the business to be transacted, you will personally attend the meeting. The signing of the form or forms of proxy will, however, not prevent you from attending and voting in person, if you so desire.
22. The requirements as stated under Para I(A) 9(a) of Annexure I of the Circular No. CIRJCFD/CMD/16/2015 dated November 30, 2015 issued by SEBI in relation to the approval of public shareholders to the Scheme through postal ballot and e-voting is not applicable to the Applicant Company and the Applicant Company has issued an undertaking as required under Para 9(c) of the said circular to that effect.

RESOLUTION PROPOSED TO BE APPROVED AT THE MEETING

23. It is in the interest of the Equity Shareholders of the Applicant Company that the said Composite Scheme of Arrangement and Amalgamation be approved. Accordingly, the following resolutions will be moved at the meeting convened pursuant to this Notice.

“**RESOLVED** that pursuant to the provisions of Section 230 read with Section 232 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable provisions of the Companies Act, 2013, and the enabling provisions of the Memorandum of Association and Articles of Association of the Company and subject to the requisite approval(s), consents, sanctions and permissions of the Central Government, other concerned regulatory authorities and the sanction of the Hon’ble National Company Law Tribunal, Chennai Bench (hereinafter also referred to as “NCLT” or “the Tribunal”) and/or such other appropriate authority/ies, as may be applicable, if any, and all such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company, the Composite Scheme of Arrangement and Amalgamation of Sundaram Finance Limited and Sundaram Insurance Broking Services Limited and Infreight Logistics Solutions Limited and Sundaram BPO India Limited and Sundaram Finance Holdings Limited and their respective shareholders and creditors, placed before this meeting, be and is hereby approved.”

“**FURTHER RESOLVED** that the Board of Directors of the Company and any person(s) nominated by the Board of Directors, be and are hereby severally authorised to take all steps as may be necessary or desirable and to do all such acts, deeds, things and matters, as may be considered necessary to give effect to the aforesaid Composite Scheme of Arrangement and Amalgamation and this resolution and to accept such alteration, modification and/or conditions, if any, which may be proposed, required or imposed by the Hon’ble National Company Law Tribunal, Chennai Bench, while sanctioning the said Composite Scheme of Arrangement and Amalgamation.”

24. The rights and interests of the members and the creditors of SFL, SIBSL, Infreight, Sundaram BPO and SFHL will not be prejudicially affected by this Scheme of Arrangement and Amalgamation.
25. No investigation proceedings are pending under the provisions of Chapter XIV of the Companies Act, 2013 or under the provisions of the Companies Act, 1956 against the Applicant Company.
26. A copy of the Scheme has been filed by SFL with the Registrar of Companies, Tamil Nadu, Chennai, on 08/09/2017.
27. No winding up petition is pending against the Applicant Company.
28. In compliance with the provisions of Section 232(2) of the Companies Act, 2013, the Board of Directors of the Applicant Company, vide a circular resolution, have adopted a Report, inter-alia, explaining the effect of the Scheme on each class of shareholders (promoter and non-promoter shareholders) and key managerial personnel. A copy of the Report adopted by the Board of Directors of the Applicant Company is enclosed to this Explanatory Statement as **Annexure I**.
29. As far as the equity shareholders are concerned (promoter shareholders as well as non-promoter shareholders), there will be no dilution in their shareholding in SFL. On the other hand, equity shareholders of SFL as on the Record Date, will be allotted equity shares of SFHL in the ratio as mentioned under clause 29.1 of the Scheme. The Scheme is not expected to have any adverse effect on the Key Managerial personnel, directors, secured or unsecured creditors, non-promoter members, depositors, debenture holders, deposit trustee and debenture trustee and employees of SFL wherever relevant, as no sacrifice or waiver is at all called from them nor are their rights sought to be modified in any manner.
30. An equity shareholder entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him/her. Such proxy need not be a member of SFL. The instrument appointing the proxy should however be deposited at the registered office of SFL not later than 48 (Forty Eight) hours prior to the commencement of the meeting.
31. Corporate members intending to send their authorised representatives to attend the meeting are requested to lodge a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate not later than 48 (Forty Eight) hours before commencement of the meeting, authorising such person to attend and vote on its

behalf at the meeting.

32. The following documents will be available for inspection by the Shareholders of SFL at its Registered Office between 11.00 A.M. and 1.00 P.M. up to 22/10/2017 on all working days (except Saturdays, Sundays and public holidays):
- Certified copy of the Order of the Hon'ble National Company Law Tribunal, Division Bench, Chennai dated 05/09/2017 passed in Company Application No. 149/CAA/2017 directing and convening of the meeting of Equity Shareholders of SFL.
 - Composite Scheme of Arrangement and Amalgamation.
 - Memorandum and Articles of Association of SIBSL, Infreight, Sundaram BPO, SFL and SFHL.
 - Annual Reports of SIBSL, Infreight, Sundaram BPO, SFL and SFHL for the last three financial years ending March 31st 2015, March 31st 2016 and March 31st 2017.
 - Copies of the Unaudited Financial Statements of SFL for the quarter ended June 30, 2017 and Provisional Unaudited Financial Statements of SIBSL, Infreight, Sundaram BPO and SFHL for the period ending June 30, 2017.
 - Copy of the Observation Letter dated 19/05/2017 received from the National Stock Exchange of India Limited.
 - Copy of the Order dated 26/05/2017 issued by The Competition Commission of India approving the Scheme under Section 31(1) of the Competition Act 2002.
 - Copy of the Share Entitlement Ratio Report dated 17/02/2017 from M/s B S R & Co. LLP, Chartered Accountants.
 - Copy of the Fairness opinion by merchant banker, Spark Capital (India) Private Limited dated 17/02/2017.
 - Copy of the Audit Committee Report dated 17/02/2017.
 - Copies of the resolutions passed by the respective Board of Directors of SIBSL, Infreight, Sundaram BPO, SFL and SFHL on 17/02/2017 and 29/05/2017.
 - Copy of the Report adopted by the Board of Directors of SFL as required under Section 232(2)(c) of the Companies Act, 2013.
 - Complaints Report dated 15/03/2017 submitted by the Company to the NSE and also uploaded on its website.
 - Copy of the Statutory Auditors' Certificate dated 17/02/2017 issued by M/s. Brahamayya & Co, Chartered Accountants, Chennai, to SFL confirming that the accounting treatment provided in the Scheme is in compliance with Section 133 of the Companies Act, 2013.
 - Copy of the Company Application No. 149/CAA/2017 and the Affidavit in support thereof.
33. This statement may be treated as an Explanatory Statement under Section 230 of the Companies Act, 2013 read with Sections 102 and 110 of the Companies Act, 2013. A copy of the Scheme and Explanatory statement may also be obtained free of cost from the registered office of the Applicant Company.

Dated at Chennai on this the 11th day of September 2017

Sd/-
S. Viji
Chairman Appointed for the Meeting

Registered Office: **Sundaram Finance Limited**
21, Pattulos Road, Chennai – 600 002.

