

NOTICE OF THE TWENTY FIFTH ANNUAL GENERAL MEETING OF THE MEMBERS

Notice is hereby given that the Twenty Fifth Annual General Meeting (AGM) of the Members of Shriram City Union Finance Limited (the Company) will be held on Thursday, the 28th July, 2011 at 11.00 A M at Narada Gana Sabha ('Mini Hall'), No.314, T T K Road, Alwarpet, Chennai 600 018 to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2011 and the Profit and Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. a) To record the interim dividend paid on Equity Shares of the Company for the financial year ended 31st March, 2011
b) To declare final dividend on Equity Shares of the Company for the financial year ended 31st March, 2011
3. To appoint a Director in the place of Sri Arun Duggal who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in the place of Sri Mukund Govind Diwan who retires by rotation and being eligible, offers himself for re-appointment
5. To appoint M/s Pijush Gupta & Co., Chartered Accountants, Kolkata, (Firm Registration Number.309015E) as Auditors of the Company to hold such office from the conclusion of this meeting till the conclusion of the next Annual General meeting on such remuneration as may be mutually agreed by the Board of Directors of the Company and the said Auditors and the remuneration may be paid on a progressive basis to be agreed between the said Auditors and the Board of Directors.

SPECIAL BUSINESS :

6. To consider and if thought fit to pass with or without modifications, the following resolution as an ORDINARY RESOLUTION.

RESOLVED THAT Smt Lakshmi Pranesh, who was appointed as an Additional Director of the Company with effect from 1st December, 2010 by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 and who holds office only upto the date of the ensuing Annual General Meeting of the Company and in respect of whom the Company has received notice in writing from a member under Section 257 of the Companies Act, 1956 proposing the candidature of Smt Lakshmi Pranesh for the office of Director be and is hereby appointed as a Director of the Company liable to retire by rotation.

7. To consider and if thought fit to pass with or without modifications, the following resolution as an ORDINARY RESOLUTION

RESOLVED THAT Sri Puneet Bhatia, who was appointed as an Additional Director of the Company with effect from 1st December, 2010 by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 and who holds office only upto the date of the ensuing Annual General Meeting of the Company and in respect of whom the Company has received notice in writing from a member under Section 257 of the Companies Act, 1956 proposing the candidature of Sri Puneet Bhatia for the office of Director be and is hereby appointed as a Director of the Company liable to retire by rotation.

8. To consider and if thought fit to pass with or without modifications, the following resolution as an ORDINARY RESOLUTION

RESOLVED THAT Sri K R Ramamoorthy, who was appointed as an Additional Director of the Company with effect from 1st December, 2010 by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 and who holds office only upto the date of the ensuing Annual General Meeting of the Company and in respect of whom the Company has received notice in writing from a member under Section 257 of the Companies Act, 1956 proposing the candidature of Sri K R Ramamoorthy for the office of Director be and is hereby appointed as a Director of the Company liable to retire by rotation.

9. To consider and if thought fit to pass with or without modifications, the following resolution as an ORDINARY RESOLUTION

RESOLVED THAT Sri Ranvir Dewan, who was appointed as an Additional Director of the Company with effect from 1st December, 2010 by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 and who holds office only upto the date of the ensuing Annual General Meeting of the Company and in respect of whom the Company has received notice in writing from a member under Section 257 of the Companies Act, 1956 proposing the candidature of Sri Ranvir Dewan for the office of Director be and is hereby appointed as a Director of the Company liable to retire by rotation.

10. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

RESOLVED THAT in supersession of the resolution passed at the Annual General Meeting held on 30th July, 2009 and pursuant to Section 293 (1) (d) and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modifications and re-enactment thereof for the time being in force) the consent of the Company be and is hereby granted to the Board of directors of the Company /Committee of directors as may be authorised by the Board of Directors of the Company to borrow for the purpose of the business of the Company from time to time on such terms and conditions as the Board / Committee of directors as may be authorised by the Board of directors may deem fit, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained and/or to be obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the Paid up Capital of the Company and its Free Reserves that is to say, reserves not set apart for any specific purpose, so that the total amounts upto which the monies may be borrowed by the Board / Committee of directors as may be authorised by the Board of directors shall not at any time exceed Rs. 15,000 Crores (Rupees Fifteen Thousand Crores).

RESOLVED FURTHER THAT the Board/Committee of directors as may be authorised by the Board of directors be and is hereby authorised to finalise the form, extent and manner of, and the documents and deeds, whichever applicable, for creating the appropriate mortgages and/or charges on such of the immovable and/or movable properties of the Company on such terms and conditions as may be decided by the Board/Committee of directors as may be authorised by the Board of directors in consultation with the lenders and for reserving the aforesaid right and for performing all such acts and things as may be necessary for giving effect to this resolution.

11. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

RESOLVED THAT in supersession of the resolution passed at the Annual General Meeting held on 30th July, 2009, consent of the Company be and is hereby accorded in terms of Section 293 (1) (a) and other applicable provisions, if any, of the Companies Act, 1956 to the Board of Directors/Committee of directors as may be authorised by the Board of directors for mortgaging and/or charging in such form and manner and on such terms and at such time(s) as the Board/Committee of directors as may be authorised by the Board of directors, may deem fit, the movable and /or immovable properties of the Company, wherever situate, present and future, whether presently belonging to the Company or not, in favour of any person including financial/investment institution(s), bank(s), insurance Company(ies), corporate body (ies), trustees to secure the debentures, loan, hire purchase and/or Lease Portfolio Management transactions for finance and other credit facilities upto a sum not exceeding Rs.20,000 Crores (Rupees Twenty Thousand Crores).

RESOLVED FURTHER THAT the Board of Directors or such Committee or person/(s) as authorised by the Board of directors be and is hereby authorised to finalise the form, extent and manner of, and the documents and deeds, whichever applicable, for creating the appropriate mortgages and/or charges on such of the immovable and/or movable properties of the Company on such terms and conditions as may be decided by the Board/Committee of directors as may be authorised by the Board of directors in consultation with the lenders and for reserving the aforesaid right and for performing all such acts and things as may be necessary for giving effect to this resolution.

**By Order of the Board
for SHRIRAM CITY UNION FINANCE LIMITED**

**Chennai
26th May, 2011**

**C R DASH
Company Secretary**

NOTES :

- 1) The explanatory statement as required under Section 173 (2) of the Companies Act, 1956 in respect of item no.6,7,8,9,10 & 11 is annexed hereto.
- 2) A member entitled to attend and vote at the AGM is entitled to appoint one or more proxy/(ies) to attend and on a poll to vote instead of himself. The proxy need not be a member of the Company. A blank proxy form is enclosed. The proxy form duly stamped and executed, should be deposited at the office of the Share Transfer Agents not less than forty eight hours before the time fixed for the commencement of the AGM.
- 3) The Register of Members / Beneficial Owners of the Company and Share Transfer Book will remain closed from Thursday, the 21st July, 2011 to Thursday, the 28th July, 2011 (both days inclusive).
- 4) Subject to the provisions of Section 206A of the Companies Act ,1956 ,the payment of final dividend, upon declaration by the shareholders at the Annual General Meeting , will be made on or after 1st August, 2011 as under :
 - a) To all those beneficial owners holding shares in electronic form as per the beneficial ownership data as may be made available to the Company by the National Securities Depository Ltd (NSDL) and the Central Depository Services (India) Ltd (CDSL) as of the end of the day on 20th July ,2011 and
 - b) To all those Members holding shares in physical form after giving effect to all the valid share transfers lodged with the Company before the closing hours on 20th July, 2011.
- 5) Members holding shares in physical form are advised to furnish, on or before 20th July ,2011 particulars of their bank account, if not done already or if it is changed, to the Company to incorporate the same in the dividend warrants /payment instruments.

In respect of cases, where the payments to the shareholders holding shares in dematerialised form are made by dividend warrants/payment instruments, particulars of bank account registered with their depository participants will be considered by the Company for printing the same on the dividend warrants / payment instruments .

- 6) Brief profiles of the Directors who retire by rotation and are eligible for re-appointment as Directors at the ensuing AGM are furnished in the Corporate Governance Section, which forms part of Annual Report.
- 7) Members/Proxy holders should bring duly filled Attendance Slips sent herewith to attend the meeting.
- 8) In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote .
- 9) Pursuant to the provisions of Section 205A of the Companies Act, 1956 unclaimed final dividend for the financial year 2002-2003 and thereafter which remain unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund of the Central Government. Shareholders who have not encashed the dividend warrant(s) so far for the financial years specified above are requested to make their claim to the Company's Secretarial office at No 221, Royapettah High Road, Mylapore, Chennai 600 004 . It may also be noted that once the unclaimed dividend is transferred to the Central Government, as above, no claim shall lie in respect thereof.
- 10) The Company has already transferred, all unclaimed dividends declared upto and inclusive of the financial year ended 30th June 1994 to the General Revenue Account of the Central Government as required by the Companies Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978. Those shareholders who have so far not claimed or collected their dividend upto the aforesaid financial years may claim their dividend from the Registrar of Companies, Haddows Road, Shastri Bhavan, Chennai 600 006.

Further, pursuant to the provisions of Section 205A of the Companies Act, 1956 amounts relating to dividend for the financial years ended 30th June 1995 to 30th June 1997 and 31st March, 2000, 31st March 2001, 31st March, 2002 and 31st March, 2003, 31st March 2004 (interim) remaining unclaimed for a period of 7 years have been transferred by the Company to the Investor Education and Production Fund of the Central Government

- 11) As per the provisions of the Companies Act, 1956 facility for making nominations is available to the shareholders in respect of the shares held by them in physical form. Nomination forms can be obtained from the Share Transfer Agents of the Company by the Members holding shares in Physical Form. The shareholders holding shares in dematerialised form may approach their respective Depository Participants to avail and/ or effect any change to the nomination facility.
- 12) Shareholders seeking any information with regard to accounts are requested to write to the undersigned at Secretarial Office of the Company at No 221, Royapettah High Road, Mylapore, Chennai 600 004 , at least 15 days in advance, so as to keep the information ready at the meeting.

- 13) Shareholders holding shares in physical form under multiple folios are requested to consolidate their holdings in a single folio so as to enable us to serve them in a better, most efficient and effective manner.
- 14) SEBI has made it mandatory for every participant in the securities /capital market to furnish the details of Income Tax Permanent Account Number (PAN). Accordingly, all the shareholders holding shares in physical form are requested to submit their details of PAN along with a photocopy of both sides of the PAN card, duly attested, to the Registrar and Share Transfer Agents of the Company, Integrated Enterprises (India) Limited, Chennai.
- 15) Members are requested to notify change in address, 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 Share Transfer Agents quoting their Folio Numbers.
- 16) The Register of Director's Shareholding, maintained under Section 307 of the Companies Act, 1956 will be available for inspection by the Members at the AGM.

**Important Communique to Members –
Green Initiative in the Corporate Governance**

The Ministry of Corporate Affairs (MCA) has taken a Green Initiative in the Corporate Governance by allowing paperless compliances by the Companies and has issued a Circular stating that service of all documents including Annual Reports can be sent by e-mail to its Members. Your Company believes that this is a remarkable initiative by MCA and requests all its Members to support in this noble cause.

We therefore propose to send documents including Annual Reports in electronic form to the Members on this email address provided by them to the Company/Share Transfer Agent/Depositories.

The Members who hold shares in physical form are requested to intimate/update the email address to the Company/Share Transfer Agent while Members holding shares in demat form can intimate/update their e-mail address with their respective Depository Participants.

Members are requested to further note that they will be entitled to be furnished, free of cost, the physical copy of the documents sent by e-mail, upon receipt of a requisition from them, any time, as a Member of the Company.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956

ITEM NO : 6

Smt Lakshmi Pranesh, was appointed by the Board in accordance with the Articles of Association as an Additional Director with effect from 1st December, 2010. As per the provisions of Section 260 of the Companies Act, 1956, Smt Lakshmi Pranesh holds office upto the date of the Twenty Fifth Annual General Meeting and is eligible for appointment. The Company has received notice under Section 257 of the Companies Act, 1956, in respect of Smt Lakshmi Pranesh, proposing her appointment as Director of the Company, along with the requisite deposit.

Keeping in view the experience and expertise of Smt Lakshmi Pranesh, her appointment as Director of the Company is recommended

None of the Directors, except Smt Lakshmi Pranesh, is interested or concerned in the proposed resolution. The Board of Directors commend passing of the resolution set out in Item No. 6 of the accompanying notice.

Name of the Director	Smt Lakshmi Pranesh
Date of Birth	03/04/1945
Qualifications	M.Sc.,

Experience in specific functional areas	<p>She joined the Indian Administrative Service in 1968 and held posts like Sub Collector, Director of Social Welfare, Director of Employment and Training, Joint Secretary to Government (Finance department), Additional Secretary to Government (Rural Development department), Chairman-Teachers' recruitment Board, Chairman- Handicrafts Development Corporation, Secretary to Government of Tamil Nadu in the departments of Chief Minister's Nutritious Noon Meal Programme, Personnel and Administrative Reforms, Labour and Employment, Social welfare, Food and Civil Supplies. She was the Chief Secretary to the Government of Tamil Nadu (2002-05).</p> <p>She was ex-officio Chairman of the Tamil Nadu Civil Supplies Corporation, Overseas Manpower Corporation, and Women's Economic Development Corporation.</p> <p>She served as Government nominated Director in many corporations in the Public Sector like the Tamil Nadu Industrial development Corporation, Small Industries Development Corporation, Police Housing Corporation, Agro-industries Corporation.</p>
List of other Companies in which Directorship held	NIL
Chairman/ Member of the Committees of the Board of other Companies in which he is a Director	NIL
Shareholding	NIL

ITEM NO : 7

Sri Puneet Bhatia, was appointed by the Board in accordance with the Articles of Association as an Additional Director with effect from 1st December, 2010. As per the provisions of Section 260 of the Companies Act, 1956, Sri Puneet Bhatia holds office upto the date of the Twenty Fifth Annual General Meeting and is eligible for appointment. The Company has received notice under Section 257 of the Companies Act, 1956, in respect of Sri Puneet Bhatia, proposing his appointment as Director of the Company, along with the requisite deposit.

Keeping in view the experience and expertise of Sri Puneet Bhatia, his appointment as Director of the Company is recommended.

None of the Directors, except Sri Puneet Bhatia, is interested or concerned in the proposed resolution. The Board of Directors commend passing of the resolution set out in Item No. 7 of the accompanying notice.

Name of the Director	Sri Puneet Bhatia
Date of Birth	16/12/1966
Qualifications	B.Com Honours ., M B A
Experience in specific functional areas	<p>Sri Bhatia is presently working as the Managing Director and Country Head- India for TPG Asia. He was the Chief Executive of the Private Equity Group GE Capital India, where he managed a portfolio that included Companies such as TCS, Patni Computers, BirlaSoft, Serra Atlantic, iGate, Indus Software and Rediff.</p>

List of other Companies in which Directorship held	Shriram Transport Finance Company Ltd Shriram Holdings (Madras) Pvt Ltd Shriram Capital Ltd Shriram Properties Ltd TPG Capital India Pvt Ltd
Chairman/ Member of the Committees of the Board of other Companies in which he is a Director	NIL
Shareholding	NIL

ITEM NO : 8

Sri K R Ramamoorthy, was appointed by the Board in accordance with the Articles of Association as an Additional Director with effect from 1st December, 2010. As per the provisions of Section 260 of the Companies Act, 1956, Sri K R Ramamoorthy holds office upto the date of the Twenty Fifth Annual General Meeting and is eligible for appointment. The Company has received notice under Section 257 of the Companies Act, 1956, in respect of Sri K R Ramamoorthy, proposing his appointment as Director of the Company, along with the requisite deposit.

Keeping in view the experience and expertise of Sri K R Ramamoorthy, his appointment as Director of the Company is recommended.

None of the Directors, except Sri K R Ramamoorthy, is interested or concerned in the proposed resolution. The Board of Directors commend passing of the resolution set out in Item No. 8 of the accompanying notice.

Name of the Director	Sri K R Ramamoorthy
Date of Birth	08/07/1940
Qualifications	B A., FCS
Experience in specific functional areas	<p>Sri K. R. Ramamoorthy is a senior banker, with over 40 years of commercial and banking experience in India. He was the Chairman and Managing Director of Corporation Bank, (1990 - 1997) and the Chairman and CEO of ING Vysya Bank, (1997 - 2001). He is credited with providing transformational leadership to these two banks, at different periods of financial liberalization in India. He served as the non-Executive Chairman of ING Vysya Bank until June 2010. After his leadership positions, Sri. Ramamoorthy served as an Advisor to CRISIL (2001-2004), on its advisory assignments relating to commercial banks, in the area of development of risk rating model for SMEs. Since 2005, he has been consulting independently, through his firm, Bank Consult, for The World Bank, IFC, IMF and other multilateral agencies and commercial banks in India and other developing countries in South Asia and Africa.</p> <p>During his tenure in the banking sector, Sri. Ramamoorthy served on the various Committees constituted by the Reserve Bank of India (RBI), SEBI and the Indian Banks Association. Prior to joining the Banking Industry in his formative career, he served the private sector entities for nearly two decades - in Pharma, Entertainment, and Engineering and Consumer Product Marketing Organizations including Lipton. Currently, he serves on the Board of various corporate entities as Independent Director.</p>

List of other Companies in which Directorship held	The Clearing Corporation of India Ltd Subros Ltd Nilkamal Ltd Amrit Corp. Ltd (formerly Amrit Banaspati Ltd) GMR Infrastructure Ltd Clearcorp Dealing Systems (India) Ltd FIL Trustee Company Pvt Ltd Ujjivan Financial Services Pvt Ltd GMR Power Corporation Pvt Ltd GMR Ambala Chandigarh Expressways Pvt Ltd
Chairman/ Member of the Committees of the Board of other Companies in which he is a Director	Audit Committee : Committee/Compensation : Committee/RiskManagement : Committee/HR Committee/ : Member Technical Advisory Committee : The Clearing Corporation of India Ltd
	Audit Committee – Member Subros Ltd
	Audit Committee - Chairman Nilkamal Ltd
	Remuneration Committee-Chairman GMR Infrastructure Ltd
	Audit Committee-Member FIL Trustee Company Pvt Ltd (formerly Fidelity Trustee Company Pvt Ltd)
	Audit Committee – Member GMR Power Corporation Pvt Ltd
	Audit Committee-Chairman GMR Ambala – Chandigarh Expressways Pvt Ltd
Shareholding	NIL

ITEM NO : 9

Sri Ranvir Dewan, was appointed by the Board in accordance with the Articles of Association as an Additional Director with effect from 1st December, 2010. As per the provisions of Section 260 of the Companies Act, 1956, Sri Ranvir Dewan holds office upto the date of the Twenty Fifth Annual General Meeting and is eligible for appointment. The Company has received notice under Section 257 of the Companies Act, 1956, in respect of Sri Ranvir Dewan, proposing his appointment as Director of the Company, along with the requisite deposit.

Keeping in view the experience and expertise of Sri Ranvir Dewan, his appointment as Director of the Company is recommended.

None of the Directors, except Sri Ranvir Dewan, is interested or concerned in the proposed resolution. The Board of Directors commend passing of the resolution set out in Item No. 9 of the accompanying notice.

Name of the Director	Sri Ranvir Dewan
Date of Birth	08/08/1953
Qualifications	Fellow of the Institute of Chartered Accountants of England & Wales and a member of the Canadian Institute of Chartered Accountants.

Experience in specific functional areas	<p>He joined TPG Capital in July 2006 and is based in Singapore. He is currently the Head of Financial Institutions Group Operations. From April 2000 to July 2006 he was Executive Vice President and Chief Financial Officer of Standard Chartered First Bank (formerly Korea First Bank) in Seoul , Korea.</p> <p>Prior to that Sri Dewan spent 13 years with Citibank and held various senior positions in its international businesses. In his previous assignment he was Vice President and Regional Financial Controller of Citibank's Global Consumer Bank with responsibilities covering 11 countries in the Asia Pacific region. Sri Dewan has also held senior positions with KPMG in Canada and England where he specialised in the audits of financial institutions .</p>
List of other Companies in which Directorship held	Shriram Transport Finance Company Ltd PT Bank Tabunean Pensiunan Nasional (Indonesia)
Chairman/ Member of the Committees of the Board of other Companies in which he is a Director	Audit Committee – Member Risk Committee – Member PT Bank Tabunean Pensiunan Nasional (Indonesia)
Shareholding	NIL

ITEM NO : 10

At the Annual General Meeting held on 30.7.2009 the Board of Directors were authorised under Section 293 (1) (d) of the Companies Act, 1956, to borrow upto a limit of Rs.10,000 Crores apart from temporary loans obtained/to be obtained from the bankers (by way of cash credit limits and working capital demand loans) in the ordinary course of business.

In view of the steady growth in business, the mobilisation of funds by the Company will substantially increase. Therefore it is considered desirable to increase the limit of borrowings to Rs.15,000 Crores apart from the temporary loans obtained/to be obtained from the Company's bankers in the ordinary course of business.

None of the Directors of the Company are in any way, concerned or interested in the proposed resolution.

ITEM NO :11

Section 293 (1) (a) of the Companies Act, 1956 provides that the Board / Committee of directors of a Public Company shall not, except with the consent of the Company in the General Meeting, mortgage the Company's movable and / or immovable properties in favour of lenders. The Company has to increase resources for its working capital requirements. Consequently, the Company would be resorting to borrowings from time to time for the purpose of its business by way of loans, Debentures, Bonds, Hypothecation Loans and/other financial assistance from various financial/investment institution(s), bank(s), insurance Company(ies), Corporate Body(ies) and other persons / investors apart from working Capital facilities from Banks in the ordinary course of business. This in turn necessitates the enhanced creation of security by suitable mortgages and/or 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. The proposed resolution seeks to authorise the Board/Committee of directors to mortgage and/or charge the properties to secure loans, Debentures, Bonds, Hypothecation Loans and such transactions for finance and other credit facilities upto Rs.20,000 Crores (previous limit Rs 15,000 Crores)

None of the Directors of the Company are in any way, concerned or interested in the proposed resolution.

**By Order of the Board
for SHRIRAM CITY UNION FINANCE LIMITED**

Chennai
26th May, 2011

**C R DASH
Company Secretary**