

Sundaram Finance Limited

Registered Office: 21 Patullos Road, Chennai 600 002

NOTICE

Notice is hereby given that the Sixtieth Annual General Meeting of the Shareholders of the Company will be held on Thursday, the 18th July 2013, at 11.00 A.M. at the Music Academy, New No.168, Old No. 306, TTK Road, Chennai 600 014, to transact the following business:

ORDINARY BUSINESS

1. To receive and adopt the audited statement of accounts for the year ended 31st March 2013 and to consider the reports of the Directors and Auditors thereon.
2. To declare a final dividend.
3. i) To elect a Director in the place of Sri S Ram, who retires by rotation and being eligible, offers himself for re-election.
ii) To elect a Director in the place of Sri Srinivas Acharya, who retires by rotation and being eligible, offers himself for re-election.
iii) To elect a Director in the place of Sri T T Srinivasaraghavan, who retires by rotation and being eligible, offers himself for re-election.
4. To appoint Auditors and fix their remuneration. Messrs. Brahmayya & Company, Chartered Accountants, Chennai, retire and are eligible for re-appointment.

SPECIAL BUSINESS

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

“**RESOLVED** that pursuant to Section 309 and other applicable provisions, if any, of the Companies Act, 1956, the company be and is hereby authorised to pay remuneration by way of commission to the Directors (other than Managing Director and Wholetime Directors of the Company) upto 1% of the net profits of the company for a period of five years commencing from 01.04.2014.

FURTHER RESOLVED that the Board of Directors may, at its discretion, decide the quantum of remuneration by way of commission within the above limit and distribute the same amongst the eligible Directors in such proportion and in such manner from time to time.”

Chennai 600 002
29.05.2013

By Order of the Board
P VISWANATHAN
Secretary & Compliance Officer

Note:

1. **A member entitled to attend and vote is entitled to appoint a proxy and such a proxy need not be a member.**

The proxy form duly stamped and executed, should be deposited at the Registered Office of the Company at least forty-eight hours before the time fixed for the commencement of the meeting.

2. The register of members and share transfer books of the Company will remain closed from 04.07.2013 to 18.07.2013 (both days inclusive).
3. Pursuant to the provisions of Sections 205A (5) and 205C of the Companies Act, 1956, the Company has transferred the unclaimed and unpaid dividends for the financial years 1995-96 to 2004-05, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 16th July 2012 (date of last Annual General Meeting) on the website of the Company (www.sundaramfinance.in), as also on the Ministry of Corporate Affairs website.

4. Members are requested to:

- Provide Permanent Account Number;
- Opt for National Electronic Clearance Service (NECS) facility for receiving dividend direct to their bank account;
- Provide latest bank account details, wherever NECS facility is not available, for prompt credit and for avoiding fraudulent encashment / loss in postal transit of dividend warrant; and
- Avail nomination facility.

For this purpose,

- i) shareholders holding shares in electronic mode may approach their respective depository participants (DP) and
- ii) shareholders holding shares in physical mode can approach M/s. Cameo Corporate Services Limited, our Registrar & Share Transfer Agent – Tel. No. 044 2846 0390, Email: investor@cameoindia.com.

5. Members who are holding shares in physical form are requested to avail dematerialisation facility. For further information, please refer to FAQs posted by National Securities Depository Limited on its website www.nsdl.co.in.

Encl: Proxy form

EXPLANATORY STATEMENT UNDER SECTION 173 OF THE COMPANIES ACT, 1956

SPECIAL BUSINESS

ITEM 5

The company has been paying commission to non-wholetime directors within the limit of 1% of the net profits pursuant to the approval accorded at the fifty-fifth annual general meeting held on 24.07.2008.

The non-wholetime directors of your company devote considerable time in laying down the policies and directions for the management of the company. The company derives substantial benefit through their expertise and wise counsel. The ever-changing corporate laws and regulations demand an increased involvement and participation on the part of the Directors in Board and Board constituted Committee meetings. Having regard to their

contribution and increased responsibilities, it is proposed to renew the payment of commission for a further period of 5 years commencing from the financial year 01.04.2014.

Accordingly, a Special Resolution is submitted for your consent.

INTEREST OF DIRECTORS

All the Non-wholetime Directors of the company are deemed to be interested in the resolution.

Chennai 600 002
29.05.2013

By Order of the Board
P VISWANATHAN
Secretary & Compliance Officer

**Particulars of the Directors seeking re-appointment in the forthcoming
Annual General Meeting pursuant to Clause 49 of the Listing Agreement**

ITEM 3

| Name of Director | Sri S. Ram | Sri Srinivas Acharya | Sri T. T. Srinivasaraghavan |
|---|--|--|--|
| Date of Birth | April 27, 1940 | February 8, 1954 | January 19, 1955 |
| Expertise in specific functional areas | Has over 4 decades of work experience in Vehicle and Component Industry. | Has over 3 decades of experience in Banking and Financial Services. | Has over 3 decades of experience in Banking and Financial Services. |
| Qualifications | BE (Mech.), MS (Prod. Engg.) | B. Sc., C.A.I.I.B | B.Com., MBA |
| List of other companies in which directorship held as on 31st March 2013 | <p>Chairman:</p> <ul style="list-style-type: none"> - Wheels India Ltd. - Axles India Ltd. <p>Director:</p> <ul style="list-style-type: none"> - TV Sundram Iyengar & Sons Ltd. - Sundaram Industries Ltd. - Southern Roadways Ltd. - Irizar TVS Ltd. - TVS Logistics Services Ltd. - India Motor Parts & Accessories Ltd. | <p>Managing Director:</p> <ul style="list-style-type: none"> - Sundaram BNP Paribas Home Finance Ltd. <p>Director:</p> <ul style="list-style-type: none"> - ABI-Showatech (India) Ltd. - Sundaram Infotech Solutions Ltd. - Sundaram Business Services Ltd. - Infreight Logistics Solutions Ltd. - Turbo Energy Ltd. - Royal Sundaram Alliance Insurance Company Ltd. - Sundaram Hydraulics Ltd. - Sundaram Insurance Broking Services Ltd. | <p>Chairman:</p> <ul style="list-style-type: none"> - Infreight Logistics Solutions Ltd. <p>Director:</p> <ul style="list-style-type: none"> - Sundaram Asset Management Company Ltd. - Sundaram BNP Paribas Home Finance Ltd. - Royal Sundaram Alliance Insurance Company Ltd. - Sundaram Infotech Solutions Ltd. - Sundaram Business Services Ltd. - Brakes India Ltd. - Flometallic India Ltd. - Sundaram Insurance Broking Services Ltd. - Sundaram BPO India Ltd. - Finance Industry Development Council |
| Chairman / Member of the Committees of the Board of other companies in which he is a Director as on 31st March 2013 | <p>Chairman:</p> <ul style="list-style-type: none"> Audit Committee - Axles India Ltd. <p>Member:</p> <ul style="list-style-type: none"> Audit Committee - TV Sundram Iyengar & Sons Ltd. - TV S Logistics Services Ltd. <p>Share Transfer & Investor Relations Committee</p> <ul style="list-style-type: none"> - Wheels India Ltd. | <p>Chairman:</p> <ul style="list-style-type: none"> Audit Committee - Turbo Energy Ltd. - Sundaram Hydraulics Ltd. - ABI-Showatech (India) Ltd. <p>Member:</p> <ul style="list-style-type: none"> Audit Committee - Infreight Logistics Solutions Ltd. - Royal Sundaram Alliance Insurance Company Ltd. - Sundaram Business Services Ltd. - Sundaram Infotech Solutions Ltd. | <p>Chairman:</p> <ul style="list-style-type: none"> Audit Committee - Infreight Logistics Solutions Ltd. - Sundaram Business Services Ltd. - Brakes India Ltd. - Sundaram Infotech Solutions Ltd. - Flometallic India Ltd. <p>Member:</p> <ul style="list-style-type: none"> Audit Committee - Sundaram BNP Paribas Home Finance Ltd. |
| Shareholding as on 31st March 2013: | | | |
| a) held individually | 5,02,988 shares | 2,400 shares | Nil |
| b) held as Karta of HUF | Nil | Nil | 1,23,192 shares |
| c) held jointly with others | Nil | 56,776 shares | 2,16,376 shares |
| d) held as Executor / Trustee | 11,60,647 shares* | 480 shares | 2,15,292 shares |
| Relationship with other Directors | Brother of Sri S. Viji, Chairman | | |

* Held jointly as Trustees, Sri T S Santhanam Testamentary Trust.