



SUNDARAM FINANCE
Enduring values. New age thinking.

SEC:0309:12/PAL
November 01, 2012

The Manager - Listing
National Stock Exchange of India Limited
Capital Market - Listing
Exchange Plaza, 5th Floor
Plot No. CX1, G Block
Bandra-Kurla Complex
Bandra (E), Mumbai 400 051

Dear Sir,

Sub: Despatch of Postal Ballot Notice

Re: Compliance under Clause 31 (c) of the Listing Agreement

We wish to inform that we have today sent postal ballot notice under Section 192A of the Companies Act, 1956 ("the Act") to the members in connection with the following:

(a) Special Resolutions for increasing the Authorised Share Capital and consequential amendments in the Memorandum and Articles of Association;

and

(b) an Ordinary Resolution to capitalize General Reserve in order to issue Bonus Shares.

We enclose three copies of the notice pursuant to Clause 31 (c) of the Listing Agreement.

Thanking you,

Yours truly,
for Sundaram Finance Ltd


P. Viswanathan
Secretary & Compliance Officer

Encl :

CC: National Stock Exchange of India Limited
2nd Floor, Ispahani Centre
Door No.123-124
Nungambakkam High Road
Nungambakkam
Chennai 600 034

✓ The Corporate Relationship
Dept. of Corporate Services
Bombay Stock Exchange Limited
Floor 25, P J Towers
Dalal Street
Mumbai 400 001

Sundaram Finance Limited

SUNDARAM FINANCE LIMITED

REGISTERED OFFICE: 21, PATULLOS ROAD, CHENNAI 600 002

Email: investorservices@sundaramfinance.in

POSTAL BALLOT NOTICE

(Pursuant to Section 192A of the Companies Act, 1956)

To,
The Members,

Notice is hereby given pursuant to Section 192A of the Companies Act, 1956 read with Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, for obtaining the consent of the Members through postal ballot:

- i) for increasing the Authorised Share Capital from Rs.100 cr. to Rs.250 cr. and consequential amendments in the Memorandum and Articles of Association and
- ii) for capitalising Rs.55,55,19,300/- from General Reserve in order to issue bonus shares in the proportion of 1:1.

The draft of Special / Ordinary Resolutions together with the Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, setting out the material facts and reasons thereto are enclosed.

Chennai 600 002
Date: 26.10.2012

By Order of the Board
P VISWANATHAN
Secretary & Compliance Officer

Notes:

1. The Board of Directors has appointed Mr T.K. Bhaskar, Partner, HSB Partners, Advocates, Chennai, as the Scrutinizer, for conducting the postal ballot process in a fair and transparent manner.
2. A member desiring to exercise vote by postal ballot is requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed, in the attached self-addressed postage pre-paid envelope so as to reach the Scrutinizer on or before the close of working hours (17:30 hrs) on 3rd December 2012.
3. The Scrutinizer will submit his report to the Chairman of the Company after completion of the scrutiny and the results of the postal ballot will be announced by the Chairman on Tuesday, the 4th December 2012 at 16:00 hrs, at the Registered Office of the Company at 21, Patullos Road, Chennai 600 002. The date of declaration of the postal ballot result will be taken to be the date of passing the special / ordinary resolutions.
4. The results of the postal ballot will be posted on the Company's website – www.sundaramfinance.in and published in the Business Line and Dinamalar for information of members.
5. **In compliance with provisions of Section 192A of the Act read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 and Listing Agreement, members may cast their votes either through Postal Ballot form or through electronic form (e-voting). Those members opting for e-voting may follow the procedure, as recommended by CDSL, the e-voting agency appointed by us, as stated in Page 4 of this notice.**

DRAFT RESOLUTIONS

SPECIAL BUSINESS

1. To consider and if thought fit to pass with or without modifications, the following resolutions as **Special Resolutions**:

- i) “**RESOLVED** that the Authorised Capital of the Company be increased from Rs.100,00,00,000/- (Rupees one hundred crore only) to Rs.250,00,00,000/- (Rupees two hundred and fifty crore only) by the creation of further 15 crore equity shares of Rs.10/- each.
- ii) **RESOLVED** that the Memorandum of Association of the Company be amended in the following manner namely: Clause V of the Memorandum shall be deleted and the following substituted therefor: ‘The Share Capital of the Company is Rs.250,00,00,000/- (Rupees two hundred and fifty crore only) divided into 25 crore equity shares of Rs.10/- each.
- iii) **RESOLVED** that the Articles of Association of the Company be amended in the following manner namely: Clause (i) of Article 3 shall be deleted and the following substituted therefor: ‘The Share Capital of the Company is Rs.250,00,00,000/- (Rupees two hundred and fifty crore only) divided into 25 crore equity shares of Rs.10/- each.’”

2. To consider and if thought fit to pass with or without modifications, the following resolution as an **Ordinary Resolution**:

“**RESOLVED** that

- i) subject to such consents and approvals as may be required, a sum of Rs.55,55,19,300/- from General Reserve of the Company, be capitalised and the Board of Directors of the Company (hereinafter referred to as the “Board” which expression shall also include a Committee thereof) be and are hereby authorised to apply the amount so capitalised to issue out of the unissued capital of the Company 5,55,51,930 equity shares of the face value of Rs. 10/- each, credited as fully paid-

up and allot one such fully paid equity share for every existing equity share to those members of the Company whose names stand on the Register of Members on a date to be decided by the Board and that the new equity shares so issued shall be treated for all purposes as an increase in the nominal amount of the capital in the company held by each such member and not as income;

- ii) the said 5,55,51,930 equity shares shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari passu in all respects with the existing 5,55,51,930 equity shares of the company from the date of the allotment and shall rank for any dividend in full that may be declared subsequent to the date of allotment for every financial year beginning from 1st April, 2012 but not earlier;
- iii) the issue and allotment of the new equity shares in favour of non-resident shareholders of the company shall be subject to the provisions of the Foreign Exchange Management Act, 1999;
- iv) no letters of allotment shall be issued, but (a) the new equity shares will be credited to the demat accounts of the allottees, in the case of electronic holdings; and (b) share certificates in respect of the new equity shares shall be issued and despatched to the allottees within the period prescribed, in the case of physical holdings;
- v) for the purpose of giving effect to this resolution and for removal of any doubts or difficulties, the Board be and is hereby authorised to do all such acts, deeds, matters and things and to give from time to time such directions as may be necessary, expedient, usual or proper and to settle any question or doubt that may arise in relation thereto, if any, as the Board in its absolute discretion may think fit and its decision shall be final and binding on all members and other interested persons.”

EXPLANATORY STATEMENT UNDER SECTION 173 OF THE COMPANIES ACT, 1956

SPECIAL BUSINESS

ITEM 1

At present, the Authorised Share Capital of the company stands at Rs.100 cr. divided into 10 crore equity shares of Rs.10/- each. It is considered desirable to increase the Authorised Capital from Rs.100 cr. to Rs.250 cr. by creation of further 15 crore equity shares of Rs.10/- each.

The proposal requires the approval of the members in general meeting. Consequent to the increase in Authorised Capital, the Memorandum of Association and Articles of Association of the company will require suitable alteration.

The Special Resolutions are submitted for the purpose and the Board recommends that the resolutions be passed.

INTEREST OF DIRECTORS

None of the directors of the company is concerned or interested in the said special resolutions.

ITEM 2

Your company's paid up capital as on 31st March 2012 is Rs.55.55 cr. and the Reserves and Surplus (including General Reserve of Rs.1180 cr.) is Rs.1733 cr.

To commemorate the Birth Centenary of Late Sri T S Santhanam, the Founder Chairman of the

Company, your Directors have decided to capitalise a sum of Rs.55,55,19,300/- from the General Reserve of the Company and have recommended that the said amount be utilised for issue and allotment of 5,55,51,930 fully paid-up bonus shares in the proportion of **1 (one)** equity share for **every 1 (one)** existing equity share to the members of the Company, whose names will appear on the Register of Members on a date to be decided by the Board of Directors after obtaining the approval of the shareholders and / or all applicable statutory authorities and subject to complying with the Guidelines under Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. The bonus shares shall, in all respects, rank *pari passu* with the existing equity shares and shall be entitled to participate in any dividends that may be declared in respect of the financial year in which the allotment of the bonus shares is made by the Company.

The Ordinary Resolution as set out, is submitted for the purpose and the Board recommends that the resolution be passed.

INTEREST OF DIRECTORS

The Directors of your Company are interested in this Resolution to the extent of Bonus Shares that they would be entitled to receive as shareholders.

Chennai 600 002
Date: 26.10.2012

By Order of the Board
P VISWANATHAN
Secretary & Compliance Officer

PROCEDURE AND INSTRUCTIONS FOR E-VOTING

The procedure and instructions for e-voting are as follows:

- i. Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com
- ii. Now click on “Shareholders” tab to cast your votes
- iii. Now, select the Electronic Voting Sequence Number - “EVSN” along with “SUNDARAM FINANCE LIMITED” from the drop down menu and click on “SUBMIT”
- iv. Now, fill up the following details in the appropriate boxes:

User-ID	For Members holding shares in Demat Form:- a) For NSDL :- 8 Character DP ID followed by 8 Digits Client ID b) For CDSL :- 16 digits beneficiary ID For Members holding shares in Physical Form:- • Folio Number registered with the Company
Password	Your Unique password is printed on the Postal Ballot Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department when prompted by the system while E voting

- v. After entering these details appropriately, click on “SUBMIT”.
- vi. Members holding shares in Physical form will then reach directly to the voting screen.
- vii. Members holding shares in Demat form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.
- ix. If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any company, then your existing login id and password are to be used.
- x. For Members holding shares in physical form, the password and default number can be used only for e-voting on the resolutions contained in this Postal Ballot Notice.
- xi. On the voting page, you will see Resolution Description and against the same the option ‘YES / NO’ for voting. Enter the number of shares (which represents number of votes) under YES / NO or alternatively you may partially enter any number in YES and partially in NO, but the total number in YES and NO taken together should not exceed your total shareholding.
- xii. Click on the Resolution File Link if you wish to view the entire Postal Ballot Notice.
- xiii. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xiv. Once you ‘CONFIRM’ your vote on the resolution, you will not be allowed to modify your vote.
- xv. Corporate/Institutional Members (corporate/FIs/FILs/Trust/Mutual Funds/Banks, etc) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to helpdesk.evoting@cdslindia.com and the Scrutinizer’s email id bhaskar@hsbpartners.com. The file scanned image of the Board Resolution should be in the naming format “Corporate Name _EVSN”.
- xvi. If you wish to provide feedback on the e-voting system click on ‘Suggestions’. In case you have any queries or issues regarding e-voting, please contact helpdesk.evoting@cdslindia.com.



SUNDARAM FINANCE
Enduring values. New age thinking.

SUNDARAM FINANCE LIMITED

REGISTERED OFFICE: 21, PATULLOS ROAD, CHENNAI 600 002

Email: investorservices@sundaramfinance.in

POSTAL BALLOT FORM

Postal Ballot No :

1. Name(s) of member(s)
(including joint holders, if any) &
2. Registered address of the sole/first
named member

CANCELLED

3. Registered Folio No. /
DP ID No./Client ID No. :
4. Number of shares held :
5. I/We hereby exercise my/our vote in respect of the Special / Ordinary Resolutions to be passed through postal ballot for the business stated in the notice of the Company by sending my/our assent or dissent to the said resolution by placing the (✓) mark at the appropriate box below:

Sl.No.	Description	No. of Shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1	Special Resolutions under Sections 16, 31, 94 and other applicable provisions, if any, of the Companies Act, 1956 for increasing the Authorised Share Capital and amendments in the Memorandum and Articles of Association			
2	Ordinary Resolution to capitalise General Reserve in order to issue Bonus Shares			

Place:

Date:

Signature of the Member

ELECTRONIC VOTING PARTICULARS

EVSN (E-voting Sequence Number)	User ID	Password / PIN

Note: Please read the instructions printed overleaf carefully before exercising your vote.

INSTRUCTIONS

1. A Member desiring to exercise vote by postal ballot may complete this Postal Ballot Form and send it to the Company in the attached self-addressed envelope bearing the address of the Scrutinizer appointed by the Board of Directors of the Company. Postage will be borne and paid by the Company. However, envelopes containing postal ballots, if sent by courier at the expenses of the registered member will also be accepted.
2. This form should be completed and signed by the member. In the case of joint holding, this form should be completed and signed (as per the specimen signature registered with the company) by the first named member and in his absence, by the next named member.
3. Incomplete, incorrect or unsigned Postal Ballot Form will be rejected.
4. Duly completed Postal Ballot Form should reach the company not later than the close of working hours (17:30 hrs) on Monday, the 3rd December 2012. Postal Ballot Form received after this date will be strictly treated as if the reply from the member has not been received.
5. Voting rights shall be reckoned on the paid-up value of shares registered in the name(s) of the member(s) on the date of despatch of the notice.
6. A member need not use all his votes nor does he needs to cast all his votes in the same way.
7. Where the Postal Ballot Form has been signed by an authorised representative of a body corporate, a certified copy of the relevant authorisation should accompany the Postal Ballot Form.
8. In case the Postal Ballot Form is signed by a Power of Attorney (POA) holder, POA registration number should be mentioned.
9. A member may request for a duplicate Postal Ballot Form, if required. However, the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than the date specified at item 4 above.
10. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed envelope.
11. **Members may cast their votes either through Postal Ballot form or through electronic form (e-voting). Those members opting for e-voting may follow the procedure, as recommended by CDSL, the e-voting agency appointed by us, as stated in Page 4 of the postal ballot notice.**