

ANNUAL REPORT 2019-2020

HYTONE TEXSTYLES LIMITED

CORPORATE INFORMATION
L17120MH1989PLC050330

Date: 24th September, 2020
Time: 11.00 a.m

BOARD OF DIRECTORS

Mr. Amrut T. Shah - Chairman & Managing Director
 DIN: 00259420
 Mrs. Ranjan S. Gala –Director
 DIN: 01015712
 Mr. Hardik J Gala – Independent Director
 DIN: 02746305
 Mr. Hemang C Shah – Independent Director
 DIN: 07898953

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Riddhi Thakkar

AUDITORS

M/s. UKG & Associates
 Chartered Accountant

BANKERS

Union Bank of India

SHARE TRANSFER AGENT

Link Intime India Private Limited
 C-101, 247 Park, L B S Marg,
 Vikhroli West, Mumbai-400083

SHARES LISTED AT

Bombay Stock Exchange Limited
 Mumbai - 400 001.

REGISTERED OFFICE

Plot No. A-70,
 TTC (MIDC) Industrial Area,
 Mahape Village,
 Navi Mumbai - 400 709,
 Maharashtra

WORKS

Plot No 77, Kopar Khairane,
 MIDC, Navi Mumbai 400709

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NOTICE

NOTICE is hereby given that the 31st Annual General Meeting of the members of the Company will be held on Thursday, the 24th day of September, 2020 at 11.00 a.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statement of the Company for the year ended March 31, 2020, and the reports of the Board of Directors and Auditors thereon and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the audited financial statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. To appoint a Director in place of Mr. Amrut Shah (DIN: 00259420), who retires by rotation and being eligible, offers himself for re-appointment, pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Amrut Shah (DIN: 00259420), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

3. To buyback the Series I preference shares of the Company and if thought fit to pass with or without modification(s) the following resolution as a **Special Resolution**:

"RESOLVED THAT in accordance with Article 61 of the Articles of Association of the Company and provisions of Sections 68, 69 and 70 and other applicable provisions, if any, of the Companies Act, 2013, and Companies (Share Capital and Debenture Rule) 2014, including any statutory modification(s) or re-enactment of the Act for the time being in force and subject to the approvals, permissions and sanctions as may be necessary with such conditions and modification(s) as may be prescribed, or imposed which may be agreed to, the consent of the Members of the Company be and is hereby accorded for the buy-back from the preference shareholders of the Company, up to 1,50,000 (One Lakh Fifty Thousand Only) preference shares of ₹100/- (Rupees Ten Only) each of the Company at a price not exceeding ₹100/- (Rupees Hundred Only) per preference share to be financed out of the Free Reserves such that the aggregate consideration for the shares to be bought-back does not exceed ₹1,50,00,000/- (Rupees One Crore Fifty Lakh Only) ("Maximum Buy-back Size), (the process being hereinafter referred to as "buy-back") on a proportionate basis through tender offer, from the preference shareholders who hold the preference shares as on the Record Date (as defined below).

RESOLVED FURTHER THAT August 28, 2020 shall be the record date for the purpose of buy-back of the preference shares of the Company.

RESOLVED FURTHER THAT the buy-back shall be made from Securities Premium account and Free Reserves of the Company as at June 30, 2020 based on the unaudited accounts for the period ended June 30, 2020, which are subjected to limited review by the auditors of the company and that a sum equal to the nominal value of the shares so purchased shall be transferred to the Capital Redemption Reserve Account.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do or cause to be done all such acts, deeds, matters and things which may be necessary, usual, expedient and proper to give effect to this resolution.

RESOLVED FURTHER THAT the Board in its absolute discretion, be and is hereby authorized to accept and make, in the interest of the Company, any alteration(s), modification(s) to the terms and conditions as it may deem necessary, concerning any aspect of the Buy-Back, in accordance with the statutory requirements as may be applicable from time to time and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board may deem necessary, expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in relation to the proposed Buy-Back at any stage, including in relation to the applicability of any law, without requiring to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

By Order of the Board of Directors
For **Hytone Textyles Limited**

Amrut T. Shah
Chairman & Managing Director
DIN: 00259420

Mumbai, August 28, 2020

Registered Office:

Plot No. 70, TTC (MIDC) Industrial Area,
Textile Processing Zone, Mahape Village,
New Mumbai - 400709.

Notes:

1. In view of the continuing COVID-19 pandemic, for maintaining social distancing norms and pursuant to General Circular Nos 14/2020, 17/2020 and 20/2020 dated 8th April 2020, 13th April 2020 and 5th May 2020, respectively, issued by the Ministry of Corporate Affairs (MCA) and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 issued by the Securities and Exchange Board of India (collectively referred to as 'the Circulars') permitted the holding of AGM through VC/OAVM, without the physical presence of the members at a common venue. Accordingly, the 31st AGM of the company will be convened through VC/OAVM in compliance with the provisions of the Companies Act, 2013 and Rules made thereunder, Listing Regulations read with the aforesaid Circulars. The deemed venue for the 31st AGM shall be the registered office of the company i.e. Plot No. 70, TTC (MIDC) Industrial Area, Textile Processing Zone, Mahape Village, Navi Mumbai – 400709.
2. Pursuant to the provisions of the Act a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the Proxy need not be a Member of the Company. Since this AGM is being held through VC / OAVM pursuant to MCA Circulars, physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of proxies shall not be available for AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, Institutional / Corporate shareholders (other than individuals/HUF/NRI) are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting. They are requested to send a scanned copy of its Board Resolution / authorisation letter, authorising its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said resolution / authorisation should be sent to praful@hytonetextile.com with a copy marked to rnt.helpdesk@linkintime.co.in
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before the schedule time of the AGM and the facility shall be made available to the Members on first come first basis. The facility to join the AGM will close 15 minutes after the schedule time or when the capacity is full whichever is earlier by following the procedure mentioned below in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 Members only on a first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. In compliance with the aforesaid MCA Circulars and the SEBI Circular dated 12th May, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories and also has been uploaded on the website of the Company at <http://www.hytonetextile.com>. Members may note that the Notice and Annual Report 2019-20 can also be accessed from websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of Link Intime (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. rnt.helpdesk@linkintime.co.in
6. To support Green Initiative members who have not yet registered their email addresses are requested to register the same with their depository participants (DPs) in case the shares are held by them in electronic form. Members holding shares

in physical mode and who have not updated their email addresses with the Company/Link Intime India Private Limited Registrar and Transfer Agent of the Company are requested to update their email addresses by writing to the Company at praful@hytonetextile.com or rnt.helpdesk@linkintime.co.in along with the copy of the signed request letter mentioning the name and address of the Member, self-attested copy of the PAN card, and self-attested copy of any document (eg.: Aadhar Card, Driving License, Election Identity Card, Passport) in support of the address of the Member. In case of any queries / difficulties in registering the e-mail address, Members may write to praful@hytonetextile.com.

7. As per Regulation 40 of Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or the Company's Registrar and Transfer Agent in this regard.
8. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number and type, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Link Intime India Private Limited in case the shares are held by them in physical form.
9. The Securities and Exchange Board of India (SEBI) vide its notification dated 20 April, 2018, has mandated the submission of Permanent Account Number (PAN) and /or Bank Account details for updation of the same against their folio number. Members holding shares in electronic form are, therefore, requested to submit the PAN / Bank account details to their Depository Participant(s) with whom they are maintaining their demat account Company has sent reminder, through its RTA, to the Members whose details are incomplete. Members are requested to complete their KYC at the earliest.
10. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No SH-13. The said form can be downloaded from the Company's Website <http://www.hytonetextile.com> Members are requested submit the said details to their DP in case the shares are held by them in electronic form and to Link Intime India Private Limited in case the shares are held in physical form.
11. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Link Intime India Private Limited, the details of such folios together with the original share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
12. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 10 September, 2020 through email on praful@hytonetextile.com The same will be replied by the Company suitably.
13. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
14. The instruction for remote e-voting, attending the AGM through VC/OAVM and e-voting during the AGM are given as follows:

Process and manner for attending the Annual General Meeting through Insta Meet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

☐ Select the **“Company”** and **‘Event Date’** and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16-digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide Folio Number** registered with the Company

- B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable).
- C. Mobile No.:** Enter your mobile number.
- D. Email ID:** Enter your email id, as recorded with your DP/Company.

☐ Click "Go to Meeting" (You are now registered for Insta Meet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the Insta Meet Support Desk for any support on the dedicated number provided to you in the instruction/ Insta MEET website.

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through Insta Meet:

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the specific email id created for the general meeting.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panel list, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panel list by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through Insta Meet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for Insta MEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through Insta Meet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting

prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through Insta Meet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: Insta MEET

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>

or

a)	<table border="1"> <tr> <th data-bbox="215 951 335 996">Step 1</th><td data-bbox="335 951 1471 996">Enter your First Name, Last Name and Email ID and click on Join Now.</td></tr> <tr> <td data-bbox="215 996 335 1065">1 (A)</td><td data-bbox="335 996 1471 1065">If you have already installed the Webex application on your device, join the meeting by clicking on Join Now</td></tr> <tr> <td data-bbox="215 1065 335 1220">1 (B)</td><td data-bbox="335 1065 1471 1220"> <p>If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application.</p> <p>Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now</p> </td></tr> </table>	Step 1	Enter your First Name, Last Name and Email ID and click on Join Now.	1 (A)	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now	1 (B)	<p>If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application.</p> <p>Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now</p>
Step 1	Enter your First Name, Last Name and Email ID and click on Join Now.						
1 (A)	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now						
1 (B)	<p>If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application.</p> <p>Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now</p>						

Remote e-Voting Instructions for shareholders:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>

Those who are first time users of LIPL e-voting platform or holding shares in physical mode have to mandatorily generate their own Password, as under:

- ☐ Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: -

A. User ID: Enter your User ID

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide** Event No + Folio Number registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

- Shareholders/ members holding shares in CDSL demat account shall provide either 'C' or 'D', above
- Shareholders/ members holding shares in NSDL demat account shall provide 'D', above
- Shareholders/ members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above

☐ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).

☐ Click "confirm" (Your password is now generated).

NOTE: If Shareholders/ members are holding shares in demat form and have registered on to e-Voting system of LIIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier event of any company then they can use their existing password to login.

2. Click on 'Login' under '**SHARE HOLDER**' tab.
3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '**Submit**'.
4. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.
5. E-voting page will appear.
6. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
7. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on 'No' and accordingly modify your vote.
8. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

If you have forgotten the password:

- o Click on 'Login' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- o Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on '**Submit**'.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Shareholders/ members holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

In case shareholders/ members have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 -4918 6000.

OTHER INFORMATION:

- a. The Register of Members and the Share Transfer books of the Company will remain closed from Thursday 17 September, 2020 to Thursday, 24 September, 2020 (both days inclusive) in connection with the AGM.
- b. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred to in the Notice and explanatory statement will be available for inspection in electronic mode.
- c. The Company has appointed M/s Teena Dedhia & Associates., Company Secretaries, (ICSI Membership No. FCS - 8922, CP No - 9214) to act as Scrutinizer, for conducting the remote e-voting process as well as the evoting system on the date of the AGM in a fair and transparent manner.
- d. The Scrutinizer shall, immediately after the conclusion of the Annual General Meeting, unblock the votes cast vide e-voting at the AGM and remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than forty eight hours from the conclusion of the meeting a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, forthwith to the Chairman or a person authorised by him in writing, who shall counter sign the same and declare the result of the voting forthwith.
- e. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.hytonetextile.com and on the website of Link Intime India Private Limited and communicated to the Stock Exchange where the shares of the Company are listed within two days from the conclusion the meeting.

By Order of the Board of Directors
For **Hytone Textyles Limited**

Amrut T. Shah
Chairman & Managing Director
DIN: 00259420

Place : Mumbai
Date : August 28, 2020