

GHCL TEXTILES LIMITED

Regd. Office: GHCL House, Opp. Punjabi Hall, Navrangpura, Ahmedabad – 380009, Gujarat.

NOTICE

NOTICE is hereby given that 1st Annual General Meeting of the members of GHCL Textiles Limited (CIN: U18101GJ2020PLC114004) will be held on Friday, June 18, 2021 at 10.00 a.m. through Video Conferencing (VC) or Other Audio Visual Means (OAVM), as per the framework issued by the Ministry of Corporate Affairs (MCA) vide General Circular No. 02/2021 dated January 13, 2021 to transact the following business:

Ordinary Business:

1. To consider and adopt the audited Financial Statements of the Company for the financial year ended 31st March 2021 along with Board's Report and Independent Auditors' Report thereon.
2. To appoint M/s S. R. Batliboi & Co. LLP, Chartered Accountants having Firm Reg. No. 301003E / E300005 as Auditors of the Company, to hold the office from the conclusion of this Annual General Meeting to the conclusion of the sixth Annual General Meeting and to authorize Board of Directors to fix their remuneration.
3. To appoint a director in place of Mr. Ravi Shanker Jalan (DIN: 00121260), being first directors of the Company, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a director in place of Mr. Raman Chopra (DIN: 00954190), being first directors of the Company, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a director in place of Mr. Neelabh Dalmia (DIN: 00121760), being first directors of the Company, who retires by rotation and being eligible, offers himself for re-appointment.

**By order of the Board
For GHCL Textiles Limited**

**Place: Noida
Date: April 28, 2021**

**Ravi Shanker Jalan
Director**

NOTES

- (1) Pursuant to the Circular No. 14/2021 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes.

- (2) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- (3) The Register of Members and Share Transfer Books of the Company will remain closed from Friday, June 11, 2021 to Friday, June 18, 2021 (both days inclusive).

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BOARD'S REPORT

Dear Shareholders,

Your directors have pleasure in presenting before you the first Annual Report and the Audited Statement of Accounts of the Company for the financial year ended 31st March 2021.

FINANCIAL RESULTS & SCHEME

The Company was incorporated on June 17, 2020 and has not carried any manufacturing, trading, or service activities during the financial year ended on 31st March 2021. However, directors are putting their efforts to commence its business in line with the demerger scheme as approved by the Board of Directors of the Company as well as approved by the parent company GHCL Limited. However, statement of profit and loss has been prepared for the above period as well as other financial statements in line with the provisions of the Companies Act, 2013. Your Company has not declared any dividend for the financial year 2020-21 and similarly no amount has been transferred to Reserves.

The Board of Directors of GHCL Limited and GHCL Textiles Limited in their separate meetings held on March 16, 2020 and July 7, 2020 respectively, had approved the Scheme of Arrangement between GHCL Limited ('Demerged Company' or 'GHCL') and GHCL Textiles Limited ('Resulting Company') and their respective shareholders and creditors pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 in respect of demerger of the Textiles Business of GHCL Limited into its wholly owned subsidiary, GHCL Textiles Limited (Resulting Company). As per the Scheme, the equity shares held by GHCL Limited in GHCL Textiles Limited shall be cancelled. Further, the Resulting Company's shareholding pattern will be the mirror image of the shareholding pattern of the Demerged Company post Scheme. Also, shares of the Resulting Company shall be listed on the Stock Exchanges.

DIRECTORS

Your directors are pleased to inform that Mr. Ravi Shanker Jalan, Mr. Raman Chopra and Mr. Neelabh Dalmia are directors retiring by rotation and being eligible, offer themselves for re-appointment. The Board recommends their appointments at the ensuing Annual General Meeting.

STATUTORY AUDITORS

Your directors would like to inform that M/s S. R. Batliboi & Co. LLP, Chartered Accountants (Firm Reg. No. 30100CE / E300005), was appointed as first auditors of the Company, will retire at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a letter from M/s S. R. Batliboi &

Co. LLP, Chartered Accountants, to the effect that their appointment, if made, would be within the limits specified under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for appointment as Auditors of the Company.

Your directors would like to inform that appointment of the Auditors shall be for a period of five years. The Board recommends re-appointment of the Auditors.

AUDITOR'S REPORT

There is no qualification, reservation, adverse remark or disclaimer made by the Statutory Auditors of the Company in their report for the financial year ended March 31, 2021. Hence, they do not call for any further explanation or comment U/s 134 (3) (f) of the Companies Act, 2013.

MANAGERIAL REMUNERATION & PARTICULARS OF EMPLOYEES

Particulars of employees required to be incorporated under Section 197 (12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is **NIL**

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

Since the Company has not undertaken any commercial activity during the financial year 2020-21, the provisions of Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are not applicable.

WEB ADDRESS FOR ANNUAL RETURN AND OTHER POLICIES / DOCUMENTS

The Company is yet to start its commercial activities and website of the Company is yet to be operational. Hence, as required under Section 134(3)(a) of the Companies Act, 2013, the Annual Return is put up on the parent Company's website www.ghcl.co.in. and can be accessed at <https://www.ghcl.co.in/performance-reports>. In addition, other policies / document of the Company is under preparation and shall be placed on the parent Company's website www.ghcl.co.in as per the statutory requirement.

EXTRACTS OF ANNUAL RETURN

The extract of annual return as on the financial year ended March 31, 2021 in Form MGT – 9 is annexed herewith as **Annexure-I** and forming part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability confirm that:

- a. in the preparation of the annual accounts for the financial year ended March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

- b. such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit and loss of the Company for the financial year ended March 31, 2021;
- c. the proper and sufficient care has been taken by them for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts for the financial year ended March 31, 2021 have been prepared by them on a going concern basis;
- e. proper Internal financial controls have been followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f. proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

GENERAL DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following matters as there is no transaction on these items during the year under review:

- (i) Details relating to deposits covered under Chapter V of the Act.
- (ii) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- (iii) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- (iv) The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- (v) No significant or material orders were passed by the Regulators or Courts or Tribunals, which impact the going concern status and Company's operations in future.
- (vi) No fraud has been reported by the Auditors to the Board.
- (vii) There is no Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016.

**By order of the Board
For GHCL Textiles Limited**

**Place: Noida
Date: April 28, 2021**

**Ravi Shanker Jalan
Director**