



Sundram Fasteners Limited

Regd. Office : 98A, Dr. Radhakrishnan Salai
Mylapore, Chennai - 600 004

TO THE MEMBERS OF THE COMPANY

ABSTRACT PURSUANT TO SECTION 302 OF THE COMPANIES ACT, 1956.

1. RE-DESIGNATION OF MS ARUNDATHI KRISHNA AS DEPUTY MANAGING DIRECTOR OF THE COMPANY

Ms Arundathi Krishna was appointed as Whole-time Director of the Company for a period of five years with effect from 18th September 2008. The appointment was approved by the Shareholders at the Annual General Meeting held on 20th August 2009.

In view of the additional responsibilities taken over by Ms Arundathi Krishna, the Board of Directors at their meeting held on 30th May 2013 has *unanimously* re-designated Ms Arundathi Krishna, Whole-time Director as the Deputy Managing Director of the Company with effect from 30th May 2013. Except for the above change, all other terms and conditions as approved by the shareholders vide their resolution dated 20th August 2009 shall remain unaltered till the end of the current tenure (i.e. 17th September, 2013).

The re-designation shall be subject to the approval of the shareholders at the ensuing annual general meeting of the company.

Memorandum of Interest

None of the directors of the company is in any way concerned or interested in the above appointment except Ms Arundathi Krishna, Deputy Managing Director, and Sri Suresh Krishna, Chairman and Managing Director and Ms Arathi Krishna, Joint Managing Director being the relatives of Ms Arundathi Krishna.

2. RE-APPOINTMENT OF MS ARUNDATHI KRISHNA AS DEPUTY MANAGING DIRECTOR OF THE COMPANY

The Board of Directors of the Company vide their *unanimous* Resolution adopted on 30th May 2013 re-appointed Ms Arundathi Krishna as Managing Director of the Company (designated as Deputy Managing Director) for a period of five years from 18th September 2013.

The terms of re-appointment are as follows:

(i) **Duration :** 5 years (18th September 2013 to 17th September 2018)

(ii) **Remuneration :**

Ms Arundathi Krishna, Deputy Managing Director shall be paid remuneration by way of salary, perquisites and other allowances and benefits, any or more than one of them, in accordance with Section 198, 309, 349, Schedule XIII and other applicable provisions of the Companies Act, 1956, as set out hereunder and as approved by the Board or Committee thereof, from time to time.

Salary : Rs 2,00,000 per month

Commission/Performance Bonus : Percentage of net profits of the Company or such other quantum of the net profits of the Company as may be approved by the Board of Directors, at its absolute discretion, for each financial year computed in the manner specified under Sections 198, 309 and 349

of the Companies Act, 1956 subject to, however, the total remuneration in any financial year shall not exceed the limits prescribed from time to time under the Companies Act, 1956 and amendments thereto.

Compensation in lieu of contribution to Superannuation Fund or any other approved fund / scheme either partly or fully up to maximum of 12% of Salary.

Perquisites : Free use of furnished residential accommodation owned or leased by the Company with facilities and amenities including water, gas, electricity, maintenance, security, furnishings and all utilities and services. If no accommodation is provided, Deputy Managing Director shall be entitled to house rent allowance subject to a ceiling of 60% of her salary. The expenditure incurred by the Company on gas, electricity, water, maintenance, security, furnishings and all utilities and services shall be valued as per Income-tax Rules, 1962.

Other Perquisites : Reimbursement of medical expenses for self and family including premium for medical insurance. Leave travel concession, once in a year, as per the rules of the Company. Payment of fees, subscription and other incidental charges to clubs. Payment of premium on personal accident insurance. Company's contribution to provident fund and pension / superannuation fund, as per the rules of the Company, subject to such variations / modifications as the Deputy Managing Director may determine including quantum of contribution to superannuation fund or any other approved fund or scheme. Gratuity as per the rules of the Company. Provision of car with driver. Provision of telephone at residence. Personal long-distance calls shall be charged to the Deputy Managing Director.

Other Benefits :

- a. Leave on full pay and allowances as per rules of the Company, but not exceeding one month's leave for every eleven months service. Leave accumulated shall be encashed at the end of the tenure.
- b. Benefits under loan and other schemes in accordance with the practices, rules and regulations in force in the Company from time to time.
- c. Such other benefits, amenities and facilities as may be provided by the Company to other senior executives from time to time.
- d. Such other benefits, amenities and facilities including those under the Special Post Retirement Benefits Scheme as per the rules of the Company.

Revision in remuneration

The Board may revise the remuneration payable to the Deputy Managing Director, during any financial year during currency of the present tenure of office, in such manner as agreed to between the Board of Directors and the Deputy Managing Director, subject to the condition that the remuneration by way of salary, perquisites, commission and other allowances, shall not exceed such percentage of net profits of the Company as prescribed under Schedule XIII to the Companies Act, 1956 and amendments made thereto from time to time.

Minimum remuneration :

In the event of any loss or inadequacy of profits for any financial year, the Board of Directors shall revise the remuneration payable to the Deputy Managing Director, during such financial year, in such manner as agreed to

between the Board of Directors and the Deputy Managing Director and within the limits prescribed in this behalf under Schedule XIII to the Companies Act, 1956 and amendments made thereto from time to time.

iii) **Other terms :**

Ms Arundathi Krishna, Deputy Managing Director, shall carry out such duties as may be entrusted to her by the Chairman and Managing Director from time to time;

Ms Arundathi Krishna, Deputy Managing Director, shall exercise such powers as may be delegated from time to time by the Board of Directors.

Ms Arundathi Krishna, Deputy Managing Director will not be entitled to sitting fee for each meeting of the Board or Committee thereof attended by her.

The re-appointment and remuneration shall be subject to the approval of the shareholders at the ensuing annual general meeting of the company.

Memorandum of Interest

None of the directors of the company is in any way concerned or interested in the above appointment except Ms Arundathi Krishna, Deputy Managing Director, and Sri Suresh Krishna, Chairman and Managing Director and Ms Arathi Krishna, Joint Managing Director being the relatives of Ms Arundathi Krishna.

By Order of the Board

V G Jaganathan

Executive Director & Secretary

Date: 14th June 2013

