

SGL-61/Sec/2023-24

18th March, 2024

National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor
Plot No.C-1, Block G
Bandra-Kurla Complex
Bandra (E),
Mumbai - 400 051

BSE Limited
1st Floor
New Trading Ring, Rotunda Building
P J Towers, Dalal Street
Fort,
Mumbai - 400 001

Stock Code: SHANTIGEAR
Through NEAPS

Stock Code: 522034
Through BSE Listing Centre

Dear Sir / Ma'am,

Sub: Scrutinizer's Report on the result of Postal Ballot & E-voting

In continuation to our letter dated 15th February, 2024, we inform that the shareholders of the Company have passed the Ordinary Resolution as contained in the Company's Notice of Postal Ballot & E-voting dated 30th January, 2024.

Please find enclosed the Scrutinizer's Report dated 18th March, 2024 pursuant to Section 108 and 110 of the Companies Act, 2013 and Rule 20 and 22 respectively of the Companies (Management and with amendments Administration) Rules, 2014 read made thereof and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is for your kind information and records.

Thanking you,

Yours faithfully,

For Shanthi Gears Limited

Walter Vasanth P J
Company Secretary & Compliance Officer

18th March, 2024

The Chairman
Shanthi Gears Limited
 304A, Trichy Road,
 Singanallur,
 Coimbatore – 641005.

Dear Sir,

Sub: Passing of Resolution through Postal Ballot

Pursuant to the resolution passed by the Board of Directors of **Shanthi Gears Limited** ("the Company") on 30th January, 2024, we have been appointed as Scrutinizer for the purpose of scrutinizing the postal ballot process through remote electronic voting in respect of the following resolution:

Reference to the Companies Act, 2013	Type and Description of the resolution	
<p>Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013.</p>	<p>ORDINARY RESOLUTION</p> <p>RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other Rules as may be applicable thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), approval be and is hereby accorded for re-appointment of Mr. M Karunakaran (DIN 09004843) as Chief Executive Officer and Whole-time Director, with effect from 10th February, 2024 and the term of his re-appointment is from 10th February, 2024 to 09th February, 2029 (both days inclusive) and so long as he holds the said office, he shall not be liable to retire by rotation except to the extent necessary to comply with the provisions of the Companies Act, 2013.</p> <p>RESOLVED FURTHER THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other Rules as may be applicable thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and subject further to the limits prescribed in the Companies Act, 2013, the terms of remuneration payable to Mr. M Karunakaran as Chief Executive Officer and Whole-time Director, with effect from 10th February, 2024 to 09th February, 2029 (both days inclusive), shall be as follows:</p>	
	<p>a. Salary</p>	<p>Rs. 3,39,430/- per month in the scale of Rs. 3,25,000 - Rs. 7,50,000. The increments within the scale would be decided by the Nomination & Remuneration Committee.</p>

	b.	Allowances / Perquisites / Incentive	(a) Allowances like Leave Travel Allowance, Personal Allowance, Special Allowance, Grade Allowance and/or any other allowance;
			(b) Perquisites such as furnished/unfurnished accommodation to be provided by the Company or house rent allowance in lieu thereof, reimbursement of medical expenses incurred for self and family, club fees, provision of car(s) and any other perquisites, benefits or amenities;
			(c) Incentive; As may be approved by the Nomination and Remuneration Committee from time to time. Incentive (at 100% level) will be 25% of the annual pay (annual pay includes salary, perquisites, allowances, incentives & retiral benefits; and
			(d) The allowances and perquisites shall not exceed 100% of the salary.
	c.	Retirement benefits	(i) Contribution to Provident Fund, Superannuation Fund and Gratuity as per rules of the Fund/Scheme in force from time to time.
			(ii) Encashment of leave as per rules of the Company in force from time to time.
	(iv)	General	(i) In the event of absence or inadequacy of profits in any financial year, Mr. M Karunakaran shall be entitled to such remuneration as may be determined by the Board, which shall not, except with the approval of the Central Government, exceed the limits prescribed under the Companies Act, 2013 and the Rules made thereunder or any statutory modification or re-enactment thereof.
			(ii) Perquisites shall be valued in terms of income-tax rules or actual expenditure incurred by the Company in providing the benefit or generally accepted practice as is relevant. Provision of telephone (including at residence) shall not be reckoned as perquisite.
			(iii) The aggregate remuneration (including salary, allowances, perquisites, incentive/commission and retirement benefits) for any financial year shall be subject to an overall ceiling of 2.5% of the net

			profits of the Company for that financial year computed in the manner prescribed under the Companies Act, 2013.
			(iv) Mr. M Karunakaran will not be entitled to any sitting fees for attending meetings of the Board or any Committee thereof.
			(v) Mr. M Karunakaran will be entitled for grant of stock options under Employee Stock Option Scheme(s), if any.
			(vi) Mr. M Karunakaran will be subject to all other service conditions as applicable to any other employee of the Company. He will not be entitled for severance fee or other compensation for any loss of office.
<p>RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors or any Committee thereof be and is hereby authorised 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.</p>			

WE REPORT that In accordance with the provisions of the Act and Ministry of Corporate Affairs, Government of India's General Circular No.14/2020 dated 8th April, 2020 read with General Circular No. 17/2020 dated 13th April, 2020, General Circular No. 22/2020 dated 15th June, 2020 and General Circular No. 33/2020 dated 28th September, 2020, General Circular No. 39/2020 dated 31st December, 2020, and General Circular No. 10/2021 dated 23rd June, 2021, General Circular No. 20/2021 dated 8th December, 2021, General Circular No. 3/2022 dated 5th May, 2022, General Circular No. 11/2022 dated 28th December, 2022 and General Circular No. 09/2023 dated 25th September, 2023 ("MCA Circulars"), the Company has sent Postal Ballot Notice dated 30th January, 2024 on 15th February, 2024 through electronic mode only to those Members whose e-mail addresses are registered with the Company (in respect of the shares held in physical form) and with their Depositories (in respect of the shares held in Demat Form) and whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Friday, 09th February, 2024 ("Cut-off date").

WE REPORT that the management of the Company is responsible to ensure the compliance with the provisions of the Companies Act, 2013 and the Rules made thereunder including MCA Circulars as mentioned above relating to Postal Ballot E- voting, on the resolution contained in the Postal Ballot Notice. Our responsibility as a scrutinizer for e-voting and postal ballot process is restricted to presenting a Scrutinizer's report on the votes cast "in favour" or "against" the resolution stated above, based on the reports generated from the e-voting system provided by National Securities Depository Limited ("NSDL"), the authorized agency engaged by the Company.

WE REPORT that as stated in the notice sent to the members, the Company had fixed Saturday, 16th March, 2024 as the last date for E-Voting. As required under Rule 22 of the Companies (Management and Administration) Rules, 2014 an advertisement was

published by the Company in “**BUSINESS LINE**” in 'English' on 15th February, 2024 and “**DINAMANI**” in vernacular language 'Tamil' on 15th February, 2024 informing about the dispatch of the Postal Ballot Notice and other related matters mentioned therein.

We have received E-Voting from the members during the period **16th February, 2024 (9:00 a.m. IST) to 16th March, 2024 (5:00 p.m. IST)**.

All the votes received upto the closure of working hours (**5:00 p.m. IST**) on Saturday, 16th March, 2024, the last date fixed by the Company for receipt of E-Voting, were considered for our scrutiny.

WE REPORT that all the votes were scrutinized and processed and a computer statement containing the Shareholders Name, Address, Folio/Client ID Number, Postal Ballot Number, number of Shares held, Number of Votes voted, Assented, Dissented and Rejected were generated.

We report that out of **27167** Shareholders, we have received valid E-Voting from **790** Shareholders and the details of polling results are given below:

Receipt of Postal Ballot E-Voting	16th February, 2024 (9:00 a.m. IST) to 16th March, 2024 (5:00 p.m. IST)		
Total No. of Shareholders	27,167		
Total No. of Shares	7,67,15,853		
Particulars	As per Postal Ballot	As per E-Voting	Total
Postal Ballot Forms Received	-	790	790
Less: Invalid Forms	-	0	0
Net Valid Forms	-	790	790

Re-appointment of Mr. M Karunakaran as Chief Executive Officer and Whole-time Director and the terms of remuneration thereof.

ORDINARY RESOLUTION

(i) Votes in **favour** of the resolution:

Number of members voted in E- Voting	Number of votes cast (Shares) – E-Voting	% of total number of valid votes cast
785	57231630	99.9998

(ii) Votes **against** the resolution:

Number of members voted in E- Voting	Number of votes cast (Shares) – E-Voting	% of total number of valid votes cast
5	123	0.0002

(iii) **Invalid** Votes:

Number of members voted in E- Voting	Number of votes cast (Shares) – E- Voting
NIL	NIL

RESULT:

As the number of votes cast in favour of the resolution was not less than the number of votes cast against, we report that the Ordinary Resolution as set out in the Notice of Postal Ballot is passed with requisite majority.

WE FURTHER REPORT that as per the notice of Postal Ballot dated 30th January, 2024. The results of the e-voting will be announced by the Chairman of the Company on or before Tuesday 19th March, 2024 at the registered office of the Company and communicated to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), where the Company's shares are listed and will also be displayed on the Company's website www.shanthigears.com and on the website of National Securities Depository Limited ("NSDL").

WE FURTHER REPORT that as per Rule 22 of the Companies (Management and Administration) Rules, 2014, the Company has complied with all the provisions of the Rules. We further report that as per the said Rules, the records maintained by us such as the computer register (to record the consent or otherwise received from the shareholders, which includes all the particulars of the shareholders such as the name, address, folio number, number of shares held, number of shares voted and number of shares assented, number of shares dissented, number of shares abstained, number of shares rejected), are in our safe custody which will be handed over to the Company Secretary after the Chairman of the meeting considers, approves and signs the minutes of the meeting.

We thank you for the opportunity given to us to act as Scrutinizer for the above Postal Ballot E-Voting.

Thanking You

Yours faithfully,

**For R. SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES**

**CS R SRIDHARAN
FCS No. 4775
C P No. 3239
PR No. 657/2020
UDIN: F004775E003595428**