

**AI CHAMPDANY INDUSTRIES LIMITED**

(A TRADING HOUSE recognised by Govt. of India) (Established in 1873)
Pioneer Weaves & Spinners of Natural & Synthetic blended Fabrics & Yarns

25, PRINCEP STREET, KOLKATA - 700 072, INDIA

IS / ISO 9001 : 2000

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Accrediatie

Date: 05.10.2012

Bombay Stock Exchange Ltd.
Phiroze Jeeebhoy Towers
Dalal Street
Mumbai-400 001

FAX MSG.

FAX NO. 2272 3121/2037/2041/ 3719
/2039/2061

Dear Sir(s),

As required under the Clause 31 of Listing Agreement, we send herewith a copy of the Minutes of proceedings of the Annual General Meeting of the Company held on 12th September, 2012 for your kind perusal and records.

Thanking you,

Yours faithfully,
for AI Champdany Industries Ltd.

Surajit Sen
Company Secretary

Encl. As stated above.

Minutes of the proceedings of the 94th Annual General Meeting of the members of AI Champdany Industries Ltd held at the Auditorium of Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata -700017 on Wednesday, the 12th day of September, 2012 at 10.30 A.M.

PRESENT

Mr Harbhajan Singh- Director & Chairman of the Audit Committee
 Mr. S. K Mehera - Director and Member (Equity share)
 Dr. B. Sen - Director
 Mr. D J Wadhwa - Director and Member (Preference and Equity share)
 Mr. N Das - Director and Member (Equity share)
 Mr. Bhushan Wadhwa- Director and Member (Preference and Equity share)
 Mr. N. Pujara - Director and Member (Preference and Equity Share)

Members present in person :-
 Preference and Equity members 6
 Equity members 457

Number of Proxy holders present:-
 On behalf of 7 Preference and Equity members 1
 On behalf of 48 Equity members 5

Number of representative present of Body Corporate
 Under section 187 of the Companies Act, 1956:-
 Representative on behalf of Preference and Equity members 12

In attendance

Mr. B K Chowdhury - Company Secretary.

By Invitation

- i) Mr. S. K. Nayak, Partner M/s D. P. Sen & Co., Statutory Auditors of the Company.
- ii) Mr. Sandeep Vimal, Partner M/s Vimal & Seksaria, Internal Auditors of the Company

The Register of Directors shareholdings maintained pursuant to Section 307 of the Companies Act, 1956 remained open and accessible for inspection to the members present at the meeting.

Mr. Harbhajan Singh nominated by the Directors to act as Chairman of this meeting pursuant to Article 71 of the Articles of Association of the Company, took the Chair. The Chairman welcomed the members present at the meeting and confirmed the requisite quorum being present. The Notice dated 13th August, 2012 convening the meeting was taken as read with the consent of the members present and the Company Secretary upon insistence of the shareholders present at the meeting only first and last paragraph of the Auditor's Report be read out, did the same by reading out first and last paragraph of the Auditor's Report.

Thereafter, the following Resolutions were put to the meeting as ordinary Resolutions.

Ordinary Business:

- I. Proposed By: Mr. Goutam Nandy

"RESOLVED that the Audited Profit & Loss Account for the year ended March 31, 2012 and the Balance Sheet as on that date and the Reports of the Directors and Auditors thereon, as submitted to the meeting, be and are hereby adopted."

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For AI CHAMPDANY INDUSTRIES LTD.

Surajit Sen

The Chairman, thereafter, invited questions on the Audited Accounts for the year ended 31st March, 2012 and questions raised by members were suitably replied.

Seconded by: Mr. S N. Paul

The Chairman put the resolution to vote by show of hands and except two shareholders all other shareholders were in favour of the resolution and thereafter the Chairman declared the result of the resolution as carried by majority.

2. The Company Secretary informed the shareholders that Mr. S K Mehera vide his letter dated 07.09.2012 has informed the company that while at the Board Meeting held on 13.08.2012 he gave his consent for re-election of Director retiring by rotation but due to old age he has subsequently decided not to seek re-election as Director of the company retiring by rotation at the ensuing Annual General Meeting (AGM). The said letter was read out by the Secretary and Mr. S K Mehera being present at the AGM also restated that the reasons mentioned in his letter he is not seeking re-election as Director retiring by rotation at the AGM.

The Directors and the shareholders present at the AGM while thanking Mr. Mehera for his long association with the company, also recorded their deepest gratitude for his valuable guidance given to the company during his tenure as Director of the company. Thereafter in order to comply with the requirements of section 256 of the Companies Act, 1956 the following resolution was

Proposed by: Mr. M S Dey

“Resolved that the vacancy caused due to Mr. S K Mehera not seeking re-election as Director retired by rotation be not filled up.”

Seconded by: Mr. B N Goel

The Chairman put the resolution to vote by show of hands and except two shareholders all other shareholders were in favour of the resolution and thereafter the Chairman declared the result of the resolution as carried by majority.

3. **Proposed by: Mr. K Das**

“RESOLVED that Mr. S. M. Palia who retires by rotation and, being eligible, be and is hereby re-appointed as Director of the Company”.

Seconded by: Mr. M S Dey

The Chairman put the resolution to vote by show of hands and except two shareholders all other shareholders were in favour of the resolution and thereafter the Chairman declared the result of the resolution as carried by majority.

4. **Proposed by: Mr. K Das**

“RESOLVED that Mr. N. Das who retires by rotation and, being eligible, be and is hereby re-appointed as Director of the Company”.

Seconded by: Mr. S Modak

The Chairman put the resolution to vote by show of hands and except two shareholders all other shareholders were in favour of the resolution and thereafter the Chairman declared the result of the resolution as carried by majority.

5. **Proposed by: Mr. K Das**

“RESOLVED that pursuant to the provision of section 224 and other applicable provisions, if any, of the Companies Act, 1956, Messrs D.P.Sen & Co., Chartered Accountants, be and are hereby re-appointed as Auditors of the Company for

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For AI CHAMPDANY INDUSTRIES LTD.

Surajit Sen

Company Secretary

conducting audit of the Company's Accounts and the Auditors are to hold office from the conclusion of this meeting upto the conclusion of the next Annual General Meeting of the Company on a remuneration to be decided by the Board of Directors in consultation with the Auditors."

Seconded by: Mr. S N Paul

The Chairman put the resolution to vote by show of hands and except two shareholders all other shareholders were in favour of the resolution and thereafter the Chairman declared the result of the resolution as carried by majority.

Special Business:

As an ordinary Resolution.

6. Proposed By: Mr. N Pujara

"RESOLVED THAT in accordance with the provisions of section 257 and all other applicable provisions, if any, of the Companies Act, 1956 any statutory modifications(s) or re-enactment thereof Dr. Basudeb Sen, who was appointed as an additional director pursuant to the provisions of section 260 of the Companies Act, 1956 be and is hereby appointed as a Director of the company subject to retirement by rotation under the provisions of Article 96 of the Articles of Association of the Company."

Seconded by: Mr. A K Pal

The Chairman put the resolution to vote by show of hands and except two shareholders all other shareholders were in favour of the resolution and thereafter the Chairman declared the result of the resolution as carried by majority.

7. Proposed By: Mr. Sanjay Banerjee

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, 310 and 311 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any statutory modification and /or re-enactment thereof for the time being or from time to time in force), the Company hereby approves of the re-appointment and terms of remuneration of Mr. N. Pujara, Executive Director of the Company for a period of 5 years with effect from 01st January, 2013 upon the terms and conditions set out in the agreement submitted to the meeting and for identification signed by the Chairman thereto, which agreement is hereby specifically approved with liberty to the Board of Directors, to increase remuneration and alter and vary the terms and conditions of said appointment, and/or agreement so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 including any statutory modification or re-enactment thereof for the time being in force or an amendments and/or modifications that may hereafter be agreed to between the Board of Directors and Mr. N. Pujara.

Further resolved that in the event of absence or inadequacy of profits in any financial year during the aforesaid period of five years, the Company will pay to Mr. N Pujara minimum remuneration by way of salary and perquisites as per Schedule XIII of the Companies Act, 1956 as applicable and/or such other approval as may be required."

Seconded by: Mr. M S Dey

The Chairman put the resolution to vote by show of hands and all shareholders were in favour of the resolution and thereafter the Chairman declared the result of the resolution as carried unanimously.

8. The Chairman asked the Company Secretary to disclose i) the pre and Post Shareholding pattern of equity shares taking into account the proposed allotment of 2204786 nos Equity shares and 2683045 nos Convertible Share Warrants on preferential basis to the promoters group entities and ii) details of percentage of the Pre and Post preferential issue of Equity share capital that would be held by the Individual proposed allottees considering the allotment of 2204786 Equity shares and

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Surajit S.

Company Secretary

2683045 convertible share warrants. The said information was circulated among the shareholders present (a copy of such information was initiated by the Chairman for identification). The Company Secretary also clarified certain printing mistake in the resolution although it was correctly mentioned in the Explanatory Statement to the resolution and thereafter the following resolution:

Proposed by Mr. S N Pal.

“RESOLVED that pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment(s) to or re-enactment thereof) and enabling provisions of the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchanges where the securities of the Company are listed and in terms of the provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the “SEBI”(ICDR) Regulations) (including any amendment(s) to or re-enactment thereof) and subject to the approvals, consents, permissions and /or sanctions, as may be required from any appropriate authority, institution or body (hereinafter collectively referred to as the “the appropriate authorities”) and subject to such terms, conditions, alterations, corrections, changes, variations and /or modifications, if any, as may be prescribed by any one or more or all of them in granting such approvals, consents, permissions and / or sanctions (hereinafter referred to as “the requisite approvals”) and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board”, which terms shall be deemed to include any Committee duly constituted by the Board or any Committee which the Board may have constituted or hereafter constitute, to exercise one or more of its powers including the powers conferred on the Board by this resolution), the consent of the Company be and is hereby accorded to the Board

- i) to create, offer, issue and allot 2204786 equity shares of the face value of 5 /- each, ranking pari-passu with the existing equity shares of the Company, for cash, to Rishra Investments Ltd. (Rishra), Shibir India Ltd (Shibir) and Amar Investments Ltd (Amar) at a price of Rs. 20.50 (including premium of Rs. 15.50) being not less than the price determined in accordance with Chapter VII of SEBI (ICDR) Regulations, 2009, on preferential allotment basis, so however that the value of the total number of shares so issued, at a price determined in accordance with Chapter VII of SEBI (ICDR) Regulations, 2009 (including premium), aggregates to not less than Rs. 1,10,23,930 plus Premium of Rs. 3,41,74,183 totalling Rs. 4,51,98,113 and
- ii) to allot 2683045 convertible warrants at a price of Rs. 20.50 including premium of Rs. 15.50) per convertible warrant determined in accordance with Chapter VII of SEBI (ICDR) Regulations, 2009, aggregating to Rs. 5,50,02,422.50 on preferential allotment basis to Rishra, Shibir and Amar with right to convert each warrant into one fully paid equity share of face value of Rs. 5/- each not before 31.03.2013 and not later than 18 months from the date of allotment of convertible warrant.

RESOLVED FURTHER that the price of the equity shares and convertible warrants to be issued has been determined as per the Regulations issued by SEBI in this respect, i.e.

- a) The average of the Weekly high and low of the closing prices of the Company's shares quoted on the Stock Exchanges is Rs. 20.18 during the six months preceding the 'relevant date'.

Or

- b) The average of the Weekly high and low of the closing prices of the Company's shares quoted on the Stock Exchanges is Rs. 20.49 during the two weeks preceding the 'relevant date', whichever is higher.

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For AI CHAMPDANY INDUSTRIES LTD.

Swajit Sa

Company Secretary

FURTHER RESOLVED THAT the relevant date for the purpose of calculating the price for equity share and convertible warrant under Chapter VII of SEBI (ICDR) Regulations, 2009 is 13th August, 2012.

RESOLVED FURHTER THAT the said shares and convertible warrants (on conversion into equity shares) shall rank in all respects, pari-passu with the existing equity shares of the Company.

RESOLVED FURHTER THAT pursuant to the provisions of Chapter VII of SEBI(ICDR) Regulations, 2009 the fresh equity shares to be allotted shall be locked in for a period of three years from the date of allotment and or conversion of warrants into Equity Shares and that the equity shares shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in except to the extent and in the manner permitted there under.

RESOLVED FURHTER THAT for the purpose of giving effect to the above, Dr. G. Goswami, Director or Mr. B. K Chowdhury, Secretary be and are hereby severally authorised on behalf of the Company to take all actions and do all such acts, deeds, matters and things as they may, at their discretion deem necessary, desirable or expedient to effect the issue or allotment of aforesaid securities and listing thereof with the Stock Exchange(s) as appropriate and to resolve and settle all questions and difficulties that may arise in the proposed issue and allotment of any of the said securities and to do all acts, deeds, and things in connection therewith and incidental thereto as they may in their absolute discretion deem fit, without being required to seek any further consent or approval of the Board".

Seconded by: Mr. M S Dey

The Chairman put the resolution to vote by show of hands except three shareholders all other shareholders were in favour of the resolution and thereafter the Chairman declared the result of the special resolution as carried by requisite majority.

After declaration of results by the Chairman by show of hands one of the shareholders namely Mr. Suyash Kapoor (holding 13032 nos of equity shares under Folio No. IN302017/10068325 demanded for poll on the resolution no. 8. The Chairman asked the Company Secretary to check and confirm the validity of the poll demanded by Mr. Suyash Kapoor keeping in view the provisions under the Companies Act, 1956 and under the Articles of Association of the Company. The Company Secretary checked and confirmed to the Chairman that Mr. Suyash Kapoor has the authority to demand the poll under section 179 of the Companies Act, 1956 and Articles of Association of the Company.

Accordingly, the Chairman ordered for poll to be taken on Resolution no. 8. Immediately, after ordering for the poll, Mr. Suyash Kapoor withdrew his request for poll and thereafter the resolution at item no 8 was again put to vote by the Chairman by show of hands except three shareholders all other shareholders were in favour of the resolution hence the resolution was passed as a Special Resolution by requisite majority.

The Compliance Certificate issued by the Statutory Auditors, M/s D P Sen & Co, Chartered Accountants remained available for inspection to the shareholders till the conclusion of the AGM.

There being no other business to transact, the meeting concluded with vote of thanks to the Chair.

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For AJ CHAMPDANY INDUSTRIES LTD.

Swajit Sa
Company Secretary

CHAIRMAN.