



23RD | TWENTY THIRD
ANNUAL REPORT
2013-14



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	<div>Corporate ID No. (CIN)</div> <div>L18101KL1991PLC006194</div>	

PATSPIN INDIA LIMITED

NOTICE

NOTICE is hereby given that the **TWENTY THIRD** Annual General Meeting of **PATSPIN INDIA LIMITED** will be held at the Bharat Hotel (BTH), Durbar Hall Road, Kochi-682 016 at 9.30 a.m. on Friday, the 19th day of September, 2014 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2014, the Statement of Profit and Loss for the year ended on that date and the Reports of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri. B.K. Patodia (DIN:00003516), who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (corresponding to Section 224, and other applicable provisions, if any, of the Companies Act, 1956) M/s. MS Jagannathan & Visvanathan (Firm Reg. No: 001209S), Chartered Accountants, be and is hereby reappointed as the Statutory Auditors of the Company, to hold Office for a period of 3 years from the conclusion of this Annual General Meeting to, till the conclusion of the twenty sixth (26th) Annual General Meeting of the Company, subject to ratification by the shareholders annually, at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable service tax and reimbursement of traveling and out of pocket expenses incurred by them for the purpose of audit."

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**.

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 (the "Act") and the Rules made thereunder read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the Company be and is hereby accorded to the re-appointment of Shri Umang Patodia (DIN: 00003588) as Managing Director of the Company, for a period of five years with effect from 4.8.2014, on the terms and conditions including remuneration as are set out and approved by the Nomination & Remuneration Committee and the Board of Directors. The draft remuneration structure placed before this meeting is specifically sanctioned with liberty to the Board of Directors (hereinafter referred to the "Board" which term shall be deemed to include the Nomination & Remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the said appointment and or remuneration and or agreement, subject to the same not exceeding the limits specified in Schedule V to the Companies Act, 2013 including any statutory re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in that behalf from time to time, or any amendments thereto as may be agreed to between the Board and Shri. Umang Patodia".

"RESOLVED FURTHER THAT pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Act, the remuneration payable to Shri. Umang Patodia by way of salary, perquisites, commission and other allowance shall not in any event exceed 5% of the net profits of the Company in that financial year".

"RESOLVED FURTHER THAT in the event of any loss or inadequacy of profits in any financial year of the Company during the tenure of Shri. Umang Patodia, the remuneration, perquisites and other allowances shall be governed by the limits prescribed in Section II of Part II of Schedule V to the Act".

"RESOLVED FURTHER THAT Shri Umang Patodia shall not be liable to retire by rotation"

AND

"FURTHER RESOLVED THAT the Board be and is hereby authorized to take all such steps as may be necessary proper or expedient to give effect to this resolution".

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**.
"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereon for the time being in force) read with Schedule IV to the Companies Act, 2013 (Act), approval of the Company be and is hereby given to the appointment of Shri. N.K. Bafna (DIN :00019372), whose period of office was liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing in terms of Section 160 of the Act, as an Independent Director of the Company who shall hold office from the date of this Annual General Meeting till 18th September, 2019 and whose office shall not, henceforth, be liable to determination by retirement of Directors by rotation."
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**.
"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereon for the time being in force) read with Schedule IV to the Companies Act, 2013 (Act), approval of the Company be and is hereby given to the appointment of Shri. Rajen K Mariwala (DIN: 00007246), whose period of office was liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing in terms of Section 160 of the Act, as an Independent Director of the Company who shall hold office from the date of this Annual General Meeting till 18th September, 2019 and whose office shall not, henceforth, be liable to determination by retirement of Directors by rotation."
7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**.
"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereon for the time being in force) read with Schedule IV to the Companies Act, 2013 (Act), approval of the Company be and is hereby given to the appointment of Shri. Prem Malik (DIN :00023051), whose period of office was liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing in terms of Section 160 of the Act, as an Independent Director of the Company who shall hold office from the date of this Annual General Meeting till 18th September, 2019 and whose office shall not, henceforth, be liable to determination by retirement of Directors by rotation"
8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**.
"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereon for the time being in force) read with Schedule IV to the Companies Act, 2013 (Act), approval of the Company be and is hereby given to the appointment of Shri S.Sundareshan (DIN 01491102), and in respect of whom the Company has received a notice in writing in terms of Section 160 of the Act, as an Independent Director of the Company who shall hold office from the date of this Annual General Meeting till 18th September, 2019 and whose office shall not, be liable to determination by retirement of Directors by rotation."
9. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**.

NOTICE (Contd.)

"RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the Companies (Meetings of Board and its Powers) Rules, 2014 and read with Clause 49 (VII) of the Listing Agreements entered into with the Stock Exchange(s) and subject to such approvals, consents, sanctions and permission as may be necessary, consent of the members of the Company be accorded to the Board of Directors of the Company to enter into contracts and / or agreements with related parties as defined under the Act with respect to (a) Sale, Purchase or supply of cotton, cotton yarn, waste, stores & spares and other related materials, (b) Selling or otherwise disposing off, or buying properties, plant & machineries and other equipments, (c) Leasing or hiring property / assets of any kind and (d) Availing or rendering of processing charges or any other services of whatever nature with the following related parties :

1.	GTN Textiles Limited
2.	GTN Enterprises Limited
3.	Patcot Company
4.	Standard Cotton Corporation
5.	Perfect Cotton Company

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding".

10. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**.

"RESOLVED THAT in supersession of the resolution passed under Section 293(1) (d) of the Companies Act, 1956, at the Annual General Meeting of the Company held on 26.7.2007 and pursuant to Section 180(1) (c) and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any Committee thereof for the time being exercising the power conferred on the Board by this Resolution) for borrowing from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say reserves not set apart for any specific purpose, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of Rs. 500 crores"

"FURTHER RESOLVED THAT the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things as they may deem necessary to give effect to the above resolution including but not limited to the appointment of any manager/ consultant or any other intermediary in respect of the above offerings and / or to execute all such documents, instruments and writings as may be required".

11. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**.

"RESOLVED THAT the Board of Directors of the Company, be and is hereby authorized pursuant to Section 181 of the Companies Act, 2013, to contribute and/or donate, from time to time, to any bona fide charitable and other funds, amounts not exceeding in aggregate to all such funds taken together up to a sum of Rs. 10

lakhs (Rupees Ten Lakhs only) during any Financial Year of the Company".

By Order of the Board
For **PATSPIN INDIA LIMITED**

ABHILASH N.A.
Company Secretary

Place : Kochi
Date : 30th July, 2014.

NOTES:-

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other person or shareholder.

The instrument appointing proxy in order to be effective should be deposited at the registered office of the Company duly completed and signed not less than 48 hours before the commencement of the meeting. A proxy form is send herewith. Proxy submitted on behalf of the Companies, Societies etc, must be supported by an appropriate resolution / authority, as applicable.

- Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto and forms part of the Notice.
- The Company has already notified Closure of Register of Members and Share Transfer Books thereof from Friday, 12th September, 2014 to Friday, 19th September, 2014 (both days inclusive) for the purpose of the Annual General Meeting.
- Pursuant to Section 205A (5) of the Companies Act, 1956, as amended with effect from 31st October 1998, dividends for the financial year ended 31st March 1996 and thereafter, which remain unpaid or unclaimed for a period of 7 years from the date of transfer of the same under sub section (1) of the said Section will be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government established under Section 205C of the Act. As per Section 205A(5) of the Companies Act, 1956, dividend for the Financial Year upto 31st March, 2006 have been transferred by the Company to the Investor Education and Protection Fund (IEPF), established by the Central Government pursuant to Section 205C of the Companies Act, 1956.

Information in respect of such Unclaimed Dividend when due for transfer to the said Fund with reference to dividend for the financial year ended 31st March, 2007 and thereafter is given below:

Financial year Ended	Date of declaration of Dividend	Last date for claiming unpaid Dividend	Due date for transfer to IEPF
31.3.2007	26.7.2007	25.7.2014	24.8.2014

Shareholders who have not so far encashed the Dividend Warrant(s) are requested to seek issue of duplicate warrant(s) by writing to the Company. Also, note that no claim shall lie against the said Fund or the Company in respect of any amounts which were unclaimed and unpaid after a period of 7 (Seven) years from the date that they first became due for payment and no payment shall be made in respect of any such claim.

- Pursuant to Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules,

NOTICE (Contd.)

2014, Security Holders are entitled to make nomination in respect of securities held by them in physical form. Individual Security holder(s) can avail of the facility of nomination. The nominee shall be a person in whom all rights of transfer and / or amount payable in respect of the securities shall vest in the event of the death of the Security holder(s). In the case of joint holding, all joint holders shall together nominate any person as nominee. A minor can be a nominee provided the name and address of the guardian is given in the Nomination form. The facility of nomination is not available to non-individual Shareholders such as Bodies-Corporate, Kartas of Hindu Undivided Families, Partnership Firms, Societies, Trust and holders of Power of Attorney. For further details please contact Company's Secretarial Department. Security holders desirous of making nominations are requested to send their requests in Form No.SH-13 (which will be made available on request) to the Registrar and Share Transfer Agent, M/s. Integrated Enterprises (India) Limited.

6. Disclosure relating to particulars of Cost Auditor as per general Circular No.15/2011 dated 11th April, 2011 for the year ended 31.03.2013.

Name	M/s STR & Associates
Address	37 & 38, Kaveri Nagar, Srirangam, Trichy - 620 006. Ph: 0431 6547726, 2432224 e mail ID's : strengarajan@hotmail.com strassociates@rediffmail.com
Due date for filing Cost Audit Report in XBRL format for F.Y ended 31.03.2013	30.09.2013
Actual date of filing Cost Audit Report in XBRL Format	26.09.2013

7. Disclosure as per Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No. of Complaints of sexual harassment received during the year	NIL
No. of complaints disposed off during the year	--
No. of cases pending for more than ninety days	--
No. of workshops or awareness programme against sexual harassment carried out	2
Nature of action taken by the employer	--

REQUEST TO THE MEMBERS:

1. Members desiring any information on the accounts at the Annual General Meeting are requested to write to the Company at least 7 (Seven) days in advance, so as to enable the Company to keep the information ready.
2. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report to the Meeting.
3. All communications relating to shares including change in their address are to be addressed to the Company's Share Transfer Agent M/s. Integrated Enterprises (India) Ltd., 2nd Floor, Kences Towers, No.1, Ramakrishna Street, T Nagar, Chennai-600017, Tel: 044 28140801-803; E-Mail: corpseerv@integratedindia.in.
4. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to register/update your e-mail addresses, in respect of shares held in dematerialized form with your respective Depository Participants

and in respect of shares held in physical form with above RTA directly to enable Company to send communication / documents via e-mail.

5. Copies of the Annual Report 2014 alongwith Notice of the 23rd AGM, Attendance Slip and Proxy Form, are being sent by electronic mode to all members whose email address are registered with the Company/ Depository Participant (s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
6. Members who hold shares in physical forms are requested to dematerialise their holdings for facilitating the transfers of Company's equity shares in all stock exchanges connected to the depository system.
7. **Voting through electronic means**

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and Clause 35B of the Listing Agreement with the Stock Exchanges, the Company is pleased to offer e Voting facility to the members to cast their votes electronically as an alternative to participation at the 23rd Annual General Meeting (AGM) to be held on Friday, 19th September, 2014 at 9:30 a.m at the Bharat Hotel (BTH), Darbar Hall Road, Kochi 682 016. The Company has engaged the services of Central Depository Services India Ltd (CDSL) to provide e-Voting facilities. The e-Voting facility is available at the link <https://www.evotingindia.com>

The Company had fixed Thursday, 14th August, 2014 as the cut off date for determining voting right of shareholders entitled to participating in the e-Voting process. In this regard, your demat account / folio number has been enrolled by the Company for your participation in e-Voting on all the resolutions placed by the Company on e-Voting system.

The e-Voting facility will be available during the following period:

Commencement of e-Voting	from 9:00 a.m. on Wednesday, 10th September, 2014
End of e-Voting	Up to 6:00 p.m on Friday, 12th September, 2014

During this period, members of the company may cast their vote electronically. The e-Voting module shall be disabled for voting thereafter. Once the vote(s) on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the company as on Thursday, 14th August, 2014.

The instructions for members for voting electronically (both for physical shareholders as well as demat holders) are as under:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "PATSPIN INDIA LIMITED" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

NOTICE (Contd.)

- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the Demat Account . <p>eg: For CDSL : last 8 digits of beneficiary ID</p> <p>For NSDL: 8 digits Client ID</p> <ul style="list-style-type: none"> Physical Shareholders who have not updated their PAN enter First Two letters of their name and Folio Number in PAN field .If the Folio is less than 8 Character enter the applicable number of 0's before the folio number after the first two characters of the name in CAPITAL letters. <p>eg.: If your name is Ramesh Kumar with Folio Number 2345 then enter RA00002345 in the PAN field.</p>
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p># Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the NUMBER OF SHARES held on cut off date in the Dividend Bank details field in order to login.</p>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for PATSPIN INDIA LIMITED on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The

option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - a) They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - b) After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - c) The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - d) They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
 - In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
 - The Company has appointed Shri P.Sivakumar, Practicing Company Secretary (M.No. 3050, C.P. No : 2210) as the Scrutinizer for conducting the e voting process in fair and transparent manner.
 - The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make Scrutiniser's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 - The results shall be declared on or after the AGM of the Company. The results declared alongwith the Scrutinizer's Report shall be placed on the Company's web site www.patspin.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited and the National Stock Exchange of India Limited.

**DETAILS OF DIRECTORS SEEKING APPOINTMENT /RE-APPOINTMENT AT THIS ANNUAL GENERAL MEETING
PURSUANT TO SECTION 160 OF THE COMPANIES ACT,2013
(In pursuance of Clause 49 of the Listing Agreement)**

Name of Director	Shri. N.K. Bafna	Shri Rajen K. Mariwala	Shri Prem Malik	Shri S.Sundareshan
Date of Birth	03.07.1939	04.09.1962	03.02.1942	28.10.1952
Date of appointment	20.06.2000	21.01.2006	15.5.2012	19.09.2014
Qualifications	B.Com, FCA, Law Graduate	BTech Chemical Engineering, M Tech Chemical Engineering	Post Graduate, Punjab University	M.A,M.B.A,I.A.S
Expertise in specific functional area	Practicing Chartered Accountant and a Senior Partner of M/s. Lodha & Co. Chartered Accountants, Mumbai. Besides his proficiency in Finance and Accounts, he is also an expert in Company Law matters.	Shri Rajen K Mariwala, aged 52 years, is a Bachelor of Chemical Engineering (BTech Chem.Eng.) from A.C College of Technology, Anna University, Chennai, Tamilnadu. He has also secured Masters Degree in Chemical Engineering (M Chem. Engg.) from Cornell University, USA, Ithaca New York. Besides these formal Degrees, Shri Rajen K. Mariwala keeps abreast of recent developments in Manangement Philosophy & Science by annually attending continuing educational courses at Wharton School of Business.	Shri. Prem Malik, aged 72 years, is a post graduate from Punjab University and is having over 5 decades of experience in textiles and clothing. He had worked as Executive Director of main Board of M/s. Mafatlal Fine Spinning & Manufacturing Company Limited and M/s Bombay Dyeing and Manufacturing Company Limited. Presently, he is a Textile Consultant / Advisor. He is the Chairman of Confederation of Indian Textile Industry and Bombay Textiles Research Association and is the Vice Chairman of India ITME Society. He is a member/director of Textile Committee, Ministry of Textiles, Govt. of India. He is the past Chairman of Texprocil and a past Vice Chairman of the Synthetic Rayon Textile Export Promotion Council.	Shri S.Sundareshan, aged 61 years and did his Masters from University of Mumbai before joining the 1976 batch of Indian Administrative Service. He has worked at senior level in the Ministry of Heavy Industries & Public Enterprises as Secretary, Department of Heavy Industries since May, 2011 onwards to October 2012 and Ministry of Petroleum & Natural Gas as Secretary, Special Secretary and Additional Secretary since April-2007. During the period from April, 2007 to May,2011, he was on the Board of ONGC,GAIL India Ltd and IOC. He was also Chairman of Petronet LNG Ltd. He has also been Chairman, Forward Markets Commission, putting in place necessary regulation and structures for the growth of Commodities Futures market. An MBA from University of Leeds, UK, Shri Sundareshan has held several important positions in the Government of India including Joint Secretary in the Department of Economic Affairs (Ministry of Finance), Minister (Economic and Commercial), Embassy of India. Tokyo, Japan. Joint Chief Controller of Imports & Exports (Ministry of Commerce) and Deputy Secretary, Ministry of Environment, Government of India. He has handled important assignments in his cadre State Kerala. These include Principal Secretary (Revenue), Secretary (Department of Expenditure), District Collector in Kerala, Managing Director (MD), Kerala State Milk Marketing Federation, MD, Kerala Fisheries Corporation.
Shareholding in the Company.	Nil	21300 Equity Shares of face value of Rs 10 each	None	None
Relationship Inter -se Directors	None	None	None	None

Details of other Directorship:-

Name of Director	Name of the Company	Position held	Committee type	Membership status	Shareholdings
Shri. N.K. Bafna	GTN Textiles Limited	Director	Audit Shareholders/IGC Remuneration	Member Member Member	Nil
	Prime Urban Development India Ltd.	Director	Shareholders/IGC	Chairman	Nil
	National Collateral Management Services Ltd.	Director	Audit	Chairman	Nil
Shri Rajen K. Mariwala	Hindustan Polyamides and Fibers Limited	Managing Director	None	None	Nil
	Marico Limited	Director	Audit Shareholders/IGC	Member Member	Nil
	Kaya Ltd	Director	None	None	Nil
	Marico Kaya Enterprises Ltd	Director	None	None	Nil
	Scientific Precision Pvt Ltd	Director	None	None	Nil
	Mariwala Estates Private Limited	Director	None	None	Nil
	Artic Investment & Trading Company Private Ltd	Director	None	None	Nil
	Rajanjali Estates Private Limited	Director	None	None	Nil
Shri Prem Malik	GTN Textiles Limited	Director	Audit Shareholders/IGC Remuneration	Member Member Member	Nil
	Gyscoal Alloys Ltd	Director	None	None	Nil
	Spentex Industries Limited	Director	Audit Remuneration	Member Chairman	0.017%
	Indo Count Industries Ltd	Director	None	None	Nil
	Four Seasons Residency Ltd	Director	None	None	Nil
	Lahoti Overseas Limited	Director	Audit	Member	Nil
	APPTEx Manpower Development Services Limited	Director	None	None	Nil
	Ginni International Ltd	Director	Audit Shareholders/IGC	Chairman Member	Nil
	Alder Trading Co. Pvt. Limited	Director	None	None	52.27%
	Smilesville Care Pvt. Ltd.	Director	None	None	6.79%
	CLC Textiles Park Pvt. Ltd.	Managing Director	None	None	7.19%
	Chhindwara Infrastructure Pvt. Ltd.	Managing Director	None	None	2.08%
	M & M Mining Pvt. Ltd.	Director	None	None	Nil
	Techware Consultants Pvt. Ltd.	Director	None	None	Nil
Shri S. Sundareshan	None	None	None	None	Nil

By Order of the Board
For **PATSPIN INDIA LIMITED**

ABHILASH N. A.
Company Secretary

Place : Kochi
Date : 30th July, 2014.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM No.4:

The present term of office of Shri Umang Patodia as Managing Director will expire on 3rd August 2014. Subject to shareholders' approval, the Board of Directors, at their meeting held on 15th May, 2014 have reappointed him for a further period of five years from the expiry date of his term on the remuneration determined by the Nomination & Remuneration Committee of the Board of Directors.

Nomination & Remuneration Committee constituted by the Board had met on 15.5.2014 and approved and recommended remuneration package of Shri. Umang Patodia, Managing Director for a period of three years, in accordance with Schedule V to the Companies Act, 2013

In terms of Section II Part II of Schedule V of the Companies Act, 2013, where in any financial year, during the currency of the tenure of the managerial person, a Company has no profits or its profits are inadequate, it may pay remuneration to a managerial person without central government approval not exceeding the higher of the following two limits (A and B):

A.	
(1)	(2)
Where the Effective Capital (EC) is	Limit of yearly remuneration payable shall not exceed (Rs.)
i. Negative or less than Rs. 5 Crore	30 lacs
ii) Rs. 5 crores and above but less than Rs. 100 Crores	42 lacs
iii) Rs. 100 crores and above but less than Rs.250 Crores	60 lacs
iv) Rs. 250 Crores and above	60 lacs + 0.01% of EC in excess of Rs. 250 Crores
Provided that the above limits shall be doubled if the resolution passed by the shareholders is a special resolution.	
B.	
In case of managerial person who was not a security holder holding securities of the Company of nominal value of rupees five lacs or more or an employee or a director of the Company or not related to any director or promoter at any time during the two years prior to his appointment as a managerial person, — 2.5% of the current relevant profit.	
Provided that if the resolution passed by the shareholders is a special resolution, this limits shall be doubled.	

Provided that the limits specified under this section shall apply, if

- (i) payment of remuneration is approved by a resolution passed by the Board and, in the case of a Company covered under sub section (1) of section 178 also by the Nomination and Remuneration Committee;
- (ii) the Company has not made any default in repayment of any of its debts (including public deposits) or debentures or interest payable thereon for a continuous period of thirty days in the preceding financial year before the date of appointment of such managerial person;
- (iii) a special resolution has been passed at the general meeting of the Company for payment of remuneration for a period not exceeding three years; and
- (iv) a statement along with notice calling the General Meeting referred to in Clause(iii) is given to the shareholders containing certain information as specified in the said Schedule.

Shri. Umang Patodia was drawing a monthly salary of Rs.380000/- in the scale of Rs. 370000 – Rs. 10000 – Rs. 390000 effective from 1st April, 2012 plus usual perquisites. Under his able leadership, the Company has recorded significant growth. Therefore, the Nomination & Remuneration Committee unanimously recommended to fix the remuneration of Rs.400000/- per month in the scale Rs.400000-Rs20000-Rs 440000 plus usual perquisites to Shri. Umang Patodia,

Managing Director for a period of three years from 1-6-2014 to 31-5-2017, as set out below:

a) Salary:

Rs. 4,00,000/- per month in the Scale Rs.400000– Rs.20000– Rs. 440000 effective from 1st June, 2014 for a period of three years up to 31st May,2017.

b) Commission:

Subject to the overall limits laid down in Sections 197 & 198 of the Companies Act, 2013, such percentage of the Net Profit of the Company or such quantum as may be fixed by the Board of Directors for each financial year not exceeding 5% of the Net Profits of the Company, each year, restricted to an overall limit of Rs.60 lacs per annum.

c) Perquisites as follows:

- (i) Housing: Rent free accommodation will be provided to the appointee for which actual amount of lease rental paid or payable by the Company or 10% of the salary, whichever is lower, shall be recovered. In case no accommodation is provided by the Company, House Rent Allowance, subject to a ceiling of 60% of the appointee's salary shall be paid. In addition, the appointee shall be allowed Company owned furniture and fixtures, if required.
- (ii) The expenditure incurred by the appointee on gas, electricity and water shall be reimbursed by the Company.
- (iii) All Medical Expenses incurred by the appointee for self and his family shall be reimbursed.
- (iv) Leave Travel Concession for the appointee and his family will be allowed once in a year as per the Rules of the Company.
- (v) Fees of Clubs: Subject to a maximum of 2 Clubs. This will not include admission and life membership fees.
- (vi) Personal Accident Insurance: As per Rules of the Company.
- (vii) Provision of Car with driver and telephone at the residence for use of Company's business.

Perquisites not included in Managerial Remuneration

- a. contribution to Provident Fund, Superannuation or Annuity Fund to the extent these either singly or put together are not taxable under the Income-Tax Act, 1961
- b. gratuity payable at a rate not exceeding half a months salary for each completed year of service; and
- c. encashment of leave at the end of the tenure.

d) Overall Remuneration:

The aggregate of salary, commission and perquisites in any financial year shall not exceed the limits prescribed from time to time under Section 197 & 198 and other applicable provisions of the Act read with Schedule V to the said Act, as may for the time being in force.

e) Minimum Remuneration:

In case of loss or inadequacy of profits in any financial year during the currency of tenure of his service, the payment of salary, commission and perquisites shall be governed by the limits prescribed under the Section II of Part II of Schedule V to the Act.

Further more, approval of the members in general meeting by way of a special resolution is required to be obtained for payment of minimum remuneration, by way of salary and perquisites and allowances as specified above in the event of absence or inadequacy of profits in any financial year during the tenure of Shri Umang Patodia, Managing Director of the Company.

Shri. B.K. Patodia and Shri. Umang Patodia are related to each other and are deemed to be interested in the resolution mentioned in Item no.4 of the Notice.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (Contd.)

None of the other directors and Key Managerial Personnel of the company or their relatives is in any way concerned or interested, financial or otherwise, in the resolution.

Information required to be disclosed in terms of Schedule V to the Companies Act, 2013:-

I. General Information:

- i) Nature of the industry:
Textile Industry – the Company is mainly engaged in manufacture and exports of yarn, both for domestic and international markets.
- ii) Date or expected date of commencement of Commercial Production:
The Commercial Production has commenced during January, 1994.
- iii) In case of new companies, expected date of commercial activities as per Project approved by financial institutions appearing in the prospectus.
Not applicable.
- iv) Financial Performance:

(Rs. in lacs)

Particulars	2011-12	2012-13	2013-14
Income from Operations	42585	46197	60961
Other income	85	99	104
Operating Profit	1202	2612	5920
Finance Cost	2809	2904	3464
PBDT	(1607)	(292)	2456
Profit / (Loss) Before Tax	(3621)	(2324)	557
Profit / (Loss) After Tax	(2355)	(1582)	425
Amount of Equity	Nil	Nil	Nil
Dividend Paid			
Rate of Dividend Declared (%)	Nil	Nil	Nil

The Effective Capital of the Company based on the Audited Accounts for the Year Ended 31.3.2014 is Rs 203 Crores.

The Company has not made any default in the repayments of its dues (including Public Deposits) or interest payments thereon. The Company has not issued any debentures.

- v) Export Performance and Net foreign Exchange contributions:

(Rs. in Lacs)

Financial Year	Export Turnover
2011-12	21931
2012-13	28094
2013-14	36460

The Company does not have any Foreign Exchange Collaboration.

- vi) Foreign Investments or Collaborators, if any:
The Company does not have any foreign investments or collaborators.

II. Information about the appointee: Shri. Umang Patodia

Vide Item No.4 of the Notice of this Annual General Meeting of the Company; the approval of the members is being sought for fixing the remuneration of Shri. Umang Patodia, Managing Director effective from 1st June, 2014 for a period of three years from 01.06.2014 to 31.5.2017. Shri. Umang Patodia is a Citizen of India, 43 years of age. He is a Commerce Graduate and has over two decades of experience in the textile business and has a successful presence in the textile business segment. He is actively involved in the day to day management of the Company. He plays a pivotal role in policy matters as well as strategic planning and has also been instrumental in the project implementation, start up and operations of the Company. He is the past Chairman of

CII -Kerala State Council. He is presently Committee Member of CII State and Southern Region, Confederation of Indian Textile Industry, TEXPROCIL and special invitee in Southern India Mills Association. In the year 2000, he was nominated by CITI New Delhi, to the "YOUNG ENTREPRENEURS GROUP" of International Textile Manufacturers' Federation based at Zurich, and in October 2002, the group nominated him as their Vice Chairman. Mr. Umang Patodia, who pioneered the Young Entrepreneurs Group during 2003 within CITI served as its founder Chairman till September 2005. He is also a Member and Networking Chair of Young Presidents Organization (YPO) Kerala Chapter.

During the financial year 2013-2014, he was paid the following remuneration:

(Rs. in Lacs)

Salary	Commission	Perquisites	P.F./Gratuity/ Superannuation	Total
44.95	—	0.40	13.26	58.61

Pecuniary Relationship: The Company had not entered into any transaction of material in nature with any of the related parties which were in conflict with the interest of the Company. Further, all transactions with the related parties were in the ordinary course of business and at arms length.

III. Other Information:

The Directors Report and the Management Discussion and Analysis forming part of the Annual Report mentioned in detail "other information" as required under Schedule V of the Companies Act, 2013.

Draft Agreement referred in the resolution would be available for inspection by the members at the Registered office of the Company during normal business hours on all working days up to the date of the Annual General Meeting.

Shri. Umang Patodia and Shri.B. K. Patodia, Managing Director and Chairman respectively, are being related to each other are deemed to be interested in the resolution mentioned in Item No.4 of the notice and none of the other Directors of the Company and Key Managerial Personnel or their relatives is in any way concerned or interested, financial or otherwise in the resolution.

The terms and conditions mentioned in item No.4 of the notice may also be taken as an Abstract of the agreement to be made by the Company with Shri Umang Patodia, pursuant to section 190 of the Companies Act, 2013.

Your Directors recommend this Resolution for approval.

ITEM No. 5:

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013 read with Schedule IV of the Act and revised Clause 49 of the Listing Agreement, Shri N.K Bafna being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 18th September, 2019 .A notice has been received from a member proposing Shri N K Bafna as a candidate for the office of Director of the Company together with requisite deposit of Rs. one lac.

In the opinion of the Board, Shri N.K Bafna fulfills the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an independent director of the Company and is independent of the management. He does not hold by himself or for any other person on a beneficial basis any shares in the Company. Pursuant to revised Clause 49 of the Listing Agreement Shri. N.K. Bafna's tenure as Independent Director in the Company shall be more than 5 years as on 1st October, 2014 and therefore, this appointment will be treated as his 2nd term in the office.

The Board considers that his continued association would be of great