

SUNDARAM FINANCE HOLDINGS LIMITED

(formerly known as Sundaram Finance Investments Limited and Sundaram Finance Distribution Limited)

CIN: L65100TN1993PLC025996

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

Email: investorservices@sundaramholdings.in • Website: www.sundaramholdings.in

POSTAL BALLOT NOTICE

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

To
The Members

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, for obtaining the approval of the Members by way of Ordinary Resolution through postal ballot to make investments in group companies.

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

Chennai 600 002
Date: 21.01.2019

By Order of the Board
P. N. SRIKANT
Secretary & Compliance Officer

Notes:

1. This Notice is being sent to all the shareholders whose names appeared on the Register of Members/ list of Beneficial Owners, as received from National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL) as at the close of business hours on Friday, the 18th January 2019.
2. The postal ballot facility (including e-voting) is being provided to the members in accordance with the provisions of Sections 108 and 110 of the Companies Act, 2013 read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide e-voting facilities, enabling the members to cast their vote electronically in a secure manner.
4. The e-voting is optional and will be available at the link www.evotingindia.com. The detailed instructions on e-voting are enclosed. Grievances, if any, connected with e-voting may be addressed to Sri P.N. Srikant, Secretary & Compliance Officer at investorservices@sundaramholdings.in
5. The voting (including e-voting) will commence on Tuesday, the 29th January 2019 (9.00 A.M.) and end on Wednesday, the 27th February 2019 (5.00 P.M.).
A member desiring to exercise the vote by postal ballot is requested to read the instructions provided in the Postal Ballot Form carefully and return the Form duly completed, in the attached self-addressed postage pre-paid envelope so as to reach the Scrutinizer by 5:00 P.M., on Wednesday, the 27th February 2019.
Postal ballot forms received from members beyond the said date will not be valid and voting whether by post or electronic means shall not be allowed beyond the said date.
6. Members who have not received the postal ballot forms may write to the company or send a mail to investorservices@sundaramholdings.in and obtain a duplicate thereof.

7. The Board of Directors has appointed Sri T K Bhaskar, Partner, HSB Partners, Advocates, Chennai, as the Scrutinizer, for conducting the postal ballot process in a fair and transparent manner.
8. The Scrutinizer will submit his report to the Chairman / Audit Committee Chairman / Chief Executive Officer of the Company after completion of the scrutiny and the results of the postal ballot will be announced by the Chairman / Audit Committee Chairman / Chief Executive Officer on Thursday, the 28th February 2019 at 5.00 P.M, at the Registered Office of the Company at 21, Patullos Road, Chennai 600 002.
9. The date of declaration of the postal ballot result will be taken to be the date of passing the ordinary resolution.
10. The results of the postal ballot will be posted on the Company's website – www.sundaramholdings.in.

DRAFT RESOLUTION

SPECIAL BUSINESS

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

“RESOLVED that pursuant to Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Section 188 of the Companies Act, 2013 and Rules framed thereunder, and the Core Investment Companies (Reserve Bank) Directions, 2016, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to make investments from time to time in equity shares, preference shares, bonds, debentures or other permitted securities to be issued by subsidiaries, associates and other group companies, which may be deemed to be related parties, upto an overall aggregate amount not exceeding ₹200 cr. during any financial year and individual investment(s) in any one such group company not exceeding ₹100 cr. during any financial year.”

“FURTHER RESOLVED that the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto.”

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

As you are aware, your Company has been categorised as an exempted 'Core Investment Company' (CIC) under the Core Investment Companies (Reserve Bank) Directions, 2016, issued by the Reserve Bank of India. As a CIC,

your Company may have to consider making investments from time to time in subsidiaries, associates and other group companies, which may be deemed to be related parties, in order to support them in their sustainability and expansion plans.

Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) provides that all material related party transactions, i.e., transaction(s) entered into with a related party individually or taken together with previous transactions during a financial year exceeding 10% of the annual turnover of the Company as per the last financial statements, shall require approval of the shareholders through resolution. The annual consolidated turnover of the Company for the year ended 31st March 2018 was ₹71.65 cr. and any investment in excess of ₹7.16 cr. (10% of the annual consolidated turnover) in a group company will be deemed to be a material related party transaction.

Considering the fact that the investments to be made by your Company in group companies during the financial year 2018-19 and in future are likely to be material in nature, i.e., likely to exceed 10% of the annual consolidated turnover of the Company, the Company intends obtaining the approval of the shareholders for such material transactions arising out of investments to be made by the Company in group companies for an overall aggregate amount not exceeding ₹200 cr. during any financial year and individual investment(s) in any one such group company not exceeding ₹100 cr. during any financial year, in accordance with the provisions of Regulation 23(4) of the Listing Regulations, read with applicable provisions of the Companies Act, 2013.

Accordingly, an Ordinary Resolution is submitted for your consent.

All the related parties of the Company shall abstain from voting on the Resolution.

DISCLOSURE OF INTEREST

The non-independent directors of the Company may be deemed to be concerned or interested in the resolution

by virtue of the directorship position occupied by them in any of the subsidiaries, associates and other group companies, which may be deemed to be related parties.

Chennai 600 002

Date: 21.01.2019

By Order of the Board

P. N. SRIKANT

Secretary & Compliance Officer

INSTRUCTIONS FOR E-VOTING

- i) The voting period begins on Tuesday, the 29th January 2019 9.00 A.M. and ends on Wednesday, the 27th February 2019 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on Friday, the 18th January 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- iii) Click on Shareholders.
- iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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

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- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the “Company selection screen”. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.