

**GANGOTRI TEXTILES LIMITED**  
**TWENTY FORTH ANNUAL GENERAL MEETING**  
**26-7-2013 - FRIDAY**

Proceedings of the Twenty Forth Annual General Meeting of M/S.Gangotri Textiles Limited held on Friday, the 26<sup>th</sup> day of July, 2013 at 3.30 P.M at A.R.Patel Hall, Coimbatore Gujarat Samaj, 662 Mettupalayam Road, Post Box No 1164, R.S.Puram, Coimbatore - 641 002

Members present : 47

Directors' Present : 1) Sri. Manoj Kumar Tibrewal - Managing Director  
2) Sri. Mohanlal Tibrewal - Executive Director  
3) Sri. Ullas R Sanghvi - Director & Chairman of Audit Committee.  
4) Sri. R.P.Joshua- Nominee Director of State Bank of India  
5) Sri. P.Venugopal - Nominee Director of Canara Bank

Sri. Ullas R Sanghvi, Director elected Sri.Manoj Kumar Tibrewal to be the Chairman of the meeting and he presided. Before the commencement of the meeting, the Chairman introduced the Directors present on the dias.

Then the Chairman informed the members present that the Register of Directors' Shareholding maintained under section 307 of the Companies Act, 1956 is being kept open for inspection for the members who may desire so to do.

The Notice convening the meeting was taken as read.

**1.FINANCIAL RESULTS - 31-3-2013**

The Chairman stated that with the permission of the members present, the Financial Statements ie the Balance Sheet as at 31<sup>st</sup> March, 2013, the Profit & Loss Account for the year ended 31<sup>st</sup> March, 2013 and the Directors' Report which have been in the hands of the shareholders for the past 4 to 6 weeks may be taken as read.

The Report of the Auditors for the year ended 31<sup>st</sup> March,2013 was read at the meeting.

The Chairman informed that before the resolution is put to vote, members may express their views if any, on the workings of the Company and also seek clarifications on the accounts if they desire so.

Sri. P.G.N Pillai, a shareholder addressed stating that the decision to invest such a huge amount in the Weaving & Processing Unit was a wrong decision and the CRPS amount invested in M/s Jagannath Textile Company Ltd should be called back immediately.

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Then Sri. R.P.Joshua, Nominee Director of State Bank of India addressed the shareholders. He stated that the company should file a case against Mrs Usha Tibrewal in the Court for the recovery of Rs 4.23 crores due from her and put up necessary evidences for the filing in the ensuing Board Meeting.

Then Sri. P.Venugopal, Nominee Director of Canara Bank addressed the shareholders. He stated that the Managing Director has given unilaterally extension of the redemption date in respect of redemption of a sum of Rs 5.00 crores being 1/3<sup>rd</sup> amount of the Cumulative Redeemable Preference Shares invested in M/s Jagannath Textile Company Limited. He said that since the shares were already pledged with M/s State Bank of India, the company was not having any authority / power to give such extension. He further said that the extension should be withdrawn immediately by the company and put up necessary evidences for the action taken in the ensuing Board Meeting.

Then the Managing Director clarified their observation and proposed the following resolution.

RESOLVED that the Directors' Report, the Balance Sheet as 31<sup>st</sup> March, 2013 and the Profit & Loss Account for the period ended 31<sup>st</sup> March, 2013 and the Auditors Report thereon be and the same are hereby received and having been considered be approved and adopted.

The above resolution was seconded by Sri. Sitaram Tibrewal

The resolution was then put to vote by show of hands and was declared carried unanimously.

## **2. DIRECTOR RETIRING BY ROTATION – MR ULLAS R SANGHVI**

Proposed by : Sri.K.Sukumaran

Seconded by : Sri.A.Gunasekaran

RESOLVED that Sri.Ullas R Sanghvi be and is hereby appointed as a Director of the company liable to retire by rotation.

Then the resolution was then put to vote by show of hands and was declared carried unanimously.

## **3. APPOINTMENT OF AUDITORS**

Proposed by : Sri. Gopal Maskara

Seconded by : SRI. S.Balasubramanian

RESOLVED that M/S. Thakker & Sanghani, Chartered Accountants, Coimbatore the retiring Auditors of the Company be and are hereby appointed as the Auditors of the Company to hold office as Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on such a remuneration as may be determined by the Board of Directors in consultation with the said Auditors.

Then the resolution was then put to vote by show of hands and was declared carried unanimously.

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**4. REMUNERATION TO THE EXECUTIVE DIRECTOR Sri. MOHANLAL TIBREWAL**

Sri. Mohanlal Tibrewal was appointed as an Executive Director of the company for a period of five years commencing from 1-4-2011 to 31-3-2016 in the 22<sup>nd</sup> Annual General Meeting held on 23-9-2011 and the remuneration payable to him was initially fixed by the Remuneration Committee for a period of three years commencing from 1-4-2011 to 31-3-2014.

The Board of Directors in their meeting held on 23-5-2013 have considered and decided to refer to the Remuneration Committee the remuneration payable to Sri. Mohanlal Tibrewal, Executive Director for the remaining period of two years commencing from 1-4-2014 to 31-3-2016 . The Remuneration Committee after considering the various aspects which it is expected to consider, has recommended the remuneration payable to Sri. Mohanlal Tibrewal, Executive Director as stated in the body of the resolution.

The Board has placed the resolution for the payment of remuneration to the Executive Director Sri. Mohanlal Tibrewal for the period from 1-4-2014 to 31-3-2016 as recommended by the Remuneration Committee for the approval of the Members. Then the resolution was

Proposed by : Sri.G.Gopinathan

Seconded by : Sri.N.Nandagopal

**RESOLVED** that in accordance with the provisions of Section 198, 269 , 309 and 311 and other applicable provisions if any of the Companies Act, 1956 as amended from time to time read with Schedule XIII of the Companies Act, 1956 corresponding Clause 196, 197 198 & 199 of the Companies Act, 2012 read with Schedule V of the Companies Act, 2012 including any statutory modification or re-enactment thereof for the time being in force and subject to such consents, approvals and permission that may be necessary from time to time , consent of the company be and is hereby accorded to the payment of remuneration to Sri. Mohanlal Tibrewal, Executive Director of the company for the period from 1-4-2014 to 31-3-2016 as recommended by the Remuneration Committee of the company as detailed hereunder.

**REMUNERATION**

a) **Salary** : 5 % on the Net Profit of the Company computed under the relevant provisions of the Companies Act, 1956.

b) **Perquisites** : The Executive Director shall not be entitled to any perquisites over and above the salary stated above.

Provision of Company's Car for the use of Company's business and Telephone facility at his residence will not be considered as perquisites. However, personal long distance calls shall be billed by the company to the Executive Director.

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**Minimum Remuneration :**

Notwithstanding anything to the contrary herein contained where in any financial year during the currency of the tenure of Sri. Mohanlal Tibrewal, Executive Director, the Company has no profit or the profits of the company are inadequate, the company will pay remuneration to Sri. Mohanlal Tibrewal, Executive Director equivalent to the ceiling amount prescribed in terms of paragraph 1 ( A ) of Section II in Part II of Schedule XIII of the Companies Act, 1956 corresponding Section II in Part II of Schedule VI of the Companies Act, 2012 .

The Executive Director during the tenure of his office as Executive Director shall not be liable to retire by rotation.

Then the resolution was then put to vote by show of hands and was declared carried unanimously.

**5. REFERENCE TO BIFR**

The Chairman informed the Shareholders that Section 23 of the Sick Industrial Companies ( Special Provisions ) Act, 1985 provides that at the end of any financial year, if the accumulated loss of an Industrial Company result in erosion of 50 % or more of its Peak Net Worth during the immediately preceding four financial years, such company shall within a period of 60 days from the date of finalization of the duly audited accounts of the Company for the relevant financial year, report the fact of such erosion to the shareholders and to Board for Industrial and Financial Reconstruction.

The loss of the company for the financial year ended 31<sup>st</sup> March, 2013 have resulted in erosion of more than 50 % of Net Worth of company and the company is to report to BIFR.

Members are requested to authorize the Board of Directors or its Committee for making reference to Board for Industrial and Financial Reconstruction and further taking all necessary, desirable, proper and expedient steps or actions and to execute such deeds, documents, agreements etc as may be required in this regard. None of the Directors is interested in subject matter of the resolution. Then the resolution was

Proposed by : Sri.Sitaram Tibrewal  
Seconded by : Sri.V.Viswanathan

RESOLVED that based on the Audited Balance Sheet of the company for the financial year ended on 31<sup>st</sup> , March 2013 the Board of Directors form an opinion that the Accumulated losses of the company as at 31.03.2013 amounting to Rs 23506.54 Lakhs exceed the net worth of the company as on the same date, which amounts to Rs 15501.99 Lakhs and in view of the same the Company has become a sick industrial company as defined under Section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 and a reference be made to the Hon'ble Board for Industrial and Financial Reconstruction to seek determination of measures which would be adopted as required under Section 15(1) of the Sick Industrial Companies (Special Provisions) Act, 1985."

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"RESOLVED FURTHER that Manoj Kumar Tibrewal, Managing Director is hereby authorised to file the reference with Hon'ble BIFR and to submit any other information in any form and manner as may be required by the said Board and to appoint representatives / counsel or authorize any of the employees of the company to the said Board or any other authority in this regard."

Then the resolution was then put to vote by show of hands and was declared carried unanimously.

**6. Scheme of Arrangement with Secured Creditors- Resolution not passed.**

This subject was brought before the Board of Directors at their meeting held on 23-5-2013 for approval. The Nominee Directors deferred the subject since they wanted to study the proposed Scheme in depth. The company has brought the following resolution as an enabling resolution for the approval of the shareholders.

RESOLVED that pursuant to the provisions of Section 391 and all other applicable provisions of the Companies Act, 1956 and other applicable Laws, Regulations, Listing Agreements and Guidelines issued by any Regulatory Authorities, if any and subject to the approval of Hon'ble High Court of Judicature at Chennai or any other appropriate Authorities, the Scheme of Arrangement with Secured Creditors ( Banks ) with respect to the outstanding loan amount borrowed from them be and is hereby approved.


RESOLVED FURTHER that Sri. Manoj Kumar Tibrewal, Managing Director and Sri. Mohanlal Tibrewal, Executive Director be and are hereby authorised severally to make such alterations, modifications or amendments therein as may be expedient and necessary for complying with the requirements or conditions imposed by the Hon'ble High Court of Judicature at Chennai or any other appropriate Authorities.

The Nominee Directors did not want to pass the resolution and hence the above resolution was not passed and dropped.

The Chairman informed that the Register of Directors' Shareholding maintained under section 307 of the Companies Act, 1956 kept open for inspection by the Members as closed.

There being no further business, the Chairman declared the meeting as closed.

30-7-2013



CHAIRMAN