



HINDUJA FOUNDRIES

July 11, 2016

The Listing Department,
Bombay Stock Exchange,
Floor 25, P J Towers,
Dalal Street,
Mumbai – 400 001.

The Listing Department,
National Stock Exchange of India Limited,
“Exchange Plaza”
Plot No. C/1, G Block,
Bandra - Kurla Complex,
Bandra East,
Mumbai 400 051.

Dear Sirs,

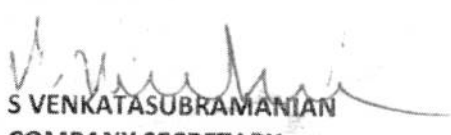
Sub: Minutes of Annual General Meeting

We herewith enclose minutes of our 55th Annual General Meeting held on June 16, 2016.

Please take the same on record.

Thanking you,

Yours faithfully,
For HINDUJA FOUNDRIES LIMITED


S VENKATASUBRAMANIAN
COMPANY SECRETARY

Encl : As above

HINDUJA FOUNDRIES LIMITED

Corporate Office : No.477- 482, Anna Salai, Khivraj Complex II, 7th Floor, Nandanam, Chennai-600 035.

Phone: 044 - 42016742, 42013548, Fax : 044 - 42021443 Website : www.hindujafoundries.com

Regd. Office : Kathivakkam High Road, Ennore, Chennai – 600 057.

CIN: L27104TN1959PLC003849



HINDUJA GROUP

**PROCEEDINGS OF THE 55TH ANNUAL GENERAL MEETING OF HINDUJA FOUNDRIES LIMITED
HELD ON THURSDAY, JUNE 16, 2016, AT 11.00 A.M., AT RANI SEETHAI HALL, 603, ANNA
SALAI, CHENNAI – 600 006.**

MEMBERS PRESENT

1284 members and 5 proxies recorded attendance (including 3 members representing body corporates).

DIRECTORS PRESENT:

Dr. C Bhaktavatsala Rao	Chairman of the Meeting
Mrs. Mohana Srinivasan (In absence of Chairman Audit Committee)	Director
Mr. Sridhar Venkiteswaran (Chairman of Nomination & Remuneration Committee)	Director
Mr. T Anantha Narayanan (Chairman of Stakeholders Relationship Committee)	Director
Mr. Sridharan Kesavan	Director
Mr. Vijay Vaid	Director
Mr. Sudhanshu K Tripathi	Director
Mr. A R Chandrasekharan	Director

IN ATTENDANCE

Mr. S. Sethuraman, Partner &
Mr. Harsh Lakhotia
BSR and Company, Chartered Accountants, Chennai.

Mr. D M Reddy	Chief Executive Officer
Mr. S Venkatasubramanian	Company Secretary
Mr. K R Ravishankar	Chief Financial Officer

At the appointed time of 11 a.m. Company Secretary informed that Mr. Dheeraj G Hinduja, Chairman of the Company could not be present owing to his unanticipated pre-occupation and requested the members present to elect Dr. C Bhaktavatsala Rao, Vice Chairman as Chairman of the 55th Annual General Meeting.



Proposed by Mr. S Ramachandran (DP ID: IN301549, CL ID : 33805921) and seconded by Mr. L Shreedharan (Folio No. 21120), Dr. C Bhaktavatsala Rao was elected as Chairman of the 55th Annual General Meeting.

The Company Secretary further informed that Mr. D J Balaji Rao, Chairman of the Audit Committee also could not be present as he was abroad, and Mrs. Mohana Srinivasan, an Independent Director, and a member of the Audit Committee, was nominated to represent the Audit Committee Chairman at the 55th Annual General Meeting.

Dr. C Bhaktavatsala Rao, Chairman of the meeting, after confirming that necessary quorum was present commenced the meeting at 11.05 a.m., by extending a warm welcome to the Members and Proxies present.

Chairman of the meeting introduced the Board Members, Chief Executive Officer and Company Secretary present on the dais and informed that Mr. Sethuraman Sivaramakrishnan & Mr. Harsh Lakhota representing M/s. B S R and Company, Statutory Auditors were present.

He further informed that Secretarial Auditor and Internal Auditors of the Company were also present.

He informed that the relevant registers maintained under the Companies Act, 2013, were available for inspection by the members.

Chairman of the meeting also informed that the Report of the Directors and the audited financial Statements for the 18 months period ended March 31, 2016 have already been circulated. With the permission of the members, the same were taken as read.

Mr. P Senthilkumar (Folio No. 20596) concurred.

Chairman of the meeting then asked the Company Secretary to read the Notice.

With the consent of members present, the Notice convening the 55th Annual General Meeting (AGM) was taken as read.

Chairman of the meeting then delivered his speech which was circulated to the members/proxies present. **Some of the key points of the speech are given below:**

- Indian economy registered a growth of 7.9% in 2015-16 despite slowdown in exports and deficient monsoons.
- The growth momentum is expected to continue in 2016-17 owing to good monsoon forecast and reform measures that are expected to be pursued by the Government of India.
- The Company's tonnage performance in 2014-16 (18 month period) was affected by the decline in demand from the Tractors and Farm Equipment sector which was not adequately compensated by the growth in the Commercial Vehicle and Passenger Vehicle segments.



- In 2016-17, the Commercial Vehicle and Passenger Vehicle sector is expected to maintain a strong growth while the Tractor and Farm Equipment sector is likely to post a strong recovery based on above normal monsoons. In view of the above, the Company is expected to have good prospects in the current fiscal year. Also 'Make in India' initiative should augur well for the Company.
- Company has implemented right sizing of workforce by offering VRS at Ennore and DCU. As all workers at DCU opted for VRS, DCU plant was closed down. Wage settlement agreements have been signed with the Unions at Ennore and Sriperumbudur plants in the most amicable manner.
- To improve the performance, the Company is focusing on margin improvement, enhancing customer value and is undertaking other measures such as securing new business.
- To improve the share of business with customers, the Company is working with them on value engineering and new casting developments. Cost reduction measures are being taken in all areas.

Chairman, prior to inviting comments/ questions from members requested the Company Secretary to inform the members about the voting process and other related matters.

Mr. S Venkatasubramanian, Company Secretary informed the members of the Company that pursuant to Section 145 of the Companies Act, 2013 any qualification/observation or comment on financial statements that has an adverse impact on the Company has to be read in the Annual General Meeting (AGM) of the Company.

The Company Secretary stated that there was no qualification, observation or comment on the financial statements (Profit and Loss Account, Balance Sheet and its related annexures) which had any adverse effect on the functioning of the Company in the Auditors' Report, and hence the same was not required to be read at the meeting.

He also informed that the Auditors' Report is open for inspection by any member of the Company during the course of the meeting.

The voting process was briefed to the members as follows:

- Since the e-voting facility was extended to the members pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the (Management and Administration) Rules, 2014 as amended as on date and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (e-voting commenced on June 13, 2016 (09.00 a.m.) and closed on June 15, 2016 (05.00 p.m.), the voting at this meeting was provided by way of ballot only so that members present who did not cast their votes through e-voting could use ballot.



- The Company had appointed Mrs. B Chitra, Practising Company Secretary, (PCS), Chennai to act as Scrutinizer.
- The Company had distributed ballot papers along with Chairman's speech for this purpose.
- Two ballot boxes were provided in front of the dais;
- Members were requested to take the assistance of scrutinizer's team, R&TA and Secretarial team for smooth voting as and when announced by the Chairman.

The Company Secretary then handed over the proceedings to the Chairman of the Meeting.

Chairman invited comments / questions from the shareholders. He stated that the shareholders could raise questions only pertaining to Accounts and operations of the Company.

Several shareholders actively participated and shared their views and observations besides raising questions. **The questions raised, views expressed and suggestions made by the shareholders are broadly summarized below:**

- The reasons for closing the accounts over a longer period of 18 months over the last two times.
- Unsatisfactory performance of the Company and the losses incurred and when the turnaround would take place.
- Who subscribed GDRs offered by the Company and how the price of the GDR was fixed.
- Importance of small shareholders and the need to maintain good connectivity with them.
- Fixed assets verification not carried out as per note given to the accounts.
- Key ratios and summary of financial results for the 10 year period have not been given this year.
- Based on the reading of the balance sheet, one would infer that the Company could be taken over or delisted, and if so at what price the shares would be bought back from the shareholders.
- While other companies in foundry industry are doing well and paying dividend, why the Company is sustaining losses.
- What is the turnaround plan of the Company as per the new CEO of the Company.



- Contingent liabilities have increased sharply which might have financial implications, later.
- Many litigations are shown in the accounts and what would be the chances of getting them closed favourably.
- Reasons for the frequent changes at the board and top levels
- Whether austerity measures are being taken to improve performance and when the Company would be in the dividend paying list.

Chairman's reply

At the outset, Chairman of the meeting appreciated the observations made by the shareholders and thanked them for their keen interest in the affairs of the Company. Chairman assured them that the Board and the Management Team fully shared the concerns of the shareholders on the performance of the Company and are committed to a turnaround. He also stated that the Company management is committed to maintain connectivity and responsiveness with the shareholders.

The Chairman explained that the significant investment made at the new plant at Sriperumpudur unfortunately dovetailed into one of the deepest recessionary phases ever faced by the Indian automobile industry, especially the commercial vehicle sector. Declining demand and pricing pressures continued for long and affected the financials of the Company. The cumulative effect of the protracted period of recession coupled with high investments in a modern plant impacted the results.

The Chairman pointed out that the Company has acknowledged technical strengths and virtually every new automobile manufacturer preferred to develop their castings with the Company for indigenization. Given that these are thin wall castings with intricate casting profiles it takes time to work with the automobile makers to reach the full business potential.

The Chairman assured that the management and the Board are focused on turnaround of the Company with improved business volumes and lower costs. He stated that the Company is on the right track to turnaround the Company.

The Chairman referred to the observation on frequent changes at the top and explained that the movement of directors was largely a result of their respective personal and professional needs and the Board is committed to ensure appropriate talent and stability at the board and management levels.

Mr. D. M Reddy, the CEO of the Company in his observations, remarked that the SPU plant is high capacity plant with precision manufacturing processes and robotics. He said that the team is working on to achieve the required capacity and in his view it would take a few months more to fix all issues for enhanced capacity utilization and improved business.



It was also clarified that no exposures are foreseen on account of the litigations, and they are expected to conclude in due course.

The Chairman of the meeting stated that the interaction with members would be a continuous one and requested the shareholders fraternity to visit the plants to see by themselves the efforts put in by the management team. They may inform Company Secretary about their intention for organizing the visit.

Chairman further clarified that the members may contact the Company Secretary and their team on any query/assistance at any time during the year.

Chairman then announced that eligible members could cast their votes using the Ballot paper provided to them. He further guided them to take the assistance of R&TA or the Company officials present inside the hall.

Chairman informed the members that the result of the votes cast through e- Voting and Ballot will be collated for all the resolutions that were placed before the shareholders for their approval and the final results of the same would be disseminated through the Stock Exchanges, websites of the Agency (NSDL) and of the Company within 48 hours. Members may view the poll results before the close of business hours on June 18, 2016 from the respective websites.

The meeting was then declared "Closed" at 1.00 p.m. by the Chairman thanking all those present.

The resolutions passed at the 55th Annual General Meeting is appended to this minutes



CHAIRMAN



The following resolutions were passed through e-voting / ballot process at the 55th Annual General Meeting of the Company by majority or with the requisite majority as the case may be:

ORDINARY BUSINESS – ORDINARY RESOLUTIONS

1) Adoption of Accounts

“RESOLVED THAT the Audited Financial Statement of Profit and Loss and the Cash Flow for the 18 months period ended March 31, 2016 and the Balance Sheet as at that date together with schedules, notes forming part of and the reports of the Board of Directors and the Auditors thereon as circulated to the members be and are hereby approved and adopted”.

2) Re-appointment of Mr. Dheeraj G Hinduja as a Director, who retires by rotation.

“RESOLVED THAT Mr. Dheeraj G Hinduja (DIN : 00133410) , who retires by rotation under Article 106 of the Articles of Association of the Company and being eligible for re-appointment, be and is hereby re-appointed as a Director liable to retire by rotation.”

3) Appointment of Messrs B S R and Co. LLP, as Statutory Auditors, to hold office from the conclusion of 55th Annual General Meeting till the conclusion of the 60th Annual General Meeting, subject to ratification by the members at every Annual General Meeting.

“RESOLVED THAT pursuant to the provisions of Sections 139, 140 (4), 141 and 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, Messrs B S R & Co. LLP (ICAI Firm Registration No. 101248W / W-100022) Chartered Accountants, in respect of whose appointment the Company has received a special notice under Section 140 (4) (i) of the Companies Act, 2013, be and are hereby appointed as the Statutory Auditors of the Company for the term of 5 years from the conclusion of this 55th Annual General Meeting till the conclusion of the 60th Annual General Meeting subject to ratification at every Annual General Meeting of the Company in place of retiring auditors Messrs B S R and Company (ICAI Firm Registration No. 128900W) who have expressed their unwillingness to be re-appointed.

RESOLVED FURTHER THAT the Board of Directors of the Company, based on the recommendation of the Audit Committee, be and is hereby authorized to fix the remuneration (including terms of payment) of the Statutory Auditors so appointed including reimbursement of all out-of-pocket expenses, service tax and such other taxes, as may be applicable.”



SPECIAL BUSINESS – ORDINARY RESOLUTIONS

4) Appointment of Mr. Sudhanshu K. Tripathi as a Director.

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, Mr. Sudhanshu K Tripathi (DIN : 06431686) be and is hereby appointed, with effect from the conclusion of this Annual General Meeting as a Director of the Company liable to retire by rotation.”

5) Appointment of Mr. Sridharan Kesavan as a Director.

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, Mr. Sridharan Kesavan (DIN : 00051976) be and is hereby appointed, with effect from the conclusion of this Annual General Meeting as a Director of the Company liable to retire by rotation.”

6) Appointment of Mr. Vijay Vaid as an Independent Director for 3 years.

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Vijay Vaid (DIN: 00219709) who was appointed as an Additional Director of the Company on March 11, 2015 be and is hereby appointed as an Independent Director of the Company to hold office for a term of 3 consecutive years upto March 10, 2018.”

7) Appointment of Dr. C. Bhaktavatsala Rao as an Independent Director for 3 years.

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable and related provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Dr. C Bhaktavatsala Rao (DIN: 00010175) who was appointed as an Additional Director of the Company on November 3, 2015 be and is hereby appointed as an Independent Director of the Company to hold office for a term of 3 consecutive years upto November 2, 2018.”

8) Appointment of Ms. Bhumika Batra as an Independent Director for 3 years.

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable and related provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Bhumika Batra (DIN: 03502004) who was appointed as an Additional Director of the Company on November 3, 2015 be and is hereby appointed as an Independent Director of the Company to hold office for a term of 3 consecutive years upto November 2, 2018.”



SPECIAL BUSINESS – SEPCIAL RESOLUTION

9) Appointment of Mr. A. R. Chandrasekharan as an Executive Director upto 3 years.

“RESOLVED THAT, pursuant to Section 196, 197 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder, read with Schedule V to the Companies Act, 2013, Mr. A.R.Chandrasekharan (DIN No. 01794721), who was appointed as an Additional Director of the Company by the Board of Directors on May 11, 2016 in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying his intention to propose Mr. A.R.Chandrasekharan as a candidate for the office of Director of the Company, be and is hereby appointed as an Executive Director of the Company with effect from May 11, 2016 for a period upto three years and whose office shall not be liable to retirement by rotation.

Remuneration

Annual compensation will be Rs. 50,00,000/- (Rupees Fifty Lakhs Only) inclusive of allowances.

RESOLVED FURTHER THAT Mr. A.R.Chandrasekharan shall not be entitled to any sitting fee for attending the meeting of the Board or any Committee thereof.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors and/or the Nomination and Remuneration Committee be and is hereby authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient, usual and proper in the best interest of the Company.”

SPECIAL BUSINESS – ORDINARY RESOLUTION

10) Remuneration of Cost Auditors

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s Geeyes & Co., the Cost Auditors appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2016-17, be paid remuneration of Rs.3,00,000/- (Rupees Three Lakhs Only) plus service tax and such other taxes, as may be applicable, and reimbursement of approved out - of - pocket expenses in connection with audit of the cost accounts of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”



Summary of the Scrutinizer's Report is given below :

(i) The results of the poll & voting by electronic means :

The details of the number of members present and voting in person or by proxy and the valid/invalid votes in respect of each of the resolutions are given below.

Resolution S. No	Number of members who cast their votes either by e-voting/poll in the AGM		Number of valid Votes	Number of invalid votes / Not exercised their votes
	ASSENT	DISSENT		
1	20	4	24	4
2	22	1	23	5
3	19	4	23	5
4	20	5	25	3
5	21	3	24	4
6	22	3	25	3
7	24	1	25	3
8	24	1	25	3
9	23	2	25	3
10	21	4	25	3



(ii) The summary of the results in terms of Number of votes cast for and against out of the total valid votes:

E VOTING & POLL						
Resolution S. No	No of Votes cast in favour	No of Votes cast against	Total-valid votes	Assent % (decimal rounded of to 4 digits)	Dissent % (decimal rounded of to 4 digits)	Passed /Not passed
1	38294266	114	38294380	99.9999	0.0001	Passed
2	38294282	3	38294285	99.9999	0.0001	Passed
3	38294206	79	38294285	99.9999	0.0001	Passed
4	38294442	23	38294465	99.9999	0.0001	Passed
5	38294445	19	38294464	99.9999	0.0001	Passed
6	38294446	19	38294465	99.9999	0.0001	Passed
7	38294462	3	38294465	99.9999	0.0001	Passed
8	38294462	3	38294465	99.9999	0.0001	Passed
9	38294460	5	38294465	99.9999	0.0001	Passed
10	38294401	79	38294480	99.9999	0.0001	Passed



CHAIRMAN

