

# **AMIT SPINNING INDUSTRIES LIMITED**



**16<sup>th</sup> Annual Report  
2007 - 2008**

**CLC**

**BOARD OF DIRECTORS**

R Sampath (Managing Director)  
 Pravin Shah  
 Ashok K Jani  
 Ranjan Mangtani  
 K Sankaramani  
 Ripin Shome

**SECRETARY**

Rajesh Tripathi

**AUDITORS**

B S MEHTA & CO.  
 CHARTERED ACCOUNTANTS  
 MUMBAI

**AUDIT COMMITTEE**

Ashok K Jani  
 Pravin Shah  
 Ranjan Mangtani  
 Ripin Shome

**REMUNERATION COMMITTEE**

Ranjan Mangtani  
 K Sankaramani  
 Ripin Shome

**SHAREHOLDERS' GRIEVANCE COMMITTEE**

Ranjan Mangtani  
 K Sankaramani  
 Ripin Shome

● **16<sup>th</sup> AGM**

Date: August 12, 2008 Time: 11.00 A.M.

Venue: Lok Kala Manch, 20, Lodhi Institutional Area, Lodhi Road, New Delhi - 110 003

- Book Closure: From Thursday, August 07, 2008 To Monday, August 11, 2008.

Company's shares are listed on Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE)

**REGISTERED & CORPORATE OFFICE**

A-60, Okhla Industrial Area  
 Phase-II, New Delhi-110020  
 Ph.: 011 - 26387738, 41614999  
 Fax: 011-26385181  
 Email secretarial@clcindia.com

**PLANT**

Gat No. 47 & 48, Sangavade Village  
 Kolhapur – Hupari Road  
 Taluka Karveer  
 Dist. Kolhapur 416 202  
 Ph.: 0231 - 2676106/8  
 Fax: 0231 - 2676164

**BANKERS**

AXIS Bank Ltd.  
 UCO Bank

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## NOTICE

NOTICE is hereby given that the sixteenth Annual General Meeting of the Members of Amit Spinning Industries Limited will be held on **Tuesday, the 12<sup>th</sup> day of August, 2008 at 11:00 A. M.** at Lok Kala Manch, 20, Lodhi Institutional Area, Lodhi Road, New Delhi - 110 003 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2008 and Profit & Loss Account for the year ended on that date and the Report of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Ashok K Jani, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Ranjan Mangtani, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and to fix their remunerations.

By Order of the Board  
For AMIT SPINNING INDUSTRIES LIMITED

Place : New Delhi  
Date : June 27, 2008

RAJESH TRIPATHI  
COMPANY SECRETARY

### NOTES:

- A. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY SHOULD BE LODGED WITH THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- B. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday the 07<sup>th</sup> August, 2008 to Monday the 11<sup>th</sup> August, 2008 (both days inclusive).
- C. All documents referred in the notice are open for inspection at the Registered Office of the Company between 10.00 A.M. to 1.00 P.M. on any working day upto the date of Annual General Meeting and also at the meeting.
- D. Members are requested to intimate the change, if any, to Registrars & Transfer Agents in their registered address immediately.
- E. Members/Proxies should bring the attendance slips duly filled in for attending the meeting.
- F. It will be appreciated that queries, if any, on accounts and operations of the Company are sent to the Corporate Office of the company ten days in advance of the meeting so that the information may be made readily available.
- G. As per provisions of the Companies Act, 1956, facility for making nomination is now available to the members in respect of the shares held by them.
- H. For any queries on the Depository System, members may contact any depository participant or the Share Department at the Registered Office of the Company.
- I. In terms of Clause 49 of the Listing Agreement, a brief resume of directors who retire by rotation at the ensuing Annual General Meeting and being eligible for re-appointed are given in Report on Corporate Governance forming part of Annual report.

**ANNUAL REPORT 2007 - 2008****DIRECTORS' REPORT**

Your Directors have pleasure in presenting the Sixteenth Annual Report together with Audited Statements of Accounts of the Company for the year ended March 31, 2008.

**Financial Results:**

(Rs. in Lakhs)

	31/03/2008	31/03/2007
Net Sales	7873.24	6885.71
Other Income	506.99	218.60
Profit Before Interest, Depreciation & write-off	634.87	801.47
Interest & Financial Charges	708.58	583.99
Depreciation	515.69	509.53
Misc. Expenses written off	12.55	12.58
Prior Period Adjustment	(16.49)	70.98
Profit/ (Loss) Before Tax	(618.44)	(233.67)
Deferred Tax Assets/(Liability)	226.81	563.33
Fringe Benefit Tax	1.40	2.63
Short Provision of tax	1.62	-
Profit / (Loss) After Tax	(394.65)	327.03

**Operations**

During the year under review the production of yarn has increased by **15.67%** and sales turnover by **14.34%**. This has been achieved through focus on operational measures resulting in better quality and productivity.

**Performance**

During the year under review your company has achieved Profit before interest & depreciation of Rs. 634.87 lakhs before tax a decline of 20.79% over the previous year.

**Future Outlook**

With the support coming in from the Government to the textile sector to face global competitiveness and the measures taken by the company in improving its performance in all operation fronts in the form of technological upgradation of machines, cost reduction measures, strategic procurement of cotton, enhancement of productivity and quality, the Company is expected to continue to perform better, fulfilling the needs of the customer and further improving its profitability.

**Shifting of Registered Office**

With the consent of members, your Company had filed an application with Company Law Board (CLB), Western Region, Mumbai for Shifting of Regd. Office from state of Maharashtra to NCT of Delhi. The CLB vide its order dated 17<sup>th</sup> September, 2007 approved the shifting of registered office from state of Maharashtra to NCT of Delhi. The said order was registered by the Registrar of Companies, NCT of Delhi & Haryana registered on 14<sup>th</sup> December, 2007. The new registered office is at **A-60, Okhla Industrial Area, Phase II, New Delhi 110 020.**

**Directors**

In terms of Article 100 of the Articles of Association of the Company, Mr. Ashok K Jani and Mr. Ranjan Mangtani retire by rotation and being eligible, offers themselves for re-appointment at the ensuing Annual General Meeting. Brief resume of the Directors proposed to be reappointed, nature of their expertise in specific functional areas, names of companies in which they hold directorship(s) and membership(s)/chairmanship(s) of Board Committees, shareholding and relationships between directors, inter-se, as stipulated in Clause 49 of the Listing Agreement with Stock Exchanges are provided in the Report on Corporate Governance.

**Auditors**

The Auditors of the Company M/s. B. S. Mehta & Co., Chartered Accountants retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

**Cost Auditor**

Pursuant to the directions of the Central Government, Mr. Rajesh Goyal, Cost Accountant of M/s. K G Goyal & Associates, Cost Accountants was appointed as Cost Auditor to conduct the audit of the Cost Accounts of the Company for the financial year ending 31<sup>st</sup> March, 2009 for the product "Textile".

**Dividend**

Your directors have not recommended any dividend for the year ended 31-03-2008 under review.

**Fixed Deposits**

During the year your Company has not accepted any new deposits within the meaning of Section 58A of the Companies Act, 1956 and the rules made there under. The Company has re-paid entire amount to respective deposit holders on 11<sup>th</sup> August, 2007 and no amount is outstanding as on 31<sup>st</sup> March, 2008.

**Listing of Shares**

Presently the Company's shares are listed and traded at the Bombay Stock Exchange Ltd., Mumbai (BSE) and National Stock Exchange of India, Mumbai (NSE) and the Listing Fee has been paid till 31<sup>st</sup> March, 2009.

**Corporate Governance**

Pursuant to Clause 49 of the Listing Agreement, (a) Report of the Directors on the Practices prevalent on Corporate Governance in the Company, (b) Management Discussion and Analysis and (c) Auditors' Certificate on compliance of mandatory requirements of Corporate Governance are made part of the Annual Report.

**Statutory Particulars**

The particulars under Section 217(1) (e) of the Companies Act, 1956, to the extent applicable to the Company have been given

**AMIT SPINNING INDUSTRIES LIMITED**

in Annexure - I and there are no employees whose remuneration exceeds the limits prescribed under Section 217(2A) of the Companies Act, 1956. Hence, information required to be given under the said section read with Companies (Particulars of Employees) Rules, 1975 as amended, w.e.f. 17-4-2002 are not applicable to the Company during the year.

**Auditors' Report**

The Auditors' Report read together with the Notes to Accounts is self-explanatory and do not call for any further explanation under Section 217 (3) of the Companies Act, 1956.

**Directors' Responsibility Statement**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Director's Responsibility Statement, it is hereby confirmed that:

- in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit or Loss of the Company for that period;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities; and
- the Directors have prepared the annual accounts on a going concern basis.

**Acknowledgements**

The Directors take this opportunity to express their grateful appreciation for the whole hearted and sincere co-operation the Company had received from the various departments of Central and State Government, Bankers, Financial Institutions, Customers, Suppliers and Contractors as well as Members of the Company during the year under review. The Directors also wish to place on record their sincere appreciation for the contribution made by all the employees at all levels and hope that with their continued commitment and dedication the Company could look forward to more profitable operations ahead.

For and on behalf of Board of Directors

Place : New Delhi  
Date : June 27, 2008

R. Sampath Managing Director  
Ranjan Mangtani Director  
Ripin Shome Director

**ANNEXURE - I**

Particulars required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended March 31, 2008.

**A. CONSERVATION OF ENERGY:**

The Company constantly endeavors to keep track of developments in the modern technologies and takes every possible step within permissible financial resources. Relevant data in respect of energy consumption is as under:

Electricity	Current year	Previous year
<b>Purchased</b>		
Total Units consumed	231.72	202.62
Total Amount (Rs. in Lakhs)	907.97	876.83
Rate per Unit (Rs.)	3.92	4.33
<b>Own Generation through Furnace Oil Generator Set</b>		
Units (in Lakhs)	2.23	19.33
Units per liter of Diesel Oil	3.57	3.89
<b>Furnace Oil</b>		
Consumed (Ltrs in thousand)	55.19	496.50
Total Amount (Rs. in Lakhs)	13.69	108.00
Rate per Ltr.	24.82	18.88
Cost/Unit (Rs.)	8.55	5.59

**B. TECHNOLOGY ABSORPTION:**

Your Company has been, to the extent possible, using the latest Technology available in the Industry.

**RESEARCH & DEVELOPMENT (R&D):**

Research & Development is a continuous process in the Company. Through development of new value added products, the company is getting a competitive edge over its competitors. The Company is also continuing to identify improvements to processes through properly documented systems to strengthen yarn quality and improve productivity.

**TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :**

- Efforts: Upgrading machines with technologically advanced accessories and spares.
- Benefits: Higher output and improved quality of product
- Technology imported during the last 5 years: None

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

	Current year	(Rs. in Lakhs) Previous Year
Earnings	2476.05	2132.35
Outgo	5.95	9.84

For and on behalf of Board of Directors

Place : New Delhi  
Date : June 27, 2008

R. Sampath Managing Director  
Ranjan Mangtani Director  
Ripin Shome Director

**ANNUAL REPORT 2007 - 2008****CORPORATE GOVERNANCE REPORT FOR THE YEAR 2007-08**

(As required under Clause 49 of the Listing Agreement entered into with Stock Exchanges)

**1. Company's Philosophy on Corporate Governance**

The Company's philosophy on Corporate Governance is fostering greater accountability, transparency, responsibility, fairness and commitment to values in all spectrums of business through continual assessment of internal control mechanism vis-à-vis proactive risk management system for upholding ethos of corporate citizenship. Pre-emptive risk assessment and mitigation by using proper internal audit system, hiring top grade audit firms, best insurance and consultants, dynamic budgeting system with proper business planning and forecasting. The Company is committed to attend best-in-class higher levels disclosures to board and shareholders & society at large. The Company has a strong desire to enhance long-term shareholder value and respect minority rights in addition to complying with all complex and statutory requirements for Corporate Governance.

**2. Board of Directors**

The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors. The Board consists of 6 Directors, out of which 5 (83.33%) are Independent Directors. The composition of the Board is in conformity with clause 49 of the Listing Agreement entered into with Stock Exchanges and exceeds the percentages prescribed in the said Agreement.

5 nos. of the Board Meetings were held during the year and the interval between two meetings did not exceed four months (as stipulated by law in force). The respective dates on which the Board Meetings were held are 27<sup>th</sup> April, 2007, 27<sup>th</sup> June, 2007, 30<sup>th</sup> July, 2007, 27<sup>th</sup> October, 2007 and 30<sup>th</sup> January, 2008.

The names and category of the Directors on the Board, their attendance at the Board Meetings and last Annual General Meeting and number of Directorships and Committees Chairmanships/Memberships of each Director in other companies are as follows:

Directors	Category	No. of Board Meetings		No. of Directorships and Chairmanship(s)/ Membership(s) of Board Committees of other companies			Attended at the Last AGM held on 11-08-07
		Held	Attended	Directorship*	Member**	Chairperson	Yes/No
Mr. R Sampath	Executive	5	1	-	-	-	Yes
Mr. Pravin Shah	Non-Executive/ Independent	5	-	2	-	-	Yes
Mr. Ashok K Jani	- do -	5	1	1	2	1	No
Mr. Ranjan Mangtani	- do -	5	5	1	-	-	Yes
Mr. K Sankaramani	- do -	5	-	-	-	-	Yes
Mr. Ripin Shome	- do -	5	5	1	-	-	No

\* The Directorship(s) held by Directors do not include Alternate Directorships and Directorships of Foreign Companies, Private Limited Companies, Section 25 Companies.

\*\* In accordance with Clause 49, Memberships / Chairmanships of only Audit Committees and Shareholders' / Investors' Grievance Committees of all Public Limited Companies (excluding Amit Spinning Industries Limited) have been considered.

**Information supplied to the Board**

- Annual operating plans of business, Capital budget and updates on the same as and when required.
- Quarterly results of the Company and its operating divisions/manufacturing units and business segments.
- Performance of manufacturing units functioning of key executives.
- Performance of Quality Standards and platform for decision making on quality.
- Image and credibility of the Company in the eyes of domestic and international customers by consistent disclosure and transparency.
- Minutes of meetings of audit committee and other committees of the board, and also resolutions passed by circulation.
- The information on recruitment and remuneration of senior officials next to the Board of Directors, including appointment or removal of the Company Secretary.
- Details of joint venture or collaboration agreements entered into.
- Borrowing Term Loans and Investment of surplus funds as and when happened.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Notices like show cause, demand, penalty which are materially important / effluent and material default in financial obligations to and by the company and also non-receipt of payments for goods sold by the Company.
- Significant development in Human Resources, Labour problems and their proposed solutions, signing of Wage Agreements etc.
- Sale of material nature, of investment/subsidiaries/assets, which is not in normal course of business.
- Fulfillment of various statutory compliances/listing requirements.



## AMIT SPINNING INDUSTRIES LIMITED

### Disclosure of Appointment/Re-appointment of Directors at the Annual General Meeting

According to the Articles of Association, one-third of the directors retires by rotation and, if eligible, seeks re-appointment at the Annual General Meeting of Shareholders. As per Article 100 of the Articles of Association, Shri Ashok K Jani and Shri Ranjan Mangtani will retire in the ensuing Annual General Meeting. The Board has recommended the re-appointment of both the retiring directors.

- a) **Shri Ashok K Jani** (62) is Director of the Company since August 25, 2006. He is M.S. (Chemical Engineering) from U.S.A. and before joining the Company, Shri Jani has established his name in the development of vacuum metallizing, thin film coating and development of Xerox Plates, Drums used in automatic plain paper copier etc. and also promoted various companies/firms. He is Chairman & Managing Director of Multi-Arc India Limited. He is Chairman of Creative Solutions Private Limited and Multi Arc Coatings & Straps Limited. He is a Director of Dura Coaters Private Limited, M.K.Dura Tools Private Limited, Chunilal & Co. (T-M) Private Limited, Teamcall Private Limited, Metrocall Private Limited, Blue Sea Shipping Agency Private Limited, Ritu Freight & Transport Services Private Limited, Watch Dots Private Limited and UCT Coatings Private Limited. He is Member of Audit Committee of Multi Arc Coatings & Straps Limited. He is a Member of Shareholders Grievance & Share Transfer Committee of Multi-Arc India Limited.

Shri Jani is Member of the Audit Committee of the Company, Shri Jani does not hold any share of the Company.

- b) **Shri Ranjan Mangtani** (56) is Director of the Company since August 25, 2006. He is a Fellow Member of the Institute of Company Secretaries of India and Bachelor of Law. Before joining the Company he was advisor to various corporate houses in Corporate Law and other Legal matters. He is a Director of CLC Technologies Limited.

Shri Mangtani is Member of the Audit Committee, Remuneration Committee and Share Transfer & Shareholders/ Investors Grievance Committee of the Company, Shri Mangtani does not hold any share of the Company.

### 3. Audit Committee

The Audit Committee of the Board consists of four Independent Non-Executive Directors, namely Shri Ashok K Jani, Shri Pravin Shah, Shri Ranjan Mangtani and Shri Ripin Shome. These members have the requisite accounting and related financial management expertise. Statutory Auditors and Internal Auditor are invitees at the meetings of Audit Committee. The Composition of the Audit Committee meets the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

Shri Rajesh Tripathi is the Secretary to the Audit Committee.

The terms of reference / powers of the Audit Committee include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Review and recommend the Revenue budgets and Capital budgets follows by updates from time to time.
3. Recommending to the Board, the appointment/re-appointment of the Statutory Auditors, Cost Auditor and the fixation of audit fees.
4. Reviewing the efficiency and effectiveness of internal audit function, adequacy of the internal control systems and other services rendered by the statutory auditors.
5. Reviewing the functioning and weaknesses, if any, observed by the internal auditors, management opinion on such weaknesses and solutions from time to time.
6. Reviewing, with the management, the annual financial statements i.e. directors responsibility statement under Section 217(2AA) of the Companies Act, 1956 accounting policies and practices, compliances with listing and other legal requirements disclosure of related party transactions, implementation of the Accounting Standards as notified u/s 211(3C) of the Companies Act, 1956 and Draft Audit Report before submission to the Board for approval.
7. Reviewing, with the management, the quarterly financial results before submitting it to the Board for approval.
8. To look into the reasons for any default/delay, if any, in the payment to the Lenders/Bankers/Financial Institutions, Debenture holder, Creditors and Shareholders (in case of dividend declaration).

5 nos. of Audit Committee Meetings were held during the year on 27<sup>th</sup> April, 2007, 27<sup>th</sup> June, 2007, 30<sup>th</sup> July, 2007, 27<sup>th</sup> October, 2007 and 30<sup>th</sup> January, 2008. The details of attendance of the each member at the Audit Committee are as follows:

Name of the Director	No. of Meetings Held	No. of Meetings Attended
Shri Pravin Shah	5	-
Shri Ashok K Jani	5	1
Shri Ranjan Mangtani	5	5
Shri Ripin Shome	5	5

### 4. Remuneration Committee

A Remuneration Committee of the Board has been constituted to review/recommend the remuneration package of the Managing Director/Director based on performance and defined criteria/HR policies, subject to the approval of members in ensuing Annual General Meeting. The Remuneration Committee of the Board comprises three Independent Directors, namely Shri Ranjan Mangtani, Shri Ripin Shome and Shri Krishnan Sankaramani. During the year one Committee meeting held on 15<sup>th</sup> October, 2007 in which all the members of the Committee were present.

**ANNUAL REPORT 2007 - 2008**

The Remuneration of Managing Director is in compliance with the provisions of Schedule XIII of the Companies Act, 1956 and approved by members of the Company.

Details of remuneration paid to Directors for the financial year 2007-08 are as under:

Name of the Director	Category	Sitting Fees for Board Meetings (Rs.)	Sitting Fees for Remuneration Committee Meetings (Rs.)	Sitting Fees for Audit Committee Meetings (Rs.)	Salaries and Perquisites per p.a. (Rs.)	Total (Rs.)
Shri R Sampath	Executive	NIL	NIL	NIL	10,62,379	10,62,379
Shri Pravin Shah	Non-Executive/Independent	NIL	NIL	NIL	N.A.	NIL
Shri Ashok K Jani	- Do -	1000	NIL	NIL		1,000
Shri Ranjan Mangtani	- Do -	NIL	NIL	NIL	N.A.	NIL
Shri K Sankaramani	- Do -	NIL	NIL	NIL	N.A.	NIL
Shri Ripin Shome	- Do -	NIL	NIL	NIL	N.A.	NIL

Shri Ranjan Mangtani, Shri K Sankaramani and Shri Ripin Shome informed to the Board of Directors that they will not take sitting fee till the company earns adequate profits, accordingly the Company is not paying sitting fee to aforesaid directors

Details of shares of the Company held by the Directors as on 31<sup>st</sup> March 2008

Name	No. of Shares Held	Name	No. of Shares Held
Shri R Sampath	NIL	Shri Ranjan Mangtani	NIL
Shri Pravin Shah	1,01,975	Shri Krishnan Sankaramani	NIL
Shri Ashok K Jani	NIL	Shri Ripin Shome	NIL

#### 5. Share Transfer and Shareholders' / Investors Grievance Committee:

Share Transfer and Shareholders' / Investors Grievance Committee of the Board comprises of three members, namely Shri Ranjan Mangtani, Shri Ripin Shome and Shri Krishnan Sankaramani.

The Committee members met from time to time, interalia to approve issue of duplicate share certificates and reviews all matters connected with the transfer of securities. The Committee also reviews the performance of the Registrar and Transfer Agent; supervise the mechanism of investor grievance redressal aspects and to ensure cordial investor relation.

The committee also reviews all investors' complaints and their grievances. During the year the Company has received 22 complaints from the investors and has responded to the investors to their fullest satisfaction. There were no complaints outstanding as on 31<sup>st</sup> March 2008.

Shri Rajesh Tripathi is the Compliance officer for complying with the requirements of SEBI Regulations and the Listing Agreement with the Stock Exchanges in India.

Attendance details of each Member at the Share Transfer and Shareholders/Investors Grievance Committee:

Name of the Director	No. of Meetings Held	No. of Meetings Attended
Shri Ranjan Mangtani	24	24
Shri Ripin Shome	24	24
Shri K Sankaramani	24	-

#### 6. General Body Meetings

##### (A) Annual General Meetings:

Details of last three Annual General Meetings (AGM) and the Special Resolutions passed thereat are as under:

AGM	LOCATION	DATE & TIME	SPECIAL RESOLUTION PASSED
13 <sup>th</sup> AGM	The Residence Hotel, Saki Vihar Road, Before Nitie Powal, Mumbai - 400 087	31 <sup>st</sup> January, 2005 04.00 P.M.	None
14 <sup>th</sup> AGM	Gat. No. 47 & 48, Village Sangawade, Taluka Karveer, Kolhapur - Hupari Road, Dist. Kolhapur 416 005	29 <sup>th</sup> July, 2006 03.00 P.M.	None
15 <sup>th</sup> AGM	Gat. No. 47 & 48, Village Sangawade, Taluka Karveer, Kolhapur - Hupari Road, Dist. Kolhapur 416 005	11 <sup>th</sup> August, 2007 11.00 A.M.	None

##### (B) Special Resolution passed through Postal Ballot:

No special resolution was passed through postal Ballot during 2007-08



**AMIT SPINNING INDUSTRIES LIMITED****7. Code of Conduct**

The Board of Directors has adopted the Code of Conduct and ethics for Directors, Senior Management and designated employees. The Code of Conduct has been communicated to the directors and designated employees of the Company and confirmed compliance with the said code.

**8. Compliance****a. Mandatory Requirements:**

The Company is fully compliant with the applicable mandatory requirements of the revised Clause 49 of the Listing Agreement.

**b. Adoption of Non-Mandatory Requirements:**

Although it is not mandatory, a Remuneration Committee of the Board is in place. Details of Remuneration Committee have been provided under section "Remuneration Committee".

**9. Disclosures**

- The disclosure relating to transactions of material nature with the related parties are disclosed in the financial statements.
- Company has fulfilled all Statutory Compliances and there were no penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to Capital Markets, during the last three years.
- Company has issued circular in connection with Whistle Blower Policy and no employee was denied to access to the Audit Committee.
- Pursuant to Clause 47(f) of the Listing Agreement, the Company has created a new E-mail ID [secretarial@clcindia.com](mailto:secretarial@clcindia.com) exclusively for the purpose of registering complaints by investors and necessary follow up action by the company/ compliance officer.

**10. Means of Communication**

- Information on quarterly/half yearly/annual financial results and press releases on significant developments in the Company, have been submitted to the Stock Exchanges to enable them to put them on their websites and communicate to their members.
- The quarterly/half-yearly/annual financial results are published in English (The Free Press Journal/The Financial Express) and in Marathi/Hindi (Navshakti/Prabhat/Jansatta) newspapers and also posted on group website [www.spentexindustries.com](http://www.spentexindustries.com)
- The Management Discussions and Analysis is a part of Annual Report.
- Pursuant to Clause 51 of the Listing Agreement (relating to Electronic Data Information filing and Retrieval, EDIFAR), the Company regularly filing the specific documents/ statements on website [www.sebiedifar.nic.in](http://www.sebiedifar.nic.in), the Bombay Stock Exchange Ltd. website [www.bseindia.com](http://www.bseindia.com) and the National Stock Exchange of India Ltd. website [www.nseindia.com](http://www.nseindia.com)

**11. General Shareholder Information**

- The 16<sup>th</sup> Annual General Meeting will be held at Lok Kala Manch, 20, Lodhi Institutional Area, Lodhi Road, New Delhi - 110 003 on Tuesday the 12<sup>th</sup> August, 2008 at 11.00 A.M.
- Financial Calendar (Tentative) :
 

Financial reporting for the Quarter ending June 30, 2008	: July, 2008
Financial reporting for the Quarter ending September 30, 2008	: October, 2008
Financial reporting for the Quarter ending December 31, 2008	: January, 2009
Financial reporting for the Quarter ending March 31, 2009	: April, 2009
Alternatively	
Financial reporting for the year ended 31-03-2009	: May/June, 2009
- Date of Book closure : From Thursday, the 07<sup>th</sup> August, 2008 to Monday, the 11<sup>th</sup> August, 2008 (both days inclusive)
- Dividend Payment Date : Not Applicable.
- Unclaimed/Unpaid Dividend
 

Pursuant to Section 205A of the Companies Act, 1956 the declared dividend which remain unclaimed/unpaid for a period of 7 years have been transferred by the Company to the Investor Education and Protection Fund on 12<sup>th</sup> November, 2007 amounting to Rs. 273,600 established by the Central Government pursuant to Section 205C of the Companies Act, 1956.
- Listing of Equity Shares on Stock Exchanges : The Bombay Stock Exchange Ltd., Mumbai (scrip code = 521076) and National Stock Exchange of India Ltd., Mumbai (scrip code = ASIL EQ).
- ISIN No. INE988A01026.
- The Annual Listing Fee has been paid till 31<sup>st</sup> March, 2009.

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- The Company has obtained the approval from The Company Law Board, Western Region Bench, Mumbai on 17<sup>th</sup> September, 2007 for shifting of Registered Office from Kolhapur, Maharashtra to NCT of Delhi as approved by the Special Resolution passed at the Extra Ordinary General Meeting held on 18<sup>th</sup> January, 2007. The Deputy Registrar of Companies, Delhi & Haryana registered the same on 14<sup>th</sup> December, 2007. The new registered office is at A-60, Okhla Industrial Area, Phase II, New Delhi 110 020.
- Market Price Data : High/Low during each month in last financial year 2007-2008 : on BSE & NSE

Month	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
<b>The Bombay Stock Exchange Ltd. (BSE)</b>												
<b>High</b>	7.99	7.65	6.99	8.68	7.34	8.50	8.00	6.95	13.34	11.51	6.62	5.99
<b>Low</b>	6.02	6.25	5.86	6.02	5.55	6.00	5.56	5.55	6.00	5.77	5.43	3.76
<b>National Stock Exchange of India Ltd. (NSE )</b>												
<b>High</b>	8.00	7.70	7.00	8.50	7.45	8.60	7.95	6.80	12.75	11.40	6.65	6.10
<b>Low</b>	6.10	6.05	5.80	6.05	5.75	6.05	5.85	5.05	5.85	5.70	5.40	3.65

- The Registrars and Transfer Agents of the Company M/s. Intime-Spectrum Registry Ltd, C-13, Panalal Silk Mills Compound, L B S Marg, Bhandup West Mumbai 400 078. Members are advised to contact M/s. Intime Spectrum Registry Ltd. for investor related issues. Ph. No. 022 – 2596 3838, Fax No. 022 – 2594 6969 and Email-sharad.patkar@intimespectrum.com.
- Share Transfer System: The Company's shares are traded under compulsorily Demat mode. Share in physical mode lodged for transfer are processed and returned to the shareholders within the stipulated time.
- Distribution of shareholding as on 31.03.2008 :

No. of Shares	No. of Shareholders	%	No. of Shares	%
1 to 500	17,712	94.82	1,85,83,030	9.03
501 to 1000	457	2.45	36,97,955	1.80
1001 to 2000	249	1.33	36,29,710	1.76
2001 to 3000	108	0.58	26,79,400	1.30
3001 to 4000	29	0.16	10,03,380	0.49
4001 to 5000	26	0.14	12,35,935	0.60
5001 to 10000	51	0.27	36,03,410	1.75
10001 and above	48	0.26	17,14,15,515	83.27
<b>TOTAL</b>	<b>18,680</b>	<b>100.00</b>	<b>20,58,48,335</b>	<b>100.00</b>

- Shareholding Pattern as on : 31.03.2008

**Statement showing Shareholding Pattern**

Category code	Category of Shareholders	Number of shareholders	Total number of Shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares	
					As a percentage of (A+B)	As a percentage of (A+B+C)
(A)	Shareholding of Promoter and Promoter Group					
(1)	Indian					
(a)	Individuals/ Hindu Undivided Family	0	0	0	0.00	0.00
(b)	Central Government/ State Government(s)	0	0	0	0.00	0.00
(c)	Bodies Corporate	1	2,09,81,077	2,09,81,077	50.96	50.96
(d)	Financial Institutions/ Banks	0	0	0	0.00	0.00
(e)	Any other (specify)	0	0	0	0.00	0.00
	<b>Sub-Total(A)(1)</b>	<b>1</b>	<b>2,09,81,077</b>	<b>2,09,81,077</b>	<b>50.96</b>	<b>50.96</b>