Ref: D: STEC

May 11, 2020

The Secretary,
BSE Ltd
P J Towers,
Dalal St,
Mumbai 400 001

The Manager
National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor
Plot No.C/1, G Block
Bandra- Kurla Complex Bandra (E)
Mumbai 400 051

Sir,

Ref: Scrip Code: BSE – 532498 and NSE – SHRIRAMCIT

Further to our letter dated May 4, 2020, please find enclosed Notice dated May 4, 2020 together with the explanatory statement for seeking approval from the Members for "Creation of Security on the Asset(s)/Receivables in respect of borrowings by the Board and Issue of Debentures on Private Placement basis by the Board", as required under Regulation 30 read with Schedule III (Part A) (12) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015. The Notice is being sent to members whose names appear in the Register of Members /Depositories as on the cut off date being Friday May 8, 2020.

We request you to kindly take the above information on records.

Thanking you,

Yours faithfully,
For Shriram City Union Finance Limited,

11/5/2020

SHRIRAM CITY UNION FINANCE LTD. SANTHOME CHENNAI-4

C R Dash
Company Secretary

Encl:a.a

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-600004,
Telephone No +91 44 43925300
Website: www.shriramcity.in ; Email: sect@shriramcity.in

NOTICE

To the Members of Shriram City Union Finance Limited

Dear Member (s),

Notice is hereby given to the members of Shriram City Union Finance Limited, Corporate Identification Number ("CIN") - L65191TN1986PLC012840 ("Company") pursuant to section 110 read with Rule 20 and 22 of Companies (Management and Administration) Rules 2014 (including any statutory enactments thereof for the time being in force) of the Companies Act 2013 (**'**the Act'**),** General Circular 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively of the Ministry of Corporate Affairs ("MCA") , 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 businesses are proposed to be conducted as Special Resolution(s) by way of remote electronic voting ("e-voting"). The proposed special resolutions with the explanatory statement mentioning the material facts and reasons for the passing of the special resolutions are sent to you for your consideration.

Item No - 1. Creation of Security on the Asset(s) /Receivables in respect of the borrowings by the Board

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

"RESOLVED THAT in supersession of the resolution passed by way of postal ballot July 29, 2019, 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

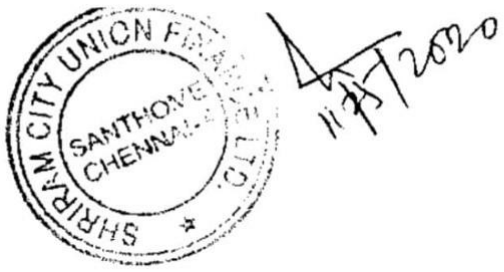
SHRIRAM CITY UNION FINANCE LTD. SANTHOME CHENNAI-4

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/modify/perfect charge, charge of any nature or otherwise on 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 , including the whole and substantially the whole of the undertaking 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 in India and for the purpose of external commercial borrowings outside India, loan/lease/hire purchase management services (hereinafter referred together as ("LENDER(s)") to secure any loan(s), security(ies), debenture(s), deposit(s), any borrowing(s) or otherwise for finance, loan, credit facilities and financial assistance upto a sum not exceeding ₹ 50,000 crores (Rupees Fifty thousand crores) any point of time and to finalise the form, extent and manner of the documents and deeds , whichever applicable, as may be necessary in the opinion of the Board to create/modify/perfect 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)/Trustees AND the Board is authorised to sell/ assign/ securitise such PROPERTY(IES) 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 in favour of LENDERS/Trust/Special Purpose Vehicle provided that the aggregate amounts of such receivables for such transactions of sale/assignment/ securitisation shall not exceed ₹ 10,000 crores (Rupees Ten thousand Crores) outstanding at any point of time 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."

Item no - 2 : Issue of Debentures on Private Placement basis by the Board

To consider and if thought fit, to pass, with or without modification(s), the following resolution as SPECIAL RESOLUTION.

"**RESOLVED THAT** pursuant to Section 42, 71 and any other applicable provisions of the Companies Act, 2013, as amended from time to time ("Act") read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended ("Rule"), and in accordance with the provisions of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended ("Debt Regulations") Securities and Exchange Board



of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("LODR"), and the regulation, circulars and clarifications issued by Reserve Bank of India as applicable to the Non-Banking Financial Companies ("NBFC") from time to time and such other applicable laws and regulations and Memorandum and Articles of Association of the Company, the approval of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called "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), to offer, invite, issue, allot secured or unsecured on a private placement basis, in one or more tranches Redeemable Non-Convertible Debentures ("NCDs"), Subordinated Debts, Bonds and other similar Debt Securities/instruments not exceeding ₹ 10,000 crores (Rupees Ten thousand crores) within overall borrowing limit of the Company during the period commencing from the conclusion of 34th Annual General Meeting ("AGM") until the conclusion of the 35th AGM of the Company to the Individuals, Persons, Banks, Institutional Investors, Foreign Institutional Investors ("FIIs"), Foreign Portfolio Investors ("FPIs") Qualified Institutional Buyers ("QIBs"), Financial Institutions ("FIs"), Statutory Corporations, Statutory Bodies, Trusts, Provident Funds, Pension Funds, Superannuation Funds, Gratuity Funds, Alternate Investment Funds, Insurance Companies, Companies, Societies, Educational Institutions, Association of Persons, Body of Individuals, Scientific and Research Organisations/Associations, Partnerships, Firms, Limited Liability Partnerships, Resident Individuals, Non Resident Individuals ("NRIs"), High Net worth Individuals ("HNIs"), Hindu Undivided Families ("HUFs"), Shareholders, Members, Director(s)/Key Managerial Personnel(s) ("KMP"), Relation(s) of Director(s)/KMP(s), Related Party(ies) any person/institution and such other entities/ persons eligible to apply/subscribe the securities on such terms and conditions as may be decided by the Board, from time to time, determine and consider proper and most beneficial to the Company including and without limitation the time of issue, consideration for the issue, mode of payment, rate of interest, tenure and security cover thereof, utilisation of the proceeds and any other matter of the issue **and** the Board for the purpose of giving effect to this resolution, be and is hereby authorized to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as it may in its sole and absolute discretion deem necessary in relation thereto and the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any director(s) and/or officer(s) of the Company and/or any Committee to give effect to the resolution."

By Order of the Board
For Shriram City Union Finance Limited

C R Dash
Company Secretary

SHRIRAM CITY UNION FINANCE LTD. SANTHOME CHENNAI-4

Place : Chennai
Date : May 4, 2020

EXPLANATORY STATEMENT

Item No - 1: The Company needs funds from time to time for the purpose of lending. For secured borrowings, the Company creates security by way of mortgage/charge/hypothecation of movable/ immovable properties of the Company, both present and future, in favour of the LENDERS in such form, manner and ranking as may be required by the LENDERS including modification/perfection thereof from time to time. This may involve sale, lease or disposal of whole or substantially whole of the Company's undertaking. Section 180 (1) (a) of the Companies Act, 2013 provides that the Board 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 preceding 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 preceding financial year.

Few of the sources of finance for the Company are borrowing, securitisation and assignment. In order to increase funds/finance, the Company would borrow/raise funds from time to time for the purpose of its business by way of different types of loans, Debentures (private placement and public issue), Bonds, Securities, Deposits, financial assistance from various LENDERS apart from working capital facilities from Banks in the ordinary course of business aggregating upto a maximum of ₹ 40,000 crores.The members by way of resolution passed through postal ballot on July 29, 2019 authorised the Board to borrow upto a maximum of ₹ 40,000 crores and it is proposed to keep total borrowings of the Company unchanged at ₹ 40,000 crores. The LENDERS would require securities for such borrowings by the Company. The securities to be offered may be upto be 1.25 times of the amount borrowed. The security required to be created for ₹ 40,000 crores borrowings in favour of the LENDERS on PROPERTY (IES) of the Company shall be on assets/receivables of the Company amounting to ₹ 50,000 crores. The security may be created by registration of charge with Registrar of Companies or any other authority/Government by way of agreement. The terms and conditions of each such loan and the charge to be created may vary from one another. The amounts will be borrowed and charges shall be created during the course of the business at different point of time. So, the Board is required to be authorised to create charge on PROPERTY (IES) of the Company to the extent of ₹ 50,000 crores for the said loans on the terms and conditions and time of creation of such charge as may be decided suitable by the Board. The borrowings and creation or registration of charge would require different documents to be executed with such LENDER(S) by the Company. The documents to be executed for the purpose may contain a provision to take over the substantial assets of the Company in certain events.

SHRIRAM CITY UNION FINANCE LTD. SANTHOME CHENNAI-4

The Company may 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 and sold to Institution/Bank/Trust/Special Purpose Vehicle for a consideration. Securitisation may amount to selling down the assets/receivables of the Company for consideration. Assignment would require the assignment of receivables to the Assignee/Trust/Special Purpose Vehicle for a consideration. Securitisation and Assignment are governed by regulations of Reserve Bank of India. Section 180 (1) (a) of the Companies Act, 2013 requires that the Board of Director shall exercise the power to sell the assets of the Company with the consent of the Company by a special resolution. It is proposed to increase the limits of securitization/ assignment from existing ₹ 7,500 crores to ₹10,000 crores. The increase in limit for securitisation/assignment is proposed based on the expected market environment and to have more flexibility in fund raising mix of the Company. It is expected that demand for the securitisation / assignments transaction(s) by banks/institutions may increase by way of specific schemes approved by the regulatory authorities including the Ministry of Finance, i.e Partial Credit Guarantee etc., The proposed amount of securitisation/assignment may be ₹ 10,000 crores (Rupees Ten thousand crores) outstanding at any point of time. In case of securitisation/assignments, it may require sale down or assign the assets/receivables of the Company. This would require execution of several agreements with Assignees or the Institutions/Banks/Trust/Special Purpose Vehicle. for the securitization/assignment of the PROPERTY(IES) so securitized/assigned. This may require registration of charge/ownership by suitable modes on all or some of the movable and/or immovable PROPERTY (IES) of the Company, both present and future in favour of Assignees or the Institutions/Banks/Trust/Special Purpose Vehicle as the case may be. The documents to be executed between the Company and such Assignees or the Institutions/Banks/Trust/Special Purpose Vehicle 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 to create/modify/perfect charge the PROPERTY(IES)/ASSETS including receivables of the Company to secure loans, debentures, securities, deposits, bonds, financial assistance, credit facilities obtained/to be obtained from LENDERS, security holders, Trust/Special Purpose Vehicle upto ₹ 50,000 crores at any point of time and to securitise/sale down /assign from time to time the PROPERTY(IES)/ASSETS of the Company for the purpose of securitisation/assignment not exceeding ₹ 10,000 crores at any point of time. The Board may authorize any of its Committee to exercise the above said powers. The Board recommends the passing of the resolution set out in this Notice as a Special Resolution by the shareholders 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.

SHRIRAM CITY UNION FINANCE LTD. SANTHOME CHENNAI-4

11/3/2020

Item No - 2: For the purpose of enhancing lending, to grow the asset book, for refinancing existing debt and for other general purposes, the Company would be required to raise fresh funds and raising funds through private placement of different securities is one of the source. It is proposed to raise funds by issue of securities namely, secured redeemable Non-Convertible Debentures (NCDs), Subordinated Debts, Commercial Papers, Bonds or any other Debt Securities on private placement basis. Pursuant to section 42, 71 and any other applicable provisions of the Act as amended read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, a company shall not make a private placement of its securities unless the proposed offer of securities or invitation to subscribe securities has been previously approved by the shareholders of the company by a special resolution for each of the offers or invitations. In case of offer or invitation for non-convertible debentures, it shall be sufficient if the Company passes a special resolution only once in a year for all the offers or invitation for such NCDs during the year. The NCDs/securities are proposed to be issued at face value as may be permissible under the Act, SEBI Regulations and RBI regulations and acceptable to the subscribers of the security. None of the Directors, Key Managerial Personnel of the Company and their relatives thereof are interested or concerned financial or otherwise in the proposed resolution except to the extent of their holdings in securities of the Company, if any. The Board of Directors recommend passing of the Resolution set out in item no - 2 of the Notice as a Special Resolution.

By Order of the Board
For Shriram City Union Finance Limited

C R Dash
Company Secretary

4/5/2020

SHRIRAM CITY UNION FINANCE LTD. SANTHOME CHENNAI-4

Place : Chennai
Date : May 4, 2020

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 remote e-voting described in this Notice.

3. The MCA by way of its General Circular 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively has provided certain relaxation/exemption in view of pandemic COVID19 and lock down for facilitating the passing of resolutions (ordinary / special) by companies. Accordingly, this Notice is sent to the members by email whose email

addresses are available with National Securities Depository Limited ('NSDL') / Central Depository Services (India) Limited ('CDSL') [Depositories] / Registrar and Transfer Agents (RTA) prescribed under Companies (Management and Administration) Rules, 2014 and Ministry of Corporate Affairs General Circular 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively as amended from time to time on specified date for the purpose being May 8, 2020 (Cut Off Date).

4. For Members whose e-mail addresses are not registered but mobile numbers are registered with RTA / Depositories, the weblink for downloading the Notice is being sent through SMS.

5. Members who have not registered their email address and in consequence could not receive the Notice may temporarily get their email address registered with the RTA, by clicking the link: https://www.integratedindia.in/dr_scuf.aspx and following the registration process as guided thereafter. Post successful registration of the email address, the Member will receive soft copy of the Notice and the procedure for remote e-voting along with the User ID and the Password to enable remote e-voting for this Notice. In case of any queries, Member may write to csdstd@integratedindia.in.

6. The Company will issue necessary advertisements in the newspaper/ e-newspaper having all India circulation and the newspaper circulating in the District where registered office of the Company is situated for the information of Members whose e-mail addresses/Mobile numbers are not available in the records of RTA and Depositories.

7. The Communication of the assent / dissent to the Special Resolutions proposed in the Notice would take place only through remote e-voting.

8. Notice is also posted on the website of the Company, which can be accessed at the web link :– https://nseprimeir.com/NOTICE_2020.pdf

9. 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 resolutions 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 e-voting.

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



11. 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 e-voting.

12. The Company is pleased to offer its e-voting facility through CDSL. The voting done through e-voting by the members shall considered as valid and the resolutions mentioned in the Notice shall be passed by remote e-voting only.

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

The remote e-voting period shall commence from Tuesday, May 12, 2020 at 10.00 a m and shall close on Wednesday, June 10, 2020 at 5.00 p m. During this period of remote e-voting, the Members of the Company, holding shares either in physical form or in dematerialized form may cast their vote electronically. The remote 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 (Wednesday, June 10, 2020 at 5.00 pm.). The results of remote e-voting shall be declared on Friday, June 12, 2020 at the registered office, if normalcy prevailed. If lock down continues, then the results of remote e-voting shall be displayed on the web site of the Company and shall be furnished to NSE & BSE on Friday, June 12, 2020.

In order to e-vote, you need to Log in and then vote. The followings state the login process.

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

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

(iii) Enter following user ID and the Capcha

NSDL Demat account holder (8 character DP ID followed by 8 digit client ID), CDSL Demat account holder (16 digit beneficiary ID), shares held in physical form (EVSN followed by registered folio number with the Company)

(iv) Enter Password (existing password if already registered for e-voting, PAN and Bank Account Number or Date of Birth if e-voting for first time with password of your choice in the new password field).

SHRIRAM CITY UNION FINANCE LTD. SANTHOME CHENNAI-4

11/5/2020

For PAN, please enter your 10 digit alpha-numeric PAN issued by Income Tax / Reference Number provided in the communication sent to shareholders.

Kindly note that the Members who have not updated their PAN with the Company/ Depositories are requested to use the Reference Number which has been generated by using first two letters of their name followed by a 8 digit number.

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

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

(vi) Click on the number below EVSN for **Shriram City Union Finance Limited**.

(vii) Resolution Description, Choice etc. will be displayed. Against each resolution both the choices "YES/NO" would be there 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.

(viii) Click on the "Resolutions File Link" for resolution details, if you desire.

(ix) 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 click on "CANCEL" and modify your vote.

(x) After "CONFIRM" the vote on the resolution will not be allowed to modify.

(xi) "Click here to print" option will print voting done.

(xii) Votes can also be casted by using mobile app of CDSL by downloading mobile app from Google Play Store. Windows and Apple smart phones by following instructions as prompted therein.



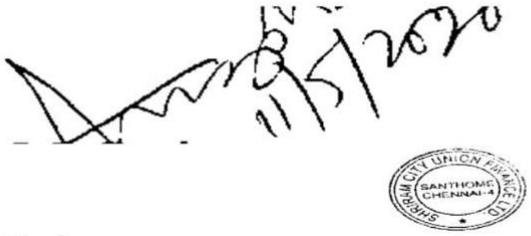
(xiii) Institutional Members (i.e. other than individuals, HUF, NRI etc.) who wish to cast their votes through remote e-voting should send a scanned copy of the Registration form bearing the stamp and signature of the authorized person of the entity, the list of accounts and scanned copy (PDF format)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

(xiv) In case of any queries the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section can be referred to or by writing email to helpdesk.evoting@cdslindia.com.

(xv) The Scrutiniser would be able to view the names and number of shareholders who casted the vote by way of e-voting on June 10, 2020 after 5 p.m. and would unblock in the presence of at least two witnesses (not being in employment of the Company) the voting pattern on June 11, 2020 and report on the results of voting.

14. The Scrutiniser after his scrutiny will submit his report to the Chairperson or Managing Director of the Company and the results of the voting along with the report of the Scrutiniser would be declared by displaying it on the website of the Company on or before June 12, 2020.

By Order of the Board
For Shriram City Union Finance Limited



Place : Chennai
Date : May 4, 2020

C R Dash
Company Secretary