

**PROCEEDINGS FOR DECLARATION OF RESULTS OF VOTING BY POSTAL BALLOT OF SUNDRAM FASTENERS LIMITED HELD AT 98-A, VII FLOOR, DR RADHAKRISHNAN SALAI, MYLAPORE, CHENNAI – 600 004 ON TUESDAY, SEPTEMBER 29, 2015 AT 5.00 P.M.**

**Present****Directors**

Ms Arathi Krishna  
Joint Managing Director

**In attendance**

Sri V G Jaganathan  
Chief Financial Officer & Company Secretary

**Scrutiniser**

Sri K Sriram,  
Practising Company Secretary, Chennai

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Ms Arathi Krishna, Joint Managing Director chaired the proceedings.

Sri K Sriram, Scrutiniser, informed that:

- (i) The Postal Ballot process had been conducted in a fair and transparent manner under Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014.
- (ii) The Company had also provided remote e-voting facility to its members as required under Companies Act, 2013 and the Listing Agreement.
- (iii) Voting rights had been frozen on the 18,30,984 equity shares held in demat form in the Sundram Fasteners Limited Unclaimed Suspense Account.
- (iv) He also stated that he had completed the scrutiny of all the postal ballot forms (electronic/ physical) received up to 6.00 pm on Monday September 28, 2015
- (v) All the four resolutions had been passed with more than the requisite majority; and
- (vi) The resolutions would have to be considered as passed on September 28, 2015, being the last date of voting, in terms of the Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India in terms of section 118 of the Companies Act, 2013.

The Scrutiniser then submitted his report setting out the results on the voting by Postal Ballot / Remote E-Voting to the Joint Managing Director.

The report submitted by the Scrutiniser was taken on record and the Joint Managing Director announced the results of the voting by Postal Ballot as under:

**Special Business****RESOLUTION NO.1 - SPECIAL RESOLUTION**

REVISION IN REMUNERATION PAYABLE TO SRI SURESH KRISHNA, CHAIRMAN AND MANAGING DIRECTOR FOR THE REMAINING PERIOD OF HIS PRESENT TENURE

Particulars	Postal Ballot & Remote E-Voting
Number of valid ballots	915
Number of valid votes received	150,391,782
Votes in favour of the resolution	150,291,944 (853 ballots)
Votes against the resolution	99,838 (62 ballots)
Invalid votes	Not considered by the Scrutiniser
% of votes cast in favour (assent)	99.93
% of votes cast against (dissent)	0.07
<b>RESULT</b>	The <i>Special Resolution</i> was <b>passed</b> on September 28, 2015, as more than the requisite majority of votes were cast / polled in favour of the resolution.



The Joint Managing Director then declared that the following *Special Resolution*, as set out in the Postal Ballot Notice dated August 14, 2015, was carried with more than requisite majority.

"**RESOLVED** that, in partial modification of the special resolution passed by the shareholders at the annual general meeting held on 20th August 2010, and pursuant to Sections 196, 197, Schedule V and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, approval is accorded for the revision of remuneration payable to Sri Suresh Krishna (DIN 00046919) as Managing Director of the Company (Designated as Chairman and Managing Director) by way of an increase in his salary from Rs 4,00,000/- (Rupees Four lakhs only) to Rs 5,00,000/- (Rupees Five lakhs only) per month for the remaining period of his current five year term of office, the revision being effective from 1st September, 2015 to 30th June 2016.

**RESOLVED FURTHER** that, notwithstanding anything to the contrary contained herein, where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, Sri Suresh Krishna, Chairman and Managing Director, will be entitled to remuneration by way of the said revised salary besides perquisites already approved on 20th August 2010."

RESOLUTION NO.2 – ORDINARY RESOLUTION

REVISION IN REMUNERATION PAYABLE TO MS ARUNDATHI KRISHNA, DEPUTY MANAGING DIRECTOR FOR THE REMAINING PERIOD OF HER PRESENT TENURE

Particulars	Postal Ballot & Remote E-Voting
Number of valid ballots	908
Number of valid votes received	150,379,851
Votes in favour of the resolution	150,271,893 (834 ballots)
Votes against the resolution	107,958 (74 ballots)
Invalid votes	Not considered by the Scrutiniser
% of votes in favour	99.93
% of votes cast against (dissent)	0.07
<b>RESULT</b>	The <i>Ordinary Resolution</i> was <b>passed</b> on September 28, 2015, as more than the requisite majority of votes were cast / polled in favour of the resolution.

The Joint Managing Director then declared that the following *Ordinary Resolution*, as set out in the Postal Ballot Notice dated August 14, 2015, was carried with more than requisite majority.

"**RESOLVED** that, in partial modification of the ordinary resolution passed by the shareholders at the Annual General Meeting held on 23rd August 2013 and pursuant to Sections 196, 197, Schedule V and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, approval is accorded for the revision of remuneration, payable to Ms Arundathi Krishna (DIN 00270935) as Managing Director of the Company (Designated as Deputy Managing Director) by way of increase in her salary from Rs 2,00,000/- (Rupees Two lakhs only) to Rs 3,50,000/- (Rupees Three lakhs Fifty thousand only) per month in the scale of Rs 3,50,000/- to Rs 5,50,000/- (Rupees Three lakhs and Fifty thousand to Rupees Five lakhs and Fifty thousand only) with increments at such intervals as the Board may decide from time to time, for the remaining period of her current five year term of office, the revision being effective from 1<sup>st</sup> September, 2015 to 17<sup>th</sup> September 2018.

**RESOLVED FURTHER** that, notwithstanding anything to the contrary contained herein, where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, Ms Arundathi Krishna, Deputy Managing Director, will be entitled to remuneration by way of the said revised salary besides perquisites already approved on 23rd August 2013."





RESOLUTION NO.3 – SPECIAL RESOLUTIONREAPPOINTMENT OF SRI SURESH KRISHNA AS CHAIRMAN AND MANAGING DIRECTOR WITH EFFECT FROM JULY 1, 2016

Particulars	Postal Ballot & Remote E-Voting
Number of valid ballots	909
Number of valid votes received	150,379,459
Votes in favour of the resolution	147,549,957 (848 ballots)
Votes against the resolution	2,829,502 (61 ballots)
Invalid votes	Not considered by the Scrutiniser
% of votes in favour	98.12
% of votes cast against (dissent)	1.88
<b>RESULT</b>	The <i>Special Resolution</i> was <b>passed</b> on September 28, 2015, as more than the requisite majority of votes were cast / polled in favour of the resolution.

The Joint Managing Director then declared that the following *Special Resolution*, as set out in the Postal Ballot Notice dated August 14, 2015, was carried with more than requisite majority.

**RESOLVED** that:

- a. In terms of Sections 196, 197, Schedule V and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, Sri Suresh Krishna (DIN 00046919) is hereby re-appointed as the Managing Director of the Company (Designated as Chairman and Managing Director) for a period of five years from 1<sup>st</sup> July 2016 to 30<sup>th</sup> June 2021 on the terms and conditions including remuneration, as set out hereunder:

- I Salary : Rs 5,00,000/- (Rupees five lakhs only) per month
- II Commission : Such percentage of net profits of the Company or such other quantum of the net profits of the Company as may be approved by the Board of Directors, at its absolute discretion, for each financial year, subject to the total remuneration in any financial year not exceeding the limits permitted from time to time under Section 197 read with Section 198 and Schedule V of the Companies Act, 2013.
- III Perquisites
- a Free use of furnished residential accommodation owned *or* leased by the Company with facilities and amenities including water, gas, electricity, maintenance, security, furniture, fixtures, furnishings and all utilities and services.
- If no accommodation is provided, Managing Director shall be entitled to house rent allowance subject to a ceiling of 60% of his salary.
- The expenditure incurred by the Company on gas, electricity, water, maintenance, security, furniture, fixtures, furnishings and all utilities and services shall be valued as per Income-tax Rules, 1962 or any re-enactment thereof.
- b Reimbursement of medical expenses covering medical treatment in India and overseas for self and family, including premium for medical insurance and other related expenses.
- c Leave travel concession, once in a year, as per the rules of the Company.



- d Fees, subscription and other incidental charges to clubs, subject to a maximum of two clubs including admission and life membership fee.
- e Payment of premium on personal accident insurance, with the annual cover of Rs 10,00,00,000/- (Rupees ten crores only).
- f Company's contribution to provident fund and pension / superannuation fund, as per the rules of the Company.
- g Gratuity as per the rules of the Company.
- h Provision of chauffeur driven two company cars for use on Company's business and use of car for private purposes will be dealt by the Company as per the applicable provisions under the Income Tax Rules, 1962 or any re-enactment thereof.
- i Telecommunication facilities at residence.

Perquisites shall be evaluated as per the Income-tax Rules, 1962 or any re-enactment thereof, wherever applicable. In the absence of any such rules the perquisites shall be evaluated at actual costs.

#### IV Other Benefits

- a Leave on full pay and allowances as per rules of the Company, but not exceeding one month's leave for every eleven months service. Leave accumulated shall be encashed at the end of the tenure.
- b Benefits under loan and other schemes in accordance with the practices, rules and regulations in force in the Company from time to time.
- c Such other allowances, benefits, amenities and facilities as may be provided by the Company to other senior executives from time to time.
- d Such other benefits, amenities and facilities *including* those under the Special Post Retirement Benefits Scheme as per the rules of the Company.

V The Board may revise the remuneration payable to the Managing Director, during any financial year during currency of the tenure of office, in such manner as may be agreed to between the Board of Directors and the Managing Director subject to the condition that the total remuneration by way of salary, perquisites, commission, other allowances and other benefits, shall be within the limits permissible under Section 197 of the Companies Act, 2013.

#### VI Minimum remuneration

In the event of any loss *or* inadequacy of profits for any financial year, the Board of Directors / Nomination and Remuneration Committee of the Board shall approve the remuneration payable to Managing Director, during such financial year, in such manner as may be agreed to between the Board of Directors / Nomination and Remuneration Committee of the Board and the Managing Director, however not exceeding the maximum limits specified in this behalf under Section 197 read with Schedule V to the Companies Act, 2013.

VII In the event of loss of office as Managing Director, the Managing Director shall be paid compensation in the manner and to the extent and subject to the limits or priorities prescribed under Sections 191 and 202 of the Companies Act, 2013 and rules made thereunder.



- VIII The above mentioned remuneration allowed to the Managing Director shall be in accordance with Sections 196 and 197 read with Schedule V of the Companies Act, 2013 and / or such changes, variations and substitutions as may be made therein by the Central Government from time to time.
- IX The scope and quantum of remuneration specified hereinabove, may be enhanced, enlarged, widened, altered or varied with the approval of Shareholders in the light of and in conformity with any amendments to the relevant provisions of the Companies Act, 2013 and / or the rules and regulations made thereunder and / or such guidelines as may be announced by the Central Government from time to time.
- X Sri Suresh Krishna, Managing Director, will not be entitled to any sitting fee for meetings of the Board or Committee thereof attended by him during the said tenure.

**RESOLUTION NO.4 – ORDINARY RESOLUTION**

**REAPPOINTMENT OF MS ARATHI KRISHNA AS JOINT MANAGING DIRECTOR WITH EFFECT FROM MAY 3, 2016**

Particulars	Postal Ballot & Remote E-Voting
Number of valid ballots	907
Number of valid votes received	150,379,446
Votes in favour of the resolution	149,417,756 (841 ballots)
Votes against the resolution	961,690 (66 ballots)
Invalid votes	Not considered by the Scrutiniser
% of votes in favour	99.36
% of votes cast against (dissent)	0.64
<b>RESULT</b>	The <i>Ordinary Resolution</i> was <b>passed</b> on September 28, 2015, as more than the requisite majority of votes were cast / polled in favour of the resolution.

The Joint Managing Director then declared that the following *Ordinary Resolution*, as set out in the Postal Ballot Notice dated August 14, 2015, was carried with more than requisite majority.

**RESOLVED** that:

- a. The approval of the Company is accorded under Sections 196, 197, Schedule V and other applicable provision of the Companies Act, 2013 and rules made thereunder for the re-appointment of Ms Arathi Krishna (DIN 00517456) as Managing Director of the Company (Designated as Joint Managing Director) for a period of five years from 3<sup>rd</sup> May 2016 to 2<sup>nd</sup> May 2021 on the terms and conditions including remuneration, as set out hereunder:

- I Salary : Rs 4,00,000 – Rs 9,00,000 (Rupees Four Lakhs to Rupees Nine Lakhs) per month (with increments at such intervals as the Board may decide from time to time)
- II Commission : Such percentage of net profits of the Company or such other quantum of the net profits of the Company as may be approved by the Board of Directors, at its absolute discretion, for each financial year, subject to the total remuneration in any financial year not exceeding the limits permitted from time to time under Section 197 read with Section 198 and Schedule V of the Companies Act, 2013.





### III Perquisites

- a Free use of furnished residential accommodation owned *or* leased by the Company with facilities and amenities including water, gas, electricity, maintenance, security, furniture, fixtures, furnishings and all utilities and services.

If no accommodation is provided, Managing Director shall be entitled to house rent allowance subject to a ceiling of 60% of her salary.

The expenditure incurred by the Company on gas, electricity, water, maintenance, security, furniture, fixtures, furnishings and all utilities and services shall be valued as per Income-tax Rules, 1962 or any re-enactment thereof.

- b Reimbursement of medical expenses covering medical treatment in India and overseas for self and family, including premium for medical insurance and other related expenses.
- c Leave travel concession, once in a year, as per the rules of the Company.
- d Fees, subscription and other incidental charges to clubs, subject to a maximum of two clubs including admission and life membership fee.
- e Payment of premium on personal accident insurance, with the annual cover of Rs 10,00,00,000/- (Rupees ten crores only).
- f Company's contribution to provident fund and pension / superannuation fund, as per the rules of the Company.
- g Gratuity as per the rules of the Company.
- h Provision of chauffeur driven two company cars for use on Company's business and use of car for private purposes will be dealt by the Company as per the applicable provisions under the Income Tax Rules, 1962 or any re-enactment thereof.
- i Telecommunication facilities at residence.

Perquisites shall be valued as per the Income-tax Rules, 1962 or any re-enactment thereof, wherever applicable. In the absence of any such rules the perquisites shall be valued at actual costs.

### IV Other Benefits

- a Leave on full pay and allowances as per rules of the Company, but not exceeding one month's leave for every eleven months service. Leave accumulated shall be encashed at the end of the tenure.
- b Benefits under loan and other schemes in accordance with the practices, rules and regulations in force in the Company from time to time.
- c Such other benefits, amenities and facilities as may be provided by the Company to other senior executives from time to time.
- d Such other benefits, amenities and facilities *including* those under the Special Post Retirement Benefits Scheme as per the rules of the Company.



- V The Board may revise the remuneration payable to the Managing Director, during any financial year during currency of the tenure of office, in such manner as may be agreed to between the Board of Directors and the Managing Director subject to the condition that the remuneration by way of salary, perquisites, commission, other allowances and other benefits, shall be within the limits permissible under Section 197 of the Companies Act, 2013.
- VI Minimum remuneration:
- In the event of any loss *or* inadequacy of profits for any financial year, the Board of Directors / Nomination and Remuneration Committee of the Board shall approve the remuneration payable to the Managing Director, during such financial year, in such manner as agreed to between the Board of Directors / Nomination and Remuneration Committee of the Board and the Managing Director however not exceeding the maximum limits specified in this behalf under Schedule V to the Companies Act, 2013.
- VII In the event of loss of office as Managing Director, the Managing Director shall be paid compensation in the manner and to the extent and subject to the limits or priorities prescribed under Sections 191 and 202 of the Companies Act, 2013 and rules made thereunder.
- VIII The above mentioned remuneration allowed to the Managing Director shall be in accordance with Sections 196 and 197 read with Schedule V of the Companies Act, 2013 and / or such changes, variations and substitutions as may be made therein by the Central Government from time to time.
- IX The scope and quantum of remuneration specified hereinabove, may be enhanced, enlarged, widened, altered *or* varied with the approval of Shareholders in the light of and in conformity with any amendments to the relevant provisions of the Companies Act, 2013 and / or the rules and regulations made hereunder and / or such guidelines as may be announced by the Central Government from time to time.
- X Ms Arathi Krishna, Managing Director, shall carry out such duties as may be entrusted to her by the Chairman and Managing Director from time to time.
- XI Ms Arathi Krishna, Managing Director, shall exercise such of the powers as may be delegated from time to time by the Board of Directors;
- XII Ms Arathi Krishna, Managing Director, will not be entitled to any sitting fee for meetings of the Board or Committee thereof attended by her during the said tenure.

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Date of entry: October 6, 2015

**Sd/-**  
**V G Jaganathan**  
 Chief Financial Officer & Company Secretary

**Sd/-**  
**Arathi Krishna**  
 Joint Managing Director  
 October 7, 2015  
 Chennai

