



K G DENIM LIMITED

CIN : L17115TZ1992PLC003798
Registered Office : Then Thirumalai
Jadayampalayam, Coimbatore - 641 302.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the TWENTY-SECOND ANNUAL GENERAL MEETING of the Members of K G DENIM LIMITED will be held on Monday, the 08th day of September 2014 at 3.00 p.m. at the Registered Office Premises, Then Thirumalai, Jadayampalayam, Coimbatore 641 302 to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Balance Sheet as at 31st March 2014, the Statement of Profit and Loss for the year ended 31st March 2014 and the Reports of the Directors and Auditors thereon.
2. To declare a dividend.
3. To consider and, if thought fit, to pass, with or without modification, the following Resolution relating to the appointment of the Auditors of the Company.

"RESOLVED THAT M/s Gopalaiyer and Subramanian, Chartered Accountants, the retiring Auditors of the Company, be and are hereby re-appointed as Auditors of the Company, from the conclusion of this meeting until the conclusion of the next Annual General Meeting on such remuneration as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS

4. 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 read with Schedule IV to the Companies Act, 2013 Shri K N V Ramani (DIN : 00007931), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31st March 2019."
5. 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 read with Schedule IV to the Companies Act, 2013 Shri V Jagadisan (DIN : 00058769), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31st March 2019."
6. 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 read with Schedule IV to the Companies Act, 2013 Shri Surinder Chhibber (DIN : 00538853), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31st March 2019."
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 read with Schedule IV to the Companies Act, 2013 Shri G V S Desikan (DIN : 00050597), Director of the Company who is liable to retirement by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31st March 2019."
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 read with Schedule IV to the Companies Act, 2013 Shri M J Vijayaraaghavan (DIN: 00013948), Director of the Company who is liable to retirement by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31st March 2019."
9. 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 read with Schedule IV to the Companies Act, 2013 Shri G P Muniappan (DIN : 01653599), Director of the Company who is liable to retirement by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31st March 2019."

10. To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:
"RESOLVED THAT in respect of Shri S Muthuswamy, Director and Company Secretary (Whole-time), whose remuneration has been approved in the Annual General Meeting held on 28th September 2012 and as recommended by the Nomination and Remuneration Committee at its meeting held on 01.08.2014 and the Board of Directors at its meeting held on 01.08.2014, his remuneration is re-fixed with effect from 01.05.2014 as follows :
- 1) Salary: Rs.13,17,500 per annum.
 - 2) Perquisites: in addition to the above salary
 Expenditure for medical treatment, leave travel concession, personal accident insurance premium, Company's contribution to Provident Fund to the extent it is not taxable under the Income Tax Act, 1961. Gratuity and encashment of leave at the end of tenure as per the rules of the Company.
 - 3) a. He shall be entitled to reimbursement of all actual expenses including entertainment and traveling incurred in the course of the Company's business.
 b. The Company shall provide a car with driver and telephone facility at the residence of the Director. Provision of car with driver for use on the Company's business and telephone facility at the residence will not be considered as perquisites. Personal long distance calls on the telephone and use of car for private purposes shall be billed by the Company to the Director.
 The above Salary and Perquisites shall be payable to him as minimum remuneration notwithstanding the absence or inadequacy of Profits."
11. To consider and, if thought fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to Section 148 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, the remuneration of Rs.75,000/- (Rupees Seventy Five Thousand only) plus service tax as applicable and reimbursement of actual travel and out-of-pocket expenses for the Financial Year ending March 31, 2015 as approved by the Board of Directors of the Company, to be paid to Mr M Nagarajan, Cost Accountant, for the conduct of the cost audit of the Company's Textile manufacturing plant at Then Thirumalai, Jadayamapalyam, Coimbatore- 641 302, be and is hereby ratified and confirmed."
12. To pass as a Special Resolution for the following related party transactions at rates approved by the Audit Committee and the Board of Directors in terms of Section 188 of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014:
"RESOLVED THAT transactions with related party/wholly owned subsidiary Trigger Apparels Limited, Coimbatore be and hereby approved for a period of two years (i) Sale of fabrics of annual volume of Rs.1000 lakhs, (ii) Sale of Accessories of annual volume of Rs.75 lakhs and (iii) Laundry charges of annual volume of Rs.300 lakhs per year with effect from 01.04.2014."
13. To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:
"RESOLVED THAT consent of the Company be and is hereby accorded under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, to the Board of Directors of the Company to borrow any sum or sums of money from time to time as may in the opinion of the Board of Directors be required to be borrowed by the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, will exceed the aggregate paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided however, the total monies borrowed and outstanding at any time, for the principal amounts of the loans borrowed, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, shall not exceed the sum of Rs.250 Crores (Rupees two hundred and fifty crores only)."
14. To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:
"RESOLVED THAT the consent of the Company be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 to the Board of Directors of the Company to create, mortgage and/or charge and/or to hypothecate in addition to the mortgages/hypothecations/charges created/ to be created by the Company upto the limit as per resolution under Section 180(1)(c), in such form and manner and with such ranking and at such time and on such terms as the Board of Directors may determine on all or any of the movable and/or immovable properties of the Company wheresoever situate both present and future and/or the whole or substantially the whole of the undertaking or the undertakings of the Company in favour of the Financial Institutions/ Banks/ Trusts/ Mutual Funds or any other Institutions/ Companies/ Authorities for securing the loans/finance sanctioned or to be sanctioned to the Company or for securing the securities or any other debt instruments etc issued or to be issued together with interest, remuneration of the trustees and/ or any other Institutions/ Companies/ Authorities, premium (if any) on redemption and all other costs, charges and expenses payable by the Company in terms of the trust deed and / or any other agreements/ documents, etc to be finalised and executed between the Company and the agents and trustees and/or any other Institutions or Authorities and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board and the agents and trustees and /or any other Institutions or Authorities."

Coimbatore
 01.08.2014

By Order of the Board
KG Baal Krishnan
 Executive Chairman

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.
2. Proxies in order to be effective must be deposited at the Registered Office at Then Thirumalai, Coimbatore 641 302 not less than 48 hours before holding the meeting.
3. Members holding shares in physical form are requested to intimate the Change of Address and their Bank Account details such as Bank name, Branch with address and Account number for incorporating the same in Dividend Warrants to M/s Cameo Corporate Services Ltd, 'Subramanian Building', No.1, Club House Road, Chennai - 600 002 quoting their respective folio number and members holding shares in demat form shall intimate the above details to their Depository Participant with whom they have Demat Account.
4. As per the green initiative taken by the Ministry of Corporate Affairs, the shareholders are advised to register their e-mail address with the Company in respect of shares held in physical form and with the concerned Depository Participant in respect of shares held in Demat form to enable the Company to serve documents in electronic form.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday the 02nd September 2014 to Monday, the 08th September, 2014 (both days inclusive).
6. The dividend recommended by the Board, if declared at the AGM will be paid to those members or their mandatees whose name appear on the Register of Members of the Company on 08th September, 2014. In respect of shares held in dematerialised form, the dividend will be paid on the basis of beneficial ownership as per details furnished by the depositories for this purpose at the end of business hours 01st September, 2014. No deduction of tax at source will be made from dividend.
7. Explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business Item Nos.4 to 14 are enclosed.
8. Re-appointment of Directors:
At the ensuing Annual General Meeting Shri K N V Ramani, Shri V Jagadisan, Shri Surinder Chhibber, Shri G V S Desikan, Shri M J Vijayaraaghavan and Shri G P Muniappan retire by rotation and being eligible offer themselves for re-appointment. The information or details pertaining to these Directors to be provided in terms of Clause 49 of the Listing Agreement with the Stock Exchanges are furnished in the Statement on Corporate Governance annexed in this Annual Report.
9. In support of the "Green Initiative" announced by the Government of India, electronic copy of the Annual Report and Notice *inter alia* indicating the process and manner of e-voting alongwith attendance slip and proxy form are being sent by e-mail to those shareholders whose e-mail addresses have been made available to the Company / Depository Participants unless member has requested for a hard copy of the same.

10. VOTING THROUGH ELECTRONIC MEANS

- a) As the Company, being a Listed Company and having more than 1000 Shareholders, is compulsorily required to provide e-voting facility to its members in terms of Section 108 of the Companies Act, 2013 read with the Rules made thereunder and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on the AGM subjects, by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).
- b) The e-voting period commences on 01.09.2014 (0830 hours) and ends on 03.09.2014 (1730 hours). During this period shareholders of the Company as on the cut-off date (record date) of 08.08.2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- c) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 08.08.2014.
- d) Shri M.R.L.Narasimha, Practising Company Secretary, has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
- e) The Scrutiniser 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 a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- f) The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutiniser's Report shall be placed on the Company's website www.kgdenim.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 Stock Exchange.

The instructions for shareholders voting electronically are as under:-

In case of members receiving e-mail:

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

- (v) 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. If you are a first time user follow the steps given below.
- (vi) Now, fill up the following details in the appropriate boxes:

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). 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 sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth in the company records for the said folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in the company records for the said folio.If both the above details have not been registered with the Company, the Folio number is to be entered in this field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on K G Denim Limited on which you choose to vote.
- (xi) 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.
- (xii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xvii) 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. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. 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 of members receiving the physical copy:
- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on 01.09.2014 and ends on 03.09.2014. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 08.08.2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) 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.

Coimbatore
01.08.2014

By Order of the Board
KG Baalakrishnan
Executive Chairman

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM No.4

Shri K N V Ramani is an Independent Director of the Board since, 03.11.2003. He is liable to retire at this Annual General Meeting. In terms of Section 149 of the Companies Act, 2013 it is now proposed to appoint him as a non-rotational basis for a period of 5 consecutive years from 1st April 2014 to 31st March 2019.

The Company has received notice from the member proposing his candidature for the office of Director.

Shri K N V Ramani, M.A., B.L., aged 82 years is a leading Advocate specialized in Corporate Laws. He has rich experience in Corporate Laws for more than four decades and has been on the Board of several Companies. M/s Ramani & Shankar, firm of Advocates headed by him consists of panel of Advocates specialized in different fields of law.

Shri K N V Ramani is Director on Board of eight other companies.

In the opinion of the Board, Shri K N V Ramani fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Shri K N V Ramani as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri K N V Ramani as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Shri K N V Ramani as an Independent Director, for the approval by the shareholders of the Company.

Except Shri K N V Ramani, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.4. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM No.5

Shri V Jagadisan is an Independent Director of the Board since, 03.11.2003. He is liable to retire at this Annual General Meeting. In terms of Section 149 of the Companies Act, 2013 it is now proposed to appoint him as a non-rotational basis for a period of 5 consecutive years from 1st April 2014 to 31st March 2019.

The Company has received notice from the member proposing his candidature for the office of Director.

Shri V Jagadisan, B.Com., FCA., aged 81 years is in continuous practice from 1956. He was elected as Central Council Member of the Institute of Chartered Accountants of India, New Delhi for 3 terms (1976 to 1985) and is a Director on the Board of two other companies.

Shri V Jagadisan is Director on Board of two other companies.

In the opinion of the Board, Shri V Jagadisan fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Shri V Jagadisan as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri V Jagadisan as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Shri V Jagadisan as an Independent Director, for the approval by the shareholders of the Company.

Except Shri V Jagadisan, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.5. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM No.6

Shri Surinder Chhibber is an Independent Director of the Board since, 28.09.2006. He is liable to retire at this Annual General Meeting. In terms of Section 149 of the Companies Act, 2013 it is now proposed to appoint him as a non-rotational basis for a period of 5 consecutive years from 1st April 2014 to 31st March 2019.

The Company has received notice from the member proposing his candidature for the office of Director.

Shri Surinder Chhibber, aged 63 years is a post graduate in industrial engineering and operations research and has over 36 years of work experience in various capacities in foreign and Indian companies dealing in textiles and apparels.

Shri Surinder Chhibber is also Director on Board of Trigger Apparels Limited, a wholly owned subsidiary of the Company.

In the opinion of the Board, Shri Surinder Chhibber fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Shri Surinder Chhibber as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Surinder Chhibber as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Shri Surinder Chhibber as an Independent Director, for the approval by the shareholders of the Company.

Except Shri Surinder Chhibber, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.6. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM No.7

Shri G V S Desikan is an Independent Director of the Board since, 31.10.2003. He is liable to retire at this Annual General Meeting. In terms of Section 149 of the Companies Act, 2013 it is now proposed to appoint him as a non-rotational basis for a period of 5 consecutive years from 1st April 2014 to 31st March 2019.

The Company has received notice from the member proposing his candidature for the office of Director.

Shri G V S Desikan, a B.Sc., B.Sc.(Tech) graduate, aged 81 years has rich experience in the management of textile industry. He was formerly Technical Advisor for National Textile Corporation, New Delhi, Chairman and Managing Director of Kerala State Textile Corporation Ltd., Trivandrum and Managing Director of Binny Limited.

Shri G V S Desikan is Director on Board of six other companies.

In the opinion of the Board, Shri G V S Desikan fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Shri G V S Desikan as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri G V S Desikan as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Shri G V S Desikan as an Independent Director, for the approval by the shareholders of the Company.

Except Shri G V S Desikan, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.7. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM No.8

Shri M J Vijayaraaghavan is an Independent Director of the Board since, 28.09.2006. He is liable to retire at this Annual General Meeting. In terms of Section 149 of the Companies Act, 2013 it is now proposed to appoint him as a non-rotational basis for a period of 5 consecutive years from 1st April 2014 to 31st March 2019.

The Company has received notice from the member proposing his candidature for the office of Director.

Shri M J Vijayaraaghavan, aged 81 years is a practicing Chartered Accountant and a Fellow Member of the Institute of Chartered Accountants of India having over 5 decades of rich and varied experience in Auditing, Taxation and Finance.

Shri M J Vijayaraaghavan is Director on Board of one other company.

In the opinion of the Board, Shri M J Vijayaraaghavan fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Shri M J Vijayaraaghavan as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri M J Vijayaraaghavan as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Shri M J Vijayaraaghavan as an Independent Director, for the approval by the shareholders of the Company.

Except Shri M J Vijayaraaghavan, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.8. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM No.9

Shri G P Muniappan is an Independent Director of the Board since, 31.10.2008. He is liable to retire at this Annual General Meeting. In terms of Section 149 of the Companies Act, 2013 it is now proposed to appoint him as a non-rotational basis for a period of 5 consecutive years from 1st April 2014 to 31st March 2019.

The Company has received notice from the member proposing his candidature for the office of Director.

Shri G P Muniappan, aged 73 years is a post graduate in Economics, is former Deputy Governor of the Reserve Bank of India.

Shri G P Muniappan is Director on Board of one other company.

In the opinion of the Board, Shri G P Muniappan fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Shri G P Muniappan as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri G P Muniappan as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Shri G P Muniappan as an Independent Director, for the approval by the shareholders of the Company.

Except Shri G P Muniappan, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.9. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM No.10

Shri S Muthuswamy is professionally qualified as FCA, AICWA and ACS. He is 57 years old. He is a Director of the Company from 30.05.2002. He was appointed as Company Secretary (Whole-Time) from 20.12.2003.

His remuneration was approved at the Annual General Meeting of the Company held on 28th September 2012 for period of five years from 30.05.2012. His remuneration is proposed to be paid to him as minimum remuneration in the absence or inadequacy of profits for his services as Company Secretary.

The revised remuneration has been approved with effect from 01.05.2014 by the Nomination and Remuneration Committee on 01.08.2014 and also by the Board on the 01.08.2014.

No Director or Key Managerial Personnel of the Company is concerned or interested in the Resolution except Shri S Muthuswamy, Director and Company Secretary.

ITEM No.11

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint an individual who is a cost accountant in practice on the recommendations of the Audit Committee, which shall also recommend remuneration for such cost auditor. The remuneration recommended by Audit Committee shall be considered and approved by the Board of Directors and ratified by the shareholders.

On recommendation of Audit Committee at its meeting held on May 24, 2014, the Board has considered and approved appointment of Mr M Nagarajan, Cost Accountant, for the conduct of the Cost Audit of the Company's Textile manufacturing plant at Then Thirumalai, Jadayampalayam, Coimbatore - 641 302 at a remuneration of Rs.75,000/- (Rupees Seventy Five Thousand only) plus service tax as applicable and reimbursement of actual travel and out of pocket expenses for the Financial Year ending March 31, 2015.

The Resolution at item no.10 of the Notice is set out as an Ordinary Resolution for approval and ratification by the members in terms of Section 148 of the Companies Act, 2013.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested financial or otherwise in the resolution set out at item no.11

ITEM No.12

Section 188 of the Companies Act, 2013 read with rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, requires companies with paid up capital exceeding Rs.10 Crores to obtain approval of shareholders by Special Resolution in respect of related party transaction.

Transaction with related party - Trigger Apparels Limited

Nature of relationship : Related party within the meaning of Section 2(76)(viii)(A) of the Companies Act, 2013.

Trigger Apparels Limited is a wholly owned subsidiary of K G Denim Limited.

Trigger Apparels Limited is engaged in marketing of Trigger brand ready made garments, with K G Denim Limited being the registered owner of the trade mark 'Trigger'.

Nature of Contract :

(i) Sale of Fabrics :

Material Terms : Annual monetary value upto Rs.1000 lakhs of various sorts with annual quantity of 5.5 lakh metres with 10% upper tolerance limit at market rates.

(ii) Sales of Accessories : Annual monetary value upto Rs.75 lakhs of various item with 10% upper tolerance limit at market rates.

Individual rates are at market rates and at arm's length as approved by the Audit Committee and Board of Directors.

(iii) Laundry Charges : Annual monetary value upto Rs.300 lakhs with 10% upper tolerance limit at market rate.

Other information relevant or important for members to take a decision on the resolution: K G Denim Limited the holding company is engaged in the manufacture of denim and non denim fabrics and has adequate weaving, processing and laundry facilities. Trigger Apparels Limited does not own any manufacturing facility. K G Denim Limited hitherto has been the main supplier of fabrics to Trigger Apparels Limited from November 2005.

The outstanding debit balance of Trigger Apparels Limited as on 01.04.2014 is Rs.1459 lakhs. Maximum debit balance at any during the year is proposed at Rs.2000 lakhs.

The above contract is approved by the Audit Committee and the Board.

No director or key managerial person is interested in the contract.

ITEM No.13

Shareholders at the Extra-ordinary General Meeting held on 06.01.1996 had passed an Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956 for borrowing up to the limit of Rs.250 Crores. However, the present requirement of law is Companies Act, 2013, being that there has to be a Special Resolution, the appropriate resolution is proposed for your approval.

None of the Directors or Key Managerial Personnel of the Company is concerned or interested in the resolution.

ITEM No.14:

As a security for the loans sanctioned/to be sanctioned by Financial Institutions/banks/other Corporate Bodies, the Company would be required to give mortgage and/or charge all the movable and immovable properties of the Company both present and future.

Shareholders at the Extra-ordinary General Meeting held on 06.01.1996 had passed an Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956, the Board of Directors of the Company cannot except with the consent of the Company in the general meeting create charge or mortgage or hypothecate any of the assets of the Company for securing the loan/finance sanctioned/to be sanctioned by the Financial Institutions/Banks and/or for securing securities such as debentures,etc as also any other debt instruments issued/to be issued from time to time by the Company.

However, the present requirement of law is Companies Act, 2013, being that there has to be a Special Resolution, the appropriate resolution is proposed for your approval.

None of the Directors or Key Managerial Personnel of the Company is in any way concerned or interested in the resolution.

Coimbatore
01.08.2014

By Order of the Board

KG Baal Krishnan
Executive Chairman



K G DENIM LIMITED

CIN : L17115TZ1992PLC003798

Registered Office: Then Thirumalai,
Jadayampalayam, Coimbatore - 641 302
Phone No : (+91)-04254-304300, Fax : (+91)-04254-304400
Website: www.kgdenim.com Email ID: cskgdl@kgdenim.in

Sl. No: _____

POSTAL BALLOT FORM (in lieu of e-Voting)

(Read the instructions given in the notice of AGM before proceeding to fill up the form)

1	Name(s) of shareholder(s) (including joint holders , if any) in block letters	:	
2	Registered Address of the sole/ first named shareholder	:	
3	Registered Folio No./DP ID No./Client ID No.	:	
4	Number of Shares held	:	

I / We hereby exercise my / our vote in respect of the "Resolution" for the business stated in the **Annual General Meeting Notice** of the Company dated August 1, 2014 by sending my / our assent (for) or dissent (against) to the said resolution by placing the tick mark (✓) at the appropriate box below:

Item No.	Description	Type of Resolution	I / We assent to the Resolution	I / We dissent to the Resolution
			For	Against
1.	Consider and adopt audited Financial Statements, Reports of the Board of Directors and Auditors	Ordinary		
2.	To Declare a Dividend	Ordinary		
3.	Re-appointment of M/s Gopalaiyer & Subramanian, the retiring Auditors of the Company, as a Statutory Auditor	Ordinary		
4.	Appointment of Shri K N V Ramani who retires by rotation, as an Independent Director	Ordinary		
5.	Appointment of Shri V Jagadisan who retires by rotation, as an Independent Director	Ordinary		
6.	Appointment of Shri Surinder Chhibber who retires by rotation, as an Independent Director	Ordinary		
7.	Appointment of Shri G V S Desikan as an Independent Director.	Ordinary		
8.	Appointment of Shri M J Vijayaraaghavan as an Independent Director.	Ordinary		
9.	Appointment of Shri G P Muniappan as an Independent Director.	Ordinary		
10.	Re-fixing of remuneration to Shri S Muthuswamy, Director and Company Secretary.	Ordinary		
11.	Ratification of Remuneration to Cost Auditor	Ordinary		
12.	To approve the related party transaction with M/s Trigger Apparels Limited, wholly owned subsidiary	Special		
13.	Fixing Borrowing powers of the Board of Directors under Section 180(1)(c) of Companies Act, 2013.	Special		
14.	To create charge on movable and immovable property under Section 180 (1)(a) of Companies Act, 2013	Special		

Place :

Date :

(Signature of Shareholder)



K G DENIM LIMITED

ATTENDANCE SLIP

CIN : L17115TZ1992PLC003798

Registered Office: Then Thirumalai, Jadayampalayam, Coimbatore - 641 302

Phone No : (+91)-04254-304300, Fax : (+91)-04254-304400

Website: www.kgdenim.com Email ID: cskgdl@kgdenim.in

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE HALL. ONLY MEMBERS OR THEIR PROXIES ARE ENTITLED TO BE PRESENT AT THE MEETING.

Name of the attending Members :

Folio/DP ID-Client ID No. :

No. of Shares held :

I hereby record my presence at the 22nd ANNUAL GENERAL MEETING of the Company held at **K G DENIM LIMITED**, Then Thirumalai, Jadayampalayam, Coimbatore - 641 302 at 3.00 pm on Monday, the 8th September, 2014.

Name of Proxy in Block Letters

Signature of the Shareholder/Proxy*

*Strike out whichever is not applicable

MGT - 11



K G DENIM LIMITED

PROXY FORM

CIN : L17115TZ1992PLC003798

Registered Office: Then Thirumalai, Jadayampalayam, Coimbatore - 641 302

Phone No : (+91)-04254-304300, Fax : (+91)-04254-304400

Website: www.kgdenim.com Email ID: cskgdl@kgdenim.in

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) :

Registered Address :

E-mail ID :

Folio/DP ID-Client ID No. :

I/We being the member(s) of.....shares of the above named Company, hereby appoint:

(1) Name..... Address.....

E-mail Id..... Signature.....or failing him/her

(2) Name..... Address.....

E-mail Id..... Signature.....or failing him/her

(3) Name..... Address.....

E-mail Id..... Signature.....or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22nd Annual General Meeting of the Company, to be held on Monday, the 8th day of September, 2014 at 3.00 pm at **K G DENIM LIMITED**, Then Thirumalai, Jadayampalayam, Coimbatore - 641 302 and at any adjournment thereof.

Signed this.....day of.....2014

Member's Folio/DP ID-Client ID No.....Signature of Shareholder(s).....

Signature of Proxyholder(s).....

Affix Revenue Stamp

Notes: 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office the Company, not less than 48 hours before the commencement of the Meeting.
2. In the case of a Corporation, the proxy form shall be either given under the Common Seal signed on its behalf by an Attorney or Officer of the Corporation.