

KOVALAM INVESTMENT AND TRADING COMPANY LIMITED

37th
ANNUAL
REPORT
2018-19

BOARD OF DIRECTORS

Smt. Ruchika Oswal
Sh. Navdeep Sharma
Sh. Gagnish Kumar Bhalla
Sh. Pawan Kumar Sharma

KEY MANAGERIAL PERSONNEL

Ms. Jyoti Sud
Company Secretary Cum CFO
Sh. Mohinder Kumar Jain
Manager

REGISTERED OFFICE

Premises Oswal Woollen Mills Limited,
G.T. Road, Sherpur, Ludhiana-141003,
Punjab

BANKERS

Allahabad Bank
ICICI Bank Ltd

AUDITORS

M/s. YAPL & Co.
Chartered Accountants,
102-Kismat Complex,
G.T. Road, Miller Ganj,
Ludhiana – 141 003

REGISTRAR AND SHARE TRANSFER AGENT

Alankit Assignments Limited
1E/13, Alankit Heights, Jhandewalan Extension, New
Delhi-110055

37th ANNUAL GENERAL MEETING

Day : Saturday
Date : 28th September, 2019
Time : 4:00 P.M
Place : At Registered Office:
Premises Oswal Woollen Mills Ltd,
G.T. Road, Sherpur, Ludhiana-
141003

NOTICE

Notice is hereby given that the 37th Annual General Meeting of the Members of Kovalam Investment and Trading Company Limited will be held at Regd. Office of the Company at Premises Oswal Woollen Mills Ltd., G. T. Road, Sherpur, Ludhiana-141003, Punjab, on Saturday, the 28th day of September, 2019 at 4:00 P.M. to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements for the financial year ended on 31.03.2019 and the Reports of Board of Directors and Auditors thereon.
2. To appoint Director in place of Sh. Pawan Kumar Sharma (DIN: 07163131) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To appoint **Sh. Mohinder Kumar Jain as Manager of the Company** and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of the Sections 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, (including any Statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to such other approval as may be required, Sh. Mohinder Kumar Jain be and is hereby appointed as Manager (Key Managerial Personnel) of the Company for a term of 3 (three) consecutive years w.e.f. April 04, 2019, on a total remuneration of Rs. 85,000/- per month and on the terms and

conditions embodied in the terms of appointment, as approved by the Nomination and Remuneration Committee in its meeting held on April 04, 2019.

RESOLVED FURTHER THAT in case Company has no profit or inadequacy of profit in any financial year during the currency of tenure of his appointment commencing from April 04, 2019, the payment of above mentioned total remuneration, shall be governed by the ceiling limits as specified under Section II of the Part II of Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) or such other limit as may be prescribed by the Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee of the Board, if any, be and is hereby authorized to alter, amend, vary the terms and conditions of appointment including remuneration as may be agreed between the Board of Directors and Sh. Mohinder Kumar Jain, subject to the same not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force) or subject to such approval as may be required and to do all such acts, deeds, matters and things as may be deemed necessary to give effect to above resolution.”

For and on behalf of the Board

Place: Ludhiana
Date: 13.08.2019

Jyoti Sud
CFO Cum Company
Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies in order to be effective must be duly signed, stamped and completed and should be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting. The blank proxy form is enclosed.

In terms of section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Pursuant to section 113 of Companies Act, 2013 corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
5. The Route Map to reach the venue of the 37th Annual General Meeting including prominent land mark for easy location is provided at the end of Annual Report.
6. The register of members and share transfer books of the company shall remain closed from Saturday, 21st September 2019 to Saturday, 28th September 2019 (both days inclusive) for AGM purpose.
7. The documents referred to in the explanatory statement are open for inspection at the Registered office of the company on any working day (except holiday) between 10:00 AM to 1:00 P M upto the date of annual general meeting.
8. Electronic copy of the Annual Report for the year 2018-19 is being sent to all the members whose email Ids are registered with the Company/Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode.
9. Members are requested to bring their attendance slip along with their copy of Annual Report to the meeting.
10. All the documents/Statutory records shall be produced at the commencement of the meeting and shall remain open and assessable during the continuance of the meeting.
11. Members seeking any information with regard to annual accounts at the time of meeting are requested to send their queries to the company at least seven days before the date of meeting so as to enable the management to keep the relevant information ready.
12. The Register under Section 189(4) of the Companies Act, 2013 shall be produced at the commencement of the meeting and shall remain open and accessible during the continuance of the meeting.

13. The details of Directors and Manager seeking Appointment / Re-appointment at this AGM as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') and Secretarial Standard-2 is annexed herewith as **Annexure-A**.
14. In compliance with Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 108 of the Companies Act, 2013 read with the Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company is providing facility for voting by electronic means and the business contained in this Notice shall be transacted through such voting. For this purpose, the Company has engaged the services of M/s. Central Depositories Services (India) Ltd. (CDSL) for providing e-voting facility to enable the shareholders to cast their votes electronically.
15. Notice of the 37th Annual General Meeting and the Annual Report for the financial year 2018-19 will also be available on the Company's website i.e. www.owmnahar.com. The above said Notice will also be available on the website of CDSL i.e. www.evotingindia.com.
16. The Securities and Exchange Board of India (SEBI) vide its circular dated April 20, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account details for all Members holding shares in physical form. Therefore, the Members are requested to submit their PAN and Bank Account details either to the Company or to the Registrar and Share Transfer Agent (RTA) of the Company. In this regard, the Members are requested to submit a duly signed letter alongwith self-attested copy of PAN Card(s) of all the registered Members (including joint holders) alongwith original cancelled cheque/ a copy of Bank Passbook duly attested by the Bank, not being a date earlier than one month bearing the name of the sole / first holder. Members holding shares in demat form are requested to submit the aforesaid documents to their respective Depository Participant(s).
17. As per Regulation 40(7) of the Listing Regulations read with Schedule VII to the said Regulations, for registration of transfer of shares and for securities market transactions and / or for off market / private transactions involving transfer of shares in physical mode for listed Companies, it shall be mandatory for the transferee(s) as well as transferor(s) to furnish copies of PAN Card to the Company / RTA for registration of such transfer of shares. In case of transmission of shares held in physical mode, it is mandatory to furnish a copy of the PAN Card of the legal heir(s) / Nominee(s).
18. The facility for voting via ballot or polling paper shall also be made available at the meeting and the members attending the meeting who have not already as their vote by remote e-voting shall be able to exercise their right at the meeting.
19. The members who have cast their vote by remote e-voting prior to meeting may also attend the meeting but shall not be entitled to cast their vote again.
20. Members are requested to notify the change in their address, if any, to the company at the earliest.

21. To avail the facility of nomination the members are requested to send us duly filled and signed nomination form (Form No. SH- 13.)
22. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e 20.09.2019 may follow the same instructions as mentioned above for e-Voting.

23 The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 25.09.2019 from 9.00 A.M. and ends on 27.09.2019 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 20.09.2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote again at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com
- (iv) Click on Shareholders/Members tab.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

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

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

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

	For 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 the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with Sequence number 1 then enter RA00000001 in the PAN field
Dividend Bank	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy)

Details OR Date of Birth (DOB)	format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).
---	---

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN 190821053 for the relevant **Kovalam Investment And Trading Company Limited** on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option
- "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android, Apple and Windows based mobiles. The m-Voting app can be downloaded from Google Play Store, App Store and the Windows Phone store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to

log on to www.evotingindia.com and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on. The list of accounts Linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xxi) 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.

Other instructions:

- (xxii) Voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on cut off date.
- (xxiii) Mr. P.S. Dua, Practicing Company Secretary (Membership NO. FCS 4552), will act as a Scrutinizer to the e-voting process in a fair and transparent manner (including the ballot forms received from members who do not have access to the e-voting process).

- (xxiv) The Scrutinizer shall immediately after the conclusion of Annual General Meeting first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the meeting, a Consolidated Scrutinizer's Report of the total votes cast in the favour or against, if any, forthwith to the Chairman.

- (xxv) The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company i.e. www.owmnahar.com and on the website of CDSL i.e. www.evotingindia.com. The results shall simultaneously be communicated to the Stock Exchanges.

- (xxvi) Subject to the receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the 37th Annual General Meeting i.e. 28th September, 2019.

- (xxvii) A person who is not a Member as on the cutoff date i.e 20th September, 2019 should treat this Notice for information purposes only.

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

The following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

Item No. 3

The Board of Directors in its meeting held on April 04, 2019 on the recommendation of the Nomination and Remuneration Committee appointed Sh. Mohinder Kumar Jain as Manager of the Company for a period of 3 (three) consecutive years w.e.f. April 04, 2019.

Sh. Mohinder Kumar Jain, aged 71 years and has a vast experience of more than 30 years in the field of finance and administration.

Taking into consideration the rich experience and expertise of Sh. Mohinder Kumar Jain, the Nomination and Remuneration Committee has recommended the Board that he is best suited for the said position and beneficial to the Company.

Further in accordance with Rule 7 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has also proposed to pay the remuneration as specified in the abovesaid special resolution, in the case of no profit or inadequate profit of Company in any financial year during the currency of tenure of his appointment commencing from April 04, 2019, which is subject to the approval of Members.

Relevant details relating to appointment of Sh. Mohinder Kumar Jain as required by the Companies Act 2013, SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Secretarial Standard-2 on General Meetings are provided as an “**Annexure A**” to this Notice.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives except Sh. Mohinder Kumar Jain, are in any way concerned or interested, financially or otherwise, in the proposed resolution as set out at Item No. 3 of the notice with regard to his appointment.

The Board of Directors recommends the Special Resolution set out at Item No. 3 of

the accompanying Notice for approval by the Shareholders.

Statement as required under Section II of the Part II of the Schedule V of the Companies Act, 2013 with reference to the Special Resolution set out at Item No. 3 of the Notice.

I. General Information:

1. Nature of industry: Kovalam Investment and Trading Company Limited ('Company') is mainly engaged in the business of financing and investment activities.

2. Date or expected date of commencement of commercial production: The Company was incorporated in 1981 and is working since then.

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.

4. Financial performance based on given Indicators:

(Rs. in Lakhs)

Particulars	For the Year ended 31.03.2019	For the Year ended 31.03.2018
Total Revenue	153.95	254.99
Profit/(Loss) before Tax	33.84	212.43
Profit/(Loss) after Tax	13.65	157.30

5. Foreign investment or collaborators, if any: Nil

II. Information about the appointee:

1. Background details: Sh. Mohinder Kumar Jain, aged 71 years and has a vast

experience of more than 30 years in the field of finance and administration.

2. Past remuneration: N.A.

3. Recognition or awards: Nil

4. Job profile and suitability: Sh. Mohinder Kumar Jain is overall responsible for operations of the Company under the supervision of the Board of Directors. Seeing his entrepreneurial skills, leadership qualities, the Board appointed him as Manager of the Company w.e.f. April 04, 2019.

5. Remuneration proposed: The remuneration is as described in Special Resolution at Item No. 3 of the Notice and in case of no profit or inadequate profit in any Financial Year during the currency of tenure of his appointment commencing from April 04, 2019, the remuneration as proposed in the said Special Resolution, shall be governed by the limits prescribed under Schedule V of the Companies Act, 2013.

6. Comparative remuneration profile with respect to industry size of the Company, profile of the position and person (in expatriates, the relevant details would be w.r.t. the country of origin): Considering the size of the Company, the profile of Sh. Mohinder Kumar Jain, the responsibilities shouldered by him, the remuneration proposed to be paid to him, commensurate with the remuneration packages paid to persons appointed at similar level in other companies.

7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any: Sh. Mohinder Kumar Jain, has no pecuniary relationship directly or indirectly with the Company other than the remuneration drawn in the capacity of Manager of the Company.

III. Other Information:

1. Reasons for loss or inadequate profits: Presently the Company does not have any reason for inadequate profits for the purpose of payment of Remuneration. However, because of economic situations the profitability of the Company may vary up and down. Thus the proposed resolution is to take the approval for minimum remuneration to Manager.

2. Steps taken or proposed to be taken for improvement: Not applicable

3. Expected increase in productivity and profits in measurable terms: The Company is expecting the normal increase in productivity and profits.