

MINUTES OF THE 41st ANNUAL GENERAL MEETING OF VARDHMAN TEXTILES LIMITED HELD ON WEDNESDAY, 24TH SEPTEMBER, 2014 AT 11.30 A.M. AT THE REGISTERED OFFICE, VARDHMAN PREMISES, CHANDIGARH ROAD, LUDHIANA - 141 010.

P R E S E N T:

DIRECTORS:

1. Mr. S.P. Oswal - Chairman & Managing Director
2. Mr. Prafull Anubhai - Chairman of Audit Committee & Nomination & Remuneration Committee
3. Mr. Sachit Jain - Joint Managing Director
4. Mr. Neeraj Jain - Joint Managing Director
5. Mr. D. L. Sharma - Director

INVITEES:

1. Mr. Bhupesh Gupta - Scrutinizer
(M/s. B.K. Gupta & Associates,
Company Secretaries)

MEMBERS:

50 members - Present (including proxy)

IN ATTENDANCE:

1. Mr. Rajeev Thapar - Chief Financial Officer
 2. Ms. Karan Kamal Walia - Company Secretary
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Mr. S.P. Oswal, Chairman took the Chair.

Ms. Karan Kamal Walia, Company Secretary, extended a warm welcome to the shareholders and Directors present on the dais.

The Chairman after ascertaining the requisite quorum for the meeting being present called the meeting to order and thereafter welcomed the members and delivered his speech on the performance of the Company during the year 2013-14.

Thereafter, the Chairman invited the members to seek clarifications/ queries, if any, on the AGM Agenda items.



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The Chairman thanked the shareholders for their support and responded to their queries. After that, he asked the Company Secretary to take up the formal proceedings of the meeting.

With permission of the members present, the notice convening the meeting which was already circulated to the members was taken as read. The Auditors' Report was read by Ms. Karan Kamal Walia, Company Secretary as required under Section 145 of the Companies Act, 2013.

The Register of Members and Register of Director's shareholding were produced at the commencement of the meeting and were kept open and accessible during the continuance of the meeting in pursuance to Section 88 and 170 of the Companies Act, 2013.

The Company Secretary informed the members that pursuant to provisions of section 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company had provided the facility of voting by electronic means (e-voting) to all the members for casting their vote on all the resolutions of ordinary and special businesses as set out in Item no. 1 to 16 in the Notice of the 41st Annual General Meeting. The E-voting facility was made available to the members from 17th September, 2014 (9.00 a.m.) to 19th September, 2014 (5.00 p.m.).

As per Section 107 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, it had become obligatory on part of the Company to provide similar voting rights to the members present, in person and through proxies at Annual General Meeting to vote in proportion to the shares held by them. In order to provide voting facility to the shareholders who were present at the meeting, the Chairman ordered for poll on all the resolutions of ordinary and special businesses as set out in Item no. 1 to 16 in the Notice of the 41st Annual General Meeting.

Mr. Bhupesh Gupta, Partner, M/s. Bhupesh Gupta & Associates, Company Secretaries was appointed as the scrutinizer for conducting the polling process in a fair and transparent manner. Thereafter, Mr. Bhupesh Gupta distributed the ballot papers to the shareholders. Then, he locked and sealed the empty ballot box in presence of members and proxies and requested the shareholders to cast their vote and put the poll papers in the Ballot Box. After ensuring that all the shareholders and proxies participating in the poll casted their vote, the Scrutinizer closed the poll and took the custody of Ballot Box.

On the basis of the scrutinizers report for e-voting dated 22nd September, 2014 and Scrutinizers Report for Poll dated 24th September, 2014, the Chairman requested the Company Secretary to announce the resolution wise combined voting results of E-



voting and Poll. Then, the Company Secretary announced the results of resolutions set out in the Notice of 41st Annual General Meeting as under:

ORDINARY BUSINESS:

1. Adoption of Audited Annual Accounts of the Company as at 31st March, 2014 (Ordinary Resolution):

“RESOLVED THAT the Directors’ Report and the Audited Balance Sheet of the Company as at 31st March, 2014 along with Statement of Profit & Loss for the year 2013-14 and other Notes to Financial Statements annexed thereto and Auditors’ Report thereon be and are hereby approved and adopted.”

Total No. of shares held	No. of votes polled (E-voting/ Poll)	% of Votes Polled on outstanding shares	No. of Votes - in favour	No. of Votes - against	% of Votes in favour on votes polled	% of Votes against on votes polled
(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
6,36,51,879	5,00,92,870	78.69	5,00,92,820	50	99.99	0.01

The resolution was passed with requisite majority.

2. Declaration of Dividend on Equity Shares (Ordinary Resolution):

“RESOLVED THAT a dividend of Rs. 6/- per share be and is hereby declared for payment out of the profits of the Company for the Year 2013-14 on 63,651,879 Equity Shares on the amount paid-up per share. Further a special dividend of Rs. 5/- per share be and is hereby declared for payment out of the profits of the Company for the Year 2013-14 on 63,651,879 Equity Shares on the amount paid-up per share.

Total No. of shares held	No. of votes polled (E-voting/ Poll)	% of Votes Polled on outstanding shares	No. of Votes - in favour	No. of Votes - against	% of Votes in favour on votes polled	% of Votes against on votes polled
(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
6,36,51,879	53,850,870	84.60	53,850,820	50	99.99	0.01

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The resolution was passed with requisite majority.

3. Re-appointment of Mr. Sachit Jain, as a Director (Ordinary Resolution):

“RESOLVED THAT Mr. Sachit Jain (holding DIN No. 00746409), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company in terms of Section 152(6) of the Companies Act, 2013.”

Total No. of shares held	No. of votes polled (E-voting/ Poll)	% of Votes Polled on outstanding shares	No. of Votes - in favour	No. of Votes - against	% of Votes in favour on votes polled	% of Votes against on votes polled
(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)= [(4)/(2)]*100	(7)= [(5)/(2)]*100
6,36,51,879	53,850,860	84.602	53,227,444	623,416	98.842	1.158

The resolution was passed with requisite majority.

4. To appoint Auditors of the Company (Ordinary Resolution):

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. S.C. Vasudeva & Co., Chartered Accountants (Firm Registration No. 000235N) be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of 44th Annual General Meeting (subject to ratification by the members at every Annual General Meeting) at a remuneration to be decided by the Chairman & Managing Director in consultation with the Auditors plus applicable service tax and reimbursement of out of pocket expenses incurred by them for the purpose of audit.”

Total No. of shares held	No. of votes polled (E-voting/ Poll)	% of Votes Polled on outstanding shares	No. of Votes - in favour	No. of Votes - against	% of Votes in favour on votes polled	% of Votes against on votes polled
(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)= [(4)/(2)]*100	(7)= [(5)/(2)]*100
63,651,879	53,850,870	84.602	50,080,486	3,770,384	92.998	7.002

The resolution was passed with requisite majority.

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SPECIAL BUSINESS:**5. To Appoint Mr. Prafull Anubhai as an Independent Director of the Company (Ordinary Resolution):**

“RESOLVED that pursuant to the provisions of Sections 149, 152 and any other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013, the rules made there under and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force), **Mr. Prafull Anubhai** (DIN 00040837), who was appointed as a Director of the Company liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a term of consecutive five years starting from the date of this Annual General Meeting to the conclusion of 46th Annual General Meeting of the Company.”

Total No. of shares held	No. of votes polled (E-voting/ Poll)	% of Votes Polled on outstanding shares	No. of Votes - in favour	No. of Votes - against	% of Votes in favour on votes polled	% of Votes against on votes polled
(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
63,651,879	53,846,110	84.595	49,465,048	4,381,062	91.864	8.136

The resolution was passed with requisite majority.

6. To Appoint Mr. Arun Kumar Purwar as an Independent Director of the Company (Ordinary Resolution):

“RESOLVED that pursuant to the provisions of Sections 149, 152 and any other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013, the rules made thereunder and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force), **Mr. Arun Kumar Purwar** (DIN 00026383), who was appointed as a Director of the Company liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a term of consecutive five years starting from the date of this Annual General Meeting to the conclusion of 46th Annual General Meeting of the Company.”

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Total No. of shares held	No. of votes polled (E-voting/ Poll)	% of Votes Polled on outstanding shares	No. of Votes - in favour	No. of Votes - against	% of Votes in favour on votes polled	% of Votes against on votes polled
(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)= [(4)/(2)]*100	(7)= [(5)/(2)]*100
63,651,879	53,847,610	84.597	47,184,210	6,663,400	87.625	12.375

The resolution was passed with requisite majority.

7. To Appoint Dr. Subash Khanchand Bijlani as an Independent Director of the Company (Ordinary Resolution):

“RESOLVED that pursuant to the provisions of Sections 149, 152 and any other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013, the rules made thereunder and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force), **Dr. Subash Khanchand Bijlani** (DIN 01040271), who was appointed as a Director of the Company liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a term of consecutive five years starting from the date of this Annual General Meeting to the conclusion of 46th Annual General Meeting of the Company.”

Total No. of shares held	No. of votes polled (E-voting/ Poll)	% of Votes Polled on outstanding shares	No. of Votes - in favour	No. of Votes - against	% of Votes in favour on votes polled	% of Votes against on votes polled
(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)= [(4)/(2)]*100	(7)= [(5)/(2)]*100
63,651,879	53,847,610	84.597	47,166,325	6,681,285	87.592	12.408

The resolution was passed with requisite majority.

8. To Appoint Mr. Ashok Kumar Kundra as an Independent Director of the Company (Ordinary Resolution):

“RESOLVED that pursuant to the provisions of Sections 149, 152 and any other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013, the rules made there under and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force), **Mr. Ashok Kumar Kundra** (DIN 00154024), who was appointed as a Director of the Company liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a term of consecutive five years starting from the date of this Annual General Meeting to the conclusion of 46th Annual General Meeting of the Company.”

Total No. of shares held	No. of votes polled (E-voting/ Poll)	% of Votes Polled on outstanding shares	No. of Votes - in favour	No. of Votes - against	% of Votes in favour on votes polled	% of Votes against on votes polled
(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)= [(4)/(2)]*100	(7)= [(5)/(2)]*100
63,651,879	53,847,610	84.597	53,833,751	13,859	99.974	0.026

The resolution was passed with requisite majority.

9. To Appoint Mr. Shravan Talwar as an Independent Director of the Company (Ordinary Resolution):

“RESOLVED that pursuant to the provisions of Sections 149, 152 and any other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013, the rules made thereunder and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force), **Mr. Shravan Talwar** (DIN 01657234), who was appointed as a Director of the Company liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a term of consecutive three years starting from the date of this Annual General Meeting to the conclusion of 44th Annual General Meeting of the Company.”

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Total No. of shares held	No. of votes polled (E-voting/ Poll)	% of Votes Polled on outstanding shares	No. of Votes - in favour	No. of Votes - against	% of Votes in favour on votes polled	% of Votes against on votes polled
(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
63,651,879	53,847,610	84.597	47,166,325	6,681,285	87.592	12.408

The resolution was passed with requisite majority.

10. To Appoint Mr. Devandra Bhushan Jain as an Independent Director of the Company (Ordinary Resolution):

“RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV to the Companies Act, 2013, the rules made there under and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force), **Mr. Devandra Bhushan Jain** (DIN 06911676), who was appointed as an Additional Director pursuant to the provisions of Section 161 (1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a term of consecutive five years starting from the date of this Annual General Meeting to the conclusion of 46th Annual General Meeting of the Company.”

Total No. of shares held	No. of votes polled (E-voting/ Poll)	% of Votes Polled on outstanding shares	No. of Votes - in favour	No. of Votes - against	% of Votes in favour on votes polled	% of Votes against on votes polled
(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
63,651,879	53,847,610	84.597	53,846,060	1,550	99.997	0.003

The resolution was passed with requisite majority.

11. To adopt new set of Articles of Association of the Company (Special Resolution):

“RESOLVED THAT pursuant to the provisions of the Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification (s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Total No. of shares held	No. of votes polled (E-voting/ Poll)	% of Votes Polled on outstanding shares	No. of Votes - in favour	No. of Votes - against	% of Votes in favour on votes polled	% of Votes against on votes polled
(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
63,651,879	53,850,870	84.602	53,205,382	645,488	98.801	1.199

The resolution was passed with requisite majority.

12. To re-appoint Mr. S.P. Oswal as Chairman and Managing Director of the Company (Special Resolution):

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203, Schedule V of Companies Act, 2013, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and as per Memorandum and Articles of Association of the Company, approval of the Members be and is hereby accorded to re-appoint **Mr. S.P. Oswal** as the Chairman and Managing Director of the Company for a term of 5 (five) consecutive years starting from 1st June, 2014 to 31st May, 2019.”

RESOLVED FURTHER THAT Mr. S.P. Oswal shall be paid remuneration and other perquisites as provided in the Notice already circulated to the members.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to vary/ alter at any time the remuneration, terms and conditions of the said

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appointment in such manner as may be approved by the Board of Directors of the Company and are acceptable to Mr. S. P. Oswal.

RESOLVED FURTHER THAT Mr. D. L. Sharma, Director, be and is hereby authorized to enter into an agreement with Mr. S.P. Oswal in respect of his re-appointment as Chairman and Managing Director of the Company, for and on behalf of the Company.”

Total No. of shares held	No. of votes polled (E-voting/ Poll)	% of Votes Polled on outstanding shares	No. of Votes - in favour	No. of Votes - against	% of Votes in favour on votes polled	% of Votes against on votes polled
(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)= [(4)/(2)]*100	(7)= [(5)/(2)]*100
63,651,879	52,877,912	83.074	48,496,850	4,381,062	91.715	8.285

The resolution was passed with requisite majority.

13. To Appoint Mr. Sachit Jain as Joint Managing Director of the Company (Ordinary Resolution):

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203, Schedule V of Companies Act, 2013, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, approval of the Members be and is hereby accorded to appoint **Mr. Sachit Jain** as Joint Managing Director of the Company for a term of 2 (two) consecutive years starting from 7th August, 2014 to 6th August, 2016 on a remuneration as provided in the Notice already circulated to the members.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to vary/ alter at any time the remuneration, terms and conditions of the said appointment in such manner as may be approved by the Board of Directors of the Company and are acceptable to Mr. Sachit Jain.

RESOLVED FURTHER THAT Mr. D. L. Sharma, Director, be and is hereby authorized to enter into an agreement with Mr. Sachit Jain in respect of his appointment as Joint Managing Director of the Company, for and on behalf of the Company.”



Total No. of shares held	No. of votes polled (E-voting/ Poll)	% of Votes Polled on outstanding shares	No. of Votes - in favour	No. of Votes - against	% of Votes in favour on votes polled	% of Votes against on votes polled
(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
63,651,879	52,877,912	83.074	52,877,862	50	100.000	0.000

The resolution was passed with requisite majority.

14. To Appoint Mr. Neeraj Jain as Joint Managing Director of the Company (Ordinary Resolution):

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203, Schedule V of Companies Act, 2013, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, approval of the Members be and is hereby accorded to appoint Mr. Neeraj Jain as Joint Managing Director of the Company for a term of 2 (two) consecutive years starting from 07th August, 2014 to 6th August, 2016 on a remuneration as provided in the Notice already circulated to the members.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to vary/ alter at any time the remuneration, terms and conditions of the said appointment in such manner as may be approved by the Board of Directors of the Company and are acceptable to Mr. Neeraj Jain.

RESOLVED FURTHER THAT Mr. D. L. Sharma, Director, be and is hereby authorized to enter into an agreement with Mr. Neeraj Jain in respect of his appointment as Joint Managing Director of the Company, for and on behalf of the Company.”

Total No. of shares held	No. of votes polled (E-voting/ Poll)	% of Votes Polled on outstanding shares	No. of Votes - in favour	No. of Votes - against	% of Votes in favour on votes polled	% of Votes against on votes polled
(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
63,651,879	53,850,860	84.602	53,843,970	6,890	99.987	0.013

The resolution was passed with requisite majority.

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15. To enter into Related Party Transactions (Special Resolution):

“RESOLVED THAT pursuant to the provisions of section 188 of the Companies Act, 2013, the rules made there under and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of members be and is hereby accorded for entering into contracts with related parties as per details mentioned in the Statement annexed to the notice, the copy of which is laid before the meeting and initialed by the Chairman for the purpose of identification, be and is hereby approved.

RESOLVED FURTHER pursuant to the provisions of section 189 of the Companies Act, 2013 read with the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), Ms. Karan Kamal Walia, Company Secretary be and is hereby authorized to do the necessary entries in the Register of contracts or arrangements and authenticate them.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all steps as may be necessary, proper or expedient to give effect to this resolution.”

Total No. of shares held	No. of votes polled (E-voting/ Poll)	% of Votes Polled on outstanding shares	No. of Votes - in favour	No. of Votes - against	% of Votes in favour on votes polled	% of Votes against on votes polled
(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)= [(4)/(2)]*100	(7)= [(5)/(2)]*100
63,651,879	13,843,223	21.748	11,556,193	2,287,030	83.479	16.521

The resolution was passed with requisite majority.

16. To increase the sitting fees being paid to Independent Directors of the Company and Nominee Director (Special Resolution):

“RESOLVED THAT pursuant to the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of members be and is hereby given to the enhancement of the sitting fees payable to the Independent Directors of the Company including Nominee Director from Rs. 20,000/- per Board Meeting and Rs. 15,000/- per Committee Meeting to Rs. 35,000/- per Board Meeting and Rs. 30,000/- per Committee Meeting.”

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Total No. of shares held	No. of votes polled (E-voting/ Poll)	% of Votes Polled on outstanding shares	No. of Votes - in favour	No. of Votes - against	% of Votes in favour on votes polled	% of Votes against on votes polled
(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
63,651,879	53,850,870	84.602	53,846,060	4,810	99.991	0.009

The resolution was passed with requisite majority.

Vote of Thanks:

As there was no other business to be transacted, the meeting was concluded with the vote of thanks to the Chair and all members present.

For Vardhman Textiles Limited


Chairman
 13.10.2014

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