

PROCEEDINGS OF THE EIGHTEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF SALONA COTSPIN LIMITED HELD ON THURSDAY, THE 20th SEPTEMBER 2012 AT 10.30 A.M AT THE REGISTERED OFFICE OF THE COMPANY AT S.F.NO.74/12 & 75/3 PUNGAMPALLI VILLAGE, VALLIPALAYAM POST, SATHY (T.K), PERIYAR DIST, TAMILNADU.

DIRECTORS PRESENT:

- | | |
|------------------------------|--------------------------------------|
| 1. Sri Shyamlal Agarwala | - Managing Director |
| 2. Sri Manoj Kumar Jhajharia | - Joint Managing Director |
| 3. Sri G.V.S. Desikan | - Director, Audit Committee Chairman |
| 4. Sri C.Thirumurthy | - Director |
| 5. Sri Mahesh Agarwal | - Director |
| 6. Sri Dulichand Pansari | - Director |

MEMBERS:

Members Present in person 22 and Members represented by proxies 15

The Quorum being present, the meeting commenced with prayer.

Sri. Shyamlal Agarwala, Managing director of the company was elected as chairman of the meeting.

Sri. Shyamlal Agarwala formally extended a warm welcome to the members.

The chairman announced that the Register of Directors and Registers of Members were on the table and available for inspection by the members during the meeting.

With the permission of the members, the notice convening the meeting, Director's report and the Audited Balance Sheet as at 31.03.2012 and the Profit and Loss Account for the year ended 31.03.2012 along with the related Schedules were taken as read.

Sri V.S. Srinivasan, Chartered Accountant, Partner, M/s V.K.S. Aiyer & Co, Auditors of the Company read the Auditor's Report of the Company's Audited Accounts for the year ended 31st March, 2012 and it was noted that there were no clarification in the Auditor's Report.

The chairman then invited the members to seek clarification, if any, on the Audited Accounts. After answering the question raised, the following resolutions were taken up for the approval of the members

ORDINARY BUSINESS:

ITEM NO.1 - ADOPTION OF ACCOUNTS:

Proposed by Sri. Shyamlal Agarwal and seconded by Sri. Pramod kumar Jhajharia as an Ordinary resolution.

RESOLVED THAT the audited Balance Sheet and Profit and Loss Account for the year ended 31st March 2012, Directors Report and Auditors Report thereon, be and the same are hereby received, approved and adopted.

The above resolution was carried unanimously.

ITEM NO.2 - REAPPOINTMENT OF DIRECTOR:

Proposed by Sri. G.V.S.Desikan and seconded by Sri. Arun Kumar Jhajharia As an Ordinary resolution.

RESOLVED THAT Sri. Mahesh Agarwal, who retires by rotation and being eligible for reappointment, be and is hereby appointed as Director of the Company,.

The above resolution was carried unanimously.

ITEM NO.3 - REAPPOINTMENT OF AUDITOR AND TO FIX REMUNERATION:

Proposed by Sri. Manoj Kumar Jhajharia and seconded by Sri. A.Nachiappan as an Ordinary resolution.

RESOLVED THAT M/s. VKS Aiyer & Co, Chartered Accountants be and are hereby appointed as Auditors of the Company from the conclusion of this meeting till the conclusion of the next Annual General Meeting on such remuneration as fixed by the audit committee and approved by the Board of Directors besides reimbursement of their out of pocket and such other incidental expenses.

The above resolution was carried unanimously.

SPECIAL BUSINESS:

ITEM NO.4 - REAPPOINTMENT OF DIRECTOR:

Proposed by Sri. G.V.S.Desikan and seconded by Smt. Krishna Agarwal as an Ordinary resolution.

RESOLVED THAT Sri. C.Thirumurthy who was co-opted by the Board as Additional Director on 13th February, 2012 and who holds office up to the date of the Eighteenth Annual General Meeting be and is hereby appointed as Director of the company.

The above resolution was carried unanimously.

With a vote of thanks to the chair, the meeting concluded.

PLACE: PUNGAMPALLI

DATE : 20.09.2012.

**SD
SHYAMLAL AGARWALA
CHAIRMAN**