

SHANTHI GEARS LIMITED



Regd. Office :
304-A Trichy Road
Singanallur
Coimbatore - 641 005, India

Phone : +91-422-2273722 to 34
Fax : +91-422-2273884 & 85
E-mail : info@shanthigears.com
Website : www.shanthigears.com

Sec/NSE/498/2010
August 19, 2010

The Manager
Listing Department
National Stock Exchange Limited
Exchange Plaza
Bandra - Kurla Complex
Bandra (E)
MUMBAI - 400 051

Dear Sirs,

Sub : Proceedings of the 37th Annual General Meeting

The 37th Annual General Meeting of the Shareholders of the Company duly convened and held on 13th August 2010 at 10.00 a.m. at 304-A, Trichy Road, Singanallur, Coimbatore - 641 005 the Registered office of the Company, as attended by the Members and proxies as per the members attendance register.

Members Present: 52 & Members Present by Proxies: 3

The Shareholders have approved all the following Ordinary Business & Special Business:

Ordinary Business:

1. Adopted the Annual Accounts for the Financial year 2009-2010
2. Declared Dividend of 80%
3. Reappointed Mr. M.J. Vijayaraaghavan as Director
4. Reappointed M/s. S. Lakshminarayanan Associates, Chartered Accountants as Auditors.

Special Business:

5. Appointed Mr. C.G. Kumar as Director

Mr. M.R.L. Narasimha, Practicing Company Secretary who was appointed as Scrutinizer by the Board of Directors at their meeting held on 24.05.2010, submitted a detailed report on Postal Ballots to the Chairman and Managing Director in terms of notice issued by the Company under section 192A of the Companies Act, 1956 read with Companies (passing of the Resolution by Postal

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Ballot) Rules, 2001 for seeking shareholders approval under section 293(1)(a) of the Companies Act, 1956 and for altering the objects clause of the Memorandum of Association of the Company by adding / inserting a new clause in other object after existing clause III (c) 15 as sub-clause 16 to 18 and to commence new business specified in the other object clause.

The Chairman and Managing Director Sri. P. Subramanian declared the results of Postal Ballot. The summary of the postal ballot received are as under:

6. To sell, lease or otherwise dispose off whole or substantially whole of undertakings.

Particulars	Ordinary Resolution under section 293 (1)(a) of the Companies Act, 1956		
	No of Ballot	No of Votes	Percentage
Total number of Ballots deposited	1290	38461665	
Total number of Ballots found to be invalid	41	64196	
Total number of valid votes	1249	38397469	
Total number of votes FOR	1191	38322267	99.80%
Total number of votes AGAINST	58	75202	0.20%

The Chairman and Managing Director upon perusal of the Report declared that the Resolution in terms of notice dated 24.05.2010 to sell, lease or otherwise dispose off whole or substantially whole of undertakings was passed as Ordinary Resolution.

7. Adding new clause in other object of the Memorandum of Association of the Company.

Particulars	Special Resolution under Section 17(1) of the Companies Act, 1956		
	No. of Ballots	No. of Votes	Percentage
Total number of ballots deposited	1290	38461665	
Total number of Ballots found to be invalid	41	64196	
Total number of Valid votes	1249	38397469	
Total number of Votes FOR	1230	38372260	99.93%
Total number of votes AGAINST	19	25209	0.07%

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The Chairman & Managing Director upon perusal of the report declared that the resolution in terms of notice dated 24.05.2010 for adding new clause in the other object clause after the existing clause III (c) 15 as sub clause 16 to 18 was passed as special Resolution.

8. Commencing Business specified in the sub clause 16 to 18 of the other object clause of Memorandum of Association of the Company.

Particulars	Special Resolution under Section 149 (2A) of the Companies Act,1956		
	No. of Ballots	No. of Votes	Percentage
Total number of ballots deposited	1290	38461665	
Total number of Ballots found to be invalid	41	64196	
Total number of Valid votes	1249	38397469	
Total number of Votes FOR	1227	38371135	99.93%
Total number of votes AGAINST	22	26334	0.07%

The Chairman and Managing Director upon perusal of the Report declared that the Resolution in terms of notice dated 24.05.2010 for commencing new business specified in the other objects clause was passed as Special Resolution.

Thanking You,

Yours faithfully,
For **SHANTHI GEARS LIMITED**


C. Subramaniam
Company Secretary