

**Sundaram Finance Limited**  
Registered Office: 21, Patullos Road, Chennai 600 002

**POSTAL BALLOT NOTICE**  
(Pursuant to Section 192A of the Companies Act, 1956)

To,

The Members,

Notice is hereby given pursuant to Section 192A read with Companies (Passing of the Resolution by Postal Ballot) Rules, 2001, for obtaining the approval of the Members through postal ballot for revision in the terms of appointment of Sri Harsha Viji, S/o. Sri S. Viji, Chairman of the Company.

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

Chennai 600 002  
Date: 01.04.2010

By Order of the Board  
S Venkatesan  
CFO & Secretary

**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 pre-paid envelope so as to reach the Scrutinizer on or before the close of working hours (17:30 hrs) on 12<sup>th</sup> May 2010.

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 Friday, the 14<sup>th</sup> May, 2010 at 16:30 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 resolution.
4. The results of the postal ballot will be posted on the Company's website – [www.sundaramfinance.in](http://www.sundaramfinance.in) and published in the Business Line and Dinamalar for information of members.

### DRAFT RESOLUTION

#### Special Business

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

**“RESOLVED** that subject to the approval of the Central Government under Section 314(1B) of the Companies Act, 1956 and subject to such modifications as the Central Government in according approval may make, the Company hereby consent to Sri Harsha Viji, son of Sri S. Viji, Chairman of the Company, to continue to hold an office of profit in the Company in the grade of Executive Director, with effect from 01.04.2010, on the following terms and conditions:

I.	Designation	Executive Director (Strategy & Planning) or such other designation within the Grade as the Board may from time to time decide.
II.	Basic Salary	Rs.1,20,000/- p.m in the scale of Rs.85,000 - Rs.1,70,000/- with increments at such intervals as the Board may decide from time to time.
III.	Commission	Not exceeding 150% of the Basic Salary
IV.	Allowances, perquisites and other benefits	As applicable to that Grade (vide Annexure to the Explanatory Statement)

## **EXPLANATORY STATEMENT UNDER SECTION 173 OF THE COMPANIES ACT, 1956**

Sri Harsha Viji, ACA, MBA (Ann Arbor, Michigan), aged 34 years, was appointed as Senior Vice President, with effect from 14.11.2005.

Presently, he is drawing a basic salary of Rs.1,20,000/- p.m. in the scale of Rs.75,000 – Rs.1,50,000/- as approved by the shareholders at the 54<sup>th</sup> Annual General Meeting held on 25<sup>th</sup> July 2007 and by the Central Government on 24<sup>th</sup> September 2007.

Sri Harsha Viji has been a key member of the Senior Management team of the Company. He has contributed significantly to the growth of the Company especially in areas relating to strategy formulation, joint venture negotiations and new business development. The wealth of global consulting knowledge which he has gained from his previous assignment with M/s. McKinsey & Co. in the US has added immense value to your Company.

Considering Sri Harsha Viji's excellent performance and the contribution made by him to the growth and profitability of the Company for over 4 years, the Board of Directors by their Resolution dated 01.04.2010 decided to promote him as Executive Director (Strategy & Planning) with effect from 01.04.2010 on the terms as mentioned in the Resolution.

Sri Harsha Viji is the son of Sri S. Viji, Chairman of the Company and hence the revision in the terms of his appointment requires prior consent of the Company by a Special Resolution and approval of the Central Government under Section 314(1B) of the Companies Act, 1956.

Accordingly, the enclosed draft Special Resolution is submitted for consideration of the shareholders and the Board commends that the resolution be passed.

### **Interest of Directors**

Sri S. Viji, Chairman, is interested in the subject as father of Sri Harsha Viji.

## **Annexure to the Explanatory Statement**

### **Details of allowances, perquisites and other benefits**

1. Housing:
  - i) the expenditure incurred by the Company on hiring unfurnished accommodation will be subject to a ceiling of 60% of the salary over and above 10% payable by the employee;
  - ii) Wherever the Company does not provide accommodation, House Rent Allowance may be paid in accordance with (i) above;
  - iii) Where accommodation in a Company-owned house is provided, the Company will charge 10% of his salary by way of rent;
2. Payment of Company's contributions to Provident Fund/Superannuation Fund/Gratuity Fund in accordance with the rules of the Company.
3. Medical reimbursement: Expenses incurred for self and family including premium payable for medical insurance in accordance with the rules of the Company.  
  
Explanation: "Family" means the spouse, dependent children and dependent parents of the appointee.
4. Personal Accident Insurance as per the rules of the Company.
5. Leave Travel Assistance for self and family once in a year in accordance with the rules of the Company.
6. Fees for clubs, subject to a maximum of two clubs excluding admission and life membership fee.
7. Provision of company car as per rules of the Company.
8. Such other allowances, incentives, perquisites, benefits and amenities as may be provided by the Company to other executives in that grade from time to time.
9. Benefits under the loan and other schemes in accordance with the practices, rules and regulations in force in the Company from time to time.

Chennai 600 002  
Date:01.04.2010

By Order of the Board  
S Venkatesan  
CFO & Secretary