



SUNDARAM FINANCE

Enduring values. New age thinking.

SEC:0339:10/PAL

October 8, 2010

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

Dear Sir,

Sub: Compliance under Clause 31 (c) of the Listing Agreement

Pursuant to the above clause, we enclose three copies of the abstract of terms of appointment of Sri Harsha Viji, Director (Strategy & Planning) under Section 302 of the Companies Act, 1956, sent to our shareholders.

Thanking you,

Yours truly,
for Sundaram Finance Ltd

P. Viswanathan
Deputy Secretary & Compliance Officer
Encl:

CC: National Stock Exchange of India Limited
2nd Floor, Ispahani Centre
Door No.123-124
Nungambakkam High Road
Nungambakkam
Chennai 600 034

Sundaram Finance Limited



TO
THE MEMBERS OF THE COMPANY

**ABSTRACT OF THE TERMS OF APPOINTMENT
UNDER SECTION 302 OF THE COMPANIES ACT, 1956**

At their meeting held on 24th September 2010, the Board of Directors appointed Sri Harsha Viji as Director (Strategy & Planning) for a period of five years with effect from 24th September 2010 on the following terms:

SALARY	Rs.1,75,000/- per month in the scale of Rs.1,75,000 to Rs.3,00,000. Annual increase will be effective 1 st April every year and the quantum will be decided by the Board of Directors.
SPECIAL ALLOWANCE	100% of basic salary per month.
COMMISSION	Subject to a ceiling of 1% on the net profits of the Company the quantum whereof to be determined by the Board of Directors.
PERQUISITES	As set out below, the annual value of which will be limited to a ceiling of 150% of annual salary.

Necessary resolution will be placed for your approval at the next General Meeting as required under the Companies Act, 1956.

MEMORANDUM OF INTEREST

Sri S. Viji, Chairman and Sri Harsha Viji, Director (Strategy & Planning) are interested in the above appointment.

CHENNAI
30th September 2010

By Order of the Board
S VENKATESAN
CFO & Secretary

DETAILS OF PERQUISITES

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 managerial person;
 - ii) a) the expenditure incurred by the Company on gas, electricity and water will be evaluated as per Income-tax Rules, 1962.
b) perquisites in the form of furniture, furnishings and other utilities in accordance with the rules of the Company, the value of which will be evaluated as per Income-tax Rules, 1962;
 - iii) wherever the Company does not provide accommodation, House Rent Allowance may be paid in accordance with (i) above;
 - iv) where accommodation in a Company-owned house is provided, the Company will charge 10% of his salary by way of rent.
2. 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, dependant children and dependant parents of the appointee.
3. Personal Accident Insurance as per the rules of the Company.
4. Leave Travel Assistance for self and family once in a year in accordance with the rules of the Company.
5. Payment of company's contributions to Provident Fund/Pension Fund/Superannuation Fund/Gratuity Fund and encashment of leave (at the end of the tenure) shall not be included in the computation of remuneration or ceiling on the perquisites.
6. Fees for clubs, subject to a maximum of two clubs excluding admission and life membership fee.
7. Sitting fee for attending the meeting of Board of Directors and Committee thereof as applicable to other Directors.
8. Provision of chauffeur driven company car(s).
9. Provision of telephone(s) at the residence of the Director.
10. Such other allowances, perquisites, benefits and amenities as may be provided by the company to other senior executives from time to time.
11. Benefits under the loan and other schemes in accordance with the practices, rules and regulations in force in the Company from time to time, subject to the provisions of the Companies Act, 1956.

For the purpose of calculating the ceiling, perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in the absence of any such rule, the same shall be evaluated at actual cost.

The above said remuneration and perquisites shall be subject to the ceiling laid down in Sections 198, 309 and all other applicable provisions of the Companies Act, 1956 as may be amended from time to time.

Sundaram Finance Limited