

SAMBANDAM SPINNING MILLS LIMITED

SALEM

PROCEEDINGS OF THE 41st ANNUAL GENERAL MEETING OF THE COMPANY HELD ON SUNDAY THE 27th SEPTEMBER 2015 AT 10.30 A.M AT THE REGISTERED OFFICE OF THE COMPANY IN KAMARAJ NAGAR COLONY, SALEM 636 014.

IN ATTENDANCE

| | | | |
|--------------------------|--------------------------------------|---|---|
| CHAIRMAN | Sri S. DEVARAJAN | : | CHAIRMAN AND MANAGING DIRECTOR |
| PROMOTER GROUP DIRECTORS | 1 Sri S. JEGARAJAN | : | JOINT MANAGING DIRECTOR |
| | 2 Sri S. DINAKARAN | : | JOINT MANAGING DIRECTOR |
| | 3 Sri D. SUDHARSAN | : | NON -EXECUTIVE DIRECTOR |
| | 4 Smt. D.ABIRAMI | : | NON -EXECUTIVE DIRECTOR |
| INDEPENDENT DIRECTORS | 1 Sri P.S.ANANTHANARAYANAN | : | CHAIRMAN OF AUDIT COMMITTEE AND CHAIRMAN OF NOMINATION AND REMUNERATION COMMITTEE |
| | 2 Sri N. ASOKA | : | CHAIRMAN OF STAKEHOLDERS RELATIONSHIP COMMITTEE |
| | 3 Dr. V. GOPALAN | : | INDEPENDENT DIRECTOR |
| | 4 Sri S.GNANASEKARAN | : | INDEPENDENT DIRECTOR |
| | 5 Sri KAMESHWAR M.BHAT | : | INDEPENDENT DIRECTOR |
| SECRETARY | Sri R.S.SHANMUGAM | : | COMPANY SECRETARY |
| AUDITORS : | STATUTORY CA N.KRISHNEN, Partner, | : | M.S.KRISHNASWAMI & RAJAN CHARTERED ACCOUNTANTS, SALEM. |
| COST AUDITORS | CMA M.GOPALAKRISHNAN Partner | : | S.MAHADEVAN & CO COST ACCOUNTANTS, CHENNAI. |
| SECRETARIAL AUDITORS | CS B.KALYANASUNDARAM Proprietor | : | B.K.SUNDARAM & ASSOCIATES COMPANY SECRETARIES, TRICHY. |
| | MEMBERS IN PERSON | : | 257 (Two hundred fifty seven Members) |
| | MEMBERS BY PROXY | : | 50 (Fifty Proxies) |

Sri S.Devarajan, Chairman and Managing Director of the Company occupied the chair and invited the members and the proxies present at the Meeting.

After ascertaining the quorum present, Chairman announced the commencement of the proceedings of the 41st Annual General Meeting (AGM) of the Company at 10.30 am, calling the meeting to order.

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NOTICE, BOARD'S REPORT & REGISTERS

With the permission of the members present, notice of the AGM printed on pages 3 to 14 of the Annual Report for 2014-15 and the Board's Report to the members printed on pages 19 to 29 of the Annual Report for 2014-15 which had already been sent to the members were taken as read. Chairman informed the members that Register of Directors and Key Managerial Personnel and their shareholding was kept open and made accessible for members present at the meeting in compliance with the provisions of Section 171 (1) (b) of the Companies Act 2013.

STATUTORY AUDITORS' REPORT

Chairman informed that pursuant to Section 146 of the Companies Act, 2013 Sri R.Krishnen, partner, M.S.Krishnaswami & Rajan, statutory auditors was present at the meeting. Chairman also informed the members, pursuant to the provisions of Section 145 of the Companies Act 2013, that there are no qualifications or adverse comments / observations / remarks on the financial transactions or matters which have any adverse effect on the functioning of the Company. Thereupon the Statutory Auditors' Report printed on pages 56 to 59 of the Annual Report for 2014-15 was taken as read.

SECRETARIAL AUDIT REPORT

Chairman informed that the Company had obtained Secretarial Audit Report from M/s. B.K.Sundaram & Associates, Practicing Company Secretaries, Trichy, pursuant to Section 204 of the Companies Act, 2013 which is printed on pages 33 and 34 of the Annual Report for 2014-15. He said there are no qualifications or adverse remarks / observations / comments in the Secretarial Audit Report.

CHAIRMAN OF COMMITTEES

Chairman mentioned that Sri P.S.Ananthanarayanan, Chairman of the Audit Committee and also Chairman of the Nomination cum Remuneration Committee, Sri N.Asoka, Chairman of the Stakeholders' Relationship Committee and he himself as Chairman of the CSR Committee, are present at the meeting.

CHAIRMAN'S SPEECH

Chairman then addressed the Members touching upon status of the Cotton and textile Industry in India as well as other countries, impact of the fluctuation in the price of Cotton and yarn which imposed severe strain on the Company's performance, outlook for the financial year 2015-16 and the future. He said with the active support and guidance of the eminent and experienced Independent Directors on the Board of Directors, Managers and the committed employees of the Company, Company would explore the possibility of diversifying into other related areas to stabilize the operations and improve the performance of the Company in the Coming years. He also said on the recommendation of the Board of Directors to pay 20% dividend with a view to maintain consistent record for ensuring fair return on the investment of the shareholders of the Company, the bankers' approval of the proposal would be received and the dividend would be paid after the resolution placed before the meeting is passed at the AGM.

Chairman concluded his speech on a positive note stating that with the abundant production and supply of cotton in India and abroad, price of the raw material and that of the Cotton yarn would stabilize with proper balance and the demand for Company's products would pick up. He said, the Management is in constant touch with the market and the customers to ascertain the trend in changes in the market to deliver value added products to meet their exact requirements and to improve the market share of the Company. He thanked the Bankers, suppliers, customers and all the stakeholders associated with the Company for their continued support.

INTRODUCTION TO RESOLUTIONS & VOTING OPTIONS

Chairman invited the attention of the members to the notes appended to the notice of the AGM and said, in accordance with the provisions of Sections 108, 109 and 110 of the Companies Act 2013 read with the Rules 20, 21 and 22 of the Companies (Management and Administration) Rules 2014 and Clause 35B of the Listing Agreement applicable to listed Companies, Company offered three alternative voting options to Shareholders, viz.: (i) Electronic Voting – also called 'Remote e-voting', (ii) Postal Ballot and (iii) Poll at the AGM venue in respect of all the ten resolutions stated in the Notice of the AGM. He said, Electronic Voting (e-voting) has been arranged by entering into an agreement with the Central Depository Services (India) Limited (CDSL) and the Company's Registrars and Share Transfer Agents (RTA) – Cameo Corporate Services Limited, Chennai. Chairman said the RTA had uploaded all the ten resolutions in the CDSL's e-voting Website to enable the members as on the cut-off date i.e. 21.09.2015 to exercise their voting right and CDSL enabled the e-voting facility for four days commencing from 12 noon on Wednesday 23rd September 2015 till 5.00 pm on Saturday, 26th September 2015. He also said, for the benefit of the members who could not access to electronic voting, ballot papers were attached to the Notice of the AGM sent to all the members and the members had the option to exercise their voting right in respect of all the ten resolutions stated in the AGM Notice through the ballot papers and send it to the Scrutinizer, CS B.Kalyanasundaram, Practising Company Secretary, Trichy till 5.00 pm on Friday, 25.09.2015.

Chairman also informed the members that for the purpose of scrutinizing the Poll taken at the AGM Hall, e-voting and the postal ballot voting, CS B.Kalyanasundaram, Practising Company Secretary, Trichy, was appointed by the Board of directors of the Company to scrutinize the votes cast by members and proxies at the AGM Hall; download the remote e-voting from the CDSL Website and the postal ballot papers received by him at his address and submit his report thereon. He said, CS B.Kalyanasundaram, was duly authorised by CDSL to download the e-voting exercised by the members of the Company and he would scrutinize the Votes cast on Poll at the AGM Hall, Remote e-voting and the postal ballot papers received by him till 5.00 pm on 25.09.2015 and would submit his report on the result of the voting within three days from the conclusion of the 41st AGM.

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Chairman said of the ten Resolutions placed before the members at the 41st Annual General Meeting, seven are Ordinary Resolutions and three are special resolutions. He briefly narrated the background and the purpose of each of these Resolutions and said the members and their proxies present at the meeting Hall would be eligible to exercise their voting right when the Poll is declared at the conclusion of the AGM, if they had not earlier cast their vote either on Remote e- voting or by Postal Ballot.

REMOTE E-VOTING

Chairman said the Remote e-voting facility offered pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 which commenced on 23.09.2015 (12.00 noon) and closed on 26.09.2015 (05.00 PM) was availed of by the members.

POSTAL BALLOT

Chairman said the voting facility offered through Postal Ballot as per Clause 35B of the Listing Agreement with the Stock Exchanges to facilitate remote voting by Shareholders who had no access for e-voting was also availed of by members and the Postal Ballot forms received till 05.00 PM on 25.09.2015 had been accepted by the Scrutinizer under that facility.

POLL

Chairman informed the Members that pursuant to the amended Rule 20 of the Companies (Management and Administration) Rules, 2014, the facility to vote on a polling paper had also been provided at the AGM Hall. He hastened to add that only Shareholders who had not already exercised their voting rights under Remote e-voting or Postal Ballot would now be eligible to cast their vote on the poll at the AGM Hall.

SCRUTINISER'S REPORT

Chairman said, CS B.Kalyanasundaram, Practicing Company Secretary (Membership No.672, C.P No.2209) who had been appointed as Scrutinizer for all the three modes of voting would furnish his report in respect of votes cast for all the ten Resolutions placed before the members at the 41st AGM within three days from the conclusion of the meeting.

QUERIES

Chairman invited queries from the Members relating to Annual Report, Accounts and functioning of the Company. No one raised any query. One Mr.Balasubramaniam, a member from Coimbatore spoke to share his observations which were extraneous to the Agenda of the meeting.

ORDERING POLL

Chairman then ordered Poll and requested the Shareholders to follow the instructions carefully so that their valuable votes would not be rendered invalid. He said the Staff Members of the Secretarial Department of the Company were available to distribute the POLL Sheets and guide the members and proxies to exercise their voting right on Poll and also to clarify any doubts or render assistance in the Poll process. Thereupon the voting on BALLOT PAPERS commenced at 11.25 AM at the meeting hall.

DECLARATION OF RESULT OF VOTING

Chairman informed the Members that on completion of the Poll, the Scrutinizer would compile the votes cast on e-voting, Postal Ballot and on Poll at the AGM and submit his Report within three days of conclusion of the meeting. On receipt of the Scrutinizer's Report, Result of Voting would be uploaded in the Company's Website www.sambandam.com and also informed to the Bombay Stock Exchange.

CONCLUSION OF MEETING

With vote of thanks to the Chair, the Chairman thanked the members and proxies for their presence at the AGM and declared the meeting closed at 11.40 AM.

SCRUTINIZER'S REPORT

The Scrutinizer had to send scan copies of the postal Ballot Papers received from Members and also the Ballot forms on the voting taken by POLL at the AGM HALL to the Company's RTA, Cameo Corporate Services by email to get the RTA's confirmation on verification of the signature of the members affixed on the Ballot Forms with the Specimen signature of the members available with the RTA. On receipt of the RTA's verification report by late evening on 28.09.2015, the Scrutinizer recorded that out of 20 Postal Ballot Forms received, two ballots were found to be invalid and only 18 Ballot forms were valid. The Scrutinizer's report states that 31 members holding 20,67,885 shares had exercised their voting right by electronic means (remote e-voting), 18 members holding 91,500 shares had exercised their voting right through ballot papers sent by post and 5 members holding 220 shares had cast their vote on the Poll at the AGM Hall.

Based on the above status, the Scrutinizer's Report states the following as the votes cast in favour or against each of the ten Resolutions included in the notice of the 41st AGM held on 27.09.2015 :

| Item No. of Notice and Description | Votes For | | | Votes Against | | |
|--|----------------|--------------|--------|----------------|--------------|--------|
| | No. of Members | No. of votes | Vote % | No. of Members | No. of votes | Vote % |
| 1 Adoption of Financial Statements | 53 | 2159505 | 99.999 | 1 | 100 | 0.001 |
| 2 Declaration of Dividend | 54 | 2159605 | 100.00 | 0 | 0 | 0.000 |
| 3 Reappointment of retiring Director | 54 | 2159605 | 100.00 | 0 | 0 | 0.000 |
| 4 Appointment of Statutory Auditors | 53 | 2159505 | 99.999 | 1 | 100 | 0.001 |
| 5 Remuneration to Cost Auditor | 53 | 2159505 | 99.999 | 1 | 100 | 0.001 |
| 6 Reappointment of Sri S.Devarajan, CMD | 53 | 2159505 | 99.999 | 1 | 100 | 0.001 |
| 7 Reappointment of Sri S.Jegarajan, JMD | 53 | 2159505 | 99.999 | 1 | 100 | 0.001 |
| 8 Reappointment of Sri S.Dinakaran, JMD | 53 | 2159505 | 99.999 | 1 | 100 | 0.001 |
| 9 Acceptance of deposits from Members | 54 | 2159605 | 100.00 | 0 | 0 | 0.000 |
| 10 Reissue of 21800 Forfeited Eq. Shares | 54 | 2159605 | 100.00 | 0 | 0 | 0.000 |

Note : (a) There were two invalid votes

(b) Vote % is based on total number of valid votes cast (for and against)

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DECLARATION OF VOTING RESULT

On receipt the above report from the Scrutinizer, Chairman prepared the Declaration of Result at the 41st AGM held on Sunday 27th September 2015 stating that **all the ten resolutions were duly passed with the requisite majority** and sent his report to the BSE and to CDSL for upload in the CDSL Website. The result of Voting at the AGM has also been uploaded in the Company's Website www.sambandam.com

RESOLUTIONS PASSED AT THE 41ST AGM HELD ON 27.09.2015

Resolution No.1 - ADOPTION OF ACCOUNTS

"RESOLVED THAT the Audited Balance Sheet as at 31st March 2015 together with the Statement of Profit and Loss and the Cash Flow statement for the year ended as on that date and the Reports of the Directors and the Auditors thereon be and are hereby received, considered and adopted."

As stated in the Scrutinizer's report, 20,67,885 votes were cast in favour of the resolution by e-voting, 220 votes were cast in favour of the resolution on the Poll taken at the AGM Hall and 91,400 votes were cast in favour of the resolution by postal ballot. One person holding 100 shares cast his vote against the above resolution by postal ballot. Therefore, Chairman declared, the above resolution was passed as an **ORDINARY RESOLUTION with requisite majority.**

Resolution No.2 – DECLARATION OF DIVIDEND

"RESOLVED THAT dividend of rupees two per equity share of rupees ten each be and is hereby declared for the financial year ended 31st March 2015 and that the same be paid, only if approved by the Company's bankers, out of the profits of the Company for the financial year ended 31st March 2015 to those shareholders whose names appear in the Register of Members as on 27th September 2015 in the case of members holding shares in physical form and to the beneficial holders of the dematerialised shares as on 27th September 2015 as per the details provided by Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) in the case of the shares held in electronic form."

As stated in the Scrutinizer's report, 20,67,885 votes were cast in favour of the resolution by e-voting, 220 votes were cast in favour of the resolution on the Poll taken at the AGM Hall and 91,500 votes were cast in favour of the resolution by postal ballot. There was no vote against the above resolution. Therefore, Chairman declared that the above resolution was passed unanimously.

Resolution No.3 – APPOINTMENT OF SRI S. JEGARAJAN DIRECTOR RETIRING BY-ROTATION

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act 2013 and the Rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force) Sri S.Jegarajan holding DIN 00018565, Director retiring by rotation at this AGM be and is hereby re-appointed as a director of the Company liable to retire by rotation."

As stated in the Scrutinizer's report, 20,67,885 votes were cast in favour of the resolution by e-voting, 220 votes were cast in favour of the resolution on the Poll taken at the AGM Hall and 91,500 votes were cast in favour of the resolution by postal ballot. There was no vote against the above resolution. Therefore, Chairman declared that the above resolution was passed unanimously.

Resolution No.4 – APPOINTMENT OF STATUTORY AUDITORS

“RESOLVED THAT, pursuant to the provisions of section 139(2) and other applicable provisions, if any, of the Companies Act 2013 and the rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. M.S.Krishnaswami & Rajan, Chartered Accountants (Firm registration No.01554S) be and are hereby re-appointed Auditors of the Company from the conclusion of this meeting until the conclusion of the next Annual General Meeting for the financial year 2015-16 on a remuneration of Rs.4,25,000/- (Rupees four lakhs and twenty five thousand only) excluding the out of pocket expenses that may be incurred by them in connection with the audit and excluding the applicable service tax.”

As stated in the Scrutinizer's report, 20,67,885 votes were cast in favour of the resolution by e-voting, 220 votes were cast in favour of the resolution on the Poll taken at the AGM Hall and 91,400 votes were cast in favour of the resolution by postal ballot. One person holding 100 shares cast his vote against the above resolution by postal ballot. Therefore, Chairman declared, the above resolution was passed as an **ORDINARY RESOLUTION** with requisite majority.

Resolution No.5 – RATIFICATION OF THE REMUNERATION PAYABLE TO COST AUDITORS

“RESOLVED THAT the remuneration of Rs.2,25,000 payable for audit of cost accounts relating to the Spinning Division and Rs.25,000 payable for audit of cost accounts relating to the Wind Mill Division of the Company for the financial year ending 31st March 2016 to M/s.S.Mahadevan & Co., Cost Accountants as recommended by the Audit Committee and approved by the Board of Directors of the Company pursuant to section 148 of the Companies Act 2013 read with rule 14 and other applicable rules of the Companies (Audit and Auditors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) excluding the out of pocket expenses that may be incurred by them in connection with the audit and excluding the applicable service tax be and is hereby ratified.”

“RESOLVED FURTHER THAT the Board of directors of the Company be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

As stated in the Scrutinizer's report, 20,67,885 votes were cast in favour of the resolution by e-voting, 220 votes were cast in favour of the resolution on the Poll taken at the AGM Hall and 91,400 votes were cast in favour of the resolution by postal ballot. One person holding 100 shares cast his vote against the above resolution by postal ballot. Therefore, Chairman declared, the above resolution was passed as an **ORDINARY RESOLUTION** with requisite majority

**Resolution No. 6 – REAPPOINTMENT OF SRI S. DEVARAJAN,
CHAIRMAN AND MANAGING DIRECTOR**

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions; if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded for reappointment of Sri S.Devarajan, (DIN 00001910) as Chairman and Managing Director of the Company, for a period of three years from 1.10.2015 to 30.09.2018 on the following terms and conditions as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company.

- (a) Basic Salary Rs.2,40,000/- per month,
- (b) Perquisites and allowances as under not exceeding Rs.1,60,000/ per month.
 - (i) Company's contribution to provident fund; (ii) Payment of Gratuity and other retirement benefits; (iii) Leave with full pay as per the rules of the Company with encashment of unavailed leave being allowed; (iv) Maintenance of residential accommodation, gas, water, electricity and power, furnishings and utility allowance; (v) reimbursement of medical expenses incurred in India and abroad for self and family including, in case of medical treatment abroad, air fare, boarding and lodging for patient and attendant; (vi) leave travel assistance and allowance; (vii) membership fees for clubs, including admission and life membership; (viii) hospitalisation and accident insurance; (ix) cost of insurance cover against the risk of any financial liability or loss because of any error of judgment; (x) free use of Company's car with driver for Company's work as well as for personal purpose along with driver, (xi) telephone, tele-fax and other communication facilities at Company's cost, (xii) subject to any statutory ceiling(s), the appointee may be given any other perquisites, benefits and facilities as the Nomination and Remuneration Committee may, from time to time decide.

Valuation of perquisites: Perquisites shall be valued as per the Income Tax Rules, wherever applicable and at actual cost to the Company in other cases.

The Company's contribution to provident fund as per para (b)(i) above, payment of gratuity as per para (b)(ii) above and encashment of leave at the end of the tenure as per para (b)(iii) above shall not however be included in the computation of perquisites for the purpose of the ceiling.”

“RESOLVED FURTHER THAT Sri S.Devarajan, Chairman and Managing Director will draw the remuneration as stated above even in the absence of or inadequacy of profit in any financial year.”

As stated in the Scrutinizer's report, 20,67,885 votes were cast in favour of the resolution by e-voting, 220 votes were cast in favour of the resolution on the Poll taken at the AGM Hall and 91,400 votes were cast in favour of the resolution by postal ballot. One person holding 100 shares cast his vote against the above resolution by postal ballot. Therefore, Chairman declared, the above resolution was passed as a **SPECIAL RESOLUTION** with requisite majority.

Resolution No.7 – REAPPOINTMENT OF SRI S. JEGARAJAN, JOINT MANAGING DIRECTOR :

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded for reappointment of Sri S.Jegarajan, (DIN 00018565) as Joint Managing Director of the Company, for a period of three years from 1.10.2015 to 30.09.2018 on the following terms and conditions as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company.

(a) Basic Salary Rs.2,30,000/- per month,

(b) Perquisites and allowances as under not exceeding Rs.1,50,000/ per month.

(i) Company's contribution to provident fund; (ii) Payment of Gratuity and other retirement benefits; (iii) Leave with full pay as per the rules of the Company with encashment of unavailed leave being allowed; (iv) Maintenance of residential accommodation, gas, water, electricity and power, furnishings and utility allowance; (v) reimbursement of medical expenses incurred in India and abroad for self and family including, in case of medical treatment abroad, air fare, boarding and lodging for patient and attendant; (vi) leave travel assistance and allowance; (vii) membership fees for clubs, including admission and life membership; (viii) hospitalisation and accident insurance; (ix) cost of insurance cover against the risk of any financial liability or loss because of any error of judgment; (x) free use of Company's car with driver for Company's work as well as for personal purpose along with driver, (xi) telephone, tele-fax and other communication facilities at Company's cost, (xii) subject to any statutory ceiling(s), the appointee may be given any other perquisites, benefits and facilities as the Nomination and Remuneration Committee may, from time to time decide.

Valuation of perquisites: Perquisites shall be valued as per the Income Tax Rules, wherever applicable and at actual cost to the Company in other cases.

Company's contribution to provident fund as per para (b)(i) above, payment of gratuity as per para (b)(ii) above and encashment of leave at the end of the tenure as per para (b)(iii) above shall not however be included in the computation of perquisites for the purpose of the ceiling."

"RESOLVED FURTHER THAT Sri S.Jegarajan, Joint Managing Director will draw the remuneration as stated above even in the absence of or inadequacy of profit in any financial year.

As stated in the Scrutinizer's report, 20,67,885 votes were cast in favour of the resolution by e-voting, 220 votes were cast in favour of the resolution on the Poll taken at the AGM Hall and 91,400 votes were cast in favour of the resolution by postal ballot. One person holding 100 shares cast his vote against the above resolution by postal ballot. Therefore, Chairman declared, the above resolution was passed as a SPECIAL RESOLUTION with requisite majority.

Resolution No.8 – REAPPOINTMENT OF SRI S. DINAKARAN, JOINT MANAGING DIRECTOR :

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded for reappointment of Sri S.Dinakaran, (DIN 00001932) as Joint Managing Director of the Company, for a period of three years from 1.10.2015 to 30.09.2018 on the following terms and conditions as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company.

- (a) Basic Salary Rs.1,60,000 per month,
- (b) Perquisites and allowances : Following are the only perquisites/allowances payable to Sri S.Dinakaran, Joint Managing Director
- (i) Company's contribution to provident fund;
 - (ii) Payment of Gratuity and other retirement benefits;
 - (iii) Leave with full pay as per the rules of the Company with encashment of unavailed leave being allowed;”

“RESOLVED FURTHER THAT Sri S.Dinakaran, Joint Managing Director will draw the remuneration as stated above even in the absence of or inadequacy of profit in any financial year.”

As stated in the Scrutinizer's report, 20,67,885 votes were cast in favour of the resolution by e-voting, 220 votes were cast in favour of the resolution on the Poll taken at the AGM Hall and 91,400 votes were cast in favour of the resolution by postal ballot. One person holding 100 shares cast his vote against the above resolution by postal ballot. Therefore, Chairman declared, the above resolution was passed as a SPECIAL RESOLUTION with requisite majority.

Resolution No.9 – ACCEPTANCE OF DEPOSITS FROM MEMBERS OF THE COMPANY :

“RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to accept deposits from the members of the Company in accordance with the provisions of Section 73(2) and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force) duly observing the procedure for accepting deposits from the members of the Company and within the limits prescribed therefor.”

“RESOLVED FURTHER THAT the Board of directors of the Company be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

As stated in the Scrutinizer's report, 20,67,885 votes were cast in favour of the resolution by e-voting, 220 votes were cast in favour of the resolution on the Poll taken at the AGM Hall and 91,500 votes were cast in favour of the resolution by postal ballot. There was no vote against the above resolution. Therefore, **Chairman declared that the above resolution was passed unanimously.**

Resolution No.10 – REISSUE OF 21800 FORFEITED EQUITY SHARES :

“RESOLVED THAT sanction be and is hereby accorded to the Board of Directors pursuant to Article 31(i) of TABLE F of Schedule I of the Companies Act, 2013 to sell or otherwise dispose of on such terms and in such manner as the Board thinks fit, in the best interests of the Company, subject to obtaining necessary further approval from the Bombay Stock Exchange in which the shares are listed.”

“RESOLVED FURTHER THAT sanction be and is hereby accorded pursuant to Articles 33(ii) and 33(iii) of TABLE F of Schedule I of the said Act for the Board to receive the consideration, for the shares on any sale or disposal thereof and to execute transfer deeds in favour of the persons to whom the shares are sold or disposed of and the transferees shall thereupon be registered as holders of the shares.”

“RESOLVED FURTHER THAT sanction be and is hereby accorded to the Board of Directors to apply to the Bombay Stock Exchange pursuant to Clause 23 (a) of the Listing Agreement for their approval to issue the forfeited shares on the basis of the foregoing resolutions and to exempt the company from issuing or offering the forfeited shares to all the shareholders on pro-rata basis inasmuch as the quantum of forfeited shares constitutes just 0.5% of the issued shares of the Company.”

As stated in the Scrutinizer's report, 20,67,885 votes were cast in favour of the resolution by e-voting, 220 votes were cast in favour of the resolution on the Poll taken at the AGM Hall and 91,500 votes were cast in favour of the resolution by postal ballot. There was no vote against the above resolution. Therefore, **Chairman declared that the above resolution was passed unanimously.**

PLACE: SALEM
DATE : 01-10-2015


(S . DEVARAJAN)
CHAIRMAN