

TVS MOTOR COMPANY LIMITED

PROCEEDINGS OF THE TWENTY THIRD ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF TVS MOTOR COMPANY LIMITED HELD ON WEDNESDAY, THE 29TH JULY 2015, AT 10.00 A.M. AT 'THE MUSIC ACADEMY', NEW NO. 168 (OLD NO. 306), T.T.K. ROAD, ROYAPETTAH, CHENNAI 600 014

Present

Directors

Mr Venu Srinivasan, chairman and managing director
Mr Sudarshan Venu, joint managing director
Dr Lakshmi Venu, director
Mr H Lakshmanan, director
Mr R Ramakrishnan, director
Mr Prince Asirvatham, director
Mr Hemant Krishan Singh, director

Statutory Auditors

Mr S Venkataraman, Partner
M/s V Sankar Aiyar & Co, Chartered Accountants, Mumbai

Secretarial Auditors & Scrutinizer appointed by the board

Mr K Sriram, Partner, M/s S Krishnamurthy & Co.,
company secretaries, Chennai

In attendance

Mr K N Radhakrishnan, president & ceo
Mr S G Murali, chief financial officer
Mr V Kiran, general manager - finance
Mr K Subramanian, general manager - finance
Mr K S Srinivasan, company secretary

Members

3,202 members in person and 20 members by proxy

Mr Venu Srinivasan, chairman and managing director occupied the chair.

At the outset, Chairman led the shareholders in condoling the sudden demise of the former President of India Dr APJ Abdul Kalam and paid rich tributes by recalling his contributions to the nation. Then, the meeting observed a minute of silence as a mark of respect to the departed soul.

Then, chairman called the meeting to order, as the requisite quorum was present.

He informed the members that the Register of Directors' and Key Managerial Personnel and their shareholdings in terms of Section 170 read with Section 171 of the Companies Act, 2013, (the Act 2013) and the Register of Contracts in terms of Section 189 of the Act 2013 were kept open for inspection during the annual general meeting and made accessible during the continuance of the said meeting.

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Chairman, with the consent of the members present, took the Notice dated 29th April 2015 convening the 23rd annual general meeting of the Company as read (Notice of AGM) and also the "statutory auditors' report" and "secretarial audit report", which were free from any qualification / observation or other remarks as read, in terms of Section 145 of the Act 2013.

He informed the members that Mr T Kannan, Chairman of Audit Committee and Nomination & Remuneration Committee (NRC) and Mr C R Dua, director, expressed their inability to be present at the meeting due to prior commitments.

However, he informed that Mr T Kannan authorized Mr Prince Asirvatham, director, to represent Chairman of the Audit Committee and Mr H Lakshmanan, director, to represent Chairman of the NRC.

Chairman then delivered his speech to the members, highlighting various aspects such as the performance of two wheeler industry; performance of the Company for the financial year 2014-2015; industry forecast for the year 2015-2016; plan for the year 2015-16; payment of dividend and awards / accolades won by the Company during the year.

While delivering his speech, he highlighted that the JD Power study ranked the Company as distinct number 1, with its products having the lowest number of defects, thus reflecting the superior quality of products. He stated that across all categories, TVS products were in top three positions. In Scooter category the top three positions were held by TVS brands.

He further stated that the Company would focus on continuing the growth of Jupiter model, besides on brand actions and regular product interventions in terms of refreshes and limited editions for all brands planned.

He also stated that the Company would leverage the current momentum in Apache and introduce product upgradation to consolidate its position in the premium segment.

He also stated that the Company would continue to focus on emerging markets for International Business growth by providing quality products and developing robust business partners.

- Focus on Latin American, African and Asian markets;
- Growth through both two-wheelers and three-wheelers

He informed that the Company would continue to leverage on the strength of TVS Credit Services (Retail finance arm of the Company) for providing affordable and easy financing to customers.

After concluding his speech, Chairman briefly mentioned the resolutions placed before the members and explained about the opportunity given to the shareholders for ensuring wider participation and voting on all the resolutions placed before them in this general meeting through 'Remote e-Voting' as mandated under both the statutes viz., the Companies Act 2013 and Listing Agreement.

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It was explained that the Company provided the e-Voting facility through the "National Securities Depository Limited (NSDL)" consequent to doing away with the process of 'voting by show of hands' for listed companies. It was also explained that, as per the requirements under statutes, the 'e-Voting' period was kept open from 24th July 2015 (9.00 a.m.) to 28th July 2015 (5.00 p.m.).

He then invited the members to seek clarifications / queries, if any, on the agenda items of Notice of AGM placed before them for consideration and approval.

At the outset, the members generally appreciated the good performance of the Company for the year 2014-2015 and congratulated the Chairman and the board of directors for their excellent contribution to the growth of the Company.

The shareholders also expressed their happiness over the declaration of dividends, despite sluggish growth and recession in automobile industry and thanked the management for achieving the best results in the given situation, especially, when the automobile industry has been facing a severe downward trend.

Then, some of the members present at the meeting sought certain specific information and clarifications. They also made the following observations, queries, suggestions and comments -

- the need for approval by the shareholders for payment of interim dividend;
- to share the increase in reserves and surplus in the form of bonus shares and more dividend distribution to shareholders;
- to provide clarifications on provisions made in the books of accounts for disputed liabilities and on the increase in 'contingent liabilities', offer of suggestions for settlement of disputed liabilities under customs, sales-tax & income tax authorities;
- to furnish dividend pay-out ratio in the table on page no. 2 of the annual report;
- to make arrangements for visit to the factories for the shareholders;
- to provide details of diversification in realty sector;
- to fix a particular day in a month for redressing 'shareholders grievances';
- to know the reasons for increase in trade receivables; and
- to know details on liquidation of the wholly owned foreign subsidiaries, namely TVS Motor Company (Europe) B. V. and Sundaram Business Development Consulting (Shanghai) Co Limited.

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Chairman, after providing an opportunity to all those shareholders, who sought clarifications on the agenda items placed before them, explained and responded briefly to each of their queries, clarifications, suggestions, comments as summarized below:

- Bonus issue / Interim dividends:

Chairman said that the management would desire to distribute more dividends to the shareholders in the years to come and would also consider issue of bonus shares. However, in order to maintain consistency in the level of profits and stability in payment of dividends, he said that the management would take appropriate decisions after consulting the board.

Interim dividend need not be ratified by the shareholders, only the final dividend needs to be recommended by the board and approved by the shareholders.

- Tax disputes:

Chairman said this has been the case with most of the companies across the country. He further added that the Company has been taking adequate steps to settle these cases as expeditiously as possible.

- Increase in receivables:

The Company collected the receivables and has strong cash position.

- Investment in subsidiaries:

Indonesia, being the world's third largest two-wheeler market after China and was dominated by the Japanese brands such as Honda and Yamaha with over 80 per cent share.

He explained that though the subsidiary company PT. TVS Motor Company Indonesia did not perform well, it continued to overcome the tremendous barrier, it faced.

The Company would rationalise the subsidiaries and also considering the liquidation of subsidiaries viz., TVS Motor Company (Europe) B. V and Sundaram Business Consulting Development (Shanghai) Co Limited considering the current requirements of the Company.

- Housing Projects:

Though the subsidiary / associate companies were slowly developing flats, this was not the major thrust of the Company at this point of time.

- Factory visit and time of AGM:

Chairman said the board would look into this and decide after taking into consideration other related factors.

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He then thanked the shareholders, on his behalf and on behalf of the board, for their sincere efforts in going through the annual report and making useful suggestions / comments, besides seeking clarifications.

Chairman then, reiterated that, though the Company had already provided e-Voting facility to the members to vote between 24th July 2015 and 28th July 2015, it was obligatory on its part to provide similar voting rights to those members, who were personally present in the meeting hall, either in person or through proxies and did not avail the e-Voting facility, to vote in proportion to the shares held by them.

Then, the "ballot forms" were distributed to the shareholders present for casting their votes through ballot form, and the shareholders and the proxies, after getting the 'ballot form' exercised their voting.

After ensuring that all the shareholders and proxies, who were present in meeting hall and participated in the Poll, had cast their votes, the Scrutinizer closed the Poll at around 11.15 a.m.

Then, the Scrutinizer took the custody of the Polling boxes for counting the votes and submitting the results to the Chairman.

Chairman then announced that the results of both the e-Voting and through Ballot Form along with the Scrutinizers report, would be placed on the Company's website and on the website of NSDL within two days from the conclusion of the annual general meeting and would be communicated to the Stock Exchanges, where the Company's shares are listed.

Chairman thanked the shareholders for their active support to the Company and declared the formal closure of 23rd Annual General Meeting of the Company.

Results of Poll and E-voting:

After counting & verification of validity of votes polled through ballot forms, the consolidated report of the results of both E-Voting and poll submitted by the Scrutinizer to the Chairman on all the resolutions were placed before the shareholders. The results were then announced on the website and notice board of the Company, NSDL as well as the Stock Exchanges where the Company's shares were listed, as detailed below:

Ordinary business:

Item No: 1 – Adoption of annual accounts for the year ended 31st March 2015:

"RESOLVED THAT the audited balance sheet as at 31st March, 2015, the statement of profit and loss, notes forming part thereof, the cash flow statement for the year ended on that date and the consolidated financial statements, together with the directors' report and the auditors' report thereon as circulated to the members and presented to the meeting be and the same are hereby approved and adopted."

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Promoter / Public	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes – in favour	No. of votes – against	% of votes in favour – on votes polled	% of votes against – on votes polled
Promoter and Promoter Group	27,26,82,786	27,26,82,786	100.00%	27,26,82,786	-	100.00%	0.00%
Public - Institutional holders	12,33,34,558	9,33,45,216	75.68%	9,33,45,216	-	100.00%	0.00%
Public - Others	7,90,69,770	1,75,22,804	22.16%	1,75,21,966	838	100.00%	0.00%
Total	47,50,87,114	38,35,50,806	80.73%	38,35,49,968	838	100.00%	0.00%

Result: The ordinary resolution was passed as the requisite majority of votes were cast / polled in favour of the resolution

Item No:2 – Re-appointment of Mr Sudarshan Venu as director, liable to retire by rotation

"RESOLVED THAT Mr Sudarshan Venu (holding DIN 03601690), director, who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a director of the Company."

Promoter / Public	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes – in favour	No. of votes – against	% of votes in favour – on votes polled	% of votes against – on votes polled
Promoter and Promoter Group	27,26,82,786	27,26,82,786	100.00%	27,26,82,786	-	100.00%	0.00%
Public - Institutional holders	12,33,34,558	9,33,46,679	75.69%	9,29,18,894	4,27,785	99.54%	0.46%
Public - Others	7,90,69,770	1,75,22,366	22.16%	1,75,17,962	4,404	99.97%	0.03%
Total	47,50,87,114	38,35,51,831	80.73%	38,31,19,642	4,32,189	99.89%	0.11%

Result: The ordinary resolution was passed as the requisite majority of votes were cast / polled in favour of the resolution

Item No:3 – Ratification of appointment of M/s. V Sankar Aiyar & Co., Chartered Accountants, as statutory auditors for the third year in the first term of five years:

"RESOLVED THAT the re-appointment of M/s V Sankar Aiyar & Co., Chartered Accountants, Mumbai, having Firm Registration No. 109208W allotted by The Institute of Chartered Accountants of India, as statutory auditors of the Company to hold office, from the conclusion of this annual general meeting till the conclusion of the next annual general meeting, for the third year in the first

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term of five years as recommended by the audit committee and approved by the board of directors of the Company, in terms of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 on such remuneration, as may be mutually agreed upon between the board of directors of the Company and the Statutory Auditors in addition to reimbursement of service tax, travelling and out-of-pocket expenses, be and is hereby ratified."

Promoter / Public	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes - in favour	No. of votes - against	% of votes in favour - on votes polled	% of votes against - on votes polled
Promoter and Promoter Group	27,26,82,786	27,26,82,786	100.00%	27,26,82,786	-	100.00%	0.00%
Public - Institutional holders	12,33,34,558	9,33,39,770	75.68%	9,33,00,872	38,898	99.96%	0.04%
Public - Others	7,90,69,770	1,75,22,301	22.16%	1,75,18,853	3,448	99.98%	0.02%
Total	47,50,87,114	38,35,44,857	80.73%	38,35,02,511	42,346	99.99%	0.01%

Result: The ordinary resolution was passed as the requisite majority of votes were cast / polled in favour of the resolution

Special Business:

Item No:4 – Ratification of remuneration to Mr. A N Raman, cost auditor for the year 2015-16:

"RESOLVED THAT pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the remuneration of Rs.5 lakhs, in addition to reimbursement of service tax, travelling and out-of-pocket expenses, payable to Mr A N Raman, practising cost accountant, holding Membership No. 5359, allotted by The Institute of Cost Accountants of India, who was appointed as cost auditor of the Company for the year 2015-16 by the board of directors of the Company, as recommended by the audit committee of directors, be and is hereby ratified."

Promoter / Public	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes - in favour	No. of votes - against	% of votes in favour - on votes polled	% of votes against - on votes polled
Promoter and Promoter Group	27,26,82,786	27,26,82,786	100.00%	27,26,82,786	-	100.00%	0.00%
Public - Institutional holders	12,33,34,558	9,33,45,216	75.68%	9,33,45,216	-	100.00%	0.00%
Public - Others	7,90,69,770	1,75,19,733	22.16%	1,75,14,785	4,948	99.97%	0.03%
Total	47,50,87,114	38,35,47,735	80.73%	38,35,42,787	4,948	100.00%	0.00%

Result: The ordinary resolution was passed as the requisite majority of votes were cast / polled in favour of the resolution

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Item No:5 – Re-appointment and Remuneration of Mr Venu Srinivasan, Chairman and Managing Director for a further period of 5 years:

"RESOLVED THAT subject to the provisions of Sections 196,197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the Act 2013), read with the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) thereof, for the time being in force), approval of the Company be and is hereby accorded for re-appointment of Mr Venu Srinivasan (holding DIN 00051523) as chairman and managing director of the Company for a further period of five years from 24th April 2015 on a remuneration payable by way of a commission and other perquisites as stated in the Explanatory Statement attached to this Notice, not exceeding 5% of the net profits of the Company, computed in accordance with the provisions of Section 198 of the Act, 2013 and as recommended by the nomination and remuneration committee of directors and as determined by the board of directors of the Company (the Board) for each financial year within the said maximum permissible limit, notwithstanding his holding a similar position in the holding company, namely Sundaram-Clayton Limited (SCL) and drawing remuneration as approved by its shareholders, from time to time, provided that the total remuneration drawn by him from the Company and SCL does not exceed the higher maximum limit admissible from any one of these companies, in terms of Schedule V to the Act, 2013".

"RESOLVED FURTHER THAT the board, be and is hereby authorized to alter and vary the scope and quantum of remuneration specified hereinabove during the tenure of office, in the light of and in conformity with any amendments to the relevant provisions of the Act, 2013 / Income-tax Act, 1961 and / or the rules and regulations made thereunder and / or such guidelines, as may be notified by the Central Government, from time to time."

"RESOLVED FURTHER THAT Mr Venu Srinivasan as chairman and managing director shall have substantial powers of the management of the Company, in accordance with the applicable provisions of the Act 2013 and that may be entrusted upon him by the board of directors of the Company, from time to time."

"RESOLVED FURTHER THAT the Board be and is hereby authroised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution"

Promoter / Public	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes – in favour	No. of votes – against	% of votes in favour – on votes polled	% of votes against – on votes polled
Promoter and Promoter Group	27,26,82,786	27,26,82,786	100.00%	27,26,82,786	-	100.00%	0.00%
Public - Institutional holders	12,33,34,558	9,33,45,216	75.68%	5,88,34,453	3,45,10,763	63.03%	36.97%
Public - Others	7,90,69,770	1,75,22,496	22.16%	1,74,85,541	36,955	99.79%	0.21%
Total	47,50,87,114	38,35,50,498	80.73%	34,90,02,780	3,45,47,718	90.99%	9.01%

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Result: The ordinary resolution was passed as the requisite majority of votes were cast / polled in favour of the resolution

Item No:6 – Appointment of Mr Sudarshan Venu, as Joint Managing Director effective 10th September 2014, who was originally appointed as Whole-time Director:

"RESOLVED THAT, subject to the provisions of Sections 196, 197, 198 and 203 read with Schedule V to the Companies Act, 2013 (the Act 2013) read with the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) thereof for the time being in force) and as recommended by the nomination and remuneration committee of directors and the board of directors of the Company, consent of the Company be and is hereby accorded to the appointment of Mr Sudarshan Venu,(holding DIN 03601690) Whole Time Director as Joint Managing Director (JMD) in the rank of Managing Director of the Company effective 10th September, 2014, for the remaining period of his tenure upto 31st January, 2018, without any change in other terms of appointment and remuneration, as approved by the shareholders on 18th March, 2013 through postal ballot and on 14th July, 2014 at the twenty second annual general meeting of the Company notwithstanding his holding a similar position in the holding company, namely Sundaram-Clayton Limited (SCL) and drawing remuneration as approved by its shareholders, from time to time, provided that the total remuneration drawn by him from the Company and SCL does not exceed the higher maximum limit admissible from any one of these companies, in terms of Schedule V to the Act 2013".

"RESOLVED FURTHER THAT the Supplemental Agreement dated 10th September, 2014 entered into between the Company and Mr Sudarshan Venu with respect to the above variation in the terms of the appointment, a copy of which was placed before the meeting and initialed by the Chairman for the purpose of identification thereof, be and is hereby approved".

"RESOLVED FURTHER THAT the Board be and is hereby authroised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution"

Promoter / Public	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes – in favour	No. of votes – against	% of votes in favour – on votes polled	% of votes against – on votes polled
Promoter and Promoter Group	27,26,82,786	27,26,82,786	100.00%	27,26,82,786	-	100.00%	0.00%
Public - Institutional holders	12,33,34,558	9,33,45,216	75.68%	9,33,45,216	-	100.00%	0.00%
Public - Others	7,90,69,770	1,75,20,138	22.16%	1,75,14,799	5,339	99.97%	0.03%
Total	47,50,87,114	38,35,48,140	80.73%	38,35,42,801	5,339	100.00%	0.00%

Result: The ordinary resolution was passed as the requisite majority of votes were cast / polled in favour of the resolution

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Item No:7 – Appointment of Dr Lakshmi Venu as director, liable to retire by rotation, who was appointed as an additional director to comply with the provisions of 'woman director' under the Companies Act and Listing Agreement:

"RESOLVED THAT Dr Lakshmi Venu (holding DIN 02702020), who was appointed as an additional director and who holds office up to the date of this annual general meeting, in terms of Section 161 read with Section 149 of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014, be and is hereby appointed as a non-executive and non-independent director of the Company, liable to retire by rotation."

Promoter / Public	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes – in favour	No. of votes – against	% of votes in favour – on votes polled	% of votes against – on votes polled
Promoter and Promoter Group	27,26,82,786	27,26,82,786	100.00%	27,26,82,786	-	100.00%	0.00%
Public - Institutional holders	12,33,34,558	9,33,46,679	75.69%	9,26,97,705	6,48,974	99.30%	0.70%
Public - Others	7,90,69,770	1,75,22,131	22.16%	1,75,15,306	6,825	99.96%	0.04%
Total	47,50,87,114	38,35,51,596	80.73%	38,28,95,797	6,55,799	99.83%	0.17%

Result: *The ordinary resolution was passed as the requisite majority of votes were cast / polled in favour of the resolution*

All the resolutions, as contained in item No.1 to 7 of the Notice convening the 23rd Annual General meeting of the Company stood deemed to be passed on 29th July 2015, being the date of the annual general meeting of the members.

Chairman concluded the meeting with a vote of thanks to the shareholders at 11.15 a.m.



18th August 2015

Chairman

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