

## SUTLEJ TEXTILES AND INDUSTRIES LIMITED

Proceedings of the Eighth Annual General Meeting of the Shareholders of Sutlej Textiles and Industries Limited held at the Registered Office of the Company at Pachpahar Road, Bhawanimandi on Saturday, the 10<sup>th</sup> August, 2013 at 3.00 P.M.

### PRESENT:

By Invitation:

1. Shri C. Singhania – Financial Advisor, Sutlej Textiles and Industries Limited and as Authorised Representative u/s.187 of the Companies Act of some of the Promoter Companies
2. Shri S.S.Maheshwari- Executive President, Unit Rajasthan Textile Mills and as Authorised Representative u/s.187 of the Companies Act of some of the Promoter Companies.

### IN ATTENDANCE

Shri D. R. Prabhu - Company Secretary

#### (a) MEMBERS PRESENT IN PERSON

1.	Shri B.K. Mantri
2.	Smt. Pushpa Mantri
3.	Smt. Sunita Jajoo
4.	Smt. Chandra Kanta
5.	Smt. Raksha Sharma
6.	Smt. Asha Sharma
7.	Smt. Faguniben H. Patel
8.	Smt. Niti Sagwaria
9.	Shri R.S. Jajoo
10.	Shri Lalit Kumar Golecha
11.	Smt. Ganga Gupta
12.	Shri Harvadan Bhai
13.	Shri M.P. Jain
14.	Shri K.G. Jethlia
15.	Smt. Usha Jain
16.	Smt. Preeti Jain
17.	Shri Akshaya Jain
18.	Shri Gopal Porwal
19.	Shri Om Prakash Khandelwal
20.	Shri Dinesh Jain
21.	Shri Shyam
22.	Shri Ravi Baldua
23.	Shri Manoj Jain
24.	Shri Pankaj Jain
25.	Shri Aniana Khandelwal
26.	Shri Y.S. Gang
27.	Shri S.K. Maheshwari
28.	Shri Ram Babu Gupta
29.	Shri Laxmi Narayan Sharma



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30.	Smt. Leela Devi Porwal
31.	Shri Suvi Kumar
32.	Shri Sanjay Kumar Jain
33.	Shri Pankaj Toshniwal
34.	Shri Rajesh Khandelwal
35.	Shri Harish Bhavsar
36.	Shri Ramesh Chand Dhokania
37.	Shri H.G. Maheshwari
38.	Shri M. Ramanan
39.	Shri Prem Chand Acholia
40.	Shri Harish Gupta
41.	Shri Vinod Kumar Gupta
42.	Smt. Rama Khandelwal
43.	Shri Vinod Rathi
44.	Shri J.C. Porwal
45.	Shri A.K. Jain
46.	Shri N.K. Lakhotia
47.	Shri Mahesh Sharma
48.	Shri Chetan Prakash Soni
49.	Shri Ritesh Gang
50.	Shri Shyam Bihari Sharma
51.	Smt. Rajni Shotriya
52.	Smt. Sudha Sharma
53.	Shri Kamlesh Vyas
54.	Shri Sita Ram Nawal
55.	Shri Shanti Mal Jain
56.	Shri R.K. Gupta
57.	Shri M.L. Bharadia
58.	Shri Mohan Lal Bharadia
59.	Shri R.K. Goyal
60.	Smt. Suman Shukla
61.	Shri Ashish Bharadia
62.	Shri Abhay Nahar
63.	Shri Anand Gupta
64.	Shri Mukesh Rathore
65.	Shri Dinesh Kumar Joshi
66.	Smt. Asha Jain
67.	Smt. Kamlesh Gupta
68.	Shri Chetan ji Soni
69.	Smt. Rama Khandelwal
70.	Smt. Kiran Jain
71.	Smt. Sunita Jain
72.	Smt. Swati Gupta
73.	Smt. Priti
74.	Smt. Krishna Devi
75.	Smt. Shobha Bansal
76.	Smt. Sabita Rani Giri
77.	Shri Satya Prakash Mittal
78.	Shri Raj Kumar Chaudhary
79.	Shri Mahesh
80.	Shri Jagdish

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81.	Shri Hemant Yogi
82.	Shri Sanjay Porwal
83.	Shri Abhisar Jain
83.	Shri Shailendra Gupta
84.	Shri Hasmukh Patel
85.	Shri Anil Gupta
86.	Shri O.P. Soni
87.	Smt. Radhika Gupta
88.	Shri Shantimal Bansal
89.	Shri C. Ram
90.	Shri Yogendra Kumar
91.	Shri Nitin Mangal
92.	Smt. Priti Bharadia
93.	Smt. Sangeeta
94.	Smt. Garima Jain
95.	Smt. Abha Jain
96.	Smt. Kamlesh Gupta
97.	Shri C.S. Vyas

**BODY CORPORATE MEMBERS PRESENT**  
**THROUGH AUTH. REPRESENTATIVE OR PROXY**

I) Shri Chaturbhuj Singhania

	As Auth Rep. u/s 187 for:
1.	Hargaon Investment & Trading Co.Ltd.
	As Proxy for:
2.	New India Retailing & Investment Ltd.
3.	Uttam Commercial Ltd.
4.	Sidh Enterprises
5.	Yashovardhan Investment & Trading Co.Ltd.
6.	Uttar Pradesh Trading Co.Ltd.
7.	Sonali Commercial Ltd.

II) Shri Shiv Shanker Maheshwari as proxy for:

1.	Champaran Marketing Co. Ltd.
2.	SCM Investments & Trading Co.Ltd.
3.	OSM Investment & Trading Co.Ltd.
4.	Navjeevan Medical Institute
5.	Ronson Traders Ltd.
6.	RTM Investment & Trading Co.Ltd.
7.	SIL Investment & Trading Co.Ltd.

III) Shri Nivedita Maheshwari as Proxy for:  
Smt. Annpurna Baheti

IV) Shri Jagdish as Proxy for:  
Shri Abhansh Joshi

V) Shri Aditya Gaur as Proxy for:  
Shri Arun Kumar Gaur

VI) Shri Avdesh Sharma as Proxy for:  
Smt. Alka Goyal

VII) Shri Manish Chaudhary as Proxy for:  
Smt. Chandan Bala Chaudhary

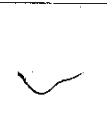


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- VIII) Shri R.C. Giri as Proxy for:  
Shri Dinesh Kacholia
- IX) Shri Dinesh Saini as Proxy for:  
Shri Dilip Kumar Jain
- X) Shri Chet Ram as Proxy for:  
Shri Hasmukh Patel
- XI) Smt. Rajendra Kumar Chuadhary as Proxy for:  
Smt. Jaya Chaudhary
- XII) Shri M.L. Gupta as Proxy for:  
Shri Jagdish Chand Sharma
- XIII) Shri Hemant as Proxy for:  
Smt. Kamla Devi Jain
- XIV) Shri Harsh Goyal as Proxy for:  
Shri Kailash Chand Goyal
- XV) Shri Vijay Kumar Sharma as Proxy for:  
Shri K.C. Purohit
- XVI) Shri Rakesh Jain as Proxy for:  
Shri Kailash Chand Hurkat
- XVII) Shri Nitesh Mantri as Proxy for:  
Shri Kailash Mantri
- XVIII) Shri R.S. Kacholia as Proxy for:  
Shri M.M. Khandelwal, Mumbai
- XIX) Shri Rajesh Kumar Pamecha as Proxy for:  
Smt. Madhulata Pamecha
- XX) Shri Jay Kumar Chhawchharia as Proxy for:  
Shri Nirmal Kumar Sethia
- XXI) Shri Vijay Jangid as Proxy for:  
Shri Nilesh Shotriya
- XXII) Shri Manohar Madho as Proxy for:  
Smt. Neela Madho
- XXIII) Shri Prateek Maheshwari as Proxy for:  
Shri Om Prakash Soni
- XXIV) Shri Kaushal Paliwal as Proxy for:  
Shri Prem Narayan Paliwal, Mumbai
- XXV) Shri B.M. Joshi as Proxy for:  
Shri Piyush Jain

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- XXVI) Shri Mahendra Gangwal as Proxy for:  
Smt. Sheetal Gangwal
- XXVII) Shri Mahesh Kumar Khandelwal as Proxy for:  
Smt. Sushila Devi Khandelwal
- XXVIII) Shri Dinesh Joshi as Proxy for:  
Shri Shyam Sunder Mantri
- XXIX) Shri R.K. Gupta as Proxy for:  
Smt. Swati Gupta
- XXX) Shri Ashok Jain as Proxy for:  
Smt. Savita Jain
- XXXI) Shri A.K. Shukla/Sachi Sagwaria as Proxy for:  
Smt. Suman Shukla
- XXXII) Shri Rakesh Porwal as Proxy for:  
Shri Shyam Manohar Gupta
- XXXIII) Shri Vipin Shotriya as Proxy for:  
Smt. Veena Shotriya
- XXXIV) Smt. Krishna Teji as Proxy for:  
Shri Rajendra Goyal

#### **CHAIRMAN OF THE MEETING**

Since Shri C. S. Nopany, Chairman of the Board of Directors could not attend the meeting, pursuant to the provisions of Article 97 of the Articles of Association of the Company, Shri R.S.Jajoo, a member, proposed that Shri Chaturbhuj Singhania may Chair the Meeting. Shri K.G.Jethlia, a member, seconded the proposal. The proposal when put to vote was carried unanimously/passed without dissent.

Thereafter Shri Chaturbhuj Singhania, an Authorised Representative u/s.187 of the Companies Act of one of the Promoter Companies took the chair and conducted the proceedings of the meeting.

#### **2. PROCEEDINGS OF THE MEETING**

Shri Chaturbhuj Singhania, the Chairman of the Meeting, declared that the requisite quorum for the meeting was present and called the meeting to order. He further stated that the Register of Directors' Shareholding maintained by the Company under Section 307 of the Companies Act, 1956 was open and accessible/ available for inspection during the continuance of the meeting to any person, entitled to attend the meeting.

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In his address to the Members, the Chairman welcomed the members to the 8<sup>th</sup> Annual General Meeting of the Company and stated as follows:

"The Directors' Report alongwith other related papers for the year ended 31<sup>st</sup> March, 2013 are with you. I seek your permission to take them as read.

The Company emerged as an integrated player in the textiles industry with a value chain extending from yarn to fabrics to garments to home textiles, enabling it to make its presence in every segment. The Company witnessed attractive growth in production, turnover and exports and with continuous revenue increase from value-added products; Your Company is now well poised for a bright future.

The global textile and apparel trade is expected to climb from USD 480 billion in 2005 to USD 805 billion by 2015 catalyzed largely by increased outsourcing by the US and developing economies. While apparel trade is expected to grow faster than textiles, international authority. Technopak estimates that home textiles trade could grow fastest largely on account of the progressive outsourcing home textiles from low cost countries ( China, India Bangladesh and Pakistan) by 2015.

The Indian textile industry is probably one of the largest producers of textiles and garments in the world marked by growing modernization. This sector contributes about 14% to industrial production, 4% to the gross domestic product (GDP) and 10% to the country's export earnings and is the largest industrial employer .

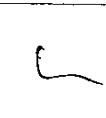
### OPERATIONS

The Company recorded Sales of Rs. 1690 Crores in the Financial year 2012-2013. Owing to challenging external scenario, the Company maintains the growth levels reported in the previous year and the Company is quite optimistic about its future performance owing to its strong fundamentals and strategies adopted.

### FUTURE OUTLOOK

The long term prospects of the industry seem optimistic due to increasing manufacturing preference in developing nations. Apart from this, factors like strong domestic demand, rising population, increasing income levels, rapid urbanisation, better demographics, augmented organised players and penetration of retailers into untapped cities will aid to the growth of the industry. As a result, the industry is expected to reach USD 134 billion in 2015 and USD 220 billion by 2020.

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On the export front, demand is expected to be fairly robust in long term. With new economies and markets - China, India, Russia, UAE, South Africa etc. - emerging as hubs of consumption, the Indian textiles and clothing exports has the potential to reach USD 45 billion by 2015 and USD 80 billion by 2020.

Increased investments in the Indian textiles and apparels sector will lead to capacity expansions and increase in industrial production. Modernising the sector with the latest technologies will help the sector grow significantly. Your Company expects to strengthen its competitive edge through an additional investment in 26,000 spindles for manufacture of specialized mélange yarns, expected to be commissioned in 2014-15, thereby enhancing value addition, payback and profitability.

**APPRECIATION**

Despite various challenges, company posted substantial growth in terms of revenues as well as profits in the last year. On behalf of the Board of Directors and on my behalf, I would like to express my sincere appreciation for the continued co-operation and support extended by our bankers and confidence reposed by the shareholders and other stakeholders in the Company. I would also like to express my sincere appreciation of the dedicated services rendered by the officers, staff and workers and their contribution towards the successful performance of the Company during the year. Thank You!"

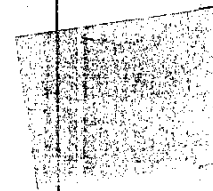
**NOTICE**

With the unanimous consent of Shareholders present, the Balance Sheet, Statement of Profit and Loss and Directors' Report were taken as read. Thereafter, as instructed,

Shri D. R. Prabhu, Company Secretary, read the Auditors' Report.

The Chairman invited comments, queries and clarifications, if any, desired by the Members present, on the Annual Report of the Company for the year ended 31<sup>st</sup> March, 2013. During his concluding remarks, the Chairman informed the meeting that any queries of the members regarding the Audited Annual Accounts and the Reports of the Directors and Auditors thereon may also be addressed to the Chairman of the Audit Committee, Shri Rajan Dalal, who was available to answer the same.

The queries raised by the members relating to the accounts and reports of the Directors and Auditors were duly clarified to the satisfaction of the Members.



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The Chairman then took up the business proposed in the Notice for the Annual General Meeting dated 8<sup>th</sup> May, 2013 along with the Addendum thereto.

The following resolutions were moved as per the Notice concerning the Meeting:

**ORDINARY BUSINESS**

**Passed As Ordinary Resolutions:**

**1. ADOPTION OF ANNUAL ACCOUNTS, AUDITORS' REPORT & DIRECTORS' REPORT**

The following Ordinary Resolution was proposed by Shri R.S.Jajoo and seconded by Shri M.P.Jain:

"RESOLVED THAT the Directors' Report, Auditors' Report, the Audited Balance Sheet as at 31<sup>st</sup> March, 2013 and Statement of Profit and Loss for the year ended on that date alongwith schedules and annexure thereto be and are hereby approved and adopted".

When put to vote, the resolution was carried unanimously/ without any dissenting vote.

**2. DECLARATION OF DIVIDEND**

The following Ordinary Resolution was proposed by Shri K.G.Jethlia and seconded by Shri Y.S.Gang:

"RESOLVED that Dividend @ Rs.5/- per share for the year ended 31<sup>st</sup> March, 2013, as recommended by the Board of Directors of the Company, on 10921908 existing ordinary shares of Rs.10/- each, be and is hereby approved and the same shall vest in, and distributed amongst those shareholders, whose names appeared on the Company's Register of Members at the close of working hours of the Company on Friday, the 24<sup>th</sup> May, 2013 or to their order or to their Bankers and also to the beneficial owners of Ordinary Shares held in electronic form as per the details furnished by the Depositories for the purpose as at the close of the working hours of the Company on Friday, the 24<sup>th</sup> May, 2013".

When put to vote, the resolution was carried unanimously / without any dissenting vote.

**3. RE-APPOINTMENT OF SHRI C. S. NOPANY AS A DIRECTOR**

The following Ordinary Resolution was proposed by Shri Om Prakash Khandelwal and seconded by Shri S.K.Maheshwari:



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"RESOLVED that Shri C.S.Nopany, who retires by rotation at this Annual General Meeting and has offered himself for re-appointment be and is hereby reappointed as a Director of the Company liable to retire by rotation".

When put to vote, the resolution was carried unanimously/without any dissenting vote.

**4. APPOINTMENT OF STATUTORY AUDITORS AND FIXATION OF THEIR REMUNERATION**

The following Ordinary Resolution was proposed by Shri M.Ramanan and seconded by Shri H.G.Maheshwari:

"RESOLVED that M/s. Singhi & Co., Chartered Accountants, New Delhi (Registration No.302049E) be and are hereby appointed as statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting and the Board of Directors of the Company be and is hereby authorized to fix their remuneration".

When put to vote, the resolution was carried unanimously/ without any dissenting vote.

**5. APPOINTMENT OF BRANCH AUDITORS AND FIXATION OF THEIR REMUNERATION**

The following Ordinary Resolution was proposed by Shri A.K.Jain and seconded by Shri N.K.Lakhotia:

"RESOLVED that M/s.S.R.Batlboi & Company, Chartered Accountants, New Delhi (Registration No.301003E) be and are hereby appointed as Branch Auditors from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting for auditing the accounts of Chenab Textile Mills, Kathua (J&K) and the Board of Directors of the Company be and is hereby authorised to fix their remuneration".

When put to vote, the resolution was carried unanimously/ without any dissenting vote.



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**SPECIAL BUSINESS**

**Passed As Ordinary Resolutions:**

**6. APPOINTMENT OF SHRI SUKHVIR SINGH AS A DIRECTOR**

The following Ordinary Resolution was proposed by Shri Mahesh Sharma and seconded by Shri M.L.Bharadia:

“RESOLVED THAT Shri Sukhvir Singh who was appointed as an Additional Director on 17<sup>th</sup> July, 2013 and who holds office under Section 260 of the Companies Act, 1956 (the Act) upto the date of this Annual General Meeting and in respect of whom the Company has received notices in writing under Section 257 of the Act, proposing his candidature for the Office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

“RESOLVED FURTHER THAT the Secretary of the Company be and is hereby authorized to do all such acts, deeds and things, as applicable, in this regard”.

When put to vote, the resolution was carried unanimously/ without any dissenting vote.

**7(a) INCREASE IN AND RECLASSIFICATION OF AUTHORISED SHARE CAPITAL**

The following Ordinary Resolution was proposed by Shri Sita Ram Nawal and seconded by Shri R.K.Gupta:

“RESOLVED THAT pursuant to the provisions of Sections 16, 94 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 Authorized Share Capital of the Company be and is hereby re-classified and increased from the present Rs. 30,00,00,000/- (Rupees Thirty Crores Only) [divided into 2,50,00,000 Equity Shares of Rs. 10/- each and 50,00,000 Preference Shares of Rs. 10/- each], to Rs. 50,00,00,000/- (Rupees Fifty Crores only) divided into 5,00,00,000 Equity Shares of Rs. 10/- each.”

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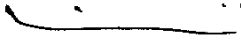
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On the basis of the Report submitted by the Scrutinizer, Shri Rajan Dalal, a duly authorized Director of the Company, announced the results of postal ballot on behalf of the Company, on 17<sup>th</sup> June, 2013 at 10.00 a.m. stating that the Ordinary Resolution contained in the Postal Ballot Notice was passed by a requisite majority.

The signed Minutes of the said Announcement regarding the results of the postal ballot were submitted to the Stock Exchanges where the shares of the Company were listed, and were now available for inspection of any Member who would be interested to peruse the same.

There being no further business to transact, the meeting ended with a vote of thanks to the Chair.

  
(Chaturbhuj Singhania)  
Chairman for the meeting

Place: Bhawanimandi  
Dated: 19<sup>th</sup> August, 2013.

**CERTIFIED TRUE COPY**  
For and on behalf of  
**SHREYAS TEXTILES AND INDUSTRIES LIMITED**  
  
**COMPANY SECRETARY**

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"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any one Director or Secretary of the Company be and is hereby authorized to take all necessary steps and actions, including filing of e-forms with the Registrar of Companies"

When put to vote, the resolution was carried unanimously/ without any dissenting vote.

**7(b) ALTERATION OF THE MEMORANDUM OF ASSOCIATION WITH RESPECT TO AUTHORISED SHARE CAPITAL**

The following Ordinary Resolution was proposed by Shri Sita Ram Nawal and seconded by Shri R.K.Gupta:

"RESOLVED THAT pursuant to Section 16 and all other applicable provisions, if any, of the Companies Act,1956 the existing Clause V of the Memorandum of Association of the Company relating to the Authorised Share Capital be and is hereby altered by deleting /abrogating the same and substituting in its place the following:

The Authorized Capital of the Company is Rs. 50,00,00,000/-(Rupees Fifty Crores only) divided into 5,00,00,000 Equity Shares of Rs. 10/-each with power to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential , qualificated or special rights, privileges or conditions, as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions, in such manner as may for the time being be provided by the regulations of the Company and permitted under the law."

When put to vote, the resolution was carried unanimously/ without any dissenting vote.

**8. NOTING OF THE MINUTES OF THE ANNOUNCEMENT OF THE RESULTS OF THE POSTAL BALLOT HELD BY THE COMPANY AND CONCLUDED ON 17<sup>TH</sup> JUNE, 2013,**

The Secretary of the Company informed the meeting that with respect to the postal ballot conducted by the company to obtain assent/dissent of the members/shareholders of the company in the matter of Capitalisation of Reserves and Issue of Bonus Shares by the Company, the Scrutinizer for the postal ballot, CS Shri Rajendra Chouhan, after scrutinizing the postal ballots, had presented his report dated 16<sup>th</sup> June, 2013 to the Company with regard to the results of the said postal ballot.

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