

PROCEEDINGS OF THE 20TH ANNUAL GENERAL MEETING OF THE MEMBERS OF AMIT SPINNING INDUSTRIES LIMITED HELD ON FRIDAY, THE 28TH SEPTEMBER, 2012 AT 11:30 A.M. AT BIPIN CHANDRA PAL MEMORIAL BHAVAN, A-81, CHITTARANJAN PARK, NEW DELHI 110019.

PRESENT: 10 Members in person holding 2,410 equity shares; and
1 Members by Proxy representing 2,09,81,077 equity shares.

DIRECTORS Shri S P Setia, Chairman
Shri Ranjan Mangtani, Director

CHAIRMAN OF THE MEETING

Shri S P Setia occupied the Chair.

QUORUM

Chairman after ascertaining that requisite quorum being present called the meeting to order and welcomed the members.

NOTICE

Chairman informed the members that the statutory books are available for inspection. With due permission from the members, the notice of 20th Annual General Meeting was taken as read.

Auditors Report

Chairman requested Shri Ranjan Mangtani, to read the Auditors' Report. Shri Ranjan Mangtani read the Auditors' Report and annexure to the Auditors Report was taken as read with the consent of the members present.

CHAIRMAN SPEECH

Chairman welcomed the members to the 20th Annual General Meeting and started the proceedings of the meeting.

Chairman in his speech informed the members that :

The fiscal 2011-12 has seen unprecedented downtrend in textile industry due to export restrictions owing to Govt. Policies, piling up of yarn inventory and reduced demand from consumers during the quarter ended March 2012 resulted adverse environment for Indian Textile Industry.

Further, low consumption of cotton stock, higher carrying cost of inventory, prevailing recessionary economic conditions leading to slowdown in demand and inflation pushed up the scale of input costs resulted into squeezing the Company margins even further.

Contd...2/-



Besides, Steep fluctuation in Foreign Currency, erratic demand of textile products and Piling up of yarn inventory caused also its spell on the Company's result and, your company has incurred Net Loss of Rs. 3001.74 lakhs during the current fiscal year against the Net Loss of Rs. 22.59 lakhs in 2010-11

The management believes that with the recovery of Asian economies, lifting of ban on Export of Yarn and Government's favorable policies, and continued focus on operational efficiencies, your Company will be able to realize higher margins in the coming years. The same is likely to improve Company's financials.

As you are well aware, your company has been passing through a difficult financial phase in the past, and net worth of the Company had been completely eroded, and a reference was filed with the Board for Industrial and Financial Restructuring (BIFR). On 18th July'2012, BIFR, has declared it as a Sick company. It has further asked your company to submit its financial revival proposal, to UCO Bank, which has been appointed as a Operating Agency, to review such proposal and submit the same for the approval of the BIFR Board. With the approval of Revival package, your Company is likely to further improve its net worth positively.

I would like to express my gratitude to all the members of the Board for their unstinted support, guidance and deepest appreciation to all the employees of the Company for their dedication and valuable contribution in fulfilling the objectives of the Company, in these difficult times.

I would also like to extend my special thanks to all our shareholders, customers, suppliers, Bankers, government authorities for their whole hearted support and I am confident that your Company would grow from strength to strength in the coming years.

Thereafter, Chairman took the business mentioned in the Notice in seriatim.

1. ADOPTION OF ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (ITEM NO. I)

Chairman proposed the first item of the Notice relating to approval and adoption of Audited Balance Sheet as at 31st March, 2012 and Profit & Loss Account for the year ended 31st March, 2012 along with Notes in revised format, the Report of Directors and Auditors thereon and Cash Flow Statement. Shri Sanjay Mittal (DP/Client ID IN303028 - 51019470) seconded the same.

Chairman invited questions from members on the accounts. He clarified certain queries raised by the members and after discussions the following resolution was approved/adopted as an Ordinary Resolution:

"RESOLVED THAT the Audited Balance Sheet as at 31st March, 2012 and Profit & Loss Account for the year ended on that date together with Notes, Cash Flow Statement and the Reports of Directors and Auditors thereon placed before the meeting be and are hereby approved and adopted unanimously."



Contd...3/-

2. RE-APPOINTMENT OF SHRI SURAJ PRAKASH SETIA AS DIRECTOR OF THE COMPANY (ITEM NO. 2)

Since Item No. 2 is related to re-appointment of Shri Suraj Prakash Setia as Director of the Company. Shri Setia requested Shri Ranjan Mangtani, Director to take the Chair for Item No. 2 of the Notice, accordingly Shri Mangtani occupied the Chair for Item No. 2.

Chairman invited questions from members for Item No. 2 of the Notice and after discussions, Shri Rishi Raj Gupta (DP/Client ID IN303028 - 53155773) proposed and Smt. Savita Gupta (DP/Client ID IN301653 - 10128363) seconded that the following resolution was approved as an **Ordinary Resolution**:

"RESOLVED THAT Shri Suraj Prakash Setia, who retires by rotation and being eligible for re-appointment be and is hereby re-appointed as Director of the Company."

On being put to vote by show of hands, the above resolution was carried unanimously.

Shri Ranjan Mangtani requested Shri Setia to take the Chair for remaining proceedings of the Meeting. Shri Setia occupied the Chair.

3. APPOINTMENT OF STATUTORY AUDITORS FOR THE YEAR 2011-2012 (ITEM NO. 3)

Chairman invited questions from members for Item No. 3 of Notice and after discussions Shri Shri Sanjay Mittal (DP/Client ID IN303028 - 51019470) proposed and Shri Pradeep Sood (DP/Client ID IN301127 - 15633348) seconded the same and that the following resolution was passed an Ordinary Resolution :

"RESOLVED THAT the consent of the Company be and is hereby accorded for appointment of M/s. Sunil Jain & Co., Chartered Accountants as Statutory Auditors for to hold office as Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting as per terms agreed between the management and M/s. Sunil Jain & Co."

On being put to vote by show of hands, the above resolution was carried unanimously.

4. VOTE OF THANKS

There being no other business, Shri Bharat Kapoor, Compliance Officer and Shri Sanjay Mittal member of the Company conveyed the vote of thanks to the Chair. Chairman appreciated the Members for their active participation in the 20th Annual General Meeting and declared the meeting as concluded.

Place: Delhi
Date:



sd/-
CHAIRMAN

