Sundram Fasteners Limited

Email: investorshelpdesk@sfl.co.in

REGISTERED & CORPORATE OFFICE
98-A, VII FLOOR
DR. RADHAKRISHNAN SALAI,
MYLAPORE, CHENNAI - 600 004, INDIA
TELEPHONE : +91 - 44 - 28478500
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PAN : AAACS8779D
CIN : L35999TN1962PLC004943
WEBSITE : www.sundram.com

February 1, 2016

National Stock Exchange of India Limited (NSE) By NEAPs / Email
Scrip Code - SUNDRMFAST
Exchange Plaza, 5th Floor
Plot No.C/1, G Block
Bandra Kurla Complex, Bandra (East)
Mumbai – 400 051

BSE Limited (BSE) By Listing Centre / Email
Scrip Code - 500403
Corporate Relationship Department
1st Floor, New Trading Ring
Rotunda Building, P J Towers
Dalal Street, Fort
Mumbai – 400 001

Dear Sir / Madam,

Notice of 3rd Postal Ballot

Pursuant to Regulation 30 and Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No CIR/CFD/CMD/4.2015 dated September 9, 2015, we enclose herewith a copy of the Notice of Postal Ballot for the following businesses – (1) Issue of Non-Convertible Debentures on private placement basis, (2) Transfer of shares of certain subsidiaries of the Company.

We also wish to inform you that the Company is providing remote e-voting facility to its members for the business to be transacted through postal ballot. The e-voting period commences on **Monday, February 1, 2016 (9.00 am)** and ends on **Tuesday, March 1, 2016 (6.00 pm).**

Thanking you,

Yours truly,
For SUNDRAM FASTENERS LIMITED

S Meenakshisundaram
President – Finance

Intertek

Sundram Fasteners Limited
CIN : L35999TN1962PLC004943
Registered Office : 98-A, VII Floor, Dr. Radhakrishnan Salai, Mylapore, Chennai - 600 004
Phone : +91 - 44 - 28478500 | Fax : +91 - 44 - 28478508 / 28478510
E-mail : investorshelpdesk@sfl.co.in | www.sundram.com

NOTICE OF 3RD POSTAL BALLOT

[Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration), Rules, 2014]

To

The Members

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, that it is proposed to transact the following business by way of a postal ballot:-

1. Issue of Non-Convertible Debentures on private placement basis

2. Transfer of shares of certain subsidiaries of the Company

The Board of Directors has appointed Sri K Sriram, Practising Company Secretary (CP No. 2215), Partner, M/s. S Krishnamurthy & Co., *Company Secretaries,* as the Scrutiniser, for conducting the postal ballot process in a fair and transparent manner.

The draft of the Resolutions together with the Statement pursuant to Section 102(1) of the Companies Act, 2013, setting out the material facts concerning the proposed items of special business thereto is enclosed.

By Order of the Board

Date : January 18, 2016
Place : Chennai - 600 004

Suresh Krishna
Chairman and Managing Director

Notes

1. A member desiring to exercise vote by postal ballot is requested to read the instructions for Postal Ballot carefully and **return the Postal Ballot Form duly completed, in the attached self-addressed postage pre-paid envelope** so as to reach the Scrutinizer **on or before 6.00 p.m. on Tuesday, March 1, 2016**.

2. The Scrutiniser will submit his report to the Chairman and Managing Director / Managing Director(s) of the Company after completion of the scrutiny and the results of the postal ballot will be declared by the Chairman and Managing Director / Managing Director(s) on **Thursday, March 3, 2016,** at the Registered Office of the Company at 98-A, VII Floor, Dr. Radhakrishnan Salai, Mylapore, Chennai - 600 004.

3. An ordinary resolution to be considered as duly passed must receive more than half of the votes cast in favour of the resolution. A special resolution to be considered as duly passed must receive not less than three times of the votes cast in favour of the resolution. Such votes may be cast by postal ballot or remote e-voting and will also include the casting vote of the Chairman.

4. In terms of Clause 16.6.3 of Secretarial Standard – 1, the resolution shall be deemed to have been passed on the last date specified by the company for receipt of duly completed postal ballot forms or e-voting (i.e., **March 1, 2016**).

5. The results of the postal ballot will be posted on the Company's website – http://sundram.com/investors.php and will also be displayed in the notice board of the company at its registered office within forty eight (48) hours of completion of voting. The results will also be communicated to the stock exchanges.

6. As per the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and also in terms of Regulation 44 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing members a facility to exercise their right to vote on the postal ballot by electronic means and the business may be transacted through remote e-voting services provided by National Securities Depository Limited (NSDL).

7. The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the company as on the cut-off date, **January 18, 2016.** A person who is not a member as on the cut-off date should treat this notice for information purposes only. The voting rights in respect of unclaimed shares held in Sundram Fasteners Limited Unclaimed Suspense Account stands frozen in terms of Regulation 39 read with Schedule VI of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

8. Members requiring any clarification may contact investors helpdesk at Phone: +91 - 44 - 28478500 / Fax: +91 - 44 - 28478508 / 28478510 / E-mail: investorshelpdesk@sfl.co.in

SPECIAL BUSINESS

1. ISSUE OF NON-CONVERTIBLE DEBENTURES ON PRIVATE PLACEMENT BASIS

To consider and to give assent / dissent for passing the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 23, 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Companies (Share Capital and Debentures) Rules, 2014, including any statutory modification, amendment, substitution or re-enactment thereof, for the time being in force and pursuant to SEBI (Issue and Listing of Debt Securities) Regulations, 2008 and other applicable Regulations / Guidelines and subject to the relevant provisions of the Memorandum and Articles of Association of the Company, approval of the members of the Company is hereby accorded to the Board of Directors of the Company, (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board to issue / offer / invite for subscription / to allot Secured Redeemable Non-Convertible Debentures ("NCDs") including but not limited to subordinate debt, bonds and / or other debt securities (hereinafter collectively referred as ("Securities"), *on private placement basis,* listed or unlisted, in one or more tranches during a period of one year from the date of passing of this special resolution, to eligible person(s), upto a limit of Rs 300 Crores (Rupees Three Hundred Crores), within the overall borrowing limits of the Company, approved by the members of the Company from time to time.

RESOLVED FURTHER THAT the Board is hereby authorised to determine the terms of the issue including providing security over any of the Company's assets, the class of investors to whom such Securities to be issued, timing of the issue, total amount to be raised by issuance of Securities, the number of Securities, tranches, issue price, tenor, interest rate, premium / discount, appointment of trustee(s), listing and to do all such acts, deeds, filings, matters and execute all such deeds, documents, instruments and writings as may be required, with powers on behalf of the Company to settle all questions, difficulties or doubts that may arise in this regard, as the Board may, in its sole and absolute discretion deems fit and to delegate all or any of its powers herein conferred to any director(s) and / or officer(s) of the Company, as it may in its absolute discretion deem necessary.

2. TRANSFER OF SHARES IN CERTAIN SUBSIDIARIES OF THE COMPANY

To consider and to give assent / dissent for passing the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification and re-enactment thereof for the time being in force), the Foreign Exchange Management Act, 1999 and such other approvals, sanctions, consents and permissions as may be necessary, consent is hereby accorded to the Board of Directors of the Company or any Committee thereof, for the transfer of entire voting share capital (100%) of Cramlington Precision Forge Limited, United Kingdom and entire voting share capital (100%) of Sundram Fasteners (Zhejiang) Limited, China, to a new Intermediate Holding Company (IHC) to be formed in United Kingdom (which will be a wholly-owned subsidiary of the Company), for a consideration of Rs 249.99 Crores (Rupees Two Hundred and Forty Nine Crores and Ninty Nine Lakhs) to be settled by the IHC by way of issuance of shares of equal value in accordance with applicable laws and for execution of formal documents / agreements in this regard.

RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof will have absolute discretion to decide all connected matters in the best interests of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof, are hereby authorised to execute the documents, deeds or writings required to be executed in relation to the transfer of the shares and other incidental documents, make applications to regulatory and governmental authorities for the purpose of obtaining all approvals, consents, permissions and sanctions required by the Company and to do all acts and deeds to give effect to this resolution."

By Order of the Board

Date : January 18, 2016
Place : Chennai - 600 004

Suresh Krishna
Chairman and Managing Director

STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 1

In line with the current trend of raising funds through issue of Secured Redeemable Non-Convertible Debentures (NCDs), the Board of Directors of the Company at its meeting held on January 18, 2016 has, subject to the approval of Members, accorded its consent to raise funds through issue of NCDs / Bonds / Sub-ordinated Debt Instruments to eligible investor(s) on private placement basis, at such terms and conditions and at such price(s) in compliance with the requirements of regulatory authorities, if any and as may be finalized by the Board and / or Committee of Directors. The amount to be raised by way of issue of NCDs on a private placement basis however shall not exceed Rs 300 Crores (Rupees Three Hundred Crores Only) in aggregate.

The objective of raising funds through issue of debentures is to augment long term resources for refinancing / financing the Company's working capital requirements, capital expenditure and / or for general corporate purposes.

The Company may offer or invite subscription for NCDs, in one or more series / tranches on private placement basis. The Company may also list these NCDs in any one or more Stock Exchanges.

Section 42 of the Companies Act, 2013 read with Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, permits a Company to pass a previous special resolution once in a year for all the offer or invitation for non-convertible debentures to be made during the year through a private placement basis in one or more tranches.

Necessary approvals for borrowings and creation of charges have already been obtained from the members in the 51st Annual General Meeting held on 22nd September, 2014.

The consent of Members is therefore sought for the proposed issue of NCDs, and to authorize the Board (including any Committee of the Board) to issue NCDs on private placement basis, in one or more tranches, during a period of one year from the date of passing this special resolution, with the authority to the Board of Directors / any Committee of the Board to determine the terms and conditions, including the issue price of the NCDs, bonds and / or other debt securities and submit necessary application for listing of NCDs with any one or more Stock Exchanges.

The proposal as set out in the Notice is placed for consideration and approval of the shareholders by way of a Special Resolution.

Concern or interest, financial or otherwise of Directors and Key Managerial Personnel and their relatives

No Director or Key Managerial Personnel or their relative is concerned or interested in this item of business.

Item No. 2

In continuation of the approval granted by the Board of Directors of the Company at their meeting held on January 18, 2016, subject to the approval of members and other necessary regulatory approvals, it is proposed to transfer equity shares representing 100% voting share capital of Cramlington Precision Forge Limited, United Kingdom (CPFL) and Sundram Fasteners (Zhejiang) Limited, China (SFZL), (the wholly-owned subsidiaries) held by the Company to a new Intermediate Holding Company to be formed in the United Kingdom (IHC), which will be a wholly-owned subsidiary of the Company. The aggregate consideration of Rs 249.99 Crores for the above mentioned transfer of shares of the wholly owned subsidiaries by the Company will be settled by the proposed IHC by way of issuance of shares in accordance with the terms and conditions mutually agreed to between the Company and the IHC.

The transfer of shares is being proposed in order to effectively leverage the combined balance sheets of CPFL and SFZL and to facilitate control of these subsidiaries through the IHC.

The cost of Company's investment in the share capital of CPFL and SFZL is Rs 11.17 Crores and Rs 56.88 Crores respectively. The current value of the above investment is Rs 63.90 Crores and Rs 186.09 Crores respectively. The proposed transfer is based on the current value of investments. After the proposed transaction, the IHC will hold 100% of the shareholding of CPFL and SFZL. Hence, the proposed restructuring does not result in any loss of control. As the above transaction would be a related party transaction under Section 188(1) of the Companies Act, 2013, approval of the members is being sought by way of an ordinary resolution.

Concern or interest, financial or otherwise of Directors and Key Managerial Personnel and their relatives

No Director or Key Managerial Personnel or their relative is concerned or interested in this item of business.

By Order of the Board

Date : January 18, 2016
Place : Chennai - 600 004

Suresh Krishna
Chairman and Managing Director

Instructions for Postal Ballot

1. A member desiring to exercise vote by postal ballot is requested to read the instructions for Postal Ballot carefully and return the Postal Ballot Form duly completed, in the attached self-addressed postage pre-paid envelope so as to reach the Scrutiniser on or before the close of working hours (6.00 p.m.) on **Tuesday, March 1, 2016.** A member may request for a duplicate postal ballot form, if required. However, such duplicate postal ballot form should reach the Scrutiniser not later than the date and time specified above.
2. The member(s) may choose to send the postal ballot by courier at their own expense.
3. Members are requested not to send any other paper along with the postal ballot form in the enclosed self-addressed envelope.
4. The form should be duly completed and signed by the member. In case of joint holding, the form should be completed and signed (as per the specimen signature registered with the company) by the first named member and in his / her absence, by the next named member.
5. Member cannot vote by post and remote e-voting and if he votes both by post and remote e-voting, his vote by post shall be treated as invalid.
6. The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the company as on the cut-off date, **January 18, 2016**.
7. A member need not use all his votes and nor does he need to cast all his votes in the same manner.
8. Where postal ballot form is signed by an authorised representative of a body corporate, a *certified copy* of the relevant authorisation / resolution should accompany the postal ballot form.
9. In case the postal ballot form is signed by a Power of Attorney holder, *the Power of Attorney registration number* intimated by the Company / Registrar & Transfer Agents should be mentioned.
10. A postal ballot form shall be considered invalid if:
    (a) A form other than one issued by the company has been used.
    (b) It has not been signed by or on behalf of the Member.
    (c) Signature on the postal ballot form doesn't match the specimen signatures with the Company / RTA.
    (d) It is not possible to determine without any doubt the assent or dissent of the Member.
    (e) Neither assent nor dissent is mentioned.
    (f) Any competent authority has given directions in writing to the Company to freeze the Voting Rights of the Member.
    (g) The envelope containing the postal ballot form is received after the last date prescribed.
    (h) The postal ballot form, signed in a representative capacity, is not accompanied by a certified copy of the relevant specific authority.
    (i) It is defaced or mutilated in such a way that its identity as a genuine form cannot be established.
    (j) Member has made any amendment to the Resolution or imposed any condition while exercising his vote.

Instruction for Remote e-voting

(A) In case a Member receives an email from NSDL, whose email IDs is registered with the Company / Depository Participant(s).

i) Open email and open PDF file named – "Sundram Fasteners Limited remote e-voting pdf" with the Client ID or Folio No. as password. The said PDF file contains the user ID and password / PIN for e-voting. Please note that the password is an initial password, which the member may change.

ii) Launch internet browser by typing the URL: http://www.evoting.nsdl.com/

iii) Click on Shareholder – Login

iv) Type the USER ID and PASSWORD as initial password / PIN noted in Step (i) above. Thereafter, Click Login

v) Password change menu will appear now. Change the password / PIN with new password with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share the password with any other person and take utmost care to keep the password confidential.

vi) Home page of remote e-voting opens. Click on e-voting and select Active voting cycles.

vii) Select "EVEN" of Sundram Fasteners Limited.

viii) Now, the members may cast the vote as the page opens.

ix) Members may cast their vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

x) Upon confirmation, the message "Vote cast successfully" will be displayed.

xi) Once a member has voted on the resolution, the member will not be allowed to modify the vote.

xii) Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (pdf / jpeg format) of the relevant Board Resolution who are authorised to vote, to the Scrutiniser through email at **skco.cs@gmail.com** with a copy marked to **evoting@nsdl.co.in**

(B) In case of a members receiving the physical copy [i.e. whose email IDs are not registered with the Depository Participant(s)]

i) Initial password is provided in the Postal Ballot Form as follows:

EVEN (e-Voting Event Number)	USER ID	PASSWORD / PIN

ii) The Member may follow all steps from serial no. (ii) to (xii) in (A) above to cast the vote.

iii) In case of any queries, the member may refer the frequently asked questions (FAQs) for shareholders and e-voting user manual for shareholders available at the downloads section of http://www.evoting.nsdl.com / or contact NSDL at the toll free no.1800-222-990.

Contact details of the person responsible to address the grievances connected with the electronic voting	Mr Rajiv Ranjan Assistant Manager – NSDL 4th Floor, A-Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 Email : evoting@nsdl.co.in or rajivr@nsdl.co.in Phone : +91-22-24994600 / 24994738 Toll Free No. : 1800-222-990

iv) If the member is already registered with NSDL for e-voting then the member can use the existing USER ID and PASSWORD / PIN for casting the vote.

v) Members can also update their mobile number and email id in the user profile details of the folio, which may be used for sending future communications.

vi) The remote e-voting period commences on **Monday, February 1, 2016 (9.00 a.m.) and ends on Tuesday, March 1, 2016 (6.00 p.m.)**. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **January 18, 2016** may cast their votes electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

vii) The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date, **January 18, 2016**.

viii) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting or voting by postal ballot.

ix) The Company has appointed Sri K Sriram, Practicing Company Secretary (CP No. 2215) as Scrutiniser for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

x) The Scrutiniser shall within forty eight (48) hours from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutiniser's Report, forthwith to the Chairman and Managing Director / Managing Director(s) of the Company.

xi) The results along with the Scrutinisers Report shall be placed on the website of the Company http://sundram.com/investors.php and on the notice board of the Company at its registered office immediately after the declaration of result by the Chairman or a Director authorized by him in writing. The results shall also be communicated to the Stock Exchanges, BSE Limited / National Stock Exchange of India Limited, Mumbai.

Sundram Fasteners Limited

CIN : L35999TN1962PLC004943
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For Scrutiniser's use
Ballot No

POSTAL BALLOT FORM

[To be returned to the Scrutiniser appointed by the company]

1. Name(s) of the Member(s) (including joint holders, if any) :

2. Registered address of the Sole/ first named member :

3. Registered Folio No. / DP ID No. and Client ID No. :

4. Number of shares held as on 18th January, 2016 (Cut-off date) :

5. Class of Share : Equity

I / We hereby exercise my / our vote in respect of the ordinary resolution / special resolution to be passed through postal ballot for the business stated in the postal ballot notice of the Company by conveying my / our assent or dissent to the said resolutions by placing the (✓) mark at the appropriate box below:

Description	No. of Shares	Type of Resolution	I / We assent to the Resolution	I / We dissent to the Resolution
			For	Against
Issue of Non-Convertible Debentures on Private Placement basis		Special		
Transfer of shares in certain subsidiaries of the Company		Ordinary		

Date:

Place:

Please sign here

Signature of the shareholder

(Note – This portion may be teared off and retained by the member)

ELECTRONIC VOTING PARTICULARS

EVEN (e-Voting Event Number)	USER ID	PASSWORD / PIN

Note: Please read the notes / instructions for postal ballot / remote e-voting before filling the form / casting your vote through remote e-voting. Last date for receipt of postal ballot forms by the scrutinizer / casting your vote by remote e-voting is 1st March, 2016 (6.00 p.m.)

Instances in which the Postal Ballot form shall be treated as invalid or rejected:-

a) A form other than one issued by the company has been used.

b) It has not been signed by or on behalf of the Member.

c) Signature on the postal ballot form doesn't match the specimen signatures with the company.

d) It is not possible to determine without any doubt the assent or dissent of the Member.

e) Neither assent nor dissent is mentioned.

f) Any competent authority has given directions in writing to the company to freeze the Voting Rights of the Member

g) The envelope containing the postal ballot form is received after the last date prescribed.

h) The postal ballot form, signed in a representative capacity, is not accompanied by a certified copy of the relevant specific authority.

i) It is defaced or mutilated in such a way that its identity as a genuine form cannot be established; and

j) Member has made any amendment to the Resolution or imposed any condition while exercising his vote.

A postal ballot form which is otherwise complete in all respects and is lodged within the prescribed time limit but is undated shall be considered valid.

Members who have not received postal ballot form may apply either to the company at the above mentioned address / email or contact our Registrar and Transfer Agent, Integrated Enterprises (India) Limited, Kences Towers, 2nd Floor, No.1, Ramakrishna Street, North Usman Road, T.Nagar, Chennai - 600 017, Telephone: +91- 44-28140801/ 28140802 /28140803, E-mail : srirams@integratedindia.in and obtain a duplicate thereof.