

**KITEX****Kitex Garments Limited**P.B.NO.5, KIZHAKKAMBALAM - 683 562, KOCHI, KERALA, INDIA.
PHONE : 91 484 4142000, FAX : 91 484 2680604
E-mail : kgl@kitexgarments.com**KITEX GARMENTS LIMITED**

Ref :

**MINUTES OF THE 20TH ANNUAL GENERAL MEETING
HELD AT THE REGISTERED OFFICE OF THE COMPANY
ON 30TH MAY 2012 AT 10 A.M.**

Date:

Present

- | | |
|---|--|
| 1. Mr. Sabu M. Jacob | - Chairman & Managing Director |
| 2. Prof. E M Paulose | -- Director |
| 3. Mr. Benni Joseph | -- Director |
| 4. Mr. M P Kuriakose | - Director |
| 5. Mr. C Mohan | - Director - Finance / Company Secretary |
| 6. Mr. Liju V Rajan Kolath, Partner, Kolath & Co. | -- Statutory Auditors |
| 7. Members present in person | - 45 persons |
| 8. Members present by proxy | - 2 persons |

1. Quorum.

After ascertaining that the quorum for the meeting was present, Chairman commenced the proceedings of the meeting.

2. Resolution to condole the demise of Mr. M C Jacob:

The members were informed that Mr. M C Jacob, Director of the Company, passed away on 5th June, 2011. On behalf of the Board of Directors, Prof. E M Paulose paid rich tributes to Mr. M C Jacob, the Illustrious Founder - Chairman of the Kitex Group of Companies. Then the following resolution was passed to condole his demise:

"The 20th Annual General Meeting of the Members of Kitex Garments Ltd. held at the Factory Premises of the Company, Kizhakkambalam on Wednesday the 30th May 2012 at 10 a m express their heartfelt condolences upon the sad demise of Shri M C Jacob, Illustrious Founder and Chairman of the Kitex Group of Companies, who was the first recipient of the highest honour of the Govt. of Kerala for being the best industrialist and entrepreneur and request the Company Secretary to convey the deep concern and feelings of sorrow to the bereaved family."

The members stood up as a mark of respect to Mr. M C Jacob and silently prayed that the departed soul may rest in peace and heavenly bliss.

3. Notice

Notice convening the meeting was taken as read.



4. Chairman's Speech

The Chairman extended warm greetings to the members and expressed his happiness that the company had achieved significant growth during the year in terms of income as well as profit. While the total income for the year increased by 22 % and reached Rs 318 crores against the previous year income of Rs.261 crores, the profit after tax went up by 31% and reached Rs.27.crores against previous year Rs.21 crores. He was proud to announce that the Board had recommended dividend at 60% for the year, compared to 40% last year.

During the course of his speech, the Chairman highlighted the growth achieved by the company over the past years in terms of production capacity, customer base, product range, total income, net profit, dividend payout etc. Then he narrated the present status of the company in the global market of the infant garment sector. Thereafter, he presented his "Vision - 2015" setting the goals to be achieved by the Company by the year 2015, such as "Industry No.1", "Green Factory", "Best Company in compliance of all Safety, Human Rights and other legal requirements".

He expressed his confidence that the Company would improve its performance in the coming years.

5. Adoption of Directors' Report, Annual Accounts & Auditors' Report

The Chairman presented the Directors' Report, the audited Annual Accounts and the Auditors' Report for consideration and adoption by the members

With the consent of the members present, all the above documents were taken as read and the Chairman moved the following resolution:

"RESOLVED that the Directors' Report, the audited Annual Accounts and the Auditors' Report for the year ended 31st March 2012 be and are hereby adopted."

Mr. Aravindakshan Nair seconded the resolution.

During the discussion that followed, necessary clarifications were furnished to the members.

The Chairman then put the resolution to vote and declared it as 'passed unanimously'.



6. Declaration of Dividend

Proposed by: Mr. Thejus.P.R.

Seconded by: Mr. K P Lipson

RESOLVED that the Dividend as recommended by the Board of Directors for the year ended 31.03.2012 at the rate of 60 percent of the paid up equity share capital of the company (60 paise per share of face value of Re 1), be and is hereby declared for payment to those shareholders whose names appear on the Register of Members as on the 30th day of May, 2012.

The Chairman put the resolution to vote and declared it as 'passed unanimously'.

7. Reappointment of Prof. E M Paulose as Director

Proposed by : Mr. Aravindakshan Nair

Seconded by: Mr. K P Lipson

RESOLVED that Prof. E. M. Paulose retiring by rotation be and is hereby re-appointed as a Director liable to retire by rotation.

The Chairman put the resolution to vote and declared the same as 'passed unanimously'.

8. Reappointment of M/s. Kolath & Co. as Auditors

Proposed by: Mr.C K Gopinathan

Seconded by: Mr. Thejus P R

RESOLVED

- (i) that M/s Kolath & Co, Chartered Accountants, retiring auditors be and are hereby reappointed, as Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting. and
- (ii) that the Board of Directors be and is hereby authorised to fix the remuneration of the Auditors on recommendation of the Audit Committee.

The Chairman put the resolution to vote and declared the same as 'passed unanimously'.



Special Business

9.Re-appointment of Mr. Sabu M Jacob as Managing Director:

Mr. Akshay Agarwal moved the following as an Ordinary Resolution:-

"RESOLVED THAT, pursuant to the provisions of Section 198,269,309, read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) the Company hereby approves the re-appointment of Mr. Sabu M Jacob as Managing Director of the Company for a period of three years with effect from 16th August, 2012 on the following remuneration.

1. Salary and allowances Rs 6,00,000/- p.m
2. Perquisites
 - a) Contribution to provident fund, Superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
 - b) Gratuity payable at a rate not exceeding half month's salary for each completed year of service, and
 - c) Encashment of leave at the end of the tenure.
3. Commission, subject to the condition that the total remuneration consisting of salary, allowances, perquisites and commission shall not exceed 5% of the net profit of the company for any financial year computed in accordance with the provisions of the Companies Act."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter or vary the terms and conditions of the said re-appointment including remuneration, so long as it does not exceed the limit specified under Schedule XIII of the Companies Act, 1956 or any modification or re-enactment thereof for the time being in force and also to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution".

Mr. C K Gopinathan seconded the resolution

The Chairman put the resolution to vote and declared it as 'passed unanimously'.



10. Appointment of Mr. C Mohan as Director – Finance:

Mr. Thejus P R moved the following as an Ordinary Resolution:-

"RESOLVED THAT the Company hereby approves the appointment of Mr. C Mohan as Director - Finance effective from 4th July, 2011 for a period of two years or till he retires by rotation, whichever is earlier, on the following remuneration:

(1) Salary, Allowances and Perquisites:

Rs. 1,50,000 Per month for the first 12 months and

Rs. 1,60,000 Per month for the remaining period of his tenure

(2) Bonus: Not exceeding Rs. 6,00,000 Per year, as decided by the Managing Director

The above remuneration shall be payable to him as minimum remuneration in the event of absence or inadequacy of net profit in any financial year.

Provided that the above appointment and remuneration shall be subject to the provisions of Section 198,269,309, read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force)

Mr. Aravindakshan Nair seconded the resolution.

The Chairman put the resolution to vote and declared it as 'passed unanimously'.

Vote of thanks

Mr. Akshay Agarwal proposed vote of thanks to the gathering.

The Chairman terminated the meeting at 11.30 a.m.

Date: 31-05-2012



Sabu M. Jacob
Chairman & Managing Director

