



DEEPAK SPINNERS LIMITED

A Government Recognised Export House
Corporate Identification No. : L17111HP1982PLC016465

SCO 16, Sector 26 Madhya Marg, Chandigarh 160 019 India
Phone: +91 172 2790973/74 | Fax: +91 172 2790977
usha@dsl-india.com | www.dsl-india.com

REF.NO/DSL/PA/2016

Dated 25.10.2016

THE STOCK EXCHANGE MUMBAI
1ST FLOOR, NEW TRADING RING,
ROTUNDA BUILDING, P.J.TOWERS,
DALAL STREET,
MUMBAI - 400001

Dear Sir,

Please find enclosed herewith certified true copy of Minutes
of Annual General Meeting of the members of the Company held
on Wednesday the 28th September 2016 at 2.00 P.M.

Thanking You,

Yours Faithfully,
FOR DEEPAK SPINNERS LIMITED


(PUNEETA ARORA)
COMPANY SECRETARY

Encl: a/a

MINUTES OF THE 34th ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF DEEPAK SPINNERS LIMITED HELD AT 2.00 P.M.ON WEDNESDAY, THE 28th SEPTEMBER 2016 AT ITS REGISTERED OFFICE AT 121 INDUSTRIAL AREA, BADDI, TEHSIL NALAGARH, DISTT.SOLAN, HIMACHAL PRADESH.

PRESENT

DIRECTORS

1. Shri Pradip Kumar Daga : Chairman and Managing Director
also a shareholder.
2. Shri Pradeep Kumar Drolia : Independent Non-Executive Director
(Member of Audit Committee, Nomination & Remuneration
Committee and Stakeholders Relationship Committee of the Board
of Directors.)

ALSO PRESENT :

- Shri S. B. Sharda : President and Chief Financial Officer
Shri Shantanu Daga : Sr. Management Executive
Smt. Puneeta Arora : Company Secretary and Compliance Officer
Shri P. C. Sharma : Asst. Vice President (Accounts)
Shri Sudesh Tiwari : Sr. Vice President (Technical)
Shri S. K. Thakur : Sr. Vice President (Engineering)
Shri B. B. Singh : General Manager (Personnel & Administration)

Shri B. K. Sipani, Partner, Singhi & Co., Chartered Accountants, the Statutory Auditors of the Company and Shri Ajay Arora, Secretarial Auditor were also present at the meeting.

65 shareholders including 33 through proxy were present in the meeting.

1. CHAIRMAN

Shri P.K.Daga, Chairman and Managing Director of the Company took Chair. The Chairman then welcomed the shareholders to the 34th Annual General Meeting.

The Chairman stated that Shri Vikram Prakash, Chairman of Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee of the Board of Directors could not attend the meeting due to some health problems and therefore, he authorised Shri Pradeep Kumar Drolia, member of these Committees to attend Annual General Meeting on his behalf. He further stated that Shri Yashwant Kumar Daga, Non-Executive Director and Smt. Nilu Agrawal, Independent Non-Executive Director could not attend the AGM due to their pre-occupation with other professional matters.

2. QUORUM

Shri P. K. Daga, Chairman of the meeting announced that the quorum for the meeting was present, as per the requirements of the Companies Act, 2013 and called the meeting to order.

3. PLACEMENT OF STATUTORY RECORDS

The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170, Register of Contracts in which Directors are interested and maintained under Section 189 of the Companies Act, 2013, Auditors' Report and Secretarial Audit Report were placed before the Meeting and kept open and accessible for inspection by the members during the continuance of the meeting.

4. NOTICE

With the consent of the shareholders present, the notice convening the Meeting was taken as read.

5. AUDITORS' REPORTS

The Chairman informed the members present, that there was no reservation, qualification or adverse remark in the Auditors' Report and the Secretarial Audit Report. In view of this, with the consent of all the members present, the Auditors' Reports and Secretarial Audit Report were also taken as read.

6. CHAIRMAN'S STATEMENT

While extending warm welcome to the shareholders, Shri P. K. Daga stated that during 2015-16, India had proved to be the fastest growing economy among the large economies and that against the backdrop of muted global economy, Indian economy had been an outperformer. He stated that not only the economic fundamentals of Indian economy were sound, but there had also been positive moves on the policy front, in areas related to ease of doing business, tax structure and administration.

The Chairman further stated that India was moving to a higher growth track and the company was poised to ride this next phase of growth. He stated that during the year 2015-16 too, in spite of sluggish market conditions, profitability of the Company had been maintained and that since India was moving to a higher growth track, the company was poised to ride this next phase of growth.

The Chairman thanked the employees of the Company for their unflinching support. He also thanked each one of the stakeholders and shareholders of the Company for their continued support and confidence in the Company and the management.

The Chairman requested Mrs. Puneeta Arora, Company Secretary to brief the Members about the voting procedure at the AGM.

7. VOTING PROCEDURE AT THE AGM

Mrs. Puneeta Arora, Company Secretary informed the members that the Company had provided the facility of remote electronic voting for all the 9 resolutions proposed at this AGM under the provisions of Companies Act, 2013 and Rules made there under. The remote electronic voting was completed on 27th September, 2016 at 5.00 P.M. The voting by poll would also be available at this venue for all the 9 resolutions. However, only those members attending the meeting, who had not already cast their vote through remote e-voting would be eligible to exercise their voting rights at the meeting. The members who had already cast their vote through remote e-voting could attend the meeting but would not be entitled to cast their vote again at the AGM venue. The members who were present at the meeting but had not cast their votes by availing of the remote e-voting facility would be entitled to vote through Ballot paper.

The Secretary informed the shareholders that Mr. Ajay Arora (FCS 2191, C.P. No. 993), Practicing Company Secretary was appointed as the Scrutinizer for the e-voting process as well as voting at the AGM. The Secretary further stated that based on Scrutinizer's report, the combined results of remote e-voting as well as by way of poll at venue, would be announced on or before 30th September, 2016. The results along with the report of Scrutinizer would also be placed on the website of the Company.

8. QUERIES FROM MEMBERS

The Chairman invited members to offer their comments or seek clarifications on the Annual Report and the Agenda of the Annual General Meeting, if any. He requested the members to be brief in their observations and not to repeat the same issues.

In the discussions that followed, Sarvashri Ramakant Kasat, Baldev Kumar Garg and Ritesh Garg participated. The shareholders complemented the Board for maintaining profitability and Earning per Share of the Company and paying interim dividend to the shareholders during the year 2015-16. Some of the comments of the members were – a) Why the Board had not recommended final dividend in spite of the profits earned by the Company? b) The Company should consider getting its shares listed on National Stock Exchange. c) The Company should consider shifting its registered office to Chandigarh. d) What was the feasibility of purchasing Solar Power Plant from Deepak Industries Limited, a related party? e) Small shareholders should be allowed to appoint two directors on the Board of Directors of the Company. f) Why can't Managing Director be paid lesser salary than was put up in the resolution no. 8?

9. REPLY TO QUERIES

The Chairman thanked the members for taking interest in Company's affairs and their suggestions and replied suitably to the aforesaid queries of the shareholders and provided the information and details asked for. As regards dividend, the Chairman stated that the interest of shareholders was always considered by the Board and the request of the shareholders would be discussed amongst the Directors at the appropriate time. As regards, purchase of Solar Power Plant from Deepak Industries Limited, Shri S. B. Sharda, Chief Financial Officer of the Company stated the Company had

already been purchasing power from M/s. Deepak Industries Limited (DIL) and the plant was showing steady generation since the time it was installed. He further stated that that with the recent expansion at Guna Unit of the Company, the requirement for power had increased and it was considered more profitable to have its own power plant than to purchase from DIL. He stated that the solar power plant was being purchased at prevalent market rate. As regards, Managing Director's proposed salary, the Secretary stated that it was within the statutory limit and was much less than what was being paid by companies of comparable net worth and turnover.

10. PROPOSING OF RESOLUTIONS

The Chairman requested the members to propose and second the resolutions proposed in the Notice convening the 34th Annual General Meeting. The following resolutions were then proposed and seconded one after the other by shareholders as per names mentioned against each of the resolutions :-

ITEM NO.1
AUDITED ANNUAL ACCOUNTS

"RESOLVED THAT the Audited Balance Sheet as at 31st March, 2016 and the Statement of Profit and Loss and Cash flow for the year ended on that date along with the reports of the Board of Directors and the Auditors of the Company thereon, now before the meeting, be and are hereby received, considered and adopted."

Proposed by Shri P. C. Sharma
Seconded by Shri Gajendra Singh

ITEM NO.2
CONFIRMATION OF INTERIM DIVIDEND PAID DURING THE YEAR 2015-16

"RESOLVED THAT the Interim dividend paid at the rate of Rs. 2/- per equity share on the paid up capital of 7189368 nos. of equity shares of the Company paid during the financial year 2015-16 be and is hereby approved and confirmed."

Proposed by Shri Sudesh Tiwari
Seconded by Shri Sohan Singh

ITEM NO. 3
RE-APPOINTMENT OF SHRI YASHWANT KUMAR DAGA – ORDINARY RESOLUTION

At this stage, Shri P. K. Daga, being an interested person in this item requested Shri Pradeep Kumar Drolia to take the Chair for continuing the proceedings and thereafter the resolution as under was proposed and seconded:-

"RESOLVED THAT Shri Yashwant Kumar Daga (DIN 00040632), Director of the Company, liable to retire by rotation, who retires by rotation and being eligible for re-appointment be and is hereby re-appointed as a Director of the Company."

Proposed by Shri P. C. Mittal
Seconded by Shri Rachhpal Singh

After this, Shri P. K. Daga, resumed the Chair for continuing the proceedings.

ITEM NO.4

APPOINTMENT OF AUDITORS – ORDINARY RESOLUTION

"RESOLVED THAT pursuant to Section 139 of the Companies Act, 2013 and the Rules made there under, M/S. Singhi & Co. Chartered Accountants New Delhi, bearing ICAI Registration No. 302049E, the retiring Auditors be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on a remuneration as may be fixed by the Board of Directors of the Company."

Proposed by Shri Gajendra Singh
Seconded by Shri K. S. Shekhawat

ITEM NO.5

APPROVAL OF REMUNERATION OF THE COST AUDITOR – ORDINARY RESOLUTION

"RESOLVED THAT pursuant to Section 148 and other applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 including any statutory modification or re-enactment thereof for the time being in force, M/s. Shakti K. & Associates, Cost Accountants being the Cost Auditors appointed by the Board of Directors of the Company to conduct the cost audit for the financial year ending 31st March 2017, be paid the remuneration of Rs. 65,000/- (Rupees Sixty Five Thousand Only) excluding service tax and out of pocket expenses."

Proposed by Shri S. K. Thakur
Seconded by Shri P. C. Mittal

ITEM NO.6

KEEPING REGISTERS REQUIRED TO BE MAINTAINED UNDER SECTION 88 OF THE COMPANIES ACT, 2013, AT A PLACE OTHER THAN THE REGISTERED OFFICE OF THE COMPANY – SPECIAL RESOLUTION

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"RESOLVED THAT pursuant to provisions of Section 94 of the Companies Act, 2013 and the Rules made there under, the consent of the members be and is hereby accorded to the Board of Directors of the Company for keeping the Registers required to be maintained under Section 88 of the Companies Act, 2013, at the office of Registrar and Transfer Agent, M/s. Maheshwari Datamatics Private Limited, 6, Mangoe Lane, 2nd Floor, Kolkata – 700 001 or at such places, where the Registrar and Transfer Agent may shift its office from time to time, instead of the Registered Office of the Company."

Proposed by Shri Mohan Choudhary
Seconded by Shri Mahabir Singh

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ITEM NO.7

**DETERMINATION OF FEES TO BE CHARGED FOR SERVICE OF DOCUMENTS IN A PARTICULAR MODE –
ORDINARY RESOLUTION :**

“RESOLVED THAT pursuant to Section 20 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made there under, upon receipt of a request from a member for delivery of any document through a particular mode, an amount of Rs. 50/- (Rupees Fifty Only) per each such document, over and above reimbursement of actual expenses incurred by the Company, be levied as and by way of fees for sending the document to him in the requested particular mode.”

“RESOLVED FURTHER THAT the estimated fees for delivery of the document shall be paid by the member in advance to the Company, before dispatch of such document.”

“FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, the Key Managerial Personnel of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper, desirable or expedient and to settle any question, difficulty or doubt that may arise in respect of the matter aforesaid, including determination of the estimated fees for delivery of the document to be paid in advance.”

Proposed by Shri Pankaj Kumar
Seconded by Shri M. Pradhan

ITEM NO.8

**FIXING REMUNERATION OF MANAGING DIRECTOR FOR THE REMAINING PERIOD OF HIS CURRENT
TENURE – ORDINARY RESOLUTION :**

At this stage, Shri P. K. Daga, being an interested person in this item and item no. 9, requested Shri Pradeep Kumar Drolia to take the Chair for continuing the proceedings and thereafter the resolution as under was proposed and seconded:-

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V and the Rules made there under (including any statutory modification(s) or re-enactments thereof for the time being in force), applicable clauses of Articles of Association and Nomination & Remuneration policy of the Company, and subject to any other approvals, if any, approval of the Company be and is hereby accorded to pay remuneration to Shri Pradip Kumar Daga (DIN: 00040692.), Managing Director of the Company, with effect from 1st July 2016 for the remaining period of his current tenure, that is, up to 15th April 2018, on such terms and conditions as set out in the Explanatory Statement annexed to this Notice with liberty to the Board of Directors (the “Board” which term shall include any Committee constituted or to be constituted by the Board) to alter and vary the terms and conditions of the said remuneration in such manner as may be agreed between the Board and Shri Pradip Kumar Daga

provided that such variation or increase, as the case may be, is within the overall limits as prescribed under Section 197 and/or Schedule V of the Companies Act, 2013.”

“RESOLVED FURTHER THAT Board of Directors and the Nomination and Remuneration Committee of the Board of Directors of the Company, be and are hereby severally authorised to take all such steps as may be necessary, proper and expedient in their entire discretion, for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto.”

Proposed by Shri Rajender Singh
Seconded by Shri Narendra Singh

ITEM NO. 9

APPROVAL OF PURCHASE OF SOLAR POWER PLANT OF 5MW FROM, M/S. DEEPAK INDUSTRIES LIMITED – ORDINARY RESOLUTION :

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), the rules framed there under, the Policy for Related Party Transactions and as approved by the Audit Committee and Board of Directors, approval of the Company be and is hereby accorded to purchase a 5MW solar power plant situated at Madhya Pradesh from Deepak Industries Limited, a related party of the Company in terms of Section 2 (76) of the Act, 2013, at a price not exceeding Rs. 24 crores based on the Arm’s Length Report approved by Audit Committee.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof), be and is hereby severally authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

Proposed by Shri Prithvi Singh
Seconded by Shri Madan Singh

After this, Shri P. K. Daga, resumed the Chair for continuing the proceedings.

11. Thereafter, the Chairman requested Shri Ajay K. Arora, Scrutinizer to take up the polling process through ballot at the meeting, which included showing empty ballot box to the members and sealing of the empty ballot boxes in the presence of members and proxies. Accordingly, shareholders present at the meeting, who had not cast their votes through remote e-voting, cast their votes by dropping the ballot papers, duly filled in and signed by them, in the ballot box. The Scrutinizer took custody of the ballot box.

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12. VOTE OF THANKS

Shri Shantanu Daga proposed vote of thanks to the Chair which was supported by all the members present.

The official business having been completed, the meeting concluded at about 3.00 p.m.

13. Results of Remote E-voting and Polling Through Ballot at the AGM Venue

The Resolutions as set out in item nos. 1, 2, 3, 4, 5, 7, 8, 9 in the notice of the Annual General Meeting of the Company and as described hereinabove were passed with requisite majority. However, Resolution set out in Item no. 6 in the Notice of Annual General Meeting as Special Resolution could not be passed for want of requisite majority.

The Scrutinizer's Report dated 30th September 2016 based on which the consolidated results of Remote e-voting and Polling through ballot at the venue of the Annual General Meeting were intimated to the Stock Exchange and also uploaded on the website of the Company is annexed hereto.

Place : Baddi

Date : 24th October 2016

Encl. : Scrutinizer's Report dated 30.09.2016

P. Chak
CHAIRMAN
24/10/16

**Consolidated Report of Scrutinizer
[Pursuant to section 108 of the Companies Act, 2013 and Companies (Management and
Administration) Rules, 2014 as amended]**

To,
The Chairman,
Deepak Spinners Limited
121, Industrial Area, Baddi,
Tehsil Nalagarh, District Solan,
Himachal Pradesh.

**34th Annual General Meeting of the Equity Shareholders of Deepak Spinners Limited held on
Wednesday, 28th September, 2016 at 2.00 P.M. at its Registered Office at 121, Industrial Area,
Baddi, Tehsil Nalagarh, Distt. Solan, Himachal Pradesh.**

Dear Sir,

1. I, Ajay K Arora, Practicing Company Secretary, at S.C.O. 64-65, 1st Floor, Sector 17 A, Madhya Marg, Chandigarh was appointed as Scrutinizer by the Board of Directors of Deepak Spinners Limited (the Company) for the purpose of scrutinizing the e-voting process (remote e-voting) and voting by use of ballot at the annual general meeting pursuant to section 108 of the Companies Act, 2013 read with rule 20 & 21 of the Companies (Management and Administration) Rules, 2014, as amended, in respect of the below mentioned resolutions proposed at the 34th Annual General Meeting of the Equity Shareholders of Deepak Spinners Limited held on Wednesday, 28th September, 2016 at 2.00 P.M. at its Registered Office at 121, Industrial Area, Baddi, Tehsil Nalagarh, Distt. Solan, Himachal Pradesh.
2. The compliance with the provisions of the Companies Act, 2013 and the Rules made there under relating to voting through electronic means (by remote e-voting) and voting by using ballots by the shareholders on the resolutions proposed in the Notice of the 34th Annual General Meeting of the Company is the responsibility of the Management. My responsibility as a Scrutinizer is to ensure that the voting process both through electronic means and by use of ballot at the meeting are conducted in a fair and transparent manner and render a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or any other person authorized, on the resolutions, based on the reports generated from the electronic voting system provided by Central depository Services Limited (CDSL) and the report for voting by use of ballots at the meeting.

Please

2. The Company had arranged the services of CDSL for extending the facility of remote e-voting to the Members of the Company from 24th September, 2016 (from 9.00 A.M.) to 27th September, 2016 (upto 5.00 P.M.). The remote e-voting results were unblocked by me on 28th September, 2016 in the presence of two witnesses.

4. At the 34th AGM of the Company held on 28th September, 2016, the Chairman announced a Poll through Ballot to facilitate the Members present in the Meeting who have not exercised remote e-voting facility earlier, for exercising their right through the Ballot available at AGM venue. After time fixed for closing of the poll by the Chairman, one ballot box kept for polling was locked in my presence with due identification. The locked ballot box was subsequently opened in my presence and poll papers were diligently scrutinized. The poll papers were reconciled with the records made by company and Registrar & Share Transfer Agent and the authorization were lodged by the company.

5. I have rendered Scrutinizer's Report separately on the remote e-voting and on use of ballots at the Meeting and I hereby submit Consolidated Report of Scrutinizer pursuant to Rule 20(4)(xii) on all the resolutions contained in the Notice of the aforesaid AGM.

The consolidated results of voting are as under:

Item No.	Resolutions	Votes cast In Favour			Votes cast against			Invalid Votes	
		No. of Members Voted	No. of Votes Cast by them	% of total number of valid Votes Cast	No. of Members Voted	No. of Votes Cast by them	% of total number of valid Votes Cast	Total No. of Members whose Votes were declared invalid	Total No. of Votes Cast by them
1	To Consider and adopt Audited Financial Statements, Reports of the Board of Directors and Auditors. (As an Ordinary resolution)	83	3611189	78.42%	25	993699	21.58%	5	27797
2	To confirm Interim Dividend of Rs. 2/- per equity share paid for the	82	3611184	78.42%	25	993699	21.58%	5	27797

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Item No.	Resolutions	Votes cast in Favour			Votes cast against			Invalid Votes	
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	year ended 31st March 2016. (As an Ordinary Resolution)								
3	Re-appointment of Shri Yashwant Kumar Daga who retires by rotation. (As an Ordinary Resolution)	82	3611184	78.42%	25	993699	21.58%	5	27797
4	Appointment of Messrs. Singhi and Co., Chartered Accountants as Auditors and fixing their remuneration. (As an Ordinary Resolution)	82	3611184	78.42%	25	993699	21.58%	5	27797
5	Ratification of the remuneration of the Cost Auditors. (As an Ordinary Resolution)	82	3611184	78.42%	25	993699	21.58%	5	27797
6	To keep Registers under Section 88 of the Companies Act, 2013 at a place other than at	79	3333961	72.40%	28	1270922	27.60%	5	27797

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DEEPAK SPINNERS LIMITED

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	Registered Office. (As Special Resolution)								
7	Determination of fees to be charged for service of documents in a particular mode. (As an Ordinary Resolution)	82	3611184	78.42%	25	993699	21.58%	5	27797
8	Fixing remuneration of Managing Director for the remaining period of his current tenure. (As an Ordinary resolution)	73	2590252	67.08%	28	1270922	32.92%	5	27797
9	Approval of purchase of Solar Power Plant of 5MW from Deepak Industries Limited, a related party. (As an Ordinary Resolution)	78	3333956	72.40%	28	1270922	27.60%	5	27797

Based on the votes cast on aforesaid resolutions by remote e-voting and poll, the resolutions 1, 2, 3, 4, 5, 7, 8, 9 were passed with requisite majority. However, Resolution No. 6, which was proposed as a Special resolution was not passed as requisite votes in favour of the resolution were not received.

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6. I hereby confirm that the electronic data, registers and all other relevant records related to remote e-voting and poll is under my safe custody and will be handed over to the Company Secretary for preserving safely after the Chairman consider, approves and signs the minutes of the AGM.

Thanking you,

Yours Sincerely,

Sd/-
Ajay K Arora
Company Secretary in Practice
CP No. 993
FCS No. 2191

Date: 30-09-2016
Place: Chandigarh

For Deepak Spinners Limited

Sd/-
(P. K. Daga)
Chairman and
Managing Director

P. K. Daga

**Certified True Copy
For Deepak Spinners Ltd.**

(Ajay K Arora)
Company Secretary