

**PATSPIN INDIA LIMITED**  
GENERAL MEETING MINUTES BOOK

Sheet No.

**MINUTES OF THE PROCEEDINGS OF THE TWENTY FIRST ANNUAL GENERAL MEETING OF THE MEMBERS OF PATSPIN INDIA LIMITED HELD ON MONDAY, THE 13<sup>TH</sup> DAY OF AUGUST, 2012 AT 9.30 A.M AT 'AANGAN HALL', BHARAT HOTEL (BTH), DURBAR HALL ROAD, KOCHI-682 016.**

**Present:**

|                    |                   |
|--------------------|-------------------|
| Shri.B K Patodia   | Chairman          |
| Shri.N K Bafna     | Director          |
| Shri.B L Singhal   | Director          |
| Shri.R Rajagopalan | Director          |
| Shri.Umang Patodia | Managing Director |

**In attendance:**

|                   |                    |
|-------------------|--------------------|
| Shri.P C Seksaria | Director (Finance) |
| Shri.Abhilash N.A | Company Secretary  |

**By Invitation:**

|                       |                                                                                                                     |
|-----------------------|---------------------------------------------------------------------------------------------------------------------|
| Shri.R. Mugunthan,FCA | Senior Partner,<br>M/s.M S Jagannathan & Visvanathan<br>Chartered Accountants,<br>Statutory Auditors,<br>Coimbatore |
|-----------------------|---------------------------------------------------------------------------------------------------------------------|

|                               |                                                                                                     |
|-------------------------------|-----------------------------------------------------------------------------------------------------|
| Shri.Venugopal C.Govind, FCA, | Managing Partner,<br>M/s.Varma & Varma<br>Chartered Accountants,<br>Internal Auditors,<br>Ernakulam |
|-------------------------------|-----------------------------------------------------------------------------------------------------|

Number of Shareholders present in the meeting either in person or through proxy:

- i) Promoters and Promoter Group - 10 nos.
- ii) Public - 93 nos.

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 23 Nos. of valid Proxies for 84,887 Equity Shares and further stated that all the Proxies are in order. It was also informed that the Company had received 4 (four) Nos. of Authorisations alongwith Board Resolutions from Body Corporates pursuant to Section 187 of the Companies Act, 1956 representing 1,45,26,568 Equity Shares.



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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, the Notice convening the meeting was taken as read.

The Auditors' Report was read by Shri.R. Mugunthan, Chartered Accountant and Sr.Partner of M/s.M S Jagannathan & Visvanathan, Statutory Auditors of the Company.

The Chairman, thereafter, briefly spoke narrating the economic scenario of the Country, textile industry and its exports, performance for the year ended 31<sup>st</sup> March, 2012 as well as for the first quarter ended 30<sup>th</sup> June, 2012 of the company.

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

The following business was, thereafter, transacted.

**ORDINARY BUSINESS:**

**Item No.1:**

To receive, consider and adopt the Audited Balance Sheet as at March 31<sup>st</sup> 2012, the Statement of Profit & Loss for the year ended on that date and the Reports of the Directors and Auditors thereon:

Proposed by Shri. P.A. Krishnakumar and seconded by Shri Mahaboob M, Shareholders, the following Ordinary Resolution was carried, unanimously.

"RESOLVED that the Audited Balance Sheet as at 31<sup>st</sup> March, 2012 and the annexed Statement of Profit & Loss alongwith Notes to Financial Statements for the year ended on that date together with Directors' Report and Auditor's Report thereon, be and the same 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. The queries raised by the members were answered by the Chairman to the satisfaction of the members present. Thereafter, 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.B.L. Singhal, who retires by rotation and being eligible and offered himself for re-appointment:

Proposed by Shri.P.S. Mohanan and seconded by Shri. V.J.Joseph, Shareholders the following Ordinary Resolution was carried, unanimously.

"RESOLVED that Shri.B.L. Singhal, who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company".



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**Item No.3:**

To appoint a Director in place of Shri. Rajen K Mariwala, who retires by rotation and being eligible and offered himself for re-appointment:

Proposed by Shri.A.K. Warekar and seconded by Shri. K.T. Antony, Shareholders the following Ordinary Resolution was carried, unanimously..

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

**Item No.4:**

Appointment of Statutory Auditors and to fix their remuneration

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

"RESOLVED that pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s.M S Jagannathan & Visvanathan (Firm Registration No.001209S), the retiring Auditors, be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and the Board of Directors / Committee of the Board be and are hereby authorised to fix their remuneration plus applicable Service Tax and reimbursement of traveling and out of pocket expenses incurred by them for the purpose of Audit"

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

Carried unanimously.

**SPECIAL BUSINESS**

**Item No.5:**

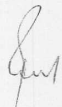
Appointment of Shri. Prem Malik as a Director pursuant to Section 257 of the Companies Act, 1956.

Shri.P.A. Krishnakumar, a Shareholder proposed the following Ordinary Resolution.

"RESOLVED THAT Shri Prem Malik, who was appointed as an Additional Director of the Company with effect from 15<sup>th</sup> May,2012 on the Board of the Company in terms of Section 260 of the Companies Act, 1956 read with Article 95 of the Article of Association of the Company and who holds office up to the date of this Annual General Meeting, and in respect of whom a notice has been received from a member in writing and also a deposit of Rs 500/- from him signifying his intention to propose the candidature for the office of Director under Section 257 of the Companies Act, 1956,be and is hereby appointed as a Director of the company with effect from the date of this Annual General Meeting"

Smt. Lalitha Ananthan, a Shareholder, seconded the resolution.

Carried unanimously.



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Since Shri. B.K. Patodia, Chairman was interested in the following item Shri. N K Bafna, Chairman of the Audit Committee of the Board of Directors was requested to take the chair and conduct the proceedings and on his chairing:

**Item No.6:**

Refixing of remuneration to Shri. Umang Patodia, Managing Director for his balance tenure from 1.4.2012 to 3.8.2014.

Shri. Umesh Sanan, a Shareholder proposed the following Special Resolution.

"RESOLVED THAT pursuant to the provisions of section 198, 269, 302, 309, 310 read with schedule XIII of the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and subject to the approval of such other authorities including Central Government, as may be required, the consent of the company be and is hereby accorded to the remuneration and perquisites payable to Shri Umang Patodia, Managing Director with effect from April 1, 2012, as recommended by the Remuneration Committee of the Board of Directors and as approved by Board of Directors and as set out in the Explanatory Statement annexed to the Notice convening this meeting and as further set out in the draft agreement placed before this meeting, which agreement is hereby specifically sanctioned with liberty to the Board of Directors (hereinafter referred to the "Board" which term shall be deemed to include the Remuneration Committee constituted by the Board ) to alter and vary the same subject to the same not exceeding the limits specified in Schedule XIII to the Companies Act, 1956 including any statutory re-enactment thereof for the time being in force or as may hereinafter be made by the Central Government in that behalf from time to time or any amendments thereto in such manner as may be agreed to between the Board and Shri Umang Patodia, Managing Director."

"FURTHER RESOLVED THAT that pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Act, the remuneration payable to Shri. Umang Patodia by way of salary, perquisites, commission and other allowance shall not in any event exceed 5% of the net profits of the Company in that financial year".

"FURTHER RESOLVED THAT in the event of any loss or inadequacy of profits in any financial year of the Company during the tenure of Shri. Umang Patodia, the remuneration, perquisites and other allowances shall be governed by the limits prescribed in Section II of Part II of Schedule XIII to the Act".

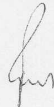
"FURTHER RESOLVED THAT Shri Umang Patodia shall not be liable to retire by rotation."

AND

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

Shri V.J. Joseph, a Shareholder, seconded the resolution.

Carried unanimously.



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Chairman, Shri. N K Bafna, then requested Shri. B K Patodia to chair the meeting and on his chairing.

**Item No.7:**

**Approval in respect of issue of Redeemable Preference Shares to Company's lenders under the proposed CDR scheme**

Shri. N.V. Rajagopal, a Shareholder proposed the following Special Resolution.

"RESOLVED THAT pursuant to the provisions of Section 80(1) and Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 and subject to such approvals, consents as may be necessary, consent of the company be and is hereby accorded to the Board or its Committee to issue Redeemable Preference Shares of Rs 100/- each (Rupees hundred only) at par in one or more tranches on a preferential basis to the Company's Bankers and Financial Institution (hereinafter referred to as "Lenders") under the proposed Corporate Debt Restructuring (CDR) Scheme, credited as fully paid up, amount not exceeding Rs 1500 lacs (Rupees One Thousand Five Hundred Lacs only) under the Scheme, on such terms and conditions as may be mutually agreed between the Company and the lenders".

"FURTHER RESOLVED that the Redeemable Preference Shares outstanding at any point of time shall not exceed Rs 2500 lacs (Rupees Two Thousand Five Hundred Lacs only)".

"FURTHER RESOLVED THAT for the purpose of giving effect to this resolution the Board or its Committee be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable and to settle any question, difficulty or doubt that may arise in regard to the offer, issue or allotment and redemption from time to time as it may in its absolute discretion deem fit".

Shri Dilip K Shah, a Shareholder, seconded the resolution.

Carried unanimously.

**Item No.8:**

**Approval to extend mortgage in favour of Company's lenders for their additional financial assistance.**

Shri. A. Ajith Kumar, 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 Export Import Bank of India (Exim Bank) and State Bank of Travancore (SBT) to secure on pari passu first charge basis for:

- i) the term loan of Rs 20 crores lent and advanced by Export Import Bank of India (Exim Bank) to the Company;
- ii) the term loan of Rs 15 crores lent and advanced by State Bank of Travancore (SBT) to the Company;



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and to secure on pari passu second charge basis for;

- a) Additional working capital limits of Rs 3150 lacs lent and advanced by Central Bank of India (CBI) to the Company;
- b) Additional Working Capital limits of Rs.1155 lacs lent and advanced by State Bank of Travancore (SBT) to the Company;
- c) Additional Working Capital limits of Rs.425 lacs lent and advanced by IDBI Bank Ltd (IDBI Bank) to the Company;
- d) Additional Working Capital limits of Rs.250 lacs lent and advanced by Karur Vysya Bank Limited (KVB) to the Company;

"RESOLVED further that the Board/Committee of Directors of the Company be and is hereby authorized to do all such acts and things as may be necessary to give effect to the above resolution".

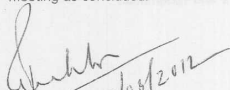
Shri N Kumaresan, a Shareholder, seconded the resolution.

Carried unanimously.

**VOTE OF THANKS**

Shri P.S. Mohanan, 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 27/06/2012