

SUNDARAM FINANCE HOLDINGS LIMITED

CIN: L65100TN1993PLC025996

Regd. Office: 21, Patullos Road, Chennai 600 002.

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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 through postal ballot/e-voting process for the following resolution:

Approval for Material Related Party Transaction - Dis-investment of entire stake held in M/s. Delphi-TVS Technologies Limited to M/s.Cheema TVS Industrial Ventures Private Limited - **Ordinary Resolution**

The draft 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: 05.11.2024

By Order of the Board

S. KALYANARAMAN

Secretary & Compliance Officer

Notes:

1. This Notice is being sent only in electronic form, in accordance with the relaxation granted by the Ministry of Corporate Affairs vide Circular No.09/2024 dated 19th September, 2024, to all the shareholders whose names appear on the Register of Members / list of Beneficial Owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) as at the close of business hours on **Friday, the 08th November 2024** and who have registered their email id with the Company/Depositories.
2. The postal ballot facility through 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 detailed instructions on e-voting are enclosed. Grievances, if any, connected with e-voting may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services India Limited (CDSL), A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.
5. The e-voting will commence on **Saturday, the 16th November 2024 (9.00 A.M.)** and end on **Sunday, the 15th December 2024 (5.00 P.M.)**.

6. The Board of Directors has appointed Sri T K Bhaskar, Partner, H & B Partners, Advocates, Chennai, as the Scrutinizer, for conducting the postal ballot /e-voting process in a fair and transparent manner.
7. The Scrutinizer will submit his report to the Chairman / Chief Executive Officer of the Company after completion of the scrutiny and the results of the postal ballot / e-voting will be announced by the Chairman/ Chief Executive Officer within two working days from the date of closure of voting period, at the Registered Office of the Company at 21, Patullos Road, Chennai 600 002.
8. The resolution, if passed by the requisite majority through postal ballot by remote e-voting will be deemed to have been passed on the last date specified for e-voting i.e., Sunday, the 15th December 2024 at 5:00 pm.
9. The results of the postal ballot will be posted on the Company's website – www.sundaramholdings.in and the same will be communicated to National Stock Exchange of India (www.nseindia.com), where the shares of the Company is listed.

DRAFT RESOLUTION

SPECIAL BUSINESS

Dis-investment of entire stake held in Delphi-TVS Technologies Limited

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 2(76)(iv) of the Companies Act, 2013 and rules framed thereunder and any other applicable regulatory provisions, the consent of the Company be and is hereby accorded for the material related party transaction arising out of the proposed dis-investment of entire stake of 2,52,896 equity shares of Rs.10/- each held by the Company in the share capital of M/s Delphi TVS Technologies Limited to M/s Cheema TVS Industrial Ventures Private Limited for a consideration of Rs.40 Crores (Rupees Forty Crores Only).

FURTHER RESOLVED THAT the Board of Directors, Chief Executive Officer, Chief Financial Officer and Secretary & Compliance Officer of the Company be and are 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

Regulation 23(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, 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 Rs.1000 crores or 10% of the annual consolidated turnover of the Company as per the last audited financial statements, whichever is lower, shall require prior approval of the shareholders.

The annual consolidated turnover of the Company for the year ended 31st March 2024 was ₹297.17 Crores and any transaction in excess of ₹29.71 Crores (10% of the annual consolidated turnover) with a related party will be deemed to be a material related party transaction.

Directors of the Company Sri Harsha Viji, Sri Srivats Ram, Sri Ananth Ramanujam, Sri Sriram Viji and Ms. Shobhana Ramachandhran and their relatives hold a very insignificant portion 0.07% shareholding in the paid-up share capital of M/s Cheema TVS Industrial Ventures Private Limited.

Thus, pursuant to the provisions of Section 2(76)(iv) of the Companies Act, 2013, M/s Cheema TVS Industrial Ventures Private Limited is deemed to be a related party of your Company.

Considering the fact that the proposed transaction with M/s Cheema TVS Industrial Ventures Private Limited would exceed 10% of the annual consolidated turnover of the Company, the Company seeks to obtain the approval of the shareholders for the material related party transaction, in accordance with regulation 23(4) of SEBI (LODR) Regulations 2015, read with applicable provisions of the Companies Act, 2013.

BACKGROUND, DETAILS AND BENEFITS OF THE TRANSACTION:

Pursuant to the sanctioning of the Composite Scheme of Arrangement and Amalgamation by the Hon'ble NCLT, the investments of Sundaram Finance Limited in several automotive and manufacturing businesses, which also includes 2,52,896 shares held in M/s Delphi TVS Technologies Limited, have been demerged into our Company.

Outlook of the Investee Company:

Delphi TVS Technologies Limited is engaged in the manufacture of diesel fuel injection equipment for passenger vehicles, commercial vehicles and tractors. Presently, the Company's sales are primarily towards diesel based four-wheeler passenger vehicles and commercial vehicles. Due to the change in emission norms implemented by the Government of India, the sales of Mechanical Fuel Injection systems has come down, necessitating shift to Common Rail Systems. The Company is in the process of scaling up capacity to manufacture common rail products for tractors.

The Government of India has notified that Trem V emission norms are scheduled for introduction by April 2026 which will require fitment of Common Rail Systems. The Management is expecting a decline in the volume for common rail products in the diesel segment especially with respect to passenger vehicles & light commercial

vehicles due to Government/Regulatory push to electric vehicles and Compressed Natural Gas modes. Further, the Management also foresees a decline in the sales of rotary exports with the fall in exports to the small gensets due to change in technology.

Valuation:

M/s Delphi TVS Technologies Limited is an unlisted public company. Taking into consideration the various factors of performance, outlook of M/s Delphi TVS Technologies Limited and factoring the discount of 20% for lack of marketability of the unlisted shares, the fair market valuation of the investment has been arrived at Rs.40 Crores. The carrying cost of the Investment in the books of our Company as on 30th September, 2024 is Rs.22.85 Crores.

The Management has provided the Audit Committee with the relevant details, as required under law, of the proposed related party transaction including rationale, material terms and basis of pricing. The Audit Committee considered the proposal of dis-investment and satisfying itself on the arm's length pricing of Rs.40 Crores approved this dis-investment, which is in the ordinary course of business subject to approval of the shareholders.

Rationale for Dis-investment:

Being a Core Investment Company, the Company's strategy is to exit from non-core investments as and when an opportunity arises. The funds raised from such dis-investments be invested in core investments, thereby increasing the Company's holdings in core investments to enable a good return on its investments which would benefit the shareholders.

The proposed transaction, if approved, would be beneficial to your Company for exploring new investment opportunities. The Board therefore recommends the Ordinary Resolution as set out in the Notice for approval by the members of the Company. All the related parties of the Company shall abstain from voting on the Resolution.

Disclosure pursuant to SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 is as follows:

S.No	Description	Details
1.	Details of Summary of information provided by the Management to the Audit Committee	
a.	Type, material terms and particulars of transaction	Dis-Investment of 2,52,896 equity shares of Rs.10/- each representing 3.19% held in the paid-up share capital of M/s. Delphi TVS Technologies Limited.
b.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	M/s. Cheema TVS Industrial Ventures Private Limited. No relationship with the listed entity or its subsidiary.
c.	Tenure of the proposed transaction	The transaction is expected to be completed before end of January 2025
d.	Value of the proposed transaction	Rs.40 Crores
e.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	13.46%
2.	Justification for why the proposed transaction is in the interest of the listed entity	Please refer to background, details and benefits of the transaction, given under explanatory statement.
3.	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.

INTEREST OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sri Harsha Viji, Sri Srivats Ram, Sri Ananth Ramanujam, Sri Sriram Viji and Ms. Shobhana Ramachandhran, Directors of the Company and their relatives hold insignificant portion 0.07% shareholding in the paid-up share capital of M/s Cheema TVS Industrial Ventures Private Limited and are interested only to the extent of their shareholding. None of the other Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution.

Chennai 600 002.

Date: 05.11.2024

By Order of the Board
S. KALYANARAMAN
 Secretary & Compliance Officer

INSTRUCTIONS FOR E-VOTING

- i. The voting period begins on Saturday, the **16th November, 2024 at 9.00 A.M** and ends on **Sunday, the 15th December, 2024 at 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 08th November 2024** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.
- iii. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.
- iv. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
- v. **Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
 - a. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
 - b. Pursuant to abovesaid SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & New System Myeasi Tab.
	2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
	3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
	4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL Depository	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period.
	2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
	3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(iii) Login method for Remote e-Voting for Physical shareholders and shareholders other than individual holding in Demat form.

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">• Shareholders who have not updated their PAN with the Company/Depository Participant are requested
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none">• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- vi. After entering these details appropriately, click on “SUBMIT” tab.
- vii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- viii. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- x. 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.
- xi. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

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.

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- xii. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xiii. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xiv. 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.
- xv. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- xvi. Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - 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 will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, 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.
 - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investorservices@sundaramholdings.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 22 55 33 @cdslindia.com or call on 022-23058542/43