



K G DENIM LIMITED

CIN : L17115TZ1992PLC003798

Registered Office : Then Thirumalai

Jadayampalayam, Coimbatore - 641 302.

Phone No : (+91)-04254-235240, Fax : (+91)-04254-235400

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

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the TWENTY-SEVENTH ANNUAL GENERAL MEETING of the Members of K G DENIM LIMITED will be held on Thursday, the 26th day of September, 2019 at 4.30 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 Standalone and Consolidated Annual Financial Statements including the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss and Cash Flow Statements for the year ended 31st March 2019 and the Reports of the Directors and Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in place of Smt T Anandhi (DIN : 00050786), who retires by rotation and, being eligible, offers herself for reappointment.

SPECIAL BUSINESS

4. To approve under Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the remuneration payable to Smt T Anandhi (DIN:00050786), Non-Executive Director exceeding fifty percent of the total annual remuneration paid to all Non-Executive Directors

To consider passing the following resolution as a Special Resolution:

“RESOLVED THAT in addition to approval already accorded by the members of the Company vide resolution passed at the Twenty-Fourth Annual General Meeting of the Company held on September 28, 2016, specific annual approval of the members, in terms of the provisions of Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) (including any statutory modifications or re-enactment thereof), be and is hereby accorded for payment of remuneration to Smt T Anandhi (DIN:00050786), Non-Executive Director for the financial year ended March 31, 2019 exceeding 50% (fifty percent) of the total annual remuneration paid to all the Non-Executive Directors of the Company for the said financial year.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to determine matters, from time to time, in connection with the payment and distribution of commission to Smt T Anandhi (DIN:00050786), Non-Executive Director, in such proportion and in such manner as may be necessary, proper and expedient to give effect to approval(s) accorded by the members.”

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 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, 2020 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, Jadayampalayam, Coimbatore- 641 302, be and is hereby ratified and confirmed.”

Coimbatore
05.08.2019

By Order of the Board
KG Baalakrishnan
Executive Chairman
DIN : 00002174

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in the meeting instead of himself/herself, and the proxy need not be a member of the Company.
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 Thursday the 19th September 2019 to Thursday, the 26th September, 2019 (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 26th September, 2019. 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 18th September, 2019. 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 5 are enclosed.
8. Re-appointment of Directors:
At the ensuing Annual General Meeting Smt T Anandhi (DIN:00050786) retires by rotation and being eligible offer herself 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 Exchange is furnished in the Statement of 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) In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their votes for all the resolutions detailed in the Notice of the 27th Annual General Meeting scheduled to be held at 4.30 p.m., on Thursday the 26th September, 2019, by electronic means and the business may be transacted through remote e-Voting. The Company has engaged the services of CDSL as the authorised agency to provide the remote e-voting facilities. The instructions for remote e-voting is provided below.
- b) The remote e-voting period begins at 09.00 AM on 23.09.2019 (Monday) and ends on at 05.00 PM on 25.09.2019 (Wednesday). During this period shareholders of the Company, holding shares either in physical form or in electronic form, as on the cut-off date (record date) of 18.09.2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- c) Members, who have not voted through remote e-voting and present at the AGM in person or proxy, can vote through the ballot conducted at the AGM. Kindly note that members can vote at the AGM only by ballot. A member present at the AGM and already voted by remote e-voting will not be permitted to vote at the AGM by ballot.
- d) Votes cast by members who hold shares on the cutoff date viz., 18.09.2019 alone will be counted.
- e) A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- f) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot.

- g) Shri M.R.L.Narasimha, Practising Company Secretary (Membership No. FCS 2851) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- h) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- i) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- j) The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.kgdenim.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

The instructions for shareholders voting electronically are as under:-

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on Shareholders.
- (iii) 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.
- (iv) Next enter the Image Verification 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.
- (vi) If you are a first time user follow the steps given below.

	For Members holding shares in Demat Form and Physical Form
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 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	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said Demat Account or Folio.
- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in electronic 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 the EVSN for the Company Name, choose K G Denim Limited 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 Resolution details.
- (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 the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Note for Non-Individual Shareholders and Custodians
- Non-Individual Shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - 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.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded 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.com under help section or write an email to helpdesk.evoting@cdslindia.com.

Coimbatore
05.08.2019

By Order of the Board
KG Baalakrishnan
Executive Chairman
DIN : 00002174

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

ITEM No.4

Smt T Anandhi, aged 54 years has basic textile education and has over 24 years experience in textile field such as cotton, spinning and garments. She is also on the board of various textile companies

At the Annual General Meeting held on 28th September, 2016 approval of the shareholders was taken for payment of remuneration of 0.5% of profit determined as per Section 197, 198 and other applicable provisions of Companies Act, 2013 to Smt T Anandhi (DIN:00050786), Non-Executive Director. For the year 2018-19 it worked out to Rs.7,78,866/- which was payable to her. Since the amount exceeded 50% of remuneration (sitting fees) paid to other Non-executive Directors, as mandated by Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) as amended by SEBI (LODR) (Amendment) Regulations, 2018, approval of the shareholders is sought by a Special Resolution.

None of the Directors excepting Shri B Sriramulu, Managing Director, Shri KG Baalakrishnan, Executive Chairman, Shri B Srihari, Managing Director and Smt T Anandhi who are related as per Section 2(77) of the Companies Act, 2013 is concerned or interested in the resolution.

ITEM No.5

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 February 9, 2019, 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, 2020.

The Resolution at Item No.5 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.5

Coimbatore

05.08.2019

By Order of the Board

KG Baalakrishnan

Executive Chairman

DIN : 00002174