SHRIRAM CITY UNION FINANCE LIMITED
CIN : L65191TN1986PLC012840
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Chennai 600 001, Tamil Nadu. Telephone No + 91 44 2534 1431
Secretarial Office :144, Santhome High Road, Mylapore, Chennai-600004,
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SHRIRAM City
MONEY WHEN YOU NEED IT MOST

POSTAL BALLOT NOTICE TO MEMBERS PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013 READ WITH RULE 20 AND 22 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES,2014

Dear Member (s),

Notice is hereby given pursuant to section 110 and other applicable provisions of the Companies Act 2013, **('**the Act'**)** read with Companies (Management and Administration) Rules 2014, including any statutory enactments thereof for the time being in force, Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws and regulations as amended from time to time that the following resolution is proposed to be passed as **Special Resolution** by the members of Shriram City Union Finance Limited, Corporate Identification Number ("CIN") - L65191TN1986PLC012840 ("Company") by way of postal ballot/e-voting.

Alteration of Articles of Association

To consider and, if thought fit, to pass the following resolution as **SPECIAL RESOLUTION** through Postal Ballot/e-voting.

"RESOLVED THAT pursuant to Section 14 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Companies (Incorporation) Rules, 2014 including any statutory modification(s) or re-enactments thereof for the time being in force, the consent of members of the Company be and hereby accorded to amend the Articles of Association of the Company ("AOA") by inserting the following new Article in the existing AOA after Article 8.9

"Article 8.10 – The Board of Directors of the Company ("Board", which term shall be deemed to include any duly authorised Committee thereof, which the Board may have constituted or hereinafter constitute from time to time by whatever name called to exercise it's power including the power conferred by this resolution) may carry out consolidation and re-issuance of debt securities, pursuant to the provisions of law, regulations and statutory enactments as may be amended from time to time."

AND the members of Company approve and adopt AOA containing Article 8.10 aforesaid to be binding on the members and others dealing with Company with effect from December 21, 2017 **AND** the Board of Directors of the Company be and is hereby authorised to take all such steps and actions in connection with all such filings and registrations as may be required in relation to the aforesaid amendments to the AOA as may be deemed necessary to give effect to this resolution."

By Order of the Board
For Shriram City Union Finance Limited

Place : Chennai
Date : November 2, 2017

C R Dash
Company Secretary

NOTES:

1. The explanatory statement as required under Section 102 of the Companies Act, 2013 setting out the material facts in respect of the item of the business mentioned in the notice is annexed thereto.

2. Please carefully read and follow the instructions for e-voting and voting through Postal Ballot Form **("PBF")** described in this Notice for respective mode of voting.

3. The Notice is being sent to all the Members, whose name appear in the Register of Members/Register of beneficial owners as received from NSDL and CDSL on specified date for the purpose, being November 10, 2017 by modes as prescribed under Companies (Management and Administration) Rules, 2014. The Notice is also posted on the website of the Company, which can be accessed with the web link http://www.shriramcity.in/PDF/POSTAL BALLOT-NOTICE-2017.pdf.

4. The proposed special resolution together with the statement setting out the material facts, the reasons for the resolution and a PBFs are being sent to the members for their consideration and voting. Members are requested to send the PBF inland letter duly completed in all respects and signed in the attached self addressed postage pre-paid Business Reply Inland Letter Card so as to reach the scrutiniser before 5.00 p.m. on Tuesday, December 19, 2017. Business Reply Inland Letter Card / PBF, if deposited in person or sent by courier at the expenses of the Member(s) will also be accepted. Any **PBF** received from any members beyond 5.00 p.m. on Tuesday, December 19, 2017 will not be valid and the voting shall be treated as invalid.

5. Voting rights of the members shall be in proportion to the equity shares held by them of the paid up equity share capital of the Company as on the specified date. **The voting in this postal ballot / e-voting cannot be exercised by proxy**.

6. The resolution mentioned in this Notice shall be declared as passed if the number of votes cast in its favour (assent) are not less than three times the number of votes cast, if any, against (dissent) the said resolution and passing of the resolutions shall be deemed to have been duly passed at the general meeting of the Company convened in that behalf.

7. As consented by Sri P Sriram (Membership No.FCS 4862) a practicing Company Secretary, Chennai, the Company has appointed him as the Scrutiniser for conducting the Postal ballot and electronic voting **("e-voting")** process thereto in accordance with the provisions of the law and rules made thereunder in a fair and transparent manner.

8. Members can contact Sri C.R.Dash, Company Secretary at the Secretarial Office address of the Company for addressing any queries/grievances with respect to voting by postal ballot and e-voting.

9. The Company is pleased to offer e-voting facility as an alternate to all its members to enable them to cast their votes electronically instead of casting their vote through **PBF**. The Company has engaged Central Depository Services (India) Limited for facilitating e-voting to enable the members to cast their votes electronically. Members can opt for one method of voting, i.e. e-voting or PBF. In case, a Member casts his/her votes through e-voting and also through **PBF,** then voting done through e-voting shall prevail and voting received through PBF shall be treated as invalid. Members who have received the Postal Ballot Notice by e-mail and who wish to vote through PBF can download PBF from the Company's Website, which can be assessed with the web link - http://www.shriramcity.in/PDF/POSTAL BALLOT-NOTICE-2017.pdf.

The procedure and instructions for voting through electronic means are as follows:

The e-voting period shall commence from Monday, November 20, 2017 at 10.00 am and shall close of Tuesday December 19, 2017 at 5 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form on November 10, 2017 may cast their vote electronically or through physical postal ballot form. The e-voting module will be disabled for voting and the Members will not be able to cast their vote electronically beyond the date and time mentioned above (Tuesday December 19, 2017 at 5 p.m)

(i) Log on to the e-voting website : www.evotingindia.com

(ii) Click on "Shareholders/Member" tab.

(iii) Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in physical form should enter Folio Number registered with the Company) and then enter the Image verification as displayed and Click on Login.

(iv) 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. If you are a first time user follow the steps given below.

Enter your 10 digit alpha-numeric PAN issued by Income Tax Department, enter the Bank Account Number or Date of Birth in (dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If both the details are not recorded with the DP or Company please enter the member id/folio number in the Bank Account Number. Members who have not updated their PAN with the Company/DP 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

(v) After entering these details appropriately, click on "SUBMIT" tab.

(vi) Members holding shares in physical form will then reach directly the Company selection screen. 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.

(vii) For Members holding shares in physical form, the details can be used only for e-voting on the resolution contained in this Notice.

(viii) Click on the EVSN for Shriram City Union Finance Limited.

(ix) 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.

(x) Click on the "Resolutions File Link" if you wish to view the entire Resolution details.

(xi) 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.

(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 voting done by you by clicking on "Click here to print" option on the Voting page.

(xiv) If 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) Members can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Windows and Apple smart phones. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xvi) Institutional Members (i.e. other than individuals, HUF, NRI etc.) who wish to cast their votes through remote e-voting should send a scanned copy of the Registration form bearing the stamp and signature of the authorized person of the entity, the list of accounts and scanned copy (PDF format) of the relevant Board Resolution and Power of Attorney (POA) etc to helpdesk.evoting@cdslindia.com.

(xvii) 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 or call on 18002005533 or contact the Company Secretary of the Company at the contacts mentioned on the top of this notice.

10. The instructions for voting through Postal Ballot Forms (PBF) are as follows:

(i) Fill up and sign this postal ballot form ("PBF") using pen completely and correctly. Incomplete, unsigned, incorrectly filled or any other symbols mentioned in the PBF will render it invalid.

(ii) Cast votes either in favour of (Assent) or against (Dissent) the Resolution by mentioning the no. of votes in the column provided for assent or dissent. A member need not use all the votes nor needs to cast all the votes in the same way.

(iii) The self-addressed Business Reply Inland Letter Card bears the name of the Scrutinizer appointed by the Company and the address to which the PBF has to be sent by the member.

(iv) The PBF should be completed and signed by the sole/first named member. In the absence of first named member, in case of joint holding, the form may be completed and signed by the next named member. The signature of the member on this PBF should match with the specimen signature registered with the Company/RTA (M/s.Integrated Registry Management Services Private Limited) or furnished by National Securities Depository Limited/Central Depository Services (India) Limited to the Company, in respect of shares held in physical form or dematerialised form respectively.

(v) In case of shares held by non-individuals, the duly completed PBF should be accompanied by a certified true copy of the Board Resolution/letter of authority together with attested specimen signature of the duly authorized signatory(ies). PBF signed by the holder of power of attorney for and on behalf of a member of the Company must be accompanied by the attested true copy of Power of Attorney. If the same is already registered with the Company or the Registrar, please quote the Registration No. beneath the signature.

(vi) There will be only one PBF for every Folio/DP ID & Client ID irrespective of the number of joint member(s). The photocopy of the PBF will not be considered valid.

(vii) Few grounds on which votes will be considered invalid. Mismatch of signature of the member on PBF with the signature available with the Company/RTA/Depository(ies) as the case may be, voting total number of votes/shares of the member both in favour and also against the resolutions, unsigned PBF, incomplete or improperly filled PBF, PBF received in torn out, defaced, unreadable, illegible form or condition and PBF received after the cut off time mentioned above.

(viii) The Scrutinizer's decision on the validity of the PBF will be final.

11. The Scrutiniser after his scrutiny will submit his report to the Chairman or Managing Director of the Company and the results of the voting along with the report of the Scrutiniser shall be declared by displaying it on the website of the Company on or after December 20, 2017.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 AND 110 OF THE COMPANIES ACT 2013.

Company issues debt securities periodically as and when required. The Company is required to obtain an International Securities Identification Number ("ISIN") for each listed debt security(ies). Regulation 20A of Securities and Exchange Board of India ("SEBI") Issue and Listing of Debt Securities Regulations 2008("ILDS") mentions consolidation and re-issue of debt securities by the issuer. SEBI by way of amendment to SEBI ILDS vide notification no- SEBI/LAD-NRO/GN/2017-18/009 dated June 13, 2017 made it compulsory for issuers to comply with conditions as specified by SEBI for private placement of debt securities by inserting Regulation 20B to SEBI ILDS. Further, SEBI by circular number CIR/IMD/DF-1/67/2017 dated June 30, 2017 ("SEBI Circular") laid down the conditions to be complied with by the issuer for private placement of debt securities. In the said SEBI Circular, obtaining of maximum number of ISIN maturing in a financial year was restricted to 17. The reason for such restriction mentioned in SEBI Circular is increase of liquidity. The issuers coming out with frequent debt issues with the same tenor during a quarter could be clubbed under an umbrella ISIN. Such restrictions shall be applicable for debt securities issued in Financial Year (FY) 2017-18 after June 30, 2017 and will not apply to the ISINs maturing in respect of the debt securities prior to FY 2017-18. The debt securities issued after FY 2017-18 shall be consolidated under the ISIN maturing in the same FY. Regulation 20A(a) of SEBI ILDS (Amendment) Regulations, 2017 dated June 13, 2017 requires the issuer to alter the Articles of Association ("AOA") to have a provision whether express or implied not contrary to consolidation and re-issuance of debt securities. The Company need to comply with the regulations of SEBI.

The AOA of the Company do not contain any provision which is contrary to consolidation and re-issuance of debt securities. Further SEBI Circular requires every Company to alter its AOA to contain provisions of Regulation 20A(a) of SEBI ILDS (Amendment) Regulations, 2017 dated June 13, 2017. Clause 2.4 of the SEBI Circular provides for six months time to alter the Articles. Clause 3.1.4 of the SEBI Circular requires the Company to submit a confirmation certificate to the stock exchanges within a period of 30 working days from the end of six months from the date of circular (June 30, 2017) that the AOA are altered.

Therefore, it is proposed to insert a new Article on 'Consolidation and re-issuance of debt Securities - Article 8.10' after Article 8.9 to the Existing AOA of the Company under the heading "Dematerialisation/ Rematerialisation of Securities – Article 8" to comply with the regulations of SEBI in this regard. It is voluntarily proposed. The Company's AOA ("Existing AOA") was last amended/altered in the AGM held on July 28, 2016. The amendment to the AOA made on July 28, 2016 contained amendments to conform to regulations of SEBI and Companies Act, 2013 then.

Pursuant to and in terms of the provisions of Section 14 of the Companies Act, 2013, any alteration in the AOA requires shareholder's approval, by way of a special resolution. The AOA after incorporating the New Article are available to all the members of the Company for inspection at the Registered Office of the Company on any working day from 10 a. m. to 4 p. m. The Board of Directors of the Company at it's meeting held on November 2, 2017 recommended to the members of the Company the proposal of the above said amendment to AOA. The Board of Directors in the said meeting decided for this resolution by way of Postal ballot / e-voting.None of the Directors, Key Managerial Personnel of the Company and their relatives thereof are interested or concerned financial or otherwise in the resolution set out in this Notice except to the extent of their holding in Securities of the Company.

By Order of the Board
For Shriram City Union Finance Limited

Place : Chennai
Date : November 2, 2017

C R Dash
Company Secretary