

NOTICE

NOTICE is hereby given that the **77th Annual General Meeting (“AGM”)** of the members of **SURAT TEXTILE MILLS LIMITED** will be held on **Friday, 11th August, 2023, at 3:30 P.M. IST** through Video Conferencing (“**VC**”) / Other Audio-Visual Means (“**OAVM**”), to transact the following business. The Venue of the meeting shall be deemed to be the Registered Office of the Company at Tulsi Krupa Arcade, 6th Floor, Puna-Kumbharia Road, Dumbhal, Surat 395010.

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2023 and the reports of Board of Directors and Auditors thereon, and, in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** the audited financial statements of the Company for the financial year ended 31st March, 2023 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted”.

2. To appoint a Director in place of Mr. Alok P. Shah, who retires by rotation and being eligible, offers himself for re-appointment and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Alok P. Shah (DIN: 00218180), who retires by rotation at this meeting and being eligible for re-appointment, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS:

3. To approve the revision in terms of appointment and payment of remuneration to Mr. Alok P. Shah, Managing Director of the Company, with effect from 1st April, 2023 up to the remaining tenure of his present term ending on 30th June, 2025 and in this regard, to consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 and 203, read with Schedule V as applicable and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as “the Act”) and the rules made thereunder, including any statutory amendments, modification(s) or re-enactment thereof, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Articles of Association of the Company, in furtherance of the special resolution passed in the 76th Annual General Meeting held on 13th September 2022 and subject to such other requisite approvals, as may be required, on the recommendation of the Nomination and Remuneration Committee, consent of the Members be and is hereby accorded for revision in terms of appointment and remuneration payable to Mr. Alok P. Shah (DIN: 00218180), Managing Director of the Company as set out in the Explanatory Statement, with effect from 01st April, 2023 up to the balance period of his current tenure ending on 30th June, 2025, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the currency of his tenure as per Section 197 read with Schedule V of the Companies Act, 2013;

RESOLVED FURTHER THAT notwithstanding anything contained in Section 197, 198 and Schedule V of the Companies Act, 2013 or any amendment/re-enactment thereof or any revised/new schedule thereof, in the event of absence of profits or inadequate profits in any financial year, the salary, perquisites and statutory benefits, as set out in the explanatory statement forming part of this resolution be paid to Mr. Alok P. Shah, Managing Director, as minimum remuneration in accordance Schedule V of the Companies Act, 2013, by making requisite compliances prescribed in the said schedule;

RESOLVED FURTHER THAT save and except as aforesaid, all other existing terms and conditions of appointment and remuneration of Mr. Alok P. Shah (DIN: 00218180), passed at the 76th AGM shall continue to remain in full force and effect;

RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as “the Board” which term shall include its committee thereof) be and is hereby authorised to alter and vary the terms and conditions of the said remuneration of Mr. Alok P. Shah as it may deem fit within limits permissible under the Act;

RESOLVED FURTHER THAT the Board of Directors and / or the Company Secretary of the Company, be and are hereby authorized to settle any question, difficulties or doubts, that may arise in regard to the said appointment as it may in its sole and absolute discretion deem fit and to delegate all or any of its power herein conferred to any director(s) and/or officer(s) of the Company and to do all such acts, deeds and things, as may be necessary, expedient, and desirable for the purpose of giving effect to this resolution and for matters concerned or incidental thereto”.

Registered Office: By Order of the Board of Directors
Tulsi Krupa Arcade,
6th Floor, Puna-
Kumbharia Road,
Dumbhal, Surat 395010.
Place: Surat
Date: 6th July, 2023

Mahek Gaurav Jaju
Company Secretary and
Compliance Officer

Notes:

1. In Accordance with the provisions of the Act, read with the Rules made thereunder and General Circular No. 10/2022 dated 28th December, 2022, other Circulars issued by the Ministry of Corporate Affairs (“MCA”) from time to time, and Circular No. SEBI/HO/CFD/PoD2/P/CIR/2023/4 dated 5th January, 2023 issued by SEBI (“the Circulars”), Companies are allowed to hold AGM through Video Conference/ Other Audio-Visual Means (“VC / OAVM”) upto 30th September, 2023, without the physical presence of members. The AGM of the Company is being held through VC / OAVM. KFin Technologies Limited, (“KFin”), the Company’s Registrar and Transfer Agent will provide the facility for voting through remote e-voting; for participating at the AGM through VC / OAVM and for e-voting during the AGM.
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”) in respect of business to be transacted at the 77th Annual General Meeting (“AGM”), as set out under Item No. 3 above is annexed hereto.
3. The relevant details of the Directors as mentioned under Item Nos. 2 and 3 above as required under Regulation 36(3) of the Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“the Listing Regulations”) and as required under Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, is annexed hereto.
4. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. Generally, a member entitled to attend and vote at a meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a Member of the Company. Since the AGM will be conducted through VC / OAVM, the facility for appointment of proxy by the members is not available for this AGM and hence, the proxy form is not annexed to the Notice. Further, attendance slip including route map is not annexed to this notice.
6. The Register of directors and key managerial personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to sharedepartment@stml.in
7. **Book Closure:** The Register of Members and Transfer Books of the Company will remain closed from **Monday, 7th August, 2023 to Friday, 11th August, 2023 (both days inclusive)** for the purpose of AGM.
8. Members are requested to address all correspondence to RTA, KFin Technologies Limited (formerly known as KFin Technologies Private Limited), Unit: Surat Textile Mills Limited, Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad 500 032.
9. Authorised representatives of the corporate members intending to participate in the AGM pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy (in PDF/JPG format) of the relevant Board Resolution/ Authority Letter etc. authorizing them to attend the AGM, by email to sharedepartment@stml.in.
10. Members seeking any information with regard to any matter to be placed at the AGM, are requested to write to the Company at sharedepartment@stml.in.

Process for dispatch of Annual Report and Registration of email ID for obtaining a copy of the same:

11. In compliance with the Circulars, Notice of the AGM along with the Annual Report for the financial year 2022-23 is being sent only through electronic mode to those members whose email addresses are registered with the Company/ Depository Participants (“DPs”).

In case any member is desirous of obtaining physical copy of the Annual report for the Financial Year 2022-23 and Notice of the 77th AGM of the Company, he/she may send a request to the Company by writing at sharedepartment@stml.in or KFin Technologies Limited (“KFin”), Company’s Registrar and Share Transfer Agent (“RTA”) mentioning their DP ID and Client ID/ folio no.

Members may note that the Notice of the 77th AGM and the Annual Report 2022-23 will also be available on the Company’s website, <https://www.surattextilemillsLtd.com>, website of the stock exchange, i.e. BSE at www.bseindia.com and on the website of KFin Technologies Limited, <https://evoting.kfintech.com>.

12. We urge members to support our commitment to environmental protection by choosing to receive the Company’s communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective DP, and members holding shares in physical mode are requested to update their email addresses with the Company’s RTA, KFin Technologies Limited at einward.ris@kfintech.com, to receive copies of the Annual Report 2022-23 in electronic mode. Members may follow the process detailed below for registration of email ID to obtain the report.

Type of holder	Process to be followed
Physical	For availing the following investor services, send a written request in the prescribed forms to the RTA of the Company, KFin Technologies Limited either by email to einward.ris@kfintech.com or by post to Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032.

Type of holder	Process to be followed	
	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode	Form ISR-1
	Update of signature of securities holder	Form ISR-2
	For nomination as provided in the Rules 19 (1) of Companies (Share capital and debenture) Rules, 2014	Form SH-13
	Declaration to opt out	Form ISR-3
	Cancellation of nomination by the holder(s) (along with ISR-3) / Change of Nominee	Form SH-14
	Form for requesting issue of Duplicate Certificate and other service requests for shares / debentures / bonds, etc., held in physical form	ISR 4
Demat	Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your DP.	

13. Procedure for remote e-voting and e-voting during the AGM

- a. All the Shareholders of the Company are encouraged to attend and vote in the AGM to be held through VC/OAVM.
- b. Pursuant to the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration Rules, 2014 and Regulation 44 of the Listing Regulations, (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), the Company is providing facility of remote e-voting to its members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with KFin Technologies Limited for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as e-voting on the date of the AGM will be provided by KFinTech.

- c. The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.
- d. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member cast votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
- e. Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but they shall not be entitled to cast their votes again. Further, members who have voted on some of the resolutions during the remote e-voting period are also eligible to vote on the remaining resolutions during the AGM.
- f. Facility of joining the AGM through VC / OAVM shall be available for at least 2000 members on first come first served basis.
- g. Members holding shares either in physical or dematerialized form, as on cut-off date, i.e., as on 4th August, 2023, may cast their votes electronically. The e-voting period commences on Tuesday, 8th August, 2023 (9:00 a.m. IST) and ends on Thursday, 10th August, 2023 (5:00 p.m. IST). The e-voting module will be disabled thereafter. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e., as on 4th August, 2023. A person who is not a member as on the cut-off date is requested to treat this Notice for information purposes only.
- 14. Procedure to raise questions/seek clarifications with respect to Annual Report at the ensuing 77th AGM of the Company**
- i. **Speaker Registration:** The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views.
- They can visit <https://emeetings.kfintech.com> and login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Speaker Registration' which will be opened from **Monday, 7th August, 2023 (9:00 a.m. IST) to Wednesday, 9th August, 2023 (5:00 p.m. IST)**. Members shall be provided a 'queue number' before the meeting.
- ii. **Post your Question:** The Members who wish to post their questions prior to the meeting can do the same by visiting <https://emeetings.kfintech.com>. Please login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Post Your Question' option which will be opened from **Monday, 7th August, 2023 (9:00 a.m. IST) to Wednesday, 9th August, 2023 (5:00 p.m. IST)**.
- iii. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.
- 15. The details of the process and manner for remote e-voting and voting during AGM are explained herein below:**
- Step 1:** Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.
- Step 2:** Access to KFinTech e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.
- Step 3:** Access to join virtual meetings(e-AGM) of the Company on KFin system to participate e-AGM and vote at the AGM.
- Procedure for Login for E-voting and Attending AGM through VC/OAVM for Individual Shareholders holding securities in Demat mode.**
- In terms of SEBI circular dated December 09, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their Demat accounts to access e-Voting facility.

I) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with National Securities Depository Limited ("NSDL")	<ol style="list-style-type: none"> 1. User already registered for IDeAS facility: <ol style="list-style-type: none"> i. Open https://eservices.nsdl.com ii. Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section. iii. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" iv. Click on Company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2. User not registered for IDeAS e-Services <ol style="list-style-type: none"> i. To register, open https://eservices.nsdl.com either on a Personal Computer or on a mobile. ii. Select "Register Online for IDeAS "Portal or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. iii. Proceed with completing the required fields. 3. By visiting the e-Voting website of NSDL <ol style="list-style-type: none"> i. Open https://www.evoting.nsdl.com/ ii. Click on the icon "Login" which is available under 'Shareholder/Member' section. iii. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. iv. Post successful authentication, you will be requested to select the name of the Company and the e-Voting Service Provider name, i.e. KFintech. v. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with Central Depository Services (India) Limited (“CDSL”)	<ol style="list-style-type: none"> 1. Existing user who have opted for Easi / Easiest <ol style="list-style-type: none"> I. Click at https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com II. Click on New System Myeasi III. Login with your registered user id and password. IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. Kfintech e-Voting portal. V. Click on e-Voting service provider name to cast your vote. 2. User not registered for Easi/Easiest <ol style="list-style-type: none"> I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields. 3. By visiting the e-Voting website of CDSL: <ol style="list-style-type: none"> I. Visit at www.cdslindia.com II. Provide your demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. IV. After successful authentication, user will be provided links for the respective ESP, i.e. Kfintech where the e- Voting is in progress.
Individual Shareholder (holding securities in Demat mode) login through their demat accounts / Website of Depository Participant	<ol style="list-style-type: none"> I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility. II. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. III. Click on options available against Company name or e-Voting service provider Kfintech and you will be redirected to e-Voting website of Kfintech for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at abovementioned websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22-23058542-43.

Details on Step 2 are mentioned below:

(II) Login method for remote e-voting for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode:

- i. Initial password is provided in the body of the e-mail.
- ii. Launch internet browser by typing the URL:<https://evoting.kfintech.com>
- iii. Enter the login credentials (**User ID and password provided in the e-mail**). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting your vote. If required, please visit <https://evoting.kfintech.com> or contact toll-free numbers 1800 309 4001 (from 9.00 a.m. IST to 6.00 p.m. IST on all working days) for assistance on your existing password.
- iv. After entering these details appropriately, click on "LOGIN".
- v. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #,\$, etc.,). **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.**
- vi. You need to login again with the new credentials.
- vii. On successful login, the system will prompt you to select the E-Voting Event Number (EVEN) for Surat Textile Mills Limited.
- viii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- ix. Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat accounts.
- x. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as ABSTAINED.
- xi. You may then cast your vote by selecting an appropriate option and click on "SUBMIT".
- xii. A confirmation box will be displayed. Click "OK" to confirm, else "CANCEL" to modify.
- xiii. Once you have voted on the resolution (s), you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.
- xiv. Institutional/ Corporate members (i.e. other than individuals, HUFs, NRIs, etc.) are also required to send legible scanned certified true copy (in PDF Format) of the Board Resolution/ Power of Attorney/ Authority Letter, etc. together with attested specimen signatures of the duly authorised representative(s), to the Scrutinizer at E-mail id: sharedepartment@stml.in. It is also requested to upload the same in the e-voting module in their login.
- xv. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for members and e-voting User Manual available at the 'download' section of <https://evoting.kfintech.com> or call KFin on 1800 309 4001 (toll free).

A) Voting at e-AGM

- i. Only those members/shareholders, who will be present in the e-AGM and who have not cast their vote through remote e-voting and are otherwise not barred from doing so are eligible to vote.
- ii. Members who have voted through remote e-voting will still be eligible to attend the e-AGM.
- iii. Members attending the e-AGM shall be counted for the purpose of reckoning the quorum under section 103 of the Act.
- iv. Voting at e-AGM will be available at the end of the e-AGM and shall be kept open for 15 minutes. Members viewing the e-AGM, shall click on the 'e-voting' sign placed on the left-hand bottom corner of the video screen. Members will be required to use the credentials, to login on the e-Meeting webpage, and click on the 'Thumbs-up' icon against the unit to vote.

B) Instructions for members for attending the e-AGM

- i. Members will be able to attend the e-AGM through VC/OAVM or view the live webcast of e-AGM provided by KFin at <https://emeetings.kfintech.com> by using their remote e-voting login credentials and by clicking on the tab "video conference". The link for e-AGM will be available in members login, where the EVENT and the name of the Company can be selected.
- ii. Members are encouraged to join the meeting through devices (Laptops, Desktops, Mobile devices) with Google Chrome for seamless experience.
- iii. Further, members registered as speakers will be required to allow camera during e-AGM and hence are requested to use internet with a good speed to avoid any disturbance during the meeting.
- iv. Members may join the meeting using headphones for better sound clarity.

- v. While all efforts would be made to make the meeting smooth, participants connecting through mobile devices, tablets, laptops, etc. may at times experience audio/video loss due to fluctuation in their respective networks. Use of a stable Wi-Fi or LAN connection can mitigate some of the technical glitches.
- vi. A video guide assisting the members attending e-AGM either as a speaker or participant is available for quick reference at URL <https://emeetings.kfintech.com/>, under the "How It Works" tab placed on top of the page.
- vii. Members who need technical assistance before or during the e-AGM can contact KFin at emeetings@kfintech.com or Helpline: 1800 309 4001.

Procedure for Registration of email and Mobile: securities in physical mode

Physical shareholders are hereby notified that based on SEBI Circular number: SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37, dated March 16th, 2023, all holders of physical securities in listed companies shall register the postal address with PIN for their corresponding folio numbers. It shall be mandatory for the security holders to provide mobile number. Moreover, to avail online services, the security holders can register e-mail ID. Holder can register/update the contact details through submitting the requisite ISR 1 form along with the supporting documents.

ISR 1 Form can be obtained by following the link:

<https://ris.kfintech.com/clientservices/isc/default.aspx>

ISR Form(s) and the supporting documents can be provided by any one of the following modes.

- a) Through 'In Person Verification' (IPV): the authorized person of the RTA shall verify the original documents furnished by the investor and retain copy(ies) with IPV stamping with date and initials; or
- b) Through hard copies which are self-attested, which can be shared on the address below; or

Name: KFIN Technologies Limited

Address: Selenium Building, Tower-B,
Plot No 31 & 32, Financial District,
Nanakramguda, Serilingampally,
Hyderabad, Rangareddy, Telangana India - 500 032.

- c) Through electronic mode with e-sign by following the link:

<https://ris.kfintech.com/clientservices/isc/default.aspx#>

Detailed FAQ can be found on the link: <https://ris.kfintech.com/faq.html>

For more information on updating the email and Mobile details for securities held in electronic mode, please reach out to the respective DP(s), where the DEMAT a/c is being held.

GENERAL GUIDELINES FOR SHAREHOLDERS:

- a) The Members, whose names appear in the Register of Members / list of Beneficial Owners as on **Friday, 4th August, 2023**, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
- b) Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after the Notice is sent through email and holds shares as of the **cut-off date i.e. Friday, 4th August, 2023** may obtain the User ID and Password by sending a request at **evoting@Kfintech.com**. However, if he / she is already registered with Kfintech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.
- c) In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode."
- d) The Board of Directors has appointed Mr. Jigar Vyas of Jigar Vyas & Associates, Practicing Company Secretaries (FCS No. 8019 and COP No.14468) as the Scrutinizer, for conducting the e-voting process in a fair and transparent manner.

- e) The Chairman shall, at the AGM, at end of discussion on the resolution on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of electronic voting for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

- f) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses who are not in the employment of the Company and make, not later than 48 hours of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or to a person authorized by the Chairman in writing who shall countersign the same.

- g) The voting results shall be declared within two working days from conclusion of the AGM and the Resolutions shall be deemed to be passed on the date of the AGM i.e. **Friday, 11th August, 2023**, subject to receipt of requisite number of votes. The declared results along with the report of the Scrutinizer shall be placed on the website of the Company i.e., <https://www.surattextilemillsLtd.com> after the declaration of result by the Chairman or a person authorized by him. The results along with the report of the Scrutinizer shall also be immediately forwarded it to BSE Limited.

16. Updation of PAN, KYC and nomination details

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March, 2023, in supersession of earlier Circular(s) issued on the subject, has prescribed common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC (contact details, bank details and specimen signature), and nomination details.

As per the said Circular, it is mandatory for the shareholders holding securities in physical form to, inter alia, furnish PAN, KYC and nomination details. Physical folios wherein the PAN, KYC and nomination details were not available on or after 1st April, 2023, were to be frozen by RTA and would be eligible for lodging grievance or any service request only after registering the required details. The said time limit of 1st April, 2023 for freezing of folios has been extended to 1st October, 2023.

The said physical folios shall be referred by the Company or RTA to the administering authority under the Prohibition of Benami Property Transactions Act, 1988 and/or Prevention of Money- Laundering Act, 2002, if they continue to remain frozen as on 31st December, 2025.

If a Shareholder holding shares in physical form desires to opt out or cancel the earlier nomination and record a fresh nomination, the Shareholder may submit the same in the prescribed form.

Shareholders holding shares in demat form who have not furnished nomination nor have submitted declaration for opting out of nomination, are required to register or opt out from nomination, as the case may be, on or before 30th September, 2023, failing which their trading accounts shall be frozen for trading and demat account shall be frozen for debits.

The Company has sent individual letters to all the shareholders holding shares of the Company in physical form for furnishing their PAN, KYC and nomination details. The relevant Circular(s) and necessary forms in this regard have been made available on the website of the Company at <https://www.surattextilemillsLtd.com>.

Accordingly, the members are advised to register their details with the RTA or DPs, in compliance with the aforesaid SEBI guidelines for smooth processing of their service requests and trading without any hindrance.

17. Issue of securities in dematerialised form

- a. SEBI vide its notification dated 24th January, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, the members are advised to dematerialise their holdings.
- b. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 has mandated listed companies to issue securities only in dematerialised form while processing service requests viz, Issue of duplicate securities certificate; Claim from unclaimed suspense account; Renewal/exchange of securities certificate; Endorsement; Sub-division/splitting of securities certificate; Consolidation of securities certificates/folios; Transmission; and Transposition.

18. Process for availing various investor service requests:

Members are requested to refer SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March, 2023 for common and simplified norms for processing any service requests before making an application to the Company/ RTA.

By Order of the Board of Directors

Place: Surat
Date: 6th July, 2023

Mahek Gaurav Jaju
Company Secretary and
Compliance Officer

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Item No. 3:

Mr. Alok P. Shah (DIN: 00218180), Managing Director of the Company, retires by rotation at the ensuing Annual General Meeting ("AGM") and being eligible seeks re-appointment under Item No. 2 of this Notice.

At the 76th Annual General Meeting held on 13th September, 2022, the shareholders of the Company had approved the appointment of Mr. Alok P. Shah as Managing Director of the Company for a period of three years with effect from 1st July, 2022, upon the terms and conditions as specified in the explanatory statement annexed to the Notice of the said meeting. Considering the initial stage of new business activities, Mr. Alok P. Shah opted not to draw any remuneration by way of monthly salary.

Mr. Alok P. Shah is a graduate in Electrical Engineering from Stanford University and has an M.B.A. (Finance, General Management and Economics) from University of Chicago, USA. Mr. Alok P. Shah has had a brilliant academic career. He has wide exposure and knowledge in project appraisal, corporate finance, operations & business management etc.

Mr. Alok P. Shah shared his rich experience and made valuable contribution and guided the Company and under his able leadership, the Company ventured into and successfully implemented new business vertical from November, 2022 which contributed to revenue from operations of the Company for F.Y. 2023.

Further taking into consideration his profile and experience, the responsibilities shared by him and the industry benchmarks, the Board of Directors of the Company (the 'Board'), at its meeting held on 24th May, 2023 has, subject to the approval of members, approved the proposal for revision in terms of appointment and payment of remuneration of Mr. Alok P. Shah as Managing Director of the Company with effect from 1st April, 2023 up to the remaining period of his present tenure ending on 30th June, 2025 as recommended by the Nomination and Remuneration Committee of the Board in terms of Section 197, 198, Schedule V and any other applicable provisions of the Companies Act, 2013.

As per section 197 of the Act, in case a company has no profits or inadequate profit, the Company shall pay remuneration to managerial personnel in the manner as prescribed under Schedule V of the Act with the approval of member by passing Special Resolution as the case may be.

It is therefore proposed to seek the members' approval for the aforesaid revision in terms of appointment and remuneration payable to Mr. Alok P. Shah. The salient features of the terms and conditions of and remuneration payable to Mr. Alok P. Shah as set out in the draft agreement placed before this Meeting are as follows:

- i) **Salary:** Up to Rs.7,50,000/- per month.
- ii) **Perquisites and Allowances:**
 - (a) in addition to the salary as above, Mr. Alok P. Shah shall be entitled to perquisites which includes accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance, together with reimbursement of expenses and/or allowances for utilisation of gas, electricity, water furnishings, repairs, servants' salaries, society charges and property tax, medical reimbursement, medical/accident insurance, leave travel concession for self and family including dependents; club fees, car(s) with driver and telephone(s) at residence and such other perquisites and/or other allowances as the Board (which includes any committee thereof) may in its absolute discretion determine from time to time provided that the aggregate value of such perquisites shall not exceed Rs. 2,50,000/- per month.
 - (b) The said perquisites and allowance shall be evaluated, wherever applicable, as per the provisions of Income-tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment thereof; in the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost.
 - (c) The Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund, to the extent these singly or together are not taxable under the Income-tax law, and Gratuity payable and encashment of leave at the end of the tenure, as per the rules of the Company and to the extent not taxable under the Income-tax law shall not be included for the purpose of computation of the overall ceiling of remuneration.

iii) Remuneration based on net profits:

In addition to the salary, perquisites and allowances as set out above, Mr. Alok P. Shah shall be entitled to receive remuneration based on net profits. Such remuneration based on net profits payable to him as also to the other Whole time Directors of the Company will be determined by the Board and/or the Nomination and Remuneration Committee of the Board for each financial year.

The overall remuneration payable every year to the Managing Director and the Whole time Directors by way of salary, perquisites and allowances, incentive / bonus / performance linked incentive, remuneration based on net profits, etc. shall not exceed in aggregate ten percent of the net profits of the Company as computed in the manner laid down in Section 198 of the Act or any statutory modification(s) or re-enactment thereof.

iv) The aggregate of salary, perquisites and commission in any one financial year shall not exceed the overall limits prescribed under Section 197(1) of the Act read with Schedule V to the Act as may for the time being in force.

v) Reimbursement of Expenses:

Reimbursement of expenses incurred for traveling, boarding and lodging including for their spouse and attendant(s) during business trips, any medical assistance provided including for their family members; and provision of car(s) for use on the Company's business, club membership and telephone expenses at residence shall be reimbursed at actuals and not considered as perquisites.

vi) Minimum Remuneration:

In the event of inadequacy or absence of profits in any financial year during his tenure as Managing Director, Mr. Alok P. Shah will be entitled to the foregoing amount of remuneration along with the perquisites and allowances mentioned above as the minimum remuneration for the year subject to the ceiling as applicable and prescribed under Schedule V of the Act.

vii) Other Terms and Conditions:

- (i) The Managing Director will perform his duties as such with regard to all work of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and confirm to comply with all such directions and regulations as may from time to time be given and made by the Board and the functions of the Wholetime Director will be under the overall authority of the Managing Director.
- (ii) The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- (iii) The Managing Director shall adhere to the Company's Code of Business Conduct & Ethics for Directors and Management Personnel.
- (iv) The office of the Managing Director may be terminated by the Company or the concerned Director by giving the other 3 (three) months' prior notice in writing.

Further, pursuant to the provisions of Sections 117(3), 197, Schedule V as applicable and other applicable provisions, if any, of the Companies Act, 2013, the said terms & conditions of remuneration shall be placed for the approval of the Shareholders in the Annual General Meeting.

Mr. Alok P. Shah satisfy all the conditions set out in Part-I of Schedule V of the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his appointment. Mr. Alok P. Shah is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

The draft agreement between the Company and Mr. Alok P. Shah incorporating the revised terms of appointment and payment of remuneration is available for inspection by the Members of the Company at its Registered Office of the Company on all working days except Sunday and public holiday, between 10:00 hours and 12:00 hours up to the date of meeting.

The Members are requested to consider the revision in remuneration of Mr. Alok P. Shah, Managing Director of the Company. Pursuant to Clause (iv) of Section II of Schedule V of Companies Act, 2013 the following Statement is given:

I. General information																	
(1) Nature of Industry	The Company is engaged in the business of trading in commodities and other commodity related business.																
(2) Date or expected date of commencement of commercial production	Not applicable since the Company is an existing Company.																
(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable since the Company is an existing Company.																
(4) Financial performance based on given indicators– for the year ended 31st March 2023	<table border="1"> <thead> <tr> <th>Particulars</th> <th>(Rs in Lakhs)</th> </tr> </thead> <tbody> <tr> <td>Total Revenue (Net)</td> <td>2531.34</td> </tr> <tr> <td>Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)</td> <td>418.98</td> </tr> <tr> <td>Less: Finance Costs</td> <td>3.46</td> </tr> <tr> <td>Profit before Depreciation and Tax</td> <td>415.52</td> </tr> <tr> <td>Depreciation and Amortization</td> <td>41.34</td> </tr> <tr> <td>Profit before exceptional items</td> <td>374.18</td> </tr> <tr> <td>Profit after Tax</td> <td>303.77</td> </tr> </tbody> </table>	Particulars	(Rs in Lakhs)	Total Revenue (Net)	2531.34	Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)	418.98	Less: Finance Costs	3.46	Profit before Depreciation and Tax	415.52	Depreciation and Amortization	41.34	Profit before exceptional items	374.18	Profit after Tax	303.77
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Profit before exceptional items	374.18																
Profit after Tax	303.77																
(5) Foreign investments or collaborations, if any.	The Company has no foreign collaborators and hence there is no equity participation by foreign collaborators in the Company.																
II. Information about the appointee																	
(1) Background details	<p>Mr. Alok P. Shah is a graduate in Electrical Engineering from Stanford University and has an M.B.A. (Finance, General Management and Economics) from University of Chicago, USA. Mr. Alok P. Shah has had a brilliant academic career. He has wide exposure and knowledge in project appraisal, corporate finance, operations & business management etc</p> <p>He has deep exposure of core business of the Company i.e., commodity trading business.</p>																
(2) Past remuneration	NIL																
(3) Recognition or awards	NIL																

(4)	Job profile and his suitability	<p>As the Managing Director of the Company, Mr. Alok P Shah will be responsible for managing the business affairs of the Company. He is responsible for taking substantial management and policy decisions for the Company.</p> <p>By qualification Mr. Alok P Shah is a graduate in Electrical Engineering from Stanford University and has an M.B.A. (Finance, General Management and Economics) from University of Chicago, USA and has diverse experience in project appraisal, assessing technical feasibility in respect of projects, corporate finance, operations & business management etc.</p> <p>He has deep exposure of core business of the Company i.e., commodity trading business and has been instrumental in successfully setting it up as a new business vertical for the Company.</p>
(5)	Remuneration proposed	As mentioned above
(6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration proposed is within the permissible remuneration as per Schedule V of the Companies Act, 2013 which is comparable with the Companies of the same size and profitability.
(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Beside the remuneration proposed, Mr. Alok P. Shah does not have any pecuniary relationship with the Company
III. Other information		
(1)	Reasons of loss or inadequate profits	<p>As on 31st March, 2023, the Company has a net profit of Rs. 6241.98 Lakhs.</p> <p>The Profits are still inadequate for the remuneration proposed in terms of the provisions of section 197, 198 and schedule V of the Companies Act, 2013. Hence this proposal under applicable provisions of Schedule V.</p>
(2)	Steps taken or proposed to be taken for improvement	The Company is taking necessary steps to improve its overall business verticals and also focusing on cost control in all areas.
(3)	Expected increase in productivity and profits in measurable terms	During FY 2022-2023, the Company has successfully ventured into new business vertical of commodity trading and is expected to show grow further in the coming years.
IV Disclosures		<ol style="list-style-type: none"> 1. Remuneration package of the managerial person: As detailed in the explanatory statement which forms part of the Notice. 2. Disclosures in the Board of Directors' report under the heading 'Corporate Governance' included in Annual Report 2022-23: The requisite details of remuneration etc. of Directors are included in the Corporate Governance Report, forming part of the Annual Report of FY 2022-23 of the Company.

The approval accorded herein shall also be deemed to be the approval as contemplated under Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 which specifies limits on promoter executive directors' remuneration.

Mr. Alok P. Shah is interested in the resolution set out in Resolution No. 3 of the Notice, which pertains to the remuneration payable to him. The relatives of Mr. Alok P. Shah may be deemed to be interested in the resolution set out in Resolution No. 3 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise in this resolution.

The Board of Directors recommends resolution set out in Resolution No. 3 of the Notice for the approval of members as a **Special Resolution**.

By Order of the Board of Directors

Place: Surat
Date: 6th July, 2023

Mahek Gaurav Jaju
Company Secretary and Compliance Officer

DISCLOSURE RELATING TO DIRECTOR PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION, 2015 AND SECRETARIAL STANDARDS-2 ON GENERAL MEETINGS.

Name of the Director	Mr. Alok P. Shah
DIN	00218180
Date of Birth	11/09/1970
Age	52 Years
Nationality	Indian
Date of first appointment on the Board	29/06/2022
Qualification	Graduate in Electrical Engineering from Stanford University and has an M.B.A. (Finance, General Management and Economics) from University of Chicago, USA.
Expertise in specific Functional areas	He has wide exposure and knowledge in project appraisal, assessing technical feasibility in respect of projects, corporate finance & management etc.
Terms and Conditions of appointment/re-appointment and proposed remuneration to be paid	Terms and conditions of his appointment and proposed remuneration are as per the Nomination and Remuneration Policy of the Company and as specified in the resolution set out at Item no. 3 of the Notice read with explanatory statement thereof.
Remuneration last drawn – For FY 2022-23	NIL
Shareholding in the Company including shareholding as a beneficial owner	5,49,60,680 Equity Shares of Rs.1 each fully paid up comprising of about 24.75% of the paid-up capital of the Company.
Number of Board Meetings attended during the financial year 2022-23	5 (Five)
Directorship in other Public Limited Companies	Bijlee Textiles Ltd. Palomar Textiles Ltd. Prabhat Silk Mills Ltd. Rosekamal Textile Ltd.
Memberships / Chairmanship of committees in other public limited Companies	Nil
Relationship with other Directors, Managers and other Key Managerial Personnel of the Company	No inter se related to any Director or Key Managerial Personnel of the Company.

Note: Pursuant to Regulation 26 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, only two committees, viz. Audit Committee and Stakeholders' Relationship Committee have been considered.

INFORMATION AT A GLANCE:

Sr. No.	Particulars	Details of access
1	Day, date and time of AGM	Friday, 11 th August, 2023 at 3.30 p.m. IST
2	Mode	Through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”)
3	Cut-off date for e-voting	Friday, 4 th August, 2023
4	Time period for remote e-voting	Commences on Tuesday, 8 th August, 2023 (9.00 a.m. IST) and ends on Thursday, 10 th August, 2023 (5.00 p.m. IST)
5	Helpline number for VC participation and e-voting	Contact KFin Technologies Limited at 1800 309 4001 or write to them at emeetings@kfintech.com Contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no: 1800 1020 990 and 1800 22 44 30 Contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43
6	Link for remote e-voting	https://evoting.kfintech.com
7	Link for posting AGM queries and speaker registration and period of registration	https://emeetings.kfintech.com by using e-voting credentials and click on “post your queries” / “Speaker registration” as the case may be. Period of registration: Monday, 7th August, 2023 (9:00 a.m. IST) to Wednesday, 9th August, 2023 (5:00 p.m. IST).
8	Link for participation through VC / OAVM	https://emeetings.kfintech.com by using e-voting credentials and click on video conference
9	Username and password for VC	Members may attend the AGM through VC by accessing the link https://emeetings.kfintech.com by using the remote e-voting credentials. Please refer the instructions provided in this Notice for further information.
10	Book closure dates	Monday, 7 th August, 2023 to Friday, 11 th August, 2023 (both days inclusive)
11	Link for Members to update e-mail address	https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx
12	Registrar and Transfer Agent contact details	KFin Technologies Limited Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032 Tel: 1800 309 4001 Website: www.kfintech.com
13	Surat Textile Mills Limited – contact details	Registered Office: Tulsi Krupa Arcade, 6 th Floor, Puna Kumbharia Road, Dumbhal, Surat 395010 Tel.: 0261 – 2311198 Email: sharedepartment@stml.in