



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-EIGHTH ANNUAL GENERAL MEETING of the Members of K G DENIM LIMITED will be held on Monday, the 30th day of November, 2020 at 3.00 p.m. through Video Conferencing (VC) or Other Audio Visual Means (OAVM) 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 2020, the Statement of Profit and Loss and Cash Flow Statements for the year ended 31st March 2020 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri B Sriramulu, who retires by rotation and, being eligible, offers himself for reappointment.

SPECIAL BUSINESS

3. 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, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Shri A P Seturaaman (DIN : 07331898), who holds office of Independent Director up to 04.11.2020 and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose Shri A P Seturaaman candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years commencing from 5th November, 2020 upto 31st March, 2025.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and / or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

4. To consider and, if thought fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made there under read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri N Govindarajan (holding DIN : 00366402), who was appointed as an Additional (Independent) Director of the Company by the Board of Directors at its meeting held on 29.07.2020 and whose term of office expires at this Annual General Meeting (AGM) and in respect of whom the Company has received a Notice in writing from a Member along with the deposit of the requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from 29.07.2020.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to sign and execute necessary documents and papers on an ongoing basis and to do and perform all acts, deeds and things as may be necessary in this regard.”

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, 2021 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.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to sign and execute necessary documents and papers on an ongoing basis and to do and perform all acts, deeds and things as may be necessary in this regard.”

Coimbatore
14.09.2020

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

NOTES:

1. Explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business Item Nos.3 to 5 are enclosed.
2. In view of the massive outbreak of the COVID-19 pandemic, the Government of India, Ministry of Corporate Affairs allowed conducting Annual General Meeting (AGM) through video conferencing (VC) or other audio-visual means (OAVM). Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020, prescribing the procedures and manner of conducting the Annual General Meeting through video conferencing (VC) or other audio-visual means (OAVM). In terms of the said Circulars, the 28th Annual General Meeting (AGM) of the members will be held through video conferencing (VC) or other audio-visual means (OAVM). Hence Members can attend and participate in the AGM through VC/OAVM. Members desirous of participating in the meeting through VC/OAVM, may refer to the procedure to be adopted as mentioned in Serial No 22.
3. A Member, entitled to attend and vote at the meeting, is entitled to appoint one or more Proxies to attend and vote on a Poll instead of himself and such Proxy need not be a Member of the Company. Since the AGM is being held in accordance with the MCA circulars through VC, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of Proxies by the members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed to this notice.
4. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorization etc., authorizing its representative to attend the Annual General Meeting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to mrln54@gmail.com with copies marked to the Company at cskgdl@kgdenim.in and to its Registrars and Share Transfer Agents at investor@cameoindia.com
5. In compliance with the aforesaid MCA Circulars, Notice of the 28th AGM to be held on 30th November, 2020 along with Annual Report of the Financial Year 2019-20 are being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice of the AGM and Annual Report for the Financial Year 2019-20 is also available on the Company's website www.kgdenim.com Members (Physical / Demat) who have not registered their email addresses with the company can get the same registered with the company by sending an email to cskgdl@kgdenim.in and investor@cameoindia.com
6. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. 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 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.
8. 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.
9. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday the 24th November, 2020 to Monday, the 30th November, 2020 (both days inclusive).
10. Re-appointment of Director:

At the ensuing Annual General Meeting Shri B Sriramulu retires by rotation and being eligible offer himself for re-appointment. The information or details pertaining to the Director to be provided in terms with the Stock Exchange is furnished in the Statement of Corporate Governance annexed in this Annual Report.

11. Pursuant to Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the application for transfer of shares held in physical form will not be processed except in the case of transmission / transposition with effect from 2nd October 2018. Accordingly, members who intend to transfer their shares shall get such shares dematerialised before transfer. The Company has entered into agreements with National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL) and shares of the Company are eligible for dematerialisation under ISIN: INE104A01012. Accordingly, the Company /the Registrar and Share Transfer Agent (RTA) namely Cameo Corporate Services Limited, Subramanian Building, No.1 Club House Road, Chennai 600 002 shall not be able to entertain any request for transfer of shares in physical form.
12. a) Members are requested to notify immediately any change of address:
- to their Depository Participants (“DPs”) in respect of the shares held in electronic form, and
 - to the Company or its RTA, in respect of the shares held in physical form together with a proof of address viz, Aadhar/Electricity Bill/ Telephone Bill/Ration Card/Voter ID Card/ Passport etc.
- b) In case the registered mailing address is without the Postal Identification Number Code (“PIN CODE”), Members are requested to kindly inform their PIN CODE immediately to the Company / RTA/ DPs.
13. As per the provisions of Section 72 of the Act, facility for making nominations is now available to individuals holding shares in the Company.
14. Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Company Secretary of the Company or its RTA by quoting the Folio No or the Client ID No with DP ID No.
15. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
16. Members may note that M/s Mohan & Venkataraman, Chartered Accountants (ICAI Regn. No.007321S), the Statutory Auditors of the Company were appointed by the Shareholders at the - 25th Annual General Meeting (AGM) held on 16th September 2017 to hold office for a period of 5 years till the conclusion of AGM to be held during the year 2021-2022, subject to ratification by the shareholders at every AGM. However, the Ministry of Corporate Affairs vide notification dated 7th May, 2018 amended Section 139 of the Companies Act, 2013 by omitting the requirement of seeking ratification of the members for appointment of statutory auditors at every AGM. Hence, no resolution is being proposed for ratification of appointment of Statutory Auditors at this Annual General Meeting.
17. Members desirous of receiving any information on the accounts or operations of the Company are requested to forward his / her queries to the Company seven working days prior to the meeting. The same will be replied by the Company suitably.
18. Soft copies the Register of Directors and Key Managerial Personal and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Registered Office of the Company. Members can inspect the same by sending a email to cskgdl@kgdenim.in

19. Registration of email ID and Bank Account details:

In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent (“RTA”)/Depositories, log in details for e-voting are being sent on the registered email address.

In case the shareholders has not registered his/her/their email address with the Company/its RTA/Depositories and or not updated the Bank Account mandate, the following instructions to be followed:

- In case of shares held in physical form, kindly provide the required details to Cameo Corporate Services Limited, Subramanian Building, No.1 Club House Road, Chennai 600 002 or K G Denim Limited, Then Thirumalai, Jadayampalayam, Coimbatore - 641 302 (or)
- In the case of Shares held in Demat mode, the shareholder may please contact the Depository Participant (“DP”) and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

20. VOTING THROUGH ELECTRONIC MEANS

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) (including any statutory modification(s), clarifications, exemptions or reenactments thereof for the time being in force) and Secretarial Standard on General Meetings (SS - 2), the Company is providing to its Members with the facility to cast their vote electronically from a place other than venue of the Annual General Meeting (“remote e-voting”) using an electronic voting system provided by

Central Depository Services (India) Limited ('CDSL') as an alternative, for all members of the Company to enable them to cast their votes electronically, on all the business items set forth in the Notice of Annual General Meeting and the business may be transacted through such remote e-voting. The instructions to e-voting explain the process and manner for generating/ receiving the password, and for casting of vote(s) in a secure manner. However, the Members are requested to take note of the following items

- i. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of Annual General Meeting Notice and holding shares as of the cut-off date, i.e. 23rd November 2020, may refer to this Notice of the Annual General Meeting, posted on Company's website www.kgdenim.com for detailed procedure with regard to remote e-voting. Any person who ceases to be the member of the Company as on the cut-off date and is in receipt of this Notice, shall treat this Notice for information purpose only.
- ii. Members attending the meeting through VC shall be provided with the facility of voting through e-voting during the meeting. During this time, members who have not already cast their vote through remote e-voting may exercise their vote through the said modes at the meeting.
- iii. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM but shall not be entitled to cast their vote again.
- iv. The voting period begins on 27th November 2020 at 9.00 AM (IST) and ends on 29th November 2020 at 5.00 PM (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23rd November, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- v. 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 of 23rd November, 2020.
- vi. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote by remote e-voting shall not vote by e-voting conducted during the Annual General Meeting.
- vii. The Company has appointed Mr.M.R.L.Narasimha, (CP No: 799) Company Secretary in Practice, as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- viii. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow e-voting for all those members who are present at the Annual General Meeting by electronic means but have not cast their votes by availing the remote e-voting facility.
- ix. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes casted during the AGM 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 48 hours 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.

The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.kgdenim.com after the declaration of result by the Chairman or a person authorized by him in writing.

The Instructions For Shareholders For Remote E-voting Are As Under:

- (i) The voting period begins on 27th November 2020 at 9.00 a.m. (IST) and ends on 29th November 2020 at 5.00 p.m. (IST). 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 23rd November 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on "Shareholders" module.
- (v) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

For Shareholders 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)

Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Annual General Meeting Notice / Attendance Slip indicated in the PAN field.

DOB Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.

Dividend Bank Details If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.

(xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant K G Denim Limited on which you choose to vote.

(xiii) 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.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) 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.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

21. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cskddl@kgdenim.in / investor@cameoindia.com.
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **Company/RTA email id**.

3. The company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

22. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE ANNUAL GENERAL MEETING (AGM) THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **3 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **3 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at cskgdl@kgdenim.in. These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Annual General Meeting.

23. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE ANNUAL GENERAL MEETING (AGM) ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

Note for Non - Individual Shareholders and Custodians

- ★ Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- ★ 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 linked in the login 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.
- ★ Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz: cskgdl@kgdenim.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting 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 or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

Coimbatore
14.09.2020

By Order of the Board
KG Baal Krishnan
Executive Chairman
DIN : 00002174

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

ITEM No.3

Shri A P Seturaaman (DIN : 07331898) was appointed as Independent Director of the Company pursuant to Section 149 of the Companies Act, 2013 (“the Act”) read with Companies (Appointment and Qualification of Directors) Rules, 2014, by the Shareholders at the Annual General Meeting held on 28th September, 2016 to hold office upto 4th November, 2020 (“first term” as per the explanation to Section 149(10) and 149(11) of the Act.). The Nomination & Remuneration Committee at its Meeting held on 14th September, 2020 after taking into account the performance evaluation of the Independent Director, during his first term of five years and considering the knowledge, acumen, expertise and experience in their respective fields and the substantial contribution made by the Director during his tenure as an Independent Director since his appointment, has recommended to the Board that continued association of the Director as an Independent Director would be in the interest of the Company. Based on the above, the Nomination & Remuneration Committee and the Board has recommended the re-appointment of the Director as Independent Director on the Board of the Company, to hold office for the second term of five consecutive years commencing from 4th November, 2020 upto 31st March, 2025 and not liable to retire by rotation. The Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a Member proposing the candidature of Shri A P Seturaaman for his appointment to the office of Independent Director. Brief profile of the above Independent Director is as under:

Shri A P Seturaaman (DIN : 07331898) son of late Shri T P Ponnusamy is a Business man. He has graduated in Commerce from Pudukottai District and joined his father’s business while pursuing his studies.

ITEM No.4

Shri N Govindarajan (holding DIN : 00366402) an Electrical Engineer was appointed as an Additional (Independent) Director of the Company with effect from 29.07.2020 by the Board of Directors. In terms of Section 161(1) of the Companies Act, 2013, Shri N Govindarajan (holding DIN : 00366402) holds office upto the date of this Annual General Meeting but is eligible for the appointment as a Director. The Company has received a Notice from a Member in writing along with requisite deposit under Section 160 of the Act, proposing his candidature for the office of Director. Shri N Govindarajan (holding DIN : 00366402) has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act. Shri N Govindarajan (holding DIN : 00366402) son of Shri Gurusvappanaidu Narayanaswamy is an Electrical Engineer and has vast experience in various areas like oil and gas exploration etc in India and abroad. Accordingly, the Board recommends the passing of the Ordinary Resolution as set out in the Item No.4 of the Notice for appointment of Shri N Govindarajan (holding DIN : 00366402) as an Independent Director, not liable to retire by rotation. Except Shri N Govindarajan (holding DIN : 00366402), 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.

Shri N Govindarajan (holding DIN : 00366402) son of Shri Gurusvappanaidu Narayanaswamy is an Electrical Engineer and has vast experience in various areas like oil and gas exploration etc in India and abroad.

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 14, 2020, 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, 2021.

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
14.09.2020

By Order of the Board
KG Baal Krishnan
Executive Chairman
DIN : 00002174