SHRIRAM CITY UNION FINANCE LIMITED
CIN : L65191TN1986PLC012840
Regd. office: 123, Angappa Naicken Street,
Chennai 600 001, Tamil Nadu. Telephone No + 91 44 2534 1431
Secretarial Office :144, Santhome High Road, Mylapore, Chennai-600 004,
Telephone No +91 44 43925300
Website : www.shriramcity.in ; Email : sect@shriramcity.in

SHRIRAM City
MONEY WHEN YOU NEED IT MOST

NOTICE TO MEMBERS PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013

Dear Member (s),

Notice is hereby given pursuant to section 110 of the Companies Act, 2013 **('**the Act'**)** read with Rule 22 of Companies (Management and Administration) Rules 2014 (including any statutory enactments thereof for the time being in force), Clause 35B of the Equity Listing Agreements 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.

Creation of Security in respect of borrowings :

To consider and, if thought fit, to pass the following resolution as SPECIAL RESOLUTION through Postal Ballot.

"RESOLVED THAT in supersession of the resolution passed by way of postal ballot July 28, 2014, consent of the Company be and is hereby accorded in terms of Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013 and any other applicable laws to the Board of Directors of the Company (hereinafter called "Board", which term shall be deemed to include any Committee, 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) to mortgage, pledge, hypothecate, lien, create charge, charge of any nature or otherwise of the Company's receivables, assets and properties in such form and manner and on such terms and at such time(s) as the Board, may deem fit on the movable and /or immovable properties/ assets of the Company, wherever situate, present and future, whether presently belonging to the Company or not (hereinafter referred together as "PROPERTY"), in favour of any person including but not limited to financial/investment institution(s), bank(s), insurance Company(ies), corporate body(ies), trust(s), trustee(s), mutual fund(s),any other fund(s), security holder(s), any lender(s) to the Company (hereinafter referred together as "LENDER") to secure any loan(s), security(ies), debenture(s), deposit(s), any other borrowing(s) or otherwise for finance, loan, credit facilities and financial assistance upto a sum not exceeding ₹ 35,000 Crores (Rupees Thirty Five Thousand Crores) and to finalise the form, extent and manner of, and the documents and deeds, whichever applicable, for creating the appropriate charges on such PROPERTY(IES) of the Company on such terms and conditions as may be decided by the Board in consultation with the LENDER(S) and to sell/assign/securitize such PROPERTIES including receivables of Hypothecation/Hire Purchase/Lease/Loan agreements/contracts due or receivable from the hirer(s)/Lessee(s)/Loanee(s) /borrower(s)/Customer(s) of the Company from time to time provided that the aggregate amounts of such receivables for such transactions of sale/assignment/securitization shall not exceed ₹ 10,000 crores (Rupees Ten thousand Crores) and to finalise the form, extent and manner of, and to sign all such documents, deeds and writings for giving effect to the above Resolution."

By Order of the Board
For SHRIRAM CITY UNION FINANCE LIMITED

Place: Chennai
Date :April 28, 2015

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 on postal ballot and e-voting described in this Notice and on the Postal Ballot Form **("PBF")** 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 June 19, 2015 by modes as prescribed under Companies (Management and Administration) Rules, 2014. The Notice of the Meeting is also posted on the website of the Company, which can be accessed with the web link http://www.shriramcity.in/PDF/Inv_AnnualReport/POSTAL BALLOT-NOTICE-2015.pdf.

4) Members are requested to notify change in address and email id if any, in case of shares held in Electronic form to the concerned Depository Participant quoting their ID No and in case of physical shares to the Registrar and Transfer Agent of the Company, Integrated Enterprises (India) Limited,2nd Floor, Kences Towers, No 1, Ramakrishna Street, Off North Usman Road,T Nagar, Chennai-600 017, email ID: scuf@integratedindia.in ("RTA") quoting their folio numbers.

5) The proposed special resolution together with the statement setting out the material facts, the reasons for the resolution and a PBF are being sent to you for your consideration and voting. Members are requested to send the PBF duly completed in all respects and signed in the attached self addressed postage pre-paid business reply envelope so as to reach the scrutiniser before 5.00 p.m. on Monday, July 27, 2015. Envelopes containing 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 Monday, July 27, 2015 will not be valid and the voting shall be treated as invalid.

6) 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.

7) 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 by means of postal ballot including voting by electronic means and passing of the resolutions shall be deemed to have been duly passed at the general meeting of the Company convened in that behalf.

8) 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 there under in a fair and transparent manner.

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

10) The company is pleased to offer its 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 entered into an agreement with the Central Depository Services (India) Limited for facilitating e-voting to enable the members to cast their votes electronically. If a member has opted for e-voting then he/she should not cast his/her vote through physical **PBF** and vice-a- versa. In case, a Member

cast 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 accessed with the web link - http://www.shriramcity.in/PDF/Inv_AnnualReport/POSTAL BALLOT-NOTICE-2015.pdf.

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

The e-voting period shall commence from Saturday, June 27, 2015 at 10.00 am and shall close on Monday, July 27, 2015 at 5 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form may cast their vote electronically. The e-voting module will be disabled for voting thereafter and the Members will not be able to cast their vote electronically beyond the date and time mentioned above (July 27, 2015 at 5 p.m)

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

(ii) Click on "Shareholders" tab.

(iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"

(iv) 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.

(v) 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, please follow the steps given below.

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

* 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.

Please enter the DOB or Bank Details in order to login. In case 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 (iv)

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

(vii) Members holding shares in physical form will then reach directly 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.

(viii) For Members 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.

(xii) 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.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xv) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) Note for Non-Individual Shareholders & Custodians:

- Non-Individual Shareholders/Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and custodians are required to log on to https://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 depository account(s)/folio numbers on which they wish to vote .
- The list of accounts 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.

(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.

(xviii) The Scrutiniser, after his scrutiny will submit his report to the Chairman or Managing Director of the Company and the results of voting along with the report of the Scrutiniser shall be declared by displaying it on the web site of the Company on or before August 2, 2015.

EXPLANATORY STATEMENT

Section 180 (1) (a) of the Companies Act, 2013 provides that the Board / Committee of directors of a Public Company shall not, except with the consent of the Company in the General Meeting sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings. "Undertaking" shall mean an undertaking in which the investment of the Company exceeds twenty per cent of its net worth as per the audited balance sheet of the preceeding financial year or an undertaking which generates twenty per cent of the total Income of the Company during the previous financial year. The expression "substantially the whole undertaking" in any financial year shall mean twenty per cent or more of the value of the undertaking as per the audited Balance Sheet of the preceeding financial year. The strategy of the Company is to grow business and growth in business requires funds/finance. In order to increase funds/finance, the Company would resort to borrowings from time to time for the purpose of its business by way of different types of loans, Debentures, Bonds, Securities, Deposits, financial assistance from various financial/investment institution(s), bank(s), insurance Company(ies), Corporate Body(ies), Mutual Fund(s), funds, Trustee(s), Trusts and other persons / investors apart from working Capital facilities from Banks in the ordinary course of business. The proposed amount of borrowings may be ₹ 30,000 Crores.

Further, the Company would also raise funds by securitizing/assigning the receivables/assets of the Company. Securitisation is the process by which financial assets such as loan receivables, mortgage backed receivables, hire-purchase debtors, lease receivables are transformed into securities. Therefore, Securitisation would amount to selling down the assets/receivables of the Company for consideration. Assignment would require the assignment of receivables to the Assignee for a consideration. Section 180 (1) (a) of the Companies Act, 2013 requires that the Board of Directors shall exercise the power to sell the assets of the Company with the consent of the Company by a special resolution. In view of increased business of the Company which requires more funds, the Company may also raise funds through securitisation/assignment. The proposed amount of securitisation/assignment may be ₹ 10,000 Crores.

The proposed borrowings, if necessary, be secured. In case of securitization/assignments,it would require sale down or assign the assets/receivables of the Company. This would require securities to be given to the lenders, holders of securities, Trustees, Trusts on the assets, properties of the Company by creating mortgage, pledge, hypothecation, lien, charge of any nature or otherwise of the Company's assets and properties of the Company or by sale down of receivables/assets of the Company as the case may be. This in turn necessitates the enhanced creation of security by suitable modes of charges on all or some of the movable and/or immovable properties of the Company, both present and future in favour of the lenders/ trustees or sale down/assignment of the receivables/assets of the Company as the case may be. The documents to be executed between the Company and the lenders/security holders/trustees may contain a provision to take over the substantial assets of the Company in certain events.

The proposed resolution set out in this Notice seeks to authorise the Board/Committee of directors to mortgage and/or charge the assets and/or properties of the Company to secure loans, debentures, securities, bonds, financial assistance, credit facilities obtained/to be obtained, from lenders, security holders upto ₹ 35,000 Crores (previous limit ₹ 30,000 Crores) and to sale down /assign from time to time the receivables/assets of the Company for the purpose of securitisation/assignment not exceeding ₹ 10,000 Crores.

The Board recommends the passing of the resolution set out in this Notice as a Special Resolution by the share holders of the Company.

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 **C R DASH**
Date : April 28, 2015 **Company Secretary**

SHRIRAM CITY UNION FINANCE LIMITED

CIN : L65191TN1986PLC012840
Regd. office: 123, Angappa Naicken Street, Chennai 600 001,Tamil Nadu.
Ph. No +91 44 2534 1431 Website: www.shriramcity.in; Email: sect@shriramcity.in

POSTAL BALLOT FORM

1. Name(s) of Member(s) (in block letters) (including joint holder, if any) :

2. Registered Address of the Sole / First Named member. :

3. Folio No. / DP ID No.* / Client ID No. (*Applicable to investors holding shares in dematerialized form) :

4. Number of Shares held :

I/We hereby exercise my/our vote in respect of the Special Resolution to be passed through postal ballot for the business as stated in the Notice of the Company dated April 28, 2015 by conveying my/our assent or dissent to the said Resolution by mentioning the number of votes in the columns specified in the table below against the item:

Sl. No.	Description	Type of Resolution	No. of Shares	I / We assent to the Resolution(s) (FOR)	I / We dissent to the Resolution(s) (AGAINST)
1.	Approval for Creation of Security on the assets/ receivables under Section 180 (1) (a) and Securitisation of the assets of the Company under Section 180 (1) (a) of the Companies Act, 2013 .	Special Resolution			

Place :

Date :

Signature of the Member

ELECTRONIC VOTING PARTICULARS

EVSN (Electronic Voting Sequence Number)	USER ID	SEQUENCE NO.

Note : Please read the instructions on the overleaf and in the Notice fully before exercising your vote.

Instructions for filling up Postal Ballot Form

1. 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 the form invalid.

2. 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.

3. Put the duly completed and signed PBF in the attached self-addressed postage prepaid Business Reply envelope and send it to the scrutinizer so as to reach him/her before 5 pm on Monday, July 27, 2015. Any PBF received from any Members beyond 5 pm on Monday, July 27, 2015 will not be valid and the voting shall be treated as invalid. Postage will be borne and paid by the Company. Envelopes containing PBF, if deposited in person or sent by courier at the expense of the member(s) will also be accepted.

4. The self-addressed Business Reply Envelope bears the name of the Scrutinizer appointed by the Company and the address to which the PBF has to be sent by the Member .

5. 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.

6. The signature of the Member on this PBF should match with the specimen signature registered with the Company/RTA (M/s.Integrated Enterprises (India) Limited) or furnished by the Depositories (NSDL/CDSL) in respect of shares held in physical form or dematerialised form respectively.

7. In case of shares held by any person other than individuals, the duly completed PBF should be accompanied by a certified true copy of the Board Resolution/Authority together with attested specimen signature of the duly authorized signatory(ies).

8. 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.

9. No other papers should accompany the PBF in the self-addressed postage prepaid Business reply envelopes as all such envelope will reach the Scrutiniser directly and if any extraneous paper is found in such envelope, the same would not be considered and would be destroyed by the Scrutiniser.

10. The right of voting by Postal Ballot shall be exercised only by the member(s) of the Company.

11. 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.

12. Voting rights of the Members shall be in proportion to the equity shares held by them of the paid equity share capital of the Company as on the specified date being June 19, 2015.

13. Few grounds on which votes will be considered invalid:

    (I) Mismatch of signature of the member on the PBF with the signature available with the Company/RTA/ Depository(ies) as the case may be,

    (ii) Voting total number of votes/shares of the member both in favour and also against the resolutions,

    (iii) Unsigned PBF,

    (iv) Incomplete or improperly filled PBF,

    (v) PBF received in torn out, defaced, unreadable, illegible form or condition,

    (vi) PBF received after the cut off time mentioned above.

14. The Scrutinizer's decision on the validity of the Postal Ballot will be final.