Sundram Fasteners Limited

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By Speed Post

October 17, 2014

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

Bombay Stock Exchange Limited (BSE)
Scrip Code - 500403
Corporate Relationship Department
1st Floor, New Trading Ring
Rotunda Building, P J Towers
Dalal Street, Fort
Mumbai – 400 001

Madras Stock Exchange Limited (MSE)
Scrip Code - SFS
Exchange Building, Post Box No.183
New No.30, Second Line Beach
Chennai – 600 001

Dear Sir / Madam,

Clause 31 of the Listing Agreement

51st AGM held on 22nd September 2014

Pursuant to Clause 31 of the Listing Agreement, we enclose herewith the Proceedings of the 51st Annual General Meeting of the shareholders of our Company held on 22nd September 2014.

We also enclose herewith a copy of the Certificate dated 30th May 2014 issued by M/s Sundaram & Srinivasan, Chartered Accountants, Chennai, in respect of compliance of conditions of Corporate Governance for the year ended 31st March 2014.

Thanking you,

Yours truly,
For SUNDRAM FASTENERS LIMITED

V G Jaganathan
Chief Financial Officer & Company Secretary

PROCEEDINGS OF THE 51ST ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF THE COMPANY HELD AT THE MUSIC ACADEMY, NEW NO. 168 T T K ROAD, ROYAPETTAH, CHENNAI - 600 014 ON MONDAY, THE 22ND SEPTEMBER 2014 AT 10.00 A.M.

Present

Directors

Sri Suresh Krishna
Chairman & Managing Director

Ms Arathi Krishna
Joint Managing Director

Ms Arundathi Krishna
Deputy Managing Director

Sri R Srinivasan
Director and Chairman of Audit Committee

Sri V Narayanan
Sri R Ramakrishnan
Sri C V Karthik Narayanan
Sri M Raghupathy
Directors

Statutory Auditors

Sri M Balasubramaniyam
Partner
Sri P Menakshisundaram
Partner
Sundaram & Srinivasan
Chartered Accountants
Statutory Auditors of the Company

Scrutiniser

Sri K Sriram
Partner – M/s S Krishnamurthy & Co.,
Company Secretaries, Chennai

In attendance

Sri V G Jaganathan
Chief Financial Officer & Company Secretary

Shareholders	2483
Authorised Representatives	22
Proxies	16
Total	**2521**

* * * *

Sri Suresh Krishna, Chairman of the Board of Directors, occupied the Chair.

As the requisite quorum was present, the Chairman called the meeting to order.

With the permission of the Members present, the Notice to the Shareholders dated 7th August, 2014 calling for the 51st Annual General Meeting was taken as read, the Independent Auditor's Report and

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its annexure was also taken as read in terms of Section 145 of the Companies Act, 2013, as there was no qualification in the Auditors' Report.

The Chairman then gave his speech highlighting various aspects of the operations of the company, performance for the financial year 2013-2014, dividends disbursed, performance of the overseas subsidiary companies and outlook for the future.

After conclusion of his speech, Chairman informed that as per the amended provisions of Listing Agreement and the Companies Act, 2013, the company has offered e-voting facilities to the shareholders and that the Scrutinizer, Sri K Sriram has already submitted his report thereon on all resolutions.

The Chairman then opened the floor for questions. He informed that the Members shall confine their comments to accounts and matters under consideration at this AGM.

Some of the members present at the meeting raised queries and also sought certain information clarifications and also made few comments and suggestions as outlined below:-

- The shareholders expressed their happiness about the very good performance of the company despite the tough economic environment prevailing in the country and as well as in the industry.
- It was observed that the borrowings of the company have decreased and it was desired that this trend should continue.
- It was suggested to increase the rate of dividend.
- It was suggested that to settle the contingent liabilities through settlement with the concerned regulatory authorities.
- It was requested to provide reasons for increase in the depreciation for the financial year 2013-2014.
- It was suggested, the Board should consider issuing bonus shares as the last bonus issue was during the year 2007 and the reserves were high enough.
- A suggestion was made to channel the spending on Corporate Social Responsibility (CSR) more towards medical awareness, sanitation rather on the medical facilities as prevention is better than cure.
- A suggestion was made to consider holding the AGM in July / August every year.
- A suggestion was made that the company should take measures for dematerialising the physical shareholdings in the company
- A shareholder suggested that the Annual Report should be sent only in electronic mode aiming towards green initiative.

The Chairman after providing opportunity to all the shareholders present for raising their queries and seeking clarifications, responded to such queries, comments, clarifications as summarised below:-

- Increase in dividend - It is imperative for the company to maintain a consistent dividend pay-out ratio which would also enable the company to deploy resources for the future growth.
- Increase in depreciation - The increase in depreciation is due to addition of fixed assets.

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- Bonus issue – The share price of the company is currently quoting at a high rate, which itself is a good reward to the shareholders. He further informed that further bonus issue might actually affect the share price negatively due to the resultant increase in the number of shares.
- CSR spending – The suggestion for CSR spending towards medical awareness was a good point and expressed his positive intent to explore opportunities in this regard.
- Dematerialisation / AGM – As regards dematerialisation, the Company could not compel the shareholders to dematerialise the shares and that such shareholders might be holding such shares with a view to hold it on a long-term basis rather than sell the shares. With respect to convening AGM in July / August, Chairman informed that this year the meeting was convened in September due to various amendments / clarifications in the new Companies Act, 2013. He informed that from the next year, AGM would be convened in the month of August.

The Chairman then informed that in order to provide an opportunity to those members who have not exercised e-voting, he offered to conduct a poll. Poll papers were then distributed through the volunteers / Scrutiniser and a poll was conducted for all the resolutions. The Poll was scrutinised by the Scrutinizer Sri K Sriram, Practicing Company Secretary on all the resolutions.

After ascertaining that all the shareholders and proxies, who were present in meeting hall and participated in the poll, had cast their votes, pursuant to the advice of the Scrutiniser, the Chairman closed the poll at about 11.30 a.m. The Scrutiniser then took custody of the polling boxes for verification of validity of votes and counting the votes and for preparing his report to the Chairman.

Later, the Chairman informed to the shareholders that the final results of the voting (after consolidating the result of e-voting and poll) would be announced to Stock Exchanges and in the website of the Company on or before 24th September 2014.

Sri V Narayanan, Director, proposed the vote of thanks.

Chairman thanked the shareholders and declared the meeting as concluded.

On 23rd September, 2014, after counting and verification of validity of votes polled in the poll, Chairman noted the consolidated report on the results of both E-voting and poll submitted by the Scrutiniser on all the resolutions placed before the shareholders. The results were then announced through the website of the Company, NSDL as well as the Stock Exchanges, as detailed below:-

Ordinary Business

RESOLUTION NO.1 - ORDINARY RESOLUTION

ADOPTION OF ACCOUNTS, DIRECTORS' REPORT AND AUDITORS' REPORT FOR THE YEAR ENDED 31st MARCH 2014

"RESOLVED THAT the Audited Balance Sheet as at 31st March 2014, the statement of Profit and Loss Account and cash flow statement including the consolidated financial statements for the year ended 31st March 2014, together with the Report of the Directors' and the Auditors' Report, be and are hereby approved and adopted."

Particulars	E-Voting	Poll	Total
Number of valid votes received	14,04,24,816	14,49,354	14,18,74,170
Votes in favour of the resolution	14,04,24,816	14,49,354	14,18,74,170
Votes against the resolution	0	0	0
% of votes in favour			**100**
RESULT	The *Ordinary Resolution* was **passed** as the requisite majority of votes were cast / polled in favour of the resolution.		

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RESOLUTION NO.2 - ORDINARY RESOLUTION

RE-APPOINTMENT OF MS ARATHI KRISHNA AS A DIRECTOR

"RESOLVED THAT Ms Arathi Krishna, (holding DIN 00517456) Director, who was appointed as a Director not liable to retire by rotation at the Annual General Meeting held on 23rd August, 2006, but who retires by rotation at this Annual General Meeting in terms of Section 152 of the Companies Act, 2013, being eligible and offering herself for re-appointment, be and is hereby appointed as a Director liable to retire by rotation."

Particulars	E-Voting	Poll	Total
Number of valid votes received	14,14,24,267	14,49,354	14,28,73,621
Votes in favour of the resolution	14,14,20,667	14,49,354	14,28,70,021
Votes against the resolution	3,600	0	3,600
% of votes in favour			**99.997**
RESULT	The *Ordinary Resolution* was **passed** as the requisite majority of votes were cast / polled in favour of the resolution.		

RESOLUTION NO.3 - ORDINARY RESOLUTION

RE-APPOINTMENT OF AUDITORS

"RESOLVED THAT M/s Sundaram & Srinivasan, Chartered Accountants, Chennai, Auditors of the Company, (Registration No.004207S with the Institute of Chartered Accountants of India), be and are hereby re-appointed as statutory auditors of the Company to hold office from the conclusion of this Annual General Meeting for a term of three consecutive years, till the conclusion of the Annual General Meeting of the Company for the financial year 2016-2017, subject to ratification at every annual general meeting, on such remuneration as may be determined by the Board of Directors of the Company, in addition to reimbursement of travelling and other out-of-pocket expenses actually incurred by them in connection with the audit."

Particulars	E-Voting	Poll	Total
Number of valid votes received	14,14,24,817	14,49,354	14,28,74,171
Votes in favour of the resolution	14,02,85,812	14,49,354	14,17,35,166
Votes against the resolution	11,39,005	0	11,39,005
% of votes in favour			**99.203**
RESULT	The *Ordinary Resolution* was **passed** as the requisite majority of votes were cast / polled in favour of the resolution.		

Special Business

RESOLUTION NO.4 - ORDINARY RESOLUTION

APPOINTMENT OF SRI R RAMAKRISHNAN AS INDEPENDENT DIRECTOR

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152, 160 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Sri R Ramakrishnan (holding DIN

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00236673), be and is hereby appointed as a non-executive and independent director of the Company, to hold office for a term of three (3) consecutive years from 22nd September, 2014 to 21st September, 2017 and to receive remuneration by way of fees and other remuneration as may be payable, reimbursement of expenses for participation in the meetings of the board and / or committees and / or general meetings in terms of applicable provisions of the Companies Act, 2013 as determined by the board and / or committee from time to time."

Particulars	E-Voting	Poll	Total
Number of valid votes received	14,14,24,817	14,49,354	14,28,74,171
Votes in favour of the resolution	14,02,82,412	14,49,354	14,17,31,766
Votes against the resolution	11,42,405	0	11,42,405
% of votes in favour			**99.200**
RESULT	The *Ordinary Resolution* was **passed** as the requisite majority of votes were cast / polled in favour of the resolution.		

RESOLUTION NO.5 – ORDINARY RESOLUTION

APPOINTMENT OF SRI M RAGHUPATHY AS INDEPENDENT DIRECTOR

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152, 160 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Sri M Raghupathy *(holding DIN 00012997)*, be and is hereby appointed as a non-executive and independent director of the Company, to hold office for a term of three (3) consecutive years from 22nd September, 2014 to 21st September, 2017 and to receive remuneration by way of fees and other remuneration as may be payable, reimbursement of expenses for participation in the meetings of the board and / or committees and / or general meetings in terms of applicable provisions of the Companies Act, 2013 as determined by the board and / or committee from time to time."

Particulars	E-Voting	Poll	Total
Number of valid votes received	14,14,21,617	14,49,354	14,28,70,971
Votes in favour of the resolution	14,14,18,217	14,49,354	14,28,67,571
Votes against the resolution	3,400	0	3,400
% of votes in favour			**99.998**
RESULT	The *Ordinary Resolution* was **passed** as the requisite majority of votes were cast / polled in favour of the resolution.		

RESOLUTION NO.6 - ORDINARY RESOLUTION

APPOINTMENT OF SRI C V KARTHIK NARAYANAN AS INDEPENDENT DIRECTOR

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152, 160 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Sri C V Karthik Narayanan (holding DIN 00255676), be and is hereby appointed as a non-executive and independent director of the Company, to hold office for a term of four (4) consecutive years from

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22nd September, 2014 to 21st September, 2018 and to receive remuneration by way of fees and other remuneration as may be payable, reimbursement of expenses for participation in the meetings of the board and / or committees and / or general meetings in terms of applicable provisions of the Companies Act, 2013 as determined by the board and / or committee from time to time."

Particulars	E-Voting	Poll	Total
Number of valid votes received	14,14,24,317	14,49,354	14,28,73,671
Votes in favour of the resolution	14,14,20,592	14,49,354	14,28,699,46
Votes against the resolution	3,725	0	3,725
% of votes in favour			**99.997**
RESULT	The *Ordinary Resolution* was **passed** as the requisite majority of votes were cast / polled in favour of the resolution.		

RESOLUTION NO.7 - ORDINARY RESOLUTION

APPOINTMENT OF SRI V NARAYANAN AS INDEPENDENT DIRECTOR

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152, 160 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Sri V Narayanan (holding DIN 00081673), be and is hereby appointed as a non-executive and independent director of the Company, to hold office for a term of four (4) consecutive years from 22nd September, 2014 to 21st September, 2018 and to receive remuneration by way of fees and other remuneration as may be payable, reimbursement of expenses for participation in the meetings of the board and / or committees and / or general meetings in terms of applicable provisions of the Companies Act, 2013 as determined by the board and / or committee from time to time."

Particulars	E-Voting	Poll	Total
Number of valid votes received	14,14,21,892	14,49,354	14,28,71,246
Votes in favour of the resolution	14,02,79,187	14,49,354	14,17,28,541
Votes against the resolution	11,42,705	0	11,42,705
% of votes in favour			**99.200**
RESULT	The *Ordinary Resolution* was **passed** as the requisite majority of votes were cast / polled in favour of the resolution.		

RESOLUTION NO.8 - ORDINARY RESOLUTION

APPOINTMENT OF SRI R SRINIVASAN AS INDEPENDENT DIRECTOR

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152, 160 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Sri R Srinivasan (holding DIN 00043658), be and is hereby appointed as a non-executive and independent director of the Company, to hold office for a term of five (5) consecutive years commencing from 22nd September, 2014 to 21st September, 2019 and to receive remuneration by way of fees and other remuneration as may be payable, reimbursement of expenses for

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participation in the meetings of the board and / or committees and / or general meetings in terms of applicable provisions of the Companies Act, 2013 as determined by the board and / or committee from time to time."

Particulars	E-Voting	Poll	Total
Number of valid votes received	14,14,23,417	14,49,354	14,28,72,771
Votes in favour of the resolution	14,02,81,112	14,49,354	14,17,30,466
Votes against the resolution	11,42,305	0	11,42,305
% of votes in favour			**99.201**
RESULT	The *Ordinary Resolution* was **passed** as the requisite majority of votes were cast / polled in favour of the resolution.		

RESOLUTION NO.9 - SPECIAL RESOLUTION

ADOPTION OF NEW SET OF REGULATIONS IN THE ARTICLES OF ASSOCIATION OF THE COMPANY

"**RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and is hereby approved and adopted in lieu of, and to the entire exclusion of the existing Regulations;

RESOLVED FURTHER THAT the Board of Directors and Sri V G Jaganathan, Chief Financial Officer & Company Secretary of the Company be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or necessary to give effect to this resolution."

Particulars	E-Voting	Poll	Total
Number of valid votes received	14,14,24,217	14,49,304	14,28,73,521
Votes in favour of the resolution	14,14,23,717	14,25,304	14,28,49,021
Votes against the resolution	500	24,000	24,500
% of votes in favour			**99.983**
RESULT	The *Special Resolution* was **passed** as the requisite majority of votes were cast / polled in favour of the resolution.		

RESOLUTION NO.10 - SPECIAL RESOLUTION

BORROWING POWERS UNDER SECTION 180(1)(C) OF THE COMPANIES ACT, 2013

"**RESOLVED THAT** the consent of the Company be and is hereby accorded pursuant to Section 180(1)(c) of the Companies Act, 2013, to the Board of Directors to borrow monies from time to time, at their discretion, together with the monies already borrowed by the Company (apart from temporary loans to be obtained from the Company's bankers in the ordinary course of business) either from the Company's bankers and / or any one or more persons, entities or Financial Institutions including by issue of debentures or otherwise and whether unsecured or secured by charge, lien or pledge, mortgage and hypothecation of the Company's assets and properties whether tangible / intangible, movable or immovable, or stock-in-trade and work-in progress / process of the Company on such terms and conditions as may be considered suitable by

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the Board of Directors up to a limit of Rs 1,000 crores (Rupees One thousand crores only) in excess of the aggregate of the paid-up capital and free reserves of the Company."

Particulars	E-Voting	Poll	Total
Number of valid votes received	14,14,24,317	14,49,354	14,28,73,671
Votes in favour of the resolution	14,14,23,717	14,25,304	14,28,49,021
Votes against the resolution	600	24,050	24,650
% of votes in favour			**99.983**
RESULT	The *Special Resolution* was **passed** as the requisite majority of votes were cast / polled in favour of the resolution.		

RESOLUTION NO.11 - SPECIAL RESOLUTION

CREATION OF SECURITY UNDER SECTION 180(1) (a) OF THE COMPANIES ACT, 2013

"RESOLVED THAT consent of the Company be and is hereby accorded, in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), to the Board of Directors of the Company, to create such charge, lien or pledge, mortgage and hypothecation in addition to the existing charges, mortgages and hypothecations created by the Company, on such tangible / intangible, movable and immovable properties, wherever situated, both present and future, in such manner as the Board may deem fit, in favour of Banks / Financial Institutions and / or other Lenders / Trustees for Debentures / Bonds to secure the borrowings viz., term loans, working capital loans - both short-term and long-term, foreign currency borrowing(s) including external commercial borrowing(s), buyer's credit or such other loan(s), non-convertible debentures etc., availed / issued by the Company together with interest at the agreed rate, additional interest, liquidated damages, commitment charges, premia on prepayment or on redemption, costs, charges, expenses and all other monies payable by the Company in respect of such borrowings of the Company, subsidiaries, associates, joint ventures on such terms and conditions, as the Board may determine from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board be and is hereby authorized to execute the documents, agreements, deeds, indemnities, guarantees, declarations or other legal undertakings and do all such acts, deeds, matters and things as the Board may deem fit."

Particulars	E-Voting	Poll	Total
Number of valid votes received	14,14,23,617	14,49,354	14,28,72,971
Votes in favour of the resolution	14,14,23,017	14,25,354	14,28,48,371
Votes against the resolution	600	24,000	24,600
% of votes in favour			**99.983**
RESULT	The *Special Resolution* was **passed** as the requisite majority of votes were cast / polled in favour of the resolution.		

Having received sufficient votes, all the resolutions as contained in Resolutions No.1 to 11 of the 51st Annual General Meeting of the Company was deemed to be passed on 22nd September, 2014 being the date of the 51st annual general meeting of the members.

Sd/-

7th October, 2014 **CHAIRMAN**

SUNDRAM FASTENERS LTD. CHENNAI

Sundaram & Srinivasan
CHARTERED ACCOUNTANTS
Offices : Chennai - Bangalore - Madurai

New No.4, Old No. 23,
C.P. Ramaswamy Road
Alwarpet, Chennai - 600 018
Telephone { 2498 8762
2498 8463
4210 6952
E-Mail : yessendes@vsnl.net
Website : www.sundaramandsrinivasan.com

Date .....

CERTIFICATE

To the members of **Sundram Fasteners Limited**

We have examined the compliance of the conditions of Corporate Governance by **Sundram Fasteners Limited** (`the Company') for the year ended 31st March 2014, as stipulated in Clause 49 of the Listing Agreements of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreements.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **SUNDRAM & SRINIVASAN**
Chartered Accountants
Regd No. 004207S

M. Balasubramaniyam

M BALASUBRAMANIYAM
Partner
Membership No. F7945

30/5/2014

Chennai
30th May 2014