

**PROCEEDINGS OF THE TWENTY-FIRST ANNUAL GENERAL MEETING OF THE MEMBERS OF SALONA COTSPIN LIMITED HELD ON WEDNESDAY, THE 23<sup>rd</sup> SEPTEMBER 2015 AT 10.00 A.M AT THE REGISTERED OFFICE AT S.F.NO.74/12 & 75/3 PUNGAMPALLI VILLAGE, VALLIPALAYAM POST, SATHY (T.K), PERIYAR DIST, TAMILNADU.**

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**DIRECTORS PRESENT:**

- |                             |                                      |
|-----------------------------|--------------------------------------|
| 1. Sri Shyamlal Agarwala    | - Managing Director                  |
| 2. Sri Manoj Kumar Jhaharia | - Joint Managing Director            |
| 3. Sri G.V.S. Desikan       | - Director, Audit Committee Chairman |
| 4. Sri Dhiresb Jayasi       | - Director                           |
| 5. Smt S Meenakumari        | - Director                           |

**MEMBERS PRESENT:**

- |   |                     |
|---|---------------------|
| (a) Individuals including Directors                 | - 24 (Twenty Four)  |
| (b) Corporate Members through their representatives | - Nil               |
| (c) Members represented by proxy                    | - 4 (Four)          |
| Total   | - 28 (Twenty Eight) |

**IN ATTENDANCE:**

Sri. N Ramesh Natarajan, Chartered Accountant, Partner, M/s V.K.S. Aiyer and Co, Auditors of the Company.

Sri. S R Baalaji, Practising Company Secretary.

Sri Shyamlal Agarwala, Chairman cum Managing director of the company took the Chair.

The quorum being present, the meeting commenced with Prayer.

Sri. Manoj Kumar Jhaharia, Joint Managing Director welcomed the members to the meeting.

The Chairman announced that the Register of Directors and Key Managerial Personnel and their Shareholding, Register of Contracts or arrangements in which Directors are interested and other documents contained in the notice of Twenty-First Annual General Meeting were on the table and available for inspection of the members during the meeting.

With the permission of the members present, the notice convening the meeting, Director's Report, the annual financial statements for the year ended 31<sup>st</sup> March 2015 were taken as read. The Chairman informed the members that the Auditors Report did not contain any qualifications or observations. Accordingly, with the permission of the members the Auditors Report was taken as read.

The Chairman then addressed the members. He invited the members to offer their comments. Thereafter some of the members have spoken on the working of the Company. The Chairman thanked the members for their appreciation and comments on the working of the Company.

Thereafter, the Chairman stated as per the provisions of the Companies Act, 2013 and the rules made thereunder and Clause 35 of the Listing Agreement entered into with the stock exchanges, the Company had provided e-voting facility to the member and also Ballot to those members who were unable to access e-voting facility to exercise their vote on all the resolutions set out in the notice of the 21<sup>st</sup> Annual General Meeting (AGM) of the Company. The e-voting commenced from 19<sup>th</sup> September 2015 (9.00 A.M) to 22<sup>nd</sup> September 2015 (5.00 P.M.). He then stated that as per the provisions of the Act, all resolutions proposed in this AGM Notice shall be decided by Ballot and e-voting facility and not by Poll and by show of hands.

He further stated that Sri. B Krishnamoorthy, Practising Chartered Accountant was appointed as the Scrutinizers for the e-voting and ballot at the Board Meeting held on 22.05.2015. Sri.B.Krishnamoorthy submitted his report on e-voting and Ballot on 24.09.2015.

He stated that the reports (e-voting and Ballot) of the Scrutinizers shall be uploaded on the Company's website [www.salonagroup.com](http://www.salonagroup.com). He further stated that the results to be declared for each resolution would be intimated to The Calcutta Stock Exchange Association Limited and The Stock Exchange of Ahmadabad, where the shares of the Company are listed.

## ORDINARY BUSINESS:

### ITEM NO. 1 – ADOPTION OF ACCOUNTS:

**RESOLVED THAT** the Profit and Loss Account for the year ended 31<sup>st</sup> March 2015, the Balance Sheet as on that date, Reports of the Directors and Auditors thereon, as laid before the members of the meeting be and are hereby adopted.

Voting details on the above resolution:

Particulars	Number of			Number of Votes contained in			Percentage
	E-Votes	Ballot	Total	E-votes	Ballot	Total	
Received	16	29	45	897114	2370282	3267396	100
Assent	16	29	45	897114	2370282	3267396	100
Dissent	0	0	0	0	0	0	0
Total	16	29	45	897114	2370282	3267396	100

The above Ordinary Resolution was passed with requisite majority.

**ITEM NO. 2 - REAPPOINTMENT OF SRI DULICHAND PANSARI, AS DIRECTOR:**

**RESOLVED THAT** pursuant to Section 149, 150, 152, and other applicable provisions if any, of the Companies Act, 2013 and the Rules made there under, read with Schedule-IV of the Companies Act, 2013 and companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force) and clause 49 of the Listing agreement, Sri Dulichand Pansari (DIN:00533828), Director of the company who retires by rotation at the ensuing Annual General Meeting under the provisions of the Companies Act,2013 and in respect of whom the company has received a notice in writing from a member under Section 160 of the Companies Act,2013 Signifying his intention to propose Sri Dulichand Pansari as a candidate for the office of Independent Director of the company and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director to hold office for a period of five years up to 22nd September 2020.

Voting details on the above resolution:

Particulars	Number of			Number of Votes contained in			Percentage
	E-Votes	Ballot	Total	E-votes	Ballot	Total	%
Received	16	29	45	897114	2370282	3267396	100
Assent	16	29	45	897114	2370282	3267396	100
Dissent	0	0	0	0	0	0	0
Total	16	29	45	897114	2370282	3267396	100

The above Ordinary Resolution was passed with requisite majority.

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

**RESOLVED THAT** pursuant to Section 139 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and pursuant to the recommendations of the Audit Committee of the Board, the company do hereby ratify the appointment of the auditors of the company viz., M/s VKS Aiyer & Co., Chartered Accountants, Coimbatore (Firm Registration Number 000066S) to hold office from the conclusion of this 21st Annual General Meeting and until the conclusion of the 22nd Annual General Meeting and that the Board of Directors be and are hereby authorized to fix their remuneration on the recommendation of Audit Committee.

Voting details on the above resolution:

Particulars	Number of			Number of Votes contained in			Percentage
	E-Votes	Ballot	Total	E-votes	Ballot	Total	%
Received	16	29	45	897114	2370282	3267396	100
Assent	16	29	45	897114	2370282	3267396	100
Dissent	0	0	0	0	0	0	0
Total	16	29	45	897114	2370282	3267396	100

The above Ordinary Resolution was passed with requisite majority.

#### SPECIAL BUSINESS:

#### ITEM NO. 4 – APPOINTMENT OF SMT S MEENAKUMARI AS INDEPENDENT WOMEN DIRECTOR:

**RESOLVED THAT** pursuant to Section 149,150, 152, and other applicable provisions if any, of the Companies Act, 2013 and the Rules made there under, read with Schedule-IV of the Companies Act, 2013 and companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force) and clause 49 of the Listing agreement, Smt S Meenakumari (DIN:07143889), Additional Director of the company who retires at the ensuing Annual General Meeting under the provisions of the Companies Act,2013 and in respect of whom the company has received a notice in writing along with a requisite deposit from a member under Section 160 of the Companies Act,2013 signifying his intention to propose Smt S Meenakumari as a candidate for the office of Independent Women Director of the company and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director to hold office for a period of five years up to 22nd September 2020.

Voting details on the above resolution:

Particulars	Number of			Number of Votes contained in			Percentage
	E-Votes	Ballot	Total	E-votes	Ballot	Total	%
Received	16	29	45	897114	2370282	3267396	100
Assent	16	29	45	897114	2370282	3267396	100
Dissent	0	0	0	0	0	0	0
Total	16	29	45	897114	2370282	3267396	100

The above Special Resolution was passed with requisite majority.

**ITEM NO. 5 – APPOINTMENT OF Sri. B VENKATESWAR AS COST AUDITOR TO FIX REMUNERATION:**

**RESOLVED THAT** pursuant to Section 148 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules 2014, remuneration plus taxes as applicable and reimbursement of out of pocket expenses for the financial year ending 31st March 2016 payable to Shri B Venkateswar, Cost Auditor, as approved by the Board of Directors of the Company be and is hereby confirmed.

Voting details on the above resolution:

Particulars	Number of			Number of Votes contained in			Percentage
	E-Votes	Ballot	Total	E-votes	Ballot	Total	%
Received	16	29	45	897114	2370282	3267396	100
Assent	16	29	45	897114	2370282	3267396	100
Dissent	0	0	0	0	0	0	0
Total	16	29	45	897114	2370282	3267396	100

The above Ordinary Resolution was passed with requisite majority.

**ITEM NO. 6 – REAPPOINTMENT OF SRI. SHYAMLAL AGARWALA AS MANAGING DIRECTOR:**

**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) consent be and is hereby accorded for the reappointment of Sri Shyamlal Agarwala aged 70 years as Managing Director of the Company for a further period of Five years with effect from 1st April 2015 to 31st March 2020 and that Sri. Shyamlal Agarwala, in consideration of his services as Managing Director, during the aforesaid tenure of office, shall be paid the following remuneration:

I. SALARY : Rs.1,50,000/- Per Month

II. PERQUISITES:

In addition to the salary, Sri Shyamlal Agarwala shall also be entitled to the following perquisites:-

- (a) Contribution to Provident and superannuation Funds to the extent not taxable under the Income Tax Act, 1961
- (b) Gratuity at the rate of half a month salary for each completed year of service, and
- (c) Encashment of leave at the end of tenure as per the rules of the company.

**III. COMMISSION**

1% Commission on the net profits of the Company subject to a maximum ceiling specified in Section 178 of the Companies Act 2013.

**IV. OTHER PERQUISITES:**

At the discretion of the Board of Directors up to a sum not exceeding Annual Salary i.e.,18.00 Lacs (Rupees Eighteen Lakhs only) per annum.

**V. MINIMUM REMUNERATION:**

ALSO RESOLVED THAT subject to the limits prescribed in Section II of Part II of Schedule V to the Companies Act 2013, the above salary and perquisites, excepting commission, be paid a minimum remuneration in the event of loss or inadequacy of profits in any financial year, during the remaining tenure of office of Sri Shyamlal Agarwala as Managing Director.

**FURTHER RESOLVED THAT** Sri Shyamlal Agarwala be entrusted with all powers for day to day administration of the business of the Company, subject to the overall supervision and control of the Board of Directors of the Company.

Voting details on the above resolution:

Particulars	Number of			Number of Votes contained in			Percentage
	E-Votes	Ballot	Total	E-votes	Ballot	Total	
Received	16	29	45	897114	2370282	3267396	100
Assent	16	29	45	897114	2370282	3267396	100
Dissent	0	0	0	0	0	0	0
Total	16	29	45	897114	2370282	3267396	100

The above Special Resolution was passed with requisite majority.

**PLACE : PUNGAMPALLI**  
**DATE : 24.09.2015**

Sd/-

**SHYAMLAL AGARWALA**  
**CHAIRMAN**