MINUTES OF THE PROCEEDINGS OF THE SIXTH ANNUAL GENERAL MEETING OF THE MEMBERS OF GTN TEXTILES LIMITED HELD ON FRIDAY, 29TH DAY OF JULY, 2011, AT 12:15 P.M AT HOTEL PERIYAR, ALUVA-682 101.

Present :

Shri.B K Patodia	Chairman & Shareholder
Shri.B L Singhal	Director & Shareholder
Shri.N K Bafna	Director
Shri. R. Rajagopal	Director

In Attendance

Shri.E K Balakrishnan	Company Secretary & Shareholder

By Invitation:

Shri.R. Mugunthan, FCA	Senior Partner, M/s.M S Jagannathan & Visvanathan Chartered Accountants, Statutory Auditors of the Company, Coimbatore.

(i) Number of Shareholders attended the Meeting 50 nos.;
(ii) The above includes a Shareholder representing 3 Body Corporates and 1 HUF;
(iii) 11 Nos. Shareholders representing 4 Nos. Proxies.

Chairman Shri. B K Patodia chaired the meeting and welcomed the Shareholders present.

After ascertaining that the requisite quorum for the meeting was present, the Chairman called the meeting to order.

The Chairman announced that the Company had registered 12 (twelve) nos. valid Proxies for 42,98,138 Equity Shares and further stated that all the Proxies are in order. It was also informed that the Company has received 3 (three) nos. of authorizations alongwith Board Resolutions from Body Corporates pursuant to Section 187 of the Companies Act, 1956 representing 21,37,314 Equity Shares. He added that 3 Shareholders who had filed proxies were attending the meeting, in person.

The Chairman also announced that the Register of Directors Shareholding is maintained as required under Section 307 of the Companies Act, 1956. He informed that Register of Directors Shareholding, Register of Proxies and valid proxy forms are placed at the meeting and are open for inspection by the members of the Company.

With the consent of the Shareholders present, notice convening the meeting was taken as read.

The Auditors Report was read by Shri.R.Muganthan, Senior Partner of M/s.M S Jagannathan & Visvanathan, Chartered Accountants, Statutory Auditors of the Company.

The Chairman, thereafter, briefly spoke narrating the economic scenario of the Country, textile industry and its exports and performance for the year ended 31st March, 2011 as well as for the first quarter ended 30th June, 2011 of the company.

After his speech, he requested Company Secretary to read the Resolutions.

Thereafter, the following business were, transacted.

ORDINARY BUSINESS:

Item No.1: To receive, consider and adopt the Balance Sheet as at 31st March 2011, the Profit & Loss Account of the Company for the financial year ended on that date and the Reports of the Directors and Auditors thereon:

Shri. P.K. Unnikrishnan (a Shareholder) proposed and Shri P.A. Krishnakumar (a Shareholder) seconded the following Ordinary Resolution.

"RESOLVED that the Audited Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended on that date together with Reports of the Board of Directors and Auditors thereon, be and are hereby received and adopted".

Before moving the resolution, the Chairman invited queries from the members on the financial results of the company for the year under review and its general business activities. Since there were no queries / clarifications from the members, the Chairman put the resolution to vote by show of hands and declared that the resolution was carried unanimously.

Item No.2: To appoint a Director in place of Shri. N.K. Bafna, who retires by rotation and being eligible and offered himself for re-appointment:

Shri. Dilip K Shah, a Shareholder, proposed the following Ordinary Resolution.

"RESOLVED that Shri. N.K. Bafna, who retires by rotation, and being eligible for re-appointment, be and is hereby reappointed as a Director of the Company".

Shri. N. Kumaresan, a Shareholder, seconded the resolution.

Carried unanimously.

Item No.3: To appoint a Director in place of Shri. Prem Malik, who retires by rotation and being eligible and offered himself for re-appointment:

Shri M.S. Sasiraj, a Shareholder, proposed the following Ordinary Resolution.

"RESOLVED that Shri.Prem Malik, who retires by rotation, and being eligible for re-appointment, be and is hereby reappointed as a Director of the Company".

Shri P.X. Jolly, a Shareholder, seconded the resolution.

Carried unanimously.

Item No.4: Appointment of Statutory Auditors and to fix their remuneration.

Shri. G. Sunil Kumar, a Shareholder, proposed the following Ordinary Resolution.

"RESOLVED that M/s.M S Jagannathan & Visvanathan, the retiring Auditors, be and are hereby re-appointed as Statutory Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and the Board of Directors / Committee of the Board be and are hereby authorised to fix their remuneration plus traveling and other out of pocket expenses incurred by them in connection with statutory audit and / or continuous audit and also such other remuneration, as may be decided to be paid by the Board / Committee of the Board, for performing duties other than those referred to herein above".

Shri P.K.Raveendran, a Shareholder, seconded the resolution.

Carried unanimously.

SPECIAL BUSINESS

Item No.5: Approval to extend mortgage in favour of Working Capital Bankers on Second Charge basis.

Shri. K.S. Sahasranaman, a Shareholder, proposed the following Ordinary Resolution.

"RESOLVED that the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) for creating such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties of the Company wheresoever situate, both present and future and of conferring power to enter upon and to take possession of the assets of the Company in certain events, to or in favour of Central Bank of India (CBI) and State Bank of Travancore to secure on pari passu second charge basis:

i) Additional working capital limits of Rs. 1640 lacs lent and advanced by Central Bank of India (CBI) to the Company;

ii) Additional Working Capital limits of Rs.740 lacs lent and advanced by State Bank of Travancore (SBT) to the Company

Shri. Jayesh Badani, a Shareholder seconded the resolution.

Carried unanimously.

VOTE OF THANKS

Shri. N V Rajagopal, a Shareholder complimented the management for their outstanding contributions towards the successful working of the Company and extended a hearty vote of thanks to the chair as well as to the members.

There being no other business to be transacted at the meeting, the Chairman declared the meeting as concluded.

CHAIRMAN

24/8/11