

**Proceedings of the Fifty Seventh Annual General Meeting of Members of Federal-Mogul Goetze (India) Limited held on Monday, the 11<sup>th</sup> day of June, 2012 at 3.00 p.m. at Sri Sathya Sai International Centre, Institutional Area, Pragati Vihar, Lodhi Road, New Delhi-110003.**

**Present:**

Mr. K. N. Subramaniam	Chairman & Independent Director
Mr. Sunit Kapur	Managing Director
Mr. Dan Brugger	Whole Time Finance Director & CFO
Mr. Mukul Gupta	Independent Director
Mr. Khalid Khan	Company Secretary

Members / Proxies As per presence recorded at the Annual General Meeting.

**Quorum:** After ascertaining that the requisite quorum for the meeting was present, the Chairman called the meeting to order.

Mr. K. N. Subramaniam, Chairman, welcomed the Members to the Meeting and gave a brief introduction of the Directors present. The Chairman thereafter read out his address to the Shareholders.

**Notice:** The notice convening the Fifty Seventh Annual General Meeting, having been already circulated, was taken as read with the permission of the members present.

The Chairman, thereafter, proceeded to take up the business of the meeting, as stated in the notice.

**ORDINARY BUSINESS**

**Item No. 1. : To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> December, 2011, Profit and Loss Account for the year ended on that date and Reports of Directors and Auditors thereon.**

The Auditors' Report was read out by Mr. Khalid Khan, Company Secretary in accordance with the requirement under Section 230 of the Companies Act, 1956.

Mr. Yashpal Chopra proposed and Mr. Rajnish Kumar seconded that the following Resolution be adopted as an Ordinary Resolution:

**RESOLVED that the Balance Sheet as at 31<sup>st</sup> December, 2011, Profit and Loss Account of the Company for the year ended on that date and the Reports of Directors and Auditors thereon, as circulated to the members and placed before the meeting, be and are hereby adopted and approved.**

Before putting the resolution to vote, the Chairman invited the members present to ask for any clarification and information relating to the Accounts and Reports covered by the resolution. Queries relating to performance of the Company and the accounts etc. were replied by the Chairman.

The Chairman put the resolution to vote by show of hands, which was approved unanimously by the Shareholders.

**Item No. 2. : To appoint a Director in place of Mr. K. N. Subramaniam, who retires by rotation and, being eligible, offers himself for re-appointment.**

As Item No. 2 pertained to appointment of Mr. K. N. Subramaniam, he requested Mr. Mukul Gupta to take the Chair. Mr Mukul Gupta took the Chair and requested to have a proposer and seconder to Item No. 2.

Mr. Chetan Chadha proposed and Mr. Gagan Kumar Kumar seconded that the following Resolution be adopted as an Ordinary Resolution:

**RESOLVED that Mr. K. N. Subramaniam who retires by rotation, and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company and liable to retire by rotation.**

Mr. Mukul Gupta put the resolution to vote by show of hands, which was approved unanimously by the Shareholders.

Thereafter, Mr. K. N. Subramaniam resumed the Chair.

**Item No. 3. : To appoint a Director in place of Mr. Mukul Gupta, who retires by rotation and, being eligible, offers himself for re-appointment.**

Ms. Anupriya Goel proposed and Mr. Toni Bhatia seconded that the following Resolution be adopted as an Ordinary Resolution:

**RESOLVED that Mr. Mukul Gupta who retires by rotation, and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company and liable to retire by rotation.**

The Chairman put the resolution to vote by show of hands, which was approved unanimously by the Shareholders.

**Item No. 4. : To re-appoint M/s S. R. Batliboi & Co., Chartered Accountants, the retiring Auditors of the Company and fix their remuneration.**

Mr. Swaran Chopra proposed and Mr. Pradeep Sood seconded that the following Resolution be adopted as an Ordinary Resolution:

**RESOLVED that M/s. S.R. Batliboi & Co., Chartered Accountants (Firm Registration number: 301003E), be and are hereby re-appointed as Statutory Auditors of the Company, for the accounting year ending 31<sup>st</sup>**

December, 2012, from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration to be recommended by the Audit Committee and to be approved by the Board of Directors of the Company.

The Chairman put the resolution to vote by show of hands, which was approved unanimously by the Shareholders.

#### **SPECIAL BUSINESS**

**Item No. 5. : To authorize the Company to borrow monies and create charge in favour of lenders subject to a maximum limit of Rs. 600 Crores.**

Mr. Gagan Kumar Kumar proposed and Mr. Parmod Kumar Jain seconded that the following Resolution be adopted as an Ordinary Resolution:

**RESOLVED THAT** in supersession of the earlier resolution dated July 16, 2002 passed by the Members of the Company in their Extra-Ordinary General Meeting under Section 293 (1) (d) and all other applicable provisions, if any, of the Companies Act, 1956 and such other sanctions and approvals, as may be required, consent of the Company be and is hereby granted to the Board of Directors of the Company or its Committee as may be authorised by the Board of Directors, to borrow for the purpose of the business of the Company from time to time on such terms and conditions and with or without security, as the Board of Directors or its Committee may in its absolute discretion think fit, notwithstanding that the money or monies to be borrowed together with the monies already borrowed by the Company (apart from the temporary loans obtained/to be obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid up share capital and free reserves of the Company, i.e. reserves not set apart for any specific purpose, however provided that the total borrowings of the Company at any time including the monies already borrowed, shall not exceed an amount of Rs. 600.00 Crores (Rupees Six Hundred Crores only).

**RESOLVED FURTHER THAT** pursuant to Section 293 (1) (a) and all other applicable provisions, if any, of the Companies Act, 1956, and such other sanctions and approvals, as may be required, consent of the Company be and is hereby accorded to the Board of Directors of the Company or its Committee 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 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, but not limited to, financial/investment institution(s), bank(s), corporate body(ies) to the extent of Loan(s) sanctioned/to be sanctioned by them, together with interest thereon at the respective agreed rate(s), compound interest, additional interest, cost(s), charge(s), expense(s) and other monies payable/to be payable by the Company under the Loan Agreement(s)

entered into/to be entered into by the Company up to a sum not exceeding Rs. 600.00 Crores (Rupees Six Hundred Crores only).

**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, as may be 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 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 full effect to this resolution.

The Chairman put the resolution to vote by show of hands, which was approved unanimously by the Shareholders.

**Item No. 6. : To consider and approve the appointment of Mr. Bernhard Motel, Director of the Company, liable to retire by rotation.**

Mr. Joginder Nath proposed and Mr. J P Gupta seconded that the following Resolution be adopted as Ordinary resolution:

**Resolved that pursuant to provisions of Companies Act, 1956 read with Articles of Association of the Company, Mr. Bernhard Motel be and is hereby appointed as Director of the Company, liable to retire by rotation.**

The Chairman put the resolution to vote by show of hands, which was approved unanimously by the Shareholders.

**Item No. 7. : To consider and approve the appointment of Mr. Sunit Kapur, Director of the Company, liable to retire by rotation.**

Mr. Murli Dhar Talreja proposed and Mr. Arun Kumar Sharma seconded that the following Resolution be adopted as Ordinary resolution:

**Resolved that pursuant to provisions of Companies Act, 1956 read with Articles of Association of the Company, Mr. Sunit Kapur be and is hereby appointed as Director of the Company, liable to retire by rotation.**

The Chairman put the resolution to vote by show of hands, which was approved unanimously by the Shareholders.

**Item No. 8. : To consider and approve the appointment of Mr. Sunit Kapur as Managing Director and payment of managerial remuneration.**

Mr. Ajay Khurana proposed and Mr. Raj Kumar seconded that the following Resolution be adopted as a Special Resolution:

Resolved that pursuant to the provisions of Sections 198, 262, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956, as amended upto date and any amendments or re-enactments thereto the approval of the Members be and is hereby accorded, subject to the approval of the Central Government, if any, subject to the maximum permissible limits of 5% and 10% of the net profits of the Company, as the case may be as laid down in sub-section (3) of Section 309 of the Companies Act, 1956 and the overall limit of 11% of the net profits as laid down in sub-section (1) of Section 198 of the Companies Act, 1956, Section 310, 311 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956, as amended upto date, any amendments or re-enactments thereto and any other acts, rules or other statutes, to appoint Mr. Sunit Kapur, as the Managing Director of the Company, for a period of five years w.e.f 8<sup>th</sup> May, 2012 to 7<sup>th</sup> May, 2017 on the following terms and conditions:

Base Salary	:	Salary in the scale of Rs. 33,00,000/- - Rs. 50,00,000/- per annum subject to annual review by the Board/Remuneration Committee.
Perquisites	:	<ul style="list-style-type: none"> <li>▪ HRA: 50% of the base salary p.a.</li> <li>▪ Special Allowance: In the scale of Rs. 30,00,000 p.a. to Rs. 50,00,000 p.a. subject to annual review by the Board/Remuneration Committee.</li> <li>▪ LTA: As per the rules of the Company from time to time;</li> <li>▪ Medical Reimbursement: As per the rules of the Company from time to time;</li> <li>▪ Bonus: Mr. Kapur will be entitled to annual MIP bonus subject to a maximum of Rs. 50,00,000/- p.a.</li> <li>▪ Further he will be entitled to uplift bonus subject to a maximum of Rs. 25,00,000/- p.a.</li> <li>▪ Car Allowance: As per Company's policy from time to time.</li> <li>▪ Petrol &amp; Maintenance reimbursement: On the basis of actual expense.</li> </ul>

	<ul style="list-style-type: none"> <li>▪ Driver Reimbursement: As per Company's policy from time to time.</li> <li>▪ Provident Fund Contribution: 12% of Base Salary</li> <li>▪ Superannuation Fund: 15% of Base Salary.</li> <li>▪ Gratuity : 4.8% of Base salary.</li> </ul>
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Resolved further that notwithstanding anything to the contrary herein contained, where in any financial year during the tenure of appointment of Mr. Sunit Kapur, Managing Director of the Company has no profits or its profits are inadequate, Mr. Kapur, shall be paid the minimum remuneration not exceeding Rs. 19,00,000 per month, subject to the approval of the Central Government, if required, and/ or upon compliance of the applicable requirements of Schedule XIII to the Companies Act, 1956, as existing or as amended from time to time.

Resolved further that the Remuneration Committee or the Board of Directors be and is hereby authorized, from time to time, to alter/vary the terms and conditions of appointment of Mr. Sunit Kapur as Managing Director of the Company, including the payment of remuneration to him within the maximum permissible limits under Schedule XIII to the Companies Act or within the scale as may be approved by the Central Government.

The Chairman put the resolution to vote by show of hands, which was approved unanimously by the Shareholders.

There being no other agenda item, the meeting ended with a vote of thanks to the Chair.

Place: New Delhi

Sd/-  
K. N. Subramaniam  
CHAIRMAN

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For Federal Mogul Goetze (India) Ltd.

  
Khalid I. Khan  
Company Secretary

