

Himatsingka Seide Limited

10/24, Kumara Krupa Road, High Grounds, Bangalore - 560 001, India

Ref: SEC:0001:2:12777:KGN

August 27, 2011

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Listing Department
Bombay Stock Exchange Ltd
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001

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

Listing Department
The Bangalore Stock Exchange Ltd
Stock Exchange Towers, 51, 1st Cross
J.C. Road, Bangalore - 560 027

Dear Sirs,

Sub: AGM Minutes.

We are enclosing herewith a copy of Minutes of the 26th Annual General Meeting of the Company held on 23rd August, 2011.

Kindly acknowledge receipt of the same.

Thanking you,

Yours faithfully,
For Himatsingka Seide Limited


Amit Jain

Asso. Vice President – Treasury, Taxation
& Company Secretary

Encl: as above

**MINUTES OF THE PROCEEDINGS OF THE 26th ANNUAL GENERAL
MEETING OF THE COMPANY HELD ON TUESDAY, THE 23RD AUGUST,
2011 AT 3.30 P.M. AT THE LaLiT ASHOK BANGALORE, KUMARA KRUPA
ROAD, HIGH GROUNDS, BANGALORE – 560 001.**

PRESENT:

Mr. Dilip J.Thakkar	- Chairman
Mr. A.K.Himatsingka	- Vice Chairman
Dr. K.R.S. Murthy	- Director
Mr. A.K. Dasgupta	- Director
Mr. Rajiv Khaitan	- Director
Mr. D.K. Himatsingka	- Managing Director
Mr. Aditya Himatsingka	- Executive Director
Mr. Shrikant Himatsingka	- Executive Director
Mr. K.P. Pradeep	- CFO
Mr. Amit Jain	- Company Secretary

MEMBERS PRESENT:

In Person	- 144
Corporate representation	- 7

CHAIRMAN OF THE MEETING:

Mr. Dilip J Thakkar took the chair. On ascertaining the attendance of the members, the Chairman announced that the Quorum was present and called the meeting to order. The Chairman announced the receipt of 4 (Four) proxies for 34,770 shares and 7 (Seven) Corporate representations for 1,87,39,109 Shares. The Chairman then introduced the directors present to the members.

NOTICE:

At the request of members, the notice was taken as read.

AUDITORS' REPORT:

Mr. Amit Jain, Company Secretary read out the Auditors' report.

MANAGING DIRECTORS OVERVIEW

The Managing Director in his opening address covered the following matters:

The Managing Director extended a warm welcome to the shareholders. In his address to the members, he told that he is having mixed feelings. He is aware that the performance of the Company has been impacted over the last 3 years on account of various factors. However, he is happy to share that stability is clearly visible going forward. While revenues in 2010-11 grew by 14%, but profitability was impacted, primarily due to unprecedented increase in raw material prices. He also said that he is happy to note that raw material prices have come down substantially and is likely to remain at a reasonable level. The Company is started looking at growth opportunities – this time in India/Asia. The Company plans to increase the number of ATMOSPHERE stores from the present 15 to around 40. Additionally, taking advantage of the ATMOSPHERE experience, the Company is also planning to have presence at around 200 places pan India in the mid range product segment. The performance in 1st quarter of 2011-12 was better. After three years of turbulence, things are settling down. Debt is constantly reducing and stands at Rs 678 crores now as against a high of Rs 794 crores, about 15 months back.

Thereafter, the Chairman took up the ordinary business for consideration of members

ITEMS FOR APPROVAL

1. Consideration And Adoption Of Accounts, Report Of Auditors And Directors:

The Chairman informed the members that the first item on the Agenda was consideration of the Accounts. The Directors Report and the Accounts were treated as read with the permission of the members. The Chairman informed the members that he would be glad to answer any queries on Accounts and Directors' Report. Thereafter, the following shareholders spoke:

Mr. C.L. Ramasanjeeva suggested that the year of AGM be printed on the Annual Report. He said that the Company should give more importance to India markets and that he was happy to hear that the MD in his address has said that the Company was looking at growth in India and hopes to increase India/Asia revenues from current 5% to 25%.

Mr. Yogesh Rasiklal Doshi said that he is a proud member of this shareowners family. He said that he is 100% sure that the brand ATMOSPHERE is second to none. He

suggested that the Board should take inward looking approach and look at India/Eastern part of the world in a meaningful way. He said that a visit to the Dodaballapur plant is like a pilgrimage. He is very impressed with the good designs created by Jayshree and her team.

Mr. D. Prabhu said that the address by the Managing Director was very learned and inspiring. He noted that Mr. Berjsi Desai, a Director seeking appointment at this AGM, does not hold any shares in the Company. He suggested that instead of buyback, the Company should give 50% discount coupons to the shareholders.

The Chairman replied to the queries as under:

With respect to the year of AGM, the Notice of AGM clearly specifies the year of AGM. The observation made by a member regarding shareholding by Mr. Berjis Desai, will be conveyed to him. He said that the Board has taken note of other observations made by the members.

The following Ordinary Resolution was :-

Proposed by : Mr. C L Ramasanjeeva
Seconded by : Mr. Yogesh R Doshi

“RESOLVED THAT the Profit and Loss Account for the year ended 31st March, 2011 and the Balance Sheet as at 31st March, 2011 together with the Reports of the Directors and the Auditors thereon, as circulated to the shareholders and now submitted to this meeting, be and are hereby received and adopted.”

The Chairman put the resolution to vote and it was carried unanimously.

2. Re-appointment of Sri. Shrikant Himatsingka

The Chairman informed the members that the next item on the agenda was the Re-appointment of Sri. Shrikant Himatsingka as a Director of the Company.

The following ordinary resolution was:-

Proposed by: Mr. D V Prabhu
Seconded by: Mr. Manjunatha .R

“RESOLVED THAT Sri Shrikant Himatsingka, who retires by rotation, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation”.

The Vice Chairman put the resolution to vote and it was carried unanimously.

3. Re-appointment of Sri. Aditya Himatsingka

The Chairman informed the members that the next item on the agenda was the Re-appointment of Sri. Aditya Himatsingka as a Director of the Company.

The following ordinary resolution was:-

Proposed by: Mr. Yogesh R Doshi

Seconded by: Mr. Ramasanjeeva C. L.

“RESOLVED THAT Sri. Aditya Himatsingka, who retires by rotation, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

The Chairman put the resolution to vote and it was carried unanimously.

4. Re-Appointment of Auditors:

The Chairman informed the members that the next item on the agenda was the re-appointment of M/s. Deloitte Haskins and Sells, as Auditors of the Company.

The following Ordinary resolution was:-

Proposed by : Mr. Ravindranath M.R.

Seconded by : Mr. Manjunatha. R

“RESOLVED THAT Messrs Deloitte Haskins & Sells, Chartered Accountants (Firm Registration No. 008072S), be and are hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and the Board of Directors be and is hereby authorized to fix their remuneration, plus service tax and out-of-pocket expenses payable to them.”

The Chairman put the resolution to vote and it was carried unanimously.

5. Appointment of Sri. Berjis M Desai as a Director

The Chairman informed the members that the next item on the agenda was the appointment of Sri. Berjis M Desai as a Director of the Company.

The following ordinary resolution was :

Proposed by: Mr. Yogesh R. Doshi

Seconded by : Mr. Manjunatha. R.

“RESOLVED THAT Sri. Berjis M Desai, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

The resolution was put to vote and it was carried unanimously.

6. Raising of Funds through issue of equity shares.

The Chairman informed the members that the next item on the agenda was regarding Raising of Funds through issue of additional equity shares.

The following Special Resolution was: -

Proposed by : Mr. M.R. Ravindranath

Seconded by: Mr. Srinivas. G

"RESOLVED THAT in accordance with the provisions of Section 81(1A) and other applicable provisions of the Companies Act, 1956 (including any statutory modifications or re-enactments thereof for the time being in force), and

- a) subject to the relevant provisions of the Memorandum and Articles of Association of the Company;
- b) subject to the requirements of the Listing Agreement entered into by the Company with the Stock Exchanges on which the Company's Shares are presently listed;
- c) subject to the provisions of the Foreign Exchange Management Act, 1999 (FEMA), as amended, and all applicable regulations framed and notifications issued thereunder;
- d) subject to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, as applicable; including the Regulations for Qualified Institutions Placement prescribed in Chapter VIII thereof;
- e) pursuant to all other applicable rules, regulations, circulars, notifications, guidelines issued by the Government of India, Ministry of Finance, the Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI) and all other governmental or regulatory bodies in India;
- f) subject to obtaining and compliance with all necessary approvals, consents, permissions and / or sanctions, as applicable from Government of India (GOI), Ministry of Finance, Ministry of Commerce and Industry, the Foreign Investment Promotion Board (FIPB), RBI, SEBI, relevant Stock Exchanges whether in India or overseas, all other appropriate regulatory and governmental authorities whether in India or overseas, any institutions, lenders and any other third parties and subject to such conditions and modifications as may be prescribed by any of them whilst granting such approvals, permissions, consents and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any Committee(s) constituted or to be constituted for the purpose of any offering(s) to be made by the Company in pursuance of this Resolution);

consent of the Members/Company be and is hereby accorded to the Board to create, offer, issue and allot: i) in the course of one or more domestic offering(s), and / or ii) in the course of one or more international offering(s), in one or more

foreign markets such number of equity shares of the Company ("**Equity Shares**"), including those to be issued pursuant to Qualified Institutions Placements (QIPs), Global Depository Receipts (GDRs), Foreign Currency Convertible Bonds (FCCBs), and / or convertible bonds, debentures and / or any other securities fully or partly convertible into or exchangeable with Equity Shares and / or other securities convertible into Equity Shares at the option of the Company and / or the holder(s) of such securities and / or securities linked to Equity Shares and / or securities with or without detachable / non-detachable warrants and / or warrants with a right exercisable by the warrant holders to subscribe to Equity Shares and / or any instruments which would be converted into / exchanged with Equity Shares at a later date whether rupee denominated or denominated in any foreign currency, naked or otherwise, either in registered or bearer forms or any combination of the Equity Shares and securities, with or without premium as the Board in its sole discretion may decide, whether secured by way of creating charge on the assets of the Company or unsecured (hereinafter collectively referred to as "the Securities"), in one or more tranches, with or without green shoe option, to any eligible person including but not limited to foreign, resident (whether institutions, incorporated bodies, Banks, Trusts, Insurance Companies, Mutual Funds and / or individuals or otherwise) Qualified Institutional Buyers, Foreign Institutional Investors, Indian and / or Multilateral Financial Institutions, Non-resident Indians, and / or other categories of investors whether they be holders of Shares in the Company or not (collectively called as "Investors") who are eligible to acquire the Securities in accordance with all applicable laws, rules, regulations, guidelines and approvals including those of the Government of India through public issue(s), qualified institutional placement, preferential issue(s), private placement(s) or any combination thereof, through prospectus, offer document, offer letter, offer circular, placement document, information memorandum, private placement memorandum or otherwise, at such time or times and at such price or prices subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, at a discount or premium to market price or prices in such manner and on such terms and conditions including as regards security, rate of interest, etc. as may be deemed appropriate by the Board in its discretion, for an aggregate amount, in one or more offering(s) and / or in one or more tranches, not exceeding an amount of Rs.150 Crores inclusive of any premium, green shoe or over- allotment option, as may be approved by the Board, who shall have the discretion to determine the categories of investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of investors and the time of such offer, issue and allotment considering the prevailing market conditions and all other relevant factors, and wherever necessary, in consultation with Advisor(s), Lead Manager(s) and Underwriter(s).

RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid offering(s) of Securities, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, may have all or any terms, or combination of terms, in accordance with accepted practice, including but not limited to, conditions in relation to payment of interest, additional interest, premium(s) on redemption, prepayment and any other debt service payments whatsoever and all such terms as are provided in domestic / international offerings of this nature including terms for issue of such Securities or variation of the conversion price of the securities during the duration of the Securities.

RESOLVED FURTHER THAT the Board is entitled to appoint, enter into and execute all such agreements with any Advisor(s), Lead Manager(s), Underwriter(s), Guarantor(s), Depository(ies), Trustee(s), Custodian(s), Legal Counsel(s) and all such other relevant agencies as may be involved or concerned in such offerings of Securities and to remunerate all such agencies including by payment of commissions, brokerage, fees or the like.

RESOLVED FURTHER THAT the Board may, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, issue receipts and / or certificates representing the Securities with such features and attributes as are prevalent in international and / or domestic capital markets for instruments of such nature and to provide for the tradability or transferability thereof as per the international and / or domestic practices and regulations, and in the forms and practices prevalent in such international and / or domestic markets.

RESOLVED FURTHER THAT the Company may enter into any arrangement with any agency or body authorized by the Company for the issue of Securities with such features and attributes as are prevalent in capital markets for instruments of this nature and to provide for the tradability or free transferability thereof as per the domestic and/or international practice and regulations, and under the norms and practices prevalent in securities markets.

RESOLVED FURTHER THAT the Company do apply for listing of the Securities, as may be issued pursuant to this Resolution, on the domestic stock exchanges and / or one or more international stock exchanges, as may be necessary and permissible, and to apply for admission thereof to the domestic and / or international Depositories.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion, redemption or cancellation of any of the Securities or as may be necessary in accordance with the terms of the offering(s), all such Equity Shares shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari passu with the existing Equity Shares of the Company in all respects, except as may be provided under the terms of the issue and in the offer document, if any.

RESOLVED FURTHER THAT the pricing of the Securities shall be in compliance with applicable laws, guidelines and regulations and, further, that the pricing of Securities that may be issued pursuant to a QIP shall be in accordance with the applicable SEBI Regulations which presently provide for a price not less than the average of the weekly high and low of the closing price of the related Securities quoted on the Stock Exchanges during the two weeks preceding the "relevant date" and the pricing of any Equity Shares issued upon the conversion of the Securities shall be made subject to, and in compliance with applicable rules and regulations and such price shall be subject to appropriate adjustments in the applicable law/rules/guidelines/statutory provisions

RESOLVED FURTHER THAT the "relevant date" means the date of the meeting in which the Board decides to open the proposed issue or as may be determined in accordance with applicable laws, rules, regulations, guidelines and approvals.

RESOLVED FURTHER THAT such of the Securities to be issued and not subscribed may be disposed off by the Board to such persons and in such manner and on terms as the Board in its absolute discretion thinks fit in the best interest of the Company and as permissible at law.

RESOLVED FURTHER THAT for the purpose of giving effect to these resolutions and any issue or allotment of Securities as described in the above paragraphs, the Board be and is hereby authorized, on behalf of the Company, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, to do all such acts, deeds, matters and things as it may, in its discretion, deem necessary or desirable for such purpose, as regards, inter-alia, the issue and / or allotment of Securities, the utilization of issue proceeds and with power, on behalf of the Company, to settle any questions, difficulties or doubts that may arise in regard to any such issue or allotment as it may, in its discretion, deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorised to make all filings including as regards the requisite listing application / prospectus / offer document / offer letter / offer circular / placement document / information memorandum / private placement memorandum or otherwise, or any draft(s) thereof, or any amendments or supplements thereof, and of any other relevant documents with the stock exchanges, RBI, SEBI and such other authorities or institutions in India and /or abroad for this purpose.

RESOLVED FURTHER THAT the acts, deeds and things already done by the Board in this regard be and are hereby confirmed, approved and ratified.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of its powers herein conferred to any Committee along with the authority to the said Committee to further delegate specific powers to anyone or more Directors / Executives of the Company, in order to give effect to the aforesaid Resolution."

The Chairman put the resolution to vote and it was carried unanimously.

The Chairman announced the conclusion of the Meeting and thanked the shareholders for their co-operation.

7. VOTE OF THANKS:

The meeting ended with a vote of thanks to the chair.

Place: Bangalore

Date: 26 - 08 - 2011

CHAIRMAN