

GTN TEXTILES LIMITED

NOTICE

NOTICE is hereby given that the TENTH Annual General Meeting of the members of GTN TEXTILES LIMITED will be held at the Puzhayoram Hall, Hotel Periyar, Aluva-683 101 at 12:15 p.m on Friday, the 7th day of August, 2015 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2015, the Reports of the Directors and the Auditors' thereon.
2. To appoint a Director in place of Shri Mahesh C Thakker (DIN: 01386254), who retires by rotation, and being eligible, offers himself for re-appointment.
3. Ratification of appointment of Statutory Auditors.

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

"RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with rules made there under, the appointment of M/s. MS Jagannathan & Visvanathan (Firm Reg. No: 001209S), Chartered Accountants as Auditors of the Company for a term of 3 years i.e. till the conclusion of the 12th Annual General Meeting (AGM), which was subject to ratification at every AGM, be and is hereby ratified to hold the office from the conclusion of this AGM till the conclusion of the 11th AGM of the Company to be held in the year 2016, at such remuneration plus service tax, out of pocket, traveling and living expenses etc. as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS:

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

"RESOLVED THAT in accordance with the provisions of Sections 196,197,198, 203 and any other applicable provisions of the Companies Act,2013 (the "Act") and the Rules made thereunder read with Schedule V of the Companies Act,2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the Company be and is hereby accorded to the re-appointment of Shri. B.K. Patodia (DIN: 00003516) as Chairman & Managing Director of the Company, for a period of five years with effect from 19.12.2015, on the terms and conditions including remuneration as are set out and approved by the Nomination & Remuneration Committee and the Board of Directors. The draft remuneration structure placed before this meeting is specifically sanctioned with liberty to the Board of Directors (hereinafter referred to the "Board" which term shall be deemed to include the Nomination & Remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the said appointment and or remuneration and or agreement, subject to the same not exceeding the limits specified in Schedule V to the Companies Act, 2013 including any statutory re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in that behalf from time to time, or any amendments thereto as may be agreed to between the Board and Shri. B.K. Patodia".

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

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

"RESOLVED FURTHER THAT Shri B.K. Patodia shall not be liable to retire by rotation"

AND

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

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

"RESOLVED THAT Smt. Pamela Anna Mathew (DIN: 00742735), who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. 17th March, 2015 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ("Act") and in respect of whom, the company has received a notice in writing from a member under Section 160 of the Act proposing her candidature as an Independent Director of the Company pursuant to the provisions of sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereon for the time being in force) read with Schedule IV to the Act, who shall hold office from the date of this Annual General Meeting, till 6th August, 2020 and whose office shall not, henceforth, will liable to determination by retirement of Directors by rotation"

By Order of the Board of Directors

E. K BALAKRISHNAN

Vice President (Corporate Affairs)

& Company Secretary

Membership No. ACS7629

Place : Kochi

Date : 27th May, 2015.

NOTES:-

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

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

2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto and forms part of the Notice.
3. The Company has already notified Closure of Register of Members and Share Transfer Books thereof from Saturday, 1st August 2015, to Friday, 7th August, 2015 (both days inclusive) for the purpose of the Annual General Meeting.
4. Pursuant to Section 205A (5) of the Companies Act, 1956, dividend which remain unpaid/unclaimed for a period of 7 years from the date of transfer of the same to the Company's unpaid dividend account will be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. The following are the details of dividends paid by the Company and respective due dates for claim by the shareholders:

Financial year Ended	Date of declaration of Dividend	Last date for claiming unpaid Dividend	Due date for transfer to IEPF
31.3.2008	25.7.2008	24.7.2015	23.8.2015

The company has uploaded the information of unclaimed / unpaid dividend in respect of the financial year 2007-08 on the website of the IEPF viz. www.iepf.gov.in and under "investors" section on the website of the company www.gtntextiles.com"

NOTICE (Contd...)

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

- Pursuant to Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Security Holders are entitled to make nomination in respect of securities held by them in physical form. Individual Security holder(s) can avail of the facility of nomination. The nominee shall be a person in whom all rights of transfer and / or amount payable in respect of the securities shall vest in the event of the death of the Security holder(s). In the case of joint holding, all joint holders shall together nominate any person as nominee. A minor can be a nominee provided the name and address of the guardian is given in the Nomination form. The facility of nomination is not available to non-individual Shareholders such as Bodies-Corporate, Kartas of Hindu Undivided Families, Partnership Firms, Societies, Trust and holders of Power of Attorney. For further details please contact Company's Secretarial Department. Security holders desirous of making nominations are requested to send their requests in Form No.SH-13 (which will be made available on request) to the Registrar and Share Transfer Agent, M/s. Integrated Enterprises (India) Limited.
- Disclosure relating to particulars of Cost Auditor as per general Circular No.15/2011 dated 11th April, 2011 for the year ended 31.03.2014.

Name	M/s STR & Associates
Address	37 & 38, Kaveri Nagar, Srirangam, Trichy - 620 006. Ph: 0431 6547726, 2432224 e mail ID's : strengarajan@hotmail.com strassociates@rediffmail.com
Due date for filing Cost Audit Report in XBRL format for FY ended 31.03.2014	28.09.2014
Actual date of filing Cost Audit Report in XBRL Format	25.09.2014

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

No. of Complaints of sexual harassment received during the year	—
No. of complaints disposed off during the year	—
No. of cases pending for more than ninety days	—
No. of workshops or awareness programme against sexual harassment carried out	1
Nature of action taken by the employer	—

REQUEST TO THE MEMBERS:

- Members desiring any information on the accounts at the Annual General Meeting are requested to write to the Company at least 7 (Seven) days in advance, so as to enable the Company to keep the information ready.
- As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report to the Meeting.
- All communications relating to shares including change in their address are to be addressed to the Company's Share Transfer Agent M/s. Integrated Enterprises (India) Ltd., 2nd Floor, Kences Towers,

No.1, Ramakrishna Street, T Nagar, Chennai-600017, Tel: 044 28140801-803; E-Mail: corpser@integratedindia.in.

- The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to register/update your e-mail addresses, in respect of shares held in dematerialized form with your respective Depository Participants and in respect of shares held in physical form with above RTA directly to enable Company to send communication / documents via e-mail.
- Copies of the Annual Report 2015 along with Notice of the 10th AGM, Attendance Slip and Proxy Form, are being sent by electronic mode to all members whose email address are registered with the Company/ Depository Participant (s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.

Members who hold shares in physical forms are requested to dematerialize their holdings for facilitating the transfers of Company's equity shares in all Stock Exchanges connected to the depository system.

7. Voting through electronic means

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and clause 35 B of the Listing Agreement with the Stock Exchanges, the Company is pleased to offer Remote e-voting facility to the members to cast their votes electronically as an alternative to participation at the Annual General Meeting (AGM) to be held on Friday, 7th August, 2015 at 12.15 pm at Puzhayoram Hall, Hotel Periyar, Aluva-683101. Please note that remote e-voting through electronic means is optional. The company is also providing the facility of poll at the meeting by way of ballot. The Company has engaged the services of Central Depository Services India Ltd (CDSL) to provide remote e-voting facilities. The remote e-voting facility is available at the link <https://www.evotingindia.com> :

The Company had fixed on Friday, 31st July, 2015 as the cutoff date for determining voting right of shareholders entitled to participating in the remote e-voting process. In this regard, your demat account/folio number has been enrolled by the Company for your participation in remote e-voting on resolutions placed by the Company on e-voting system.

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

Commencement of remote e-voting	9:00 A.M. onwards on Tuesday, 4th August, 2015
End of remote e-voting	Upto 5:00 P.M. on Thursday, 6th August, 2015

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

The-voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the company as on Friday, 31st July, 2015. 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 meeting through ballot paper.

Any person who acquires shares of the company and becomes member of the company after dispatch of the Notice and holding shares as on cut off date i.e. 31st July, 2015 may obtain the sequence number by sending a request at corpser@integratedindia.in.

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

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "GTN TEXTILES LIMITED" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits sequence number in the PAN Field. • In the case of sequence number is less than 8 digits; enter the applicable number of 0's before the number after the first two character of the name in CAPITAL letter. <p>E.g. If your name is Ramesh Kumar with sequence number 1, then enter RA00000001 in the PAN field.</p>
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p># Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member ID / folio number in the Dividend Bank details field in order to login.</p>

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

option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the-voting done by you by clicking on "Click here to print" option on the-voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on "Forgot Password" & enter the details as prompted by the system.
- (xviii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - a) They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - b) After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - c) The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - d) They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
 - In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
 - The Company has appointed Shri MRL Narasimha (Membership No.2851, CPNO 799), Practicing Company Secretary as the Scrutinizer to scrutinize the remote e-voting process in fair and transparent manner.
 - The Scrutinizer shall, immediately after the conclusion of the-voting at the AGM, first count the votes casted at the meeting, thereafter unblock the votes casted through remote e-voting in the presence of at least two witnesses not in the employment in the company and make not later than three days of conclusion of the meeting a consolidated Scrutinizers Report of the Total votes cast in favour or against, if any, to the Chairman or person authorized by him in writing who shall counter sign the same. The chairman or the person authorized by him shall declare the result of the-voting forthwith.
 - The results declared alongwith the Scrutinizers Report shall be placed on the Company's website www.gtntextiles.com and on the website of CDSL immediately after the result have been declared by the chairman. The company shall simultaneously communicate the result to BSE Limited and National Stock Exchange of India Limited, who shall be place the same in their website www.gtntextiles.com

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

Name of Director	Shri Mahesh C Thakker	Smt. Pamela Anna Mathew
Date of Birth	7.9.1964	24.2.1950
DIN	01386254	00742735
Date of appointment	31.10.2013	17.3.2015
Qualifications	Graduate	Double Post Graduate in Economics & Business Administration
Expertise in specific functional area	Shri Mahesh C Thakker is aged 50 years, and is the Managing Director of M/s. Purav Trading Limited. He is also partner in M/s. Perfect Cotton Company, Mumbai and M/s. Patcot & Company, Mumbai. These Company / firms are mainly engaged in raw cotton procurement. He is having more than 25 years of experience in raw cotton procurement line.	Smt. Pamela Anna Mathew, aged about 65 years, is a twin Post Graduate in Economics & Business Administration, having 41 years of professional managerial experience, presently Managing Director of O/E/N India Limited, market leader in the country in the field of Electro Mechanical components for the Electronics Industry. Smt. Pamela Anna Mathew was the Past President of Cochin Chamber of Commerce, Kerala Management Association and Electronic Components Industries Association. She is closely associated with Kerala State Productivity Council and Confederation of Indian Industry. She was the Chairperson of CII, Kerala Council during the year 2002-03. She had received CII Award for the best Chairperson at National level for outstanding contributions to the industry, Management Leadership Award- 2011 of KMA for Managerial Excellence and Outstanding Entrepreneurship Award - 2011 by Kerala State Industrial Development Corporation Ltd.
Shareholding in the Company.	9475 Equity Shares of Rs 10 each	None

Details of other Directorship:-

Name of Director	Name of the Company	Position held	Committee type	Membership status	Shareholdings
Smt. Pamela Anna Mathew	Patspin India Limited	Additional Director	None	None	None
	O E N India Limited	Managing Director	None	None	48.04%
	Muthoot Finance Limited	Additional Director	None	None	None
	INKEL-KSIDC Projects Limited	Director	None	None	None
	INKEL Limited	Director	None	None	None
	Geomaths Stocks and Shares Trading private Limited	Additional Director	None	None	None
Shri Mahesh C Thakker	Purav Trading Ltd	Managing Director	None	None	7600 Equity Shares

By Order of the Board of Directors

E K BALAKRISHNAN
Vice President (Corporate Affairs)
& Company Secretary
Membership No. ACS7629

Place : Kochi
Date: 27.5.2015

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM No.4:

The present term of office of Shri B.K. Patodia as Chairman & Managing Director will expire on 18th December, 2015. Subject to shareholders' approval, the Board of Directors, at their meeting held on 27.5.2015 have reappointed him for a further period of five years from the expiry date of his term on the remuneration determined by the Nomination & Remuneration Committee of the Board of Directors.

Nomination & Remuneration Committee constituted by the Board had met on 27.5.2015 and approved and recommended remuneration package of Shri. B.K. Patodia, Managing Director for a period of three years, in accordance with Schedule V to the Companies Act, 2013

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

A.	
(1)	(2)
Where the Effective Capital (EC) is	Limit of yearly remuneration payable shall not exceed (Rs.)
i. Negative or less than Rs. 5 Crore	30 lacs
ii) Rs. 5 crores and above but less than Rs. 100 Crores	42 lacs
iii) Rs. 100 crores and above but less than Rs.250 Crores	60 lacs
iv) Rs. 250 Crores and above	60 lacs + 0.01% of EC in excess of Rs. 250 Crores

Provided that the above limits shall be doubled if the resolution passed by the shareholders is a special resolution.

B.

In case of managerial person who was not a security holder holding securities of the Company of nominal value of rupees five lacs or more or an employee or a director of the Company or not related to any director or promoter at any time during the two years prior to his appointment as a managerial person, — 2.5% of the current relevant profit.

Provided that if the resolution passed by the shareholders is a special resolution, this limits shall be doubled.

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

- (i) payment of remuneration is approved by a resolution passed by the Board and, in the case of a Company covered under sub section (1) of section 178 also by the Nomination and Remuneration Committee;
- (ii) the Company has not made any default in repayment of any of its debts (including public deposits) or debentures or interest

payable thereon for a continuous period of thirty days in the preceding financial year before the date of appointment of such managerial person;

- (iii) a special resolution has been passed at the general meeting of the Company for payment of remuneration for a period not exceeding three years; and
- (iv) a statement along with notice calling the General Meeting referred to in Clause(iii) is given to the shareholders containing certain information as specified in the said Schedule.

Shri. B.K. Patodia was drawing a monthly salary of Rs.3,00,000/- in the scale of Rs. 3,00,000 – Rs. 10000 – Rs. 3,20,000 effective from 1st June, 2014 plus usual perquisites. Under his able leadership, the Company has recorded significant growth. Therefore, the Nomination & Remuneration Committee unanimously recommended to retain the remuneration of Rs.300000/- per month in the scale Rs.300000-Rs 10000-Rs 320000 plus usual perquisites to Shri. B.K.Patodia, Managing Director for a period of three years from 1-6-2015 to 31-5-2018, as set out below:

a) Salary:

Rs.3,00,000/- per month in the Scale Rs. 3,00,000 – Rs 10,000 – Rs. 3,20,000 effective from 1st June, 2015 for a period of three years up to 31st May, 2018.

b) Commission:

Subject to the overall limits laid down in Sections 197 of the Companies Act, 2013 such percentage of the Net Profit of the Company or such quantum as may be fixed by the Board of Directors for each financial year not exceeding 2% of the Net Profits of the Company, each year, restricted to an overall limit of Rs.42 lacs per annum.

c) Perquisites as follows:

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

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

(vi) Personal Accident Insurance: As per Rules of the Company.

(vii) Provision of Car with driver and telephone at the residence for use of Company's business.

Perquisites not included in Managerial Remuneration

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

d) Overall Remuneration:

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

e) Minimum Remuneration:

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

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

Shri. B.K. Patodia is deemed to be interested in the resolution mentioned in Item no.4 of the Notice.

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

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

I. General Information:

- i) Nature of the industry:
Textile Industry – the Company is mainly engaged in manufacture and exports of yarn, both for domestic and international markets.
- ii) Date or expected date of commencement of Commercial Production:
The Commercial Production has commenced at its Aluva plant in 1964.
- iii) In case of new companies, expected date of commercial activities as per Project approved by financial institutions appearing in the prospectus.
Not applicable.

iv) Financial Performance:

(Rs. in lacs)			
Particulars	2012-13	2013-14	2014-15
Revenue from Operations	20939	28612	18598
Other income	35	62	73
Operating Profit	1202	2294	1099
Finance Cost	1072	1291	1089
PBDT	130	1003	10
Profit/(Loss)Before Tax	(498)	392	(447)
Profit/(Loss)After Tax	(356)	197	(306)
Amount of Equity Dividend Paid	NIL	NIL	NIL
Rate of Dividend Declared (%)	NIL	NIL	NIL

The Effective Capital of the Company based on the Audited Accounts for the Year Ended 31.3.2015 is Rs 27.72 Crores.

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

v) Export Performance and Net foreign Exchange contributions:

(Rs. in Lacs)	
Financial Year	Export Turnover
2012-13	10823
2013-14	17919
2014-15	9370

The Company does not have any Foreign Exchange Collaboration.

vi) Foreign Investments or Collaborators, if any:

The Company does not have any foreign investments or collaborators.

II. Information about the appointee: Shri.B.K. Patodia

Vide Item No.4 of the Notice of this Annual General Meeting of the Company; the approval of the members is being sought for fixing the remuneration of Shri. B.K. Patodia, Managing Director effective from 1st June,2015 for a period of three years from 01.06.2015 to 31.5.2018. Shri. B.K. Patodia is a Citizen of India, 70 years of age, holds the Engineering Degree from Birla Institute of Science and Technology, Pilani, is the past Chairman of the Cotton Textiles Export Promotion Council, (Texprocil), Mumbai. He is also the past Chairman of the Indian Cotton Mills' Federation, (now known as Confederation of Indian Textile Industry) and Southern India Mills' Association, Coimbatore. He has also served as President of Cochin Chamber of Commerce and Industry, Cochin and Employers' Federation of Southern India, Chennai.

Mr. Patodia is the past Chairman of the Joint Cotton Committee of International Textile Manufacturers Federation (ITMF), Zurich. He is a member of the Advisory Board on the

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

Committee of Management of ITMF. He is also a member of the Spinners Committee of ITMF.

Mr. Patodia has been nominated by Ministry of Consumer Affairs, Food and Public Distribution as a member of the National Advisory Committee to advise the Central Government and Forward Markets Commission regarding Commodity Futures Markets.

Mr. Patodia is a Director on the Boards of several leading Companies and is also a Member of several Government Committees including the Cotton Advisory Board and Cotton Yarn Advisory Board appointed by the Ministry of Textiles, Government of India. He was also actively involved in the Sub-Group on Cotton to formulate National Fibre Policy of the Ministry of Textiles.

During the financial year 2014-2015, he was paid the following remuneration:

(Rs. in lacs)				
Salary	Commission	Perquisites	P.F./Gratuity/ Superannuation	Total
36.74	nil	1.98	6.25	44.97

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

III. Other Information:

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

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

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

Since Shri. B.K. Patodia attained 70 years, his appointment is to be approved by the Shareholders by way of a Special Resolution.

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

Your Directors recommend this Resolution for approval.

ITEM NO. 5:

The Board of Directors has appointed Smt. Pamela Anna Mathew as Additional Director w.e.f. 17th March, 2015. As per the provisions of 161(1) of the Act, Smt. Pamela Anna Mathew shall hold office as an Additional Director only up to the date of this Annual General Meeting of the Company.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act, proposing the candidature of Smt. Pamela Anna Mathew as an Independent Director for five consecutive years for a term upto 6th August, 2020.

In the opinion of the Board, Smt. Pamela Anna Mathew fulfills the conditions specified in the Companies Act, 2013 and rules made there under for her appointment as an Independent Director of the Company and is independent of the management. She is not holding any equity shares in the Company and does not hold, by herself or for any other person any shares on a beneficial basis in the Company. Pursuant to revised Clause 49 of the Listing Agreement Smt. Pamela Anna Mathew's tenure as Independent Director in the Company shall be less than 5 years and therefore, this appointment will be treated as her 1st term in the office.

The Board considers that her continued association would be of great benefit to the Company and it is desirable to continue the service of Smt. Pamela Anna Mathew as Independent Director of the Company. Accordingly, the Board recommends the Resolution in relation to appointment of Smt. Pamela Anna Mathew as Independent Director, for the approval by the shareholders of the Company by way of Ordinary Resolution.

Copy of the draft letter for appointment of Smt. Pamela Anna Mathew as an Independent Director 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.

None of the Directors and Key Managerial Personnel or their relatives except Smt. Pamela Anna Mathew is concerned or interested, financial or otherwise, in the resolution set out at item No.5.

By Order of the Board of Directors

E K BALAKRISHNAN
Vice President (Corporate Affairs)
& Company Secretary
Membership No. ACS7629

Place : Kochi
Date : 27.5.2015