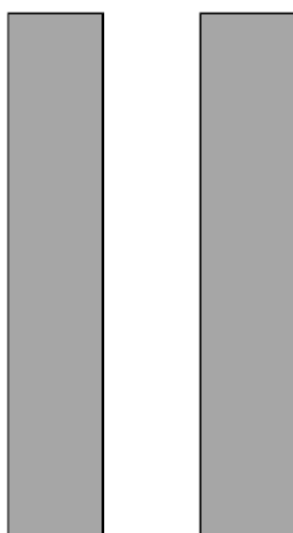


# **ANNUAL REPORT 2021-2022**



**Modern**  
**THREADS (INDIA) LIMITED**

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**BOARD OF DIRECTORS**

Shri Rajesh Ranka – Chairman & Managing Director

Shri Ram Awatar Kabra – Executive Director

Smt. Veena Jain – Non-Executive  
Non-Independent Director

Shri J.N. Sharma – Non-Executive  
Independent Director

Mrs. Ankita Jain – Non-Executive  
Independent Director

Shri C.M. Jain – Non-Executive  
Independent Director

**CHIEF FINANCIAL OFFICER**

Shri Prabodh Kumar Nahar

**COMPANY SECRETARY**

Shri Banwari Lal Saini

**AUDITORS**

Goyal D. Kumar & Co.  
Chartered Accountants  
Bhilwara -311001 (Raj.)

**SECRETARIAL AUDITOR**

R.K. Jain & Associates  
Company Secretaries  
Bhilwara-311 001

**COST AUDITORS**

M. Goyal & Co.  
Cost Accountants  
Jaipur-302 015

**REGISTERED OFFICE**

Modern Threads (India) Limited  
Unit : Modern Woollens,  
Hamirgarh Road, Pragati Path  
Near Transport Nagar,  
Bhilwara-311001 (Rajasthan)  
Phone : 91-1482-241801, Fax : 297924  
Email : cs@modernwoollens.com  
Website : www.modernwoollens.com  
CIN : L17115RJ1980PLC002075

**MARKETING OFFICE :**

5, Bhima Building,  
Sir, Pochkhanwala Road,  
Worli, Mumbai-400 030

**PLANTS****Woollen Division**

Hamirgarh Road,  
Bhilwara-311 001 (Rajasthan)

**Yarn Division**

Village Raila-311 024  
Distt. Bhilwara (Rajasthan)


**NOTICE**

Notice is hereby given that the 41st Annual General Meeting of the members of Modern Threads (India) Limited will be held on Friday the 30th September, 2022 at 2:00 P.M. at Registered Office of the Company at Modern Woollens, Hamirgarh Road, Pragati Path, Near Transport Nagar, Bhilwara – 311 001 (Rajasthan) to transact the following business:

**A. ORDINARY BUSINESS :**

- (1) To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2022 and the reports of the Board of Directors and Auditors thereon.
- (2) To appoint a Director in place of Smt. Veena Jain (DIN: 07148606), who retires by rotation and being eligible, offers herself for re-appointment.
- (3) To appoint Statutory Auditors of the Company and to fix their remuneration and to pass, with or without modifications, the following resolution as an Ordinary Resolution:-

**“RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the recommendation of the Audit Committee, S.S. Surana & Co., Chartered Accountants, Jaipur (Firm Registration No. 001079C) be appointed as statutory auditors of the Company in place of retiring auditors, Goyal D. Kumar & Co, Chartered Accountants, Bhilwara (Firm Registration No. 007817C), whose tenure expires at the ensuing Annual General Meeting, to hold office for a period of five years, from the conclusion of this 41st Annual General Meeting until the conclusion of the 46th Annual General Meeting of the company at such remuneration as may be determined by the Audit Committee in consultation with the Auditors.”

**B. SPECIAL BUSINESS :**

- (4) Re-appointment and payment of remuneration to Shri Rajesh Ranka as a Chairman and Managing Director of the Company.

**To consider and if thought fit to pass, with or without modifications, the following resolution(s) as a Special Resolution:-**

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder (including any statutory modifications or re-enactments thereof, for the time being in force) read with Schedule V to the Companies Act, 2013 and the Articles of Association of the Company, and subject to the requisite approval of Central Government, if required, and based on the recommendation of Nomination and Remuneration Committee and of the Board of Directors at their meeting held on 30th May, 2022, the consent of the members of the Company be and is hereby accorded for the re-appointment and payment of remuneration to Shri Rajesh Ranka (DIN : 03438721) as Chairman & Managing Director of the Company for a further period of three years with effect from 01/07/2022 on the following terms and conditions of his remuneration :-

**i) Basic Salary:**

Rs. 3,00,000/- per month for first year and thereafter increase of Rs. 30,000/- per month every year for next two years.

**ii) Perquisites and allowances:**

- a) Company's contribution towards Provident Fund as per Company's Rules but not exceeding 12% of the basic salary.
- b) Gratuity not exceeding half month's salary for each completed year of service as provided in Gratuity Act.
- c) Free use of car with driver, for Company's business.
- d) Free Telephone facility for Company's business.
- e) Encashment of leaves as per Company's Rules.

**iii) He shall not be paid any sitting fees for attending the meetings of Board of Directors or Committee thereof. “**

**“RESOLVED FURTHER THAT** where in any financial year during the tenure of Shri Rajesh Ranka, Chairman & Managing Director, the Company has no profits or its profits are inadequate, the Company may pay to him the above remuneration as the minimum remuneration by way of salary subject to the requisite approvals, if any.”

**“RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Shri Rajesh Ranka, Chairman & Managing Director of the Company including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013.”

**“RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to this resolution.”

**(5) Appointment and payment of remuneration to Shri Ram Awatar Kabra as Whole Time Director of the Company.**

**To consider and if thought fit to pass, with or without modifications, the following resolution(s) as a Special Resolution:-**

**“RESOLVED THAT** pursuant to the provisions of Sections 152, 161 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactments thereof, for the time being in force), Shri Ram Awatar Kabra (DIN : 00945603) who was appointed as an Additional Director of the Company under Section 161 of the Companies Act, 2013 with effect from 19th November, 2021 by the Board of Directors and in respect of whom the Company has received notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Director of the Company whose office shall be liable to retire by rotation.”

**“RESOLVED FURTHER THAT** pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and subject to the requisite approval of Central Government, if required, and pursuant to the recommendation of the Nomination and Remuneration Committee and Board of Directors, approval of the Company be and is here by accorded for appointment and payment of remuneration to Shri Ram Awatar Kabra (DIN: 00945603) as Whole-Time Director of the Company for a period of three years with effect from 19/11/2021 whose office shall be liable to retire by rotation, on the following terms and conditions of his remuneration

**i) Basic Salary:-**

Rs. 1,30,000/- per month from 19/11/2021 with such increments as the Board may decide from time to time.

**ii) Perquisites and allowances:-**

- a) General Allowance Rs. 10,400/- per month.
- b) House Rent Allowance Rs. 32,500/- per month.
- c) Company's contribution towards Provident Fund as per Company's Rules but not exceeding 12% of the basic salary.
- d) Gratuity not exceeding half month's salary for each completed year of service as provided in the Gratuity Act.
- e) Free use of car with driver, for Company's business.
- f) Free Telephone facility for Company's business.
- g) Encashment of leaves as per Company's Rules.

**iii) He shall not be paid any sitting fees for attending the meetings of Board of Directors or Committee thereof.**
**iv) Shri Ram Awatar Kabra shall be subject to retire by rotation during his tenure as the Whole-Time Director of the Company.**

**“RESOLVED FURTHER THAT** where in any financial year during the tenure of Shri Ram Awatar Kabra, Whole-Time Director, the Company has no profits or its profits are inadequate, the Company may pay to him the above remuneration as the minimum remuneration by way of salary subject to the requisite approvals, if any.”

**“RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Shri Ram Awatar Kabra, Whole-Time Director of the Company including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013.”

**“RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to this resolution.”

**(6) Appointment of Shri Chhitar Mal Jain as an Independent Director of the Company**

**To consider and if thought fit to pass, with or without modifications, the following resolution as a Special Resolution:-**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules

made thereunder (including any statutory modifications or re-enactment thereof for the time being in force), read with schedule IV of the Companies Act, 2013 and the applicable provisions of SEBI (LODR) Regulations, 2015, as amended, approval of the members of the Company be and is hereby given to the appointment of Shri Chhitar Mal Jain (DIN: 09566506), who on the recommendation of the Nomination and Remuneration Committee, was appointed as an Additional Director (Non-Executive Independent Director) of the Company by the Board of Directors with effect from 1st July, 2022 and who holds office until the date of the ensuing Annual General Meeting in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director (Non Executive) of the Company, who shall hold office for a period of five years from the date of appointment and whose office shall not, henceforth, be liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors and Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to this resolution."

**(7) Appointment of Mrs. Ankita Jain as an Independent Director of the Company**

**To consider and if thought fit to pass, with or without modifications, the following resolution as a Special Resolution:-**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force), read with schedule IV of the Companies Act, 2013 and the applicable provisions of SEBI (LODR) Regulations, 2015, as amended, approval of the members of the Company be and is hereby given to the appointment of Mrs. Ankita Jain (DIN: 09598249), who on the recommendation of the Nomination and Remuneration Committee, was appointed as an Additional Director (Non-Executive Independent Director) of the Company by the Board of Directors with effect from 1st July, 2022 and who holds office until the date of the ensuing Annual General Meeting in

terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director (Non Executive) of the Company, who shall hold office for a period of five years from the date of appointment and whose office shall not, henceforth, be liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors and Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to this resolution."

**(8) To ratify the remuneration of Cost Auditors of the Company**

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M. Goyal & Co., Cost Accountants (Firm Registration No. 000051), appointed as Cost Auditors of the Company by the Board of Directors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2023, be paid the remuneration of Rs. 50,000/- per annum plus applicable taxes and reimbursement of expenses upto Rs. 25,000/- be and is hereby ratified and approved.

"RESOLVED FURTHER THAT the Board of Directors and Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to this resolution."

By order of the Board

Place : Bhilwara  
Date : 30th May, 2022

**(Banwari Lal Saini)**  
Company Secretary

## NOTES :

- The Explanatory Statement pursuant to Section 102 and/or any other applicable provisions of the Companies Act, 2013 setting out the material facts in respect of item No. 3 to 8 set out in the notice and the details under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and clause 1.2.5 of Secretarial Standards on the General Meeting (SS-2) issued by the Institute of Company Secretaries of India, in respect of the person(s) seeking appointment/ re-appointment as Director at the Annual General Meeting, is annexed hereto.
- Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015 and revised Secretarial Standards on General Meetings (SS-2) issued by the ICSI, the Company is pleased to provide its members the facility of "remote e-voting" (e-voting from a place other than venue of the AGM) to exercise their right to vote at the AGM. The business may be transacted through e-voting services provided by National Securities Depository Limited ("NSDL").
- A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in the meeting instead of himself/herself and the proxy need not be a member of the Company. In terms of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty members holding in the aggregate, not more than ten percent of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.
- The proxy form duly completed and signed, must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting. A proxy form for the Annual General Meeting is enclosed.
- Institutional / Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send a certified copy of the relevant Board Resolution together with specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the Meeting. The said certified true copy of the Board Resolution should be sent to the Scrutinizer by email through its registered email address to rkjaunbhilwara@gmail.com with a copy marked to cs@modernwoollens.com.
- In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- Only bonafide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
- Details of Directors retiring by rotation/seeking re-appointment at the ensuing Meeting are provided in the "Annexure" to the Notice.
- The Share transfer books and Register of members shall remain closed from 24th September, 2022 to 30th September, 2022 (both days inclusive) in connection with the Annual General Meeting.
- In compliance with the MCA Circulars and the Securities and Exchange Board of India ("SEBI") Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, Notice of the 41st AGM along with the Annual Report for Financial Year 2021-22 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / National Securities Depository Limited and Central Depository Services (India) Limited ("the Depositories"). A copy of this Notice along with the Annual Report for Financial Year 2021-22 is uploaded on the Company's website [www.modernwoollens.com](http://www.modernwoollens.com), BSE Limited website at [www.bseindia.com](http://www.bseindia.com), NSE website at [www.nseindia.com](http://www.nseindia.com) and on the website of National Securities Depository Limited (NSDL) at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- 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. Members are requested to submit the said details to their depository participants ("DPs") in case the shares are held by them in electronic form and to Beetal (RTA) in case the shares are held by them in physical form.
- In terms of SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018 read with SEBI press release PRNo.: 51/2018 dated 3rd December, 2018, effective from 1st April, 2019, Company's shares can be transferred in

dematerialized form only. Hence members, who hold shares in physical form, are requested to dematerialize their shares, so they can transfer their shares in future, if so desire. However, members can continue to hold shares in physical form.

Members holding shares in physical mode are requested to dematerialize their shares by surrendering their share certificates to their Depository Participants (DPs). Members are requested to quote ISIN: INE794W01014 of the Company for dematerialization of the shares.

13. Members holding shares in physical form are advised to submit particulars of their bank account, viz. name and address of the branch of the bank, MICR code of the branch, type of account and account number to our Registrar and Share Transfer Agent, Beetal Financial & Computer Service Pvt. Ltd. Beetal House, 3rd Floor, 99 Madangir, Behind LSC, New Delhi-110062. Members who have not registered their email addresses so far are requested to register their e-mail ID's with M/s. Beetal Financial & Computer Services Pvt. Ltd, the Registrars & Share Transfer Agents of the Company and Members holding shares in demat mode are requested to register their e-mail ID's with their respective DPs in case the same is still not registered.
14. Members who are holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Company's Registrar and Share Transfer Agent the details of such folios together with the share certificates for consolidating their holding in one folio. The share certificates will be returned to the members after making requisite changes, thereon. Members are requested to use the share transfer form SH-4 for this purpose.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or our Registrar and Share Transfer Agent, Beetal Financial & Computer Service Pvt. Ltd.
16. Non-resident Indian shareholders are requested to inform about the following immediately to the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be, immediately of:
  - a. The change in the residential status on return to India for permanent settlement.
  - b. The particulars of the NRE account with a Bank in India, if not furnished earlier.
17. Members holding shares in single name and in physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH-13 prescribed by the Government can be obtained from the Registrar and Share Transfer Agent.
18. In terms of Section 101 and 136 of the Companies Act, 2013 read with the relevant Rules made thereunder, the copy of the Annual Report including Financial Statements, Board's report etc. and this notice are being sent by electronic mode, to those members who have registered their email ID's with their respective depository participants or with the share transfer agents of the Company, unless any member has requested for a physical copy of the same. In case any member wish to get a physical copy of the Annual Report, he may send his request to [cs@modernwoollens.com](mailto:cs@modernwoollens.com) mentioning his/her Folio/DP ID & Client ID.
19. Members may also note that the Notice of the 41st AGM, Attendance Slip, Proxy Form, Ballot Paper and the Annual Report for FY 2021-22 will also be available on the Company's website [www.modernwoollens.com](http://www.modernwoollens.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection without any fee during normal business hours (11:00 am to 5:00 pm) on working days, upto and including the date of AGM of the Company.
20. All the documents referred to in accompanying Notice and other Statutory Registers are open for inspection at the Registered Office of the Company on all working days between 11.00 a.m. to 5.00 p.m. upto the date of Annual General Meeting.
21. Members are requested to send all communications relating to shares and change of address etc. to the Registrar and Share Transfer Agents at the following address: Beetal Financial & Computer Service Pvt. Ltd. Beetal House, 3rd Floor, 99 Madangir, Behind LSC, New Delhi-110062.
22. A Member desirous of getting any information on the accounts of the Company is requested to forward his request to the Company at least 10 days prior to the Meeting so that the required information can be made available at the Meeting.
23. A route map showing directions to reach the venue of the Annual General Meeting is given with the Notice/Annual Report.

## 24. Voting

All persons whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e. 23rd September, 2022 only shall be entitled to vote at the General Meeting by availing the facility of remote e-voting or by voting at the General Meeting.

### (I) Voting through Electronic means

1. Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015 and revised Secretarial Standards on General Meetings (SS-2) issued by the ICSI, the Company is pleased to provide its members the facility of "remote e-voting" (e-voting from a place other than venue of the AGM) to exercise their right to vote at the AGM. The business may be transacted through e-voting services provided by National Securities Depository Limited ("NSDL").
2. The facility for voting through Polling Paper shall also be made available at the AGM and the members attending the meeting who have not already cast their vote through remote e-voting shall be able to exercise their right at the AGM.
3. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
4. The Board of Directors of the Company has appointed Shri Rajendra Kumar Jain, Practicing Company Secretary, Bhilwara as Scrutinizer for scrutinizing the voting through polling paper and remote e-voting process in a fair and transparent manner.
5. The remote e-voting period commences on Tuesday, 27th September, 2022 (9:00 a.m.) and ends on Thursday, 29th September, 2022 (5:00 p.m.). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, 23rd September, 2022, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
6. The Results shall be declared within 48 hours after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be placed on the company's website [www.modernwoollens.com](http://www.modernwoollens.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and the same shall also be communicated to BSE & NSE.
7. 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. 23rd September, 2022, may obtain the login ID and password by sending a request to Company at [cs@modernwoollens.com](mailto:cs@modernwoollens.com). However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote.

### THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on Tuesday, 27th September, 2022 at 9.00 A.M. and ends on Thursday, 29th September, 2022 at 5.00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 23rd September, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 23rd September, 2022.

#### How do I vote electronically using NSDL e-Voting system?




The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

#### Step 1: Access to NSDL e-Voting system

##### A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 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 in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDEAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDEAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. If you are not registered for IDEAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDEAS Portal” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p>    </div>
Individual Shareholders holding securities in demat mode with CDSL.	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="https://web.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>  Alternatively, the user can directly access e-Voting page by providing dematAccount Number and PAN No. from a link in <a href="https://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL 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 Forget User ID and Forget Password option available at above mentioned website.

**Help desk 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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> 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. <a href="mailto:evoting@cdslindia.com">evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL e-Services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

- Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- Password details for shareholders other than Individual shareholders are given below:
  - If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - How to retrieve your ‘initial password’?
    - If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
- If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:**
  - Click on “Forgot User Details/Password?” (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com).
  - Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com).
  - If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/ folio number, your PAN, your name and your registered address etc.

- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
  7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  8. Now, you will have to click on "Login" button.
  9. After you click on the "Login" button, Home page of e-Voting will open.
- Step 2: Cast your vote electronically on NSDL e-Voting system.**
- How to cast your vote electronically on NSDL e-Voting system?**
1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
  2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period..
  3. Now you are ready for e-Voting as the Voting page opens.
  4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
  5. Upon confirmation, the message "Vote cast successfully" will be displayed.
  6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
  7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- General Guidelines for shareholders**
1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to rkjambhilwara@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/ Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
  2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
  3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020990 and 1800 22 44 30 or send a request to Shri Manish Sharma at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**
1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cs@modernwoollens.com](mailto:cs@modernwoollens.com).
  2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [cs@modernwoollens.com](mailto:cs@modernwoollens.com). If you are an individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode.**
  3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
  4. In terms of SEBI circular dated December 9, 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

## ANNEXURE TO NOTICE EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

### Item No. 3

Though not mandatory, this statement is provided for reference.

Goyal D. Kumar & Co, Chartered Accountants, Bhilwara (Firm Registration No.007817C) was appointed as Statutory Auditors of the Company from the conclusion of 36th Annual General Meeting held on 28/09/2017 till the conclusion of the 41st Annual General Meeting of the Company. Thus, their tenure expires at the ensuing Annual General Meeting of the Company.

The Board of Directors at its meeting held on 02/09/2022, after considering the recommendations of the Audit Committee, had recommended the appointment of S.S. Surana & Co., Chartered Accountants, Jaipur (Firm Registration No. 001079C) as the Statutory Auditors of the Company for approval of the members. The proposed Statutory Auditors shall hold office for a period of five years, from the conclusion of this Meeting to the conclusion of the 46th (Forty Sixth) Annual General Meeting of the company, S.S. Surana & Co., Chartered Accountants, Jaipur (Firm Registration No. 001079C) have consented to the aforesaid appointment and confirmed that their appointment, if made, will be within the limits specified under Section 141 of the Companies Act, 2013 and the rules made thereunder. They have further confirmed that they are not disqualified to be appointed as the Statutory Auditors in terms of the Companies Act, 2013 and the rules made thereunder.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution set out at item No. 3.

The Board recommends the ordinary resolution set forth in item No. 3 of the notice for the approval of the members.

### Item No. 4

Shri Rajesh Ranka was re-appointed as Chairman & Managing Director of the Company with remuneration for a period of three years with effect from 1st July, 2019. As such, his term of office will expire on 30/06/2022. The Board of Directors considered his contribution to the overall progress of the Company, therefore the Board is of the opinion that his services should continue to be available to the Company by re-appointing him as Chairman & Managing Director of the Company for a further period of three years with effect from 1st July, 2022.

The Board of Directors at its meeting held on 30th May, 2022, re-appointed Shri Rajesh Ranka (DIN : 03438721) as Chairman & Managing Director of the Company with

effect from 1st July, 2022 for a further period of three years with remuneration subject to the approval of the shareholders of the Company. The terms and conditions of the re-appointment and payment of remuneration to Shri Rajesh Ranka as Chairman & Managing Director have also been approved by the Nomination and Remuneration Committee of Directors of the Company.

The terms and conditions of remuneration is as under :-

- i) **Basic Salary :-**  
Rs. 3,00,000/- per month for first year and thereafter increase of Rs. 30,000/- per month every year for next two years.
- ii) **Perquisites and allowances :-**
  - a) Company's contribution towards provident fund as per the rules of the Company but not exceeding 12% of the salary.
  - b) Gratuity not exceeding half month's salary for each completed year of service, as provided in Gratuity Act.
  - c) Free use of car with driver, for Company's business.
  - d) Free telephone facility at residence for Company's business.
  - e) Encashment of leaves as per Company's Rules.
- iii) He shall not be paid any sitting fees for attending the meetings of Board of Directors or Committee thereof.

Where in any financial year during the tenure of Shri Rajesh Ranka, Chairman & Managing Director, the Company has no profits or its profits are inadequate, the Company may pay to him the above remuneration as the minimum remuneration by way of salary subject to the requisite approvals, if any.

The disclosure relating to Shri Rajesh Ranka, as required under the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, is set out as an annexure to the notice.

The resolution seeks the approval of members in terms of section 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder for the re-appointment and payment of remuneration to Shri Rajesh Ranka as Chairman & Managing Director of the Company for a further period of three years with effect from 01/07/2022.

Except Shri Rajesh Ranka, none of the Directors and key managerial personnel of the Company and their relatives is concerned or interested in the said resolution set out at

item No. 4. The Board recommends the Special Resolution for the approval of the members. The details set out herein above may be treated as an abstract under section 190 of the Companies Act, 2013.

#### Item No. 5

Pursuant to provisions of Section 161 of the Companies Act, 2013, the Articles of Association of the Company and as recommended by the Nomination and Remuneration Committee, the Board of Directors, at its meeting held on 19th November, 2021, appointed Shri Ram Awatar Kabra (DIN 00945603), as an Additional Director of the Company, w.e.f. 19th November, 2021. As an Additional Director, Shri Ram Awatar Kabra holds office upto the date of this Annual General Meeting (AGM) and is eligible to be appointed as a Director of the Company. Pursuant to the provisions of Section 160 of the Act, the Company has received a notice in writing to appoint Shri Ram Awatar Kabra, signifying his candidature for the office of the Executive Director of the Company.

Shri Ram Awatar Kabra is Graduate in Commerce from the University of Rajasthan. He is also fellow member of the Institute of Chartered Accountants of India (ICAI) and the fellow member of the Institute of Company Secretaries of India (ICSI). Shri Ram Awatar Kabra has about 40 years vast and rich experience in the field of Finance, Accounts, Taxation, Administration and Management etc. and has consented to act as Whole-Time Director of the Company. The term and conditions of remuneration to Shri Ram Awatar Kabra are as under:-

#### i) Basic Salary:-

Rs. 1,30,000/- per month from 19/11/2021 with such increments as the Board may decide from time to time.

#### ii) Perquisites and allowances:-

- a) General Allowance Rs. 10,400/- per month.
- b) House Rent Allowance Rs. 32,500/- per month.
- c) Company's contribution towards Provident Fund as per Company's Rules but not exceeding 12% of the basic salary.
- d) Gratuity not exceeding half month's salary for each completed year of service as provided in the Gratuity Act.
- e) Free use of car with driver, for Company's business.
- f) Free Telephone facility for Company's business.
- g) Encashment of leaves as per Company's Rules.

#### iii) He shall not be paid any sitting fees for attending the meetings of Board of Directors or Committee thereof.

#### iv) Shri Ram Awatar Kabra shall be subject to retire by rotation during his tenure as the Executive Director of the Company.

Where in any financial year during the tenure of Shri Ram Awatar Kabra, Whole time Director, the Company has no profits or its profits are inadequate, the Company may pay to him the above remuneration as the minimum remuneration by way of salary subject to the requisite approvals, if any.

The disclosure relating to Shri Ram Awatar Kabra, as required under the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, is set out as an annexure to the notice.

The resolution seeks the approval of members in terms of section 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder for the appointment and payment of remuneration to Shri Ram Awatar Kabra, Whole-Time Director of the Company for a period of three years with effect from 19/11/2021.

Except Shri Ram Awatar Kabra, none of the Directors and key managerial personnel of the Company and their relatives is concerned or interested in the said resolution set out at item No. 5. The Board recommends the Special Resolution for the approval of the members.

#### Item No. 6

The Board of Directors has appointed Shri Chhitar Mal Jain (DIN : 09566506) as Additional Director in the category of Non-Executive Independent Director with effect from 01/07/2022. In terms of provisions of Section 161 of the Companies Act, 2013, he will hold office up to the date of this Annual General Meeting. In terms of Section 149 of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors), Rules 2014, an Independent Director shall hold office for a period upto five consecutive years and shall not be liable to retire by rotation.

Shri Chhitar Mal Jain is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director. The Company has received declaration that he meets the criteria of Independence as prescribed under Section 149(6) of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Shri Chhitar Mal Jain is B.Com., M.Com., Ph.D., and FCA. He is practicing chartered accountant since 1988 and also retired professor.

The Board of Directors considered the matter of his appointment in its meeting held on 30th May, 2022 and felt that his association would be of immense benefit to the Company and proposed his appointment as Independent Director under Section 149 of the Act, whose office shall not be liable to retirement by rotation, to hold office for a term of five years commencing from 01st July, 2022 upto 30th June, 2027. In the opinion of the Board, he fulfills the conditions of appointment as an Independent Director as specified in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

The Company has received notices in writing from a member in terms of Section 160 of the Act his candidature to be appointed as director in this Annual General Meeting.

The disclosure relating to Shri Chhitar Mal Jain, as required under the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, is set out as an Annexure to the Notice.

The Board recommends the Resolution set out at Item No.6 as Special Resolution to the Shareholders for their approval

Except Shri Chhitar Mal Jain, none of the other Directors, Key Managerial Personnel and their relatives are concerned or interested in the Resolution at Item No. 6 of the Notice.

#### Item No. 7

The Board of Directors has appointed Mrs. Ankita Jain (DIN :09598249) as Additional Director in the category of Non-Executive Independent Director with effect from 01/07/2022. In terms of provisions of Section 161 of the Companies Act, 2013, She will hold office up to the date of this Annual General Meeting. In terms of Section 149 of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors), Rules 2014, an Independent Director shall hold office for a period upto five consecutive years and shall not be liable to retire by rotation.

Mrs. Ankita Jain is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as Director. The Company has received declaration that she meets the criteria of Independence as prescribed under Section 149(6) of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mrs. Ankita Jain is Chartered Accountant by profession and her membership number is ACA 159511. Mrs. Ankita Jain is having 9 years' experience in her Professional Practice in the field of audit, finance, accounts, taxation, corporate law etc.

The Board of Directors considered the matter of her appointment in its meeting held on 30th May, 2022 and felt that her association would be of immense benefit to the Company and proposed her appointment as Independent Director under Section 149 of the Act, whose office shall not be liable to retirement by rotation, to hold office for a term of five years commencing from 01st July, 2022 upto 30th June, 2027. In the opinion of the Board, She fulfills the conditions of appointment as an Independent Director as specified in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

The Company has received notice in writing from a member in terms of Section 160 of the Act her candidature to be appointed as director in this Annual General Meeting.

The disclosure relating to Mrs. Ankita Jain, as required under the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, is set out as an Annexure to the Notice.

The Board recommends the Resolution set out at Item No.7 as Special Resolution to the Shareholders for their approval

Except Mrs. Ankita Jain, none of the other Directors, Key Managerial Personnel and their relatives are concerned or interested in the Resolution at Item No. 7 of the Notice.

#### Item No. 8

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M. Goyal & Co., Cost Accountants, Jaipur as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2023 at a remuneration of Rs.50,000/- per annum plus applicable taxes and reimbursement of expenses upto Rs. 25,000/-.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item No. 7 of the notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2023.

None of the Directors, key managerial personnel or their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution set out at item No. 8.

**Details of Directors Seeking Appointment / Re-appointment at the Annual General Meeting**

[In pursuance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standards].

Name	Smt. Veena Jain	Shri Rajesh Ranka	Shri Ram Awatar Kabra	Shri Chhitar Mal Jain	Mrs. Ankita Jain
Designation	Non Executive Director	Chairman & Managing Director	Whole Time Director	Non-Executive-Independent Director	Non-Executive-Independent Director
Director Identification Number (DIN)	07148606	03438721	00945603	09566506	09598249
Date of Birth	06/09/1978	07/10/1966	03/09/1956	01/01/1959	23/12/1990
Qualifications	M.A.	MBA	FCA, FCS	FCA, Ph.d.	ACA
Brief Resume	Smt. Veena Jain is M.A. She has best experience in field of business etc.	Shri Rajesh Ranka is MBA from Rajasthan University. He is Chairman & Managing Director of the Company and having vast experience of more than 28 years in the field of Textile management and Business administration.	Shri Ram Awatar Kabra is Graduate in Commerce from the University of Rajasthan. He is also fellow member of the Institute of Chartered Accountants of India (ICAI) and the fellow member of the Institute of Company Secretaries of India (ICSI). Shri Ram Awatar Kabra has about 40 years vast and rich experience in the field of Finance, Accounts, Taxation, Administration and Management etc.	Shri Chhitar Mal Jain is B.Com, M.Com, Ph.d, and FCA. He is practicing chartered accountant since 1988 and also retired professor from Mohan Lal Sukhadiya University, Rajasthan.	Mrs. Ankita Jain is Chartered Accountant by profession and her membership number is ACA 159511. Mrs. Ankita Jain is having 9 years' experience in her Professional Practice in the field of audit, finance, accounts, taxation, corporate law etc.
Nature of expertise in specific functional areas	Business	Business Administration	Finance, Corporate Laws, Administration	Finance, Audit, Education	Finance, Accounts, Audit
Date of first Appointment on the Board of the Company	18/06/2015	01/02/2011	19/11/2021	01/07/2022	01/07/2022
Shareholding in the Company	Nil	Nil	Nil	Nil	Nil
Shareholding of non-executive directors (in the listed entity, including shareholding as a beneficial owner)	Nil	-	-	Nil	Nil
Name of listed entities in which the person holds directorship and the membership of Committees of the Board	Modern Threads (India) Limited	Modern Threads (India) Limited	Modern Threads (India) Limited	Modern Threads (India) Limited	Modern Threads (India) Limited
Listed entities from which the person has resigned in the past three years	Nil	Nil	Nil	Nil	Nil
Remuneration proposed to be paid	Smt. Veena Jain is paid remuneration by way of sitting fees for attending meetings of the Board and Committees thereof. For the Financial Year 2021-22 She has been paid sitting fee of Rs. 3,000	Rs. 3,00,000/- per month for first year and thereafter increase of Rs. 30,000/- per month every year for next two years.	Rs. 1,30,000/- per month from 19/11/2021 with such increments as the Board may decide from time to time.	Shri Chhitar Mal Jain will be paid remuneration by way of sitting fees for attending meetings of the Board and Committees thereof.	Smt. Ankita Jain will be paid remuneration by way of sitting fees for attending meetings of the Board and Committees thereof
Terms and conditions of appointment/ re-appointment	Retire by Rotation	As stated in this AGM notice and Corporate Governance Report	As stated in this AGM notice and Corporate Governance Report	As stated in this AGM notice and Corporate Governance Report	As stated in this AGM notice and Corporate Governance Report
Relationship between directors inter-se and Key Managerial personnel	Not related to any other Directors/ Key Managerial Personnel of the Company	Not related to any other Directors/ Key Managerial Personnel of the Company	Not related to any other Directors/ Key Managerial Personnel of the Company	Not related to any other Directors/ Key Managerial Personnel of the Company	Not related to any other Directors/ Key Managerial Personnel of the Company
Membership/ Chairmanships of Audit and Stakeholders relationship committees	Nil	Nil	Member of Audit and Stakeholders relationship committees	Member of Audit and Stakeholders relationship committees	Chairman of Audit and Stakeholders relationship committees
In case of Independent Directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Not Applicable	Not Applicable	Not Applicable	Having experience in the field of finance, Audit, Taxation etc.	Having experience in the field of finance, Audit, Taxation and Education etc

## DIRECTORS' REPORT

### To the members of Modern Threads (India) Limited,

Your Directors are pleased to present the 41st Annual Report on the business and operations of the Company together with Audited Financial Statements for the financial year ended 31st March, 2022.

The Standalone financial statements for the financial year ended March 31, 2022, forming part of this Annual Report, have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs, vide its notification in the official Gazette dated 16th February, 2015.

Key highlights of financial performance of your Company for the financial year 2021-22 are provided below:

### FINANCIAL SUMMARY

(₹ in Crores)

Particulars	Year ended 31/03/2021	Year ended 31/03/2022
Revenue from operations & other Income	149.67	224.70
Profit before exceptional items & tax	1.02	7.25
Exceptional items	0.70	0.70
Profit before tax	1.72	7.95
Less- Tax expenses	-	0.01
Profit for the year	1.72	7.94
Other Comprehensive Income	0.33	0.27
Total Comprehensive Income	2.05	8.21

### STATE OF COMPANY'S AFFAIRS

The performance of the Woollen division of the Company has been satisfactory over past few years in spite of stiff competitions in the domestic and International markets. During the year under review the turnover of the Woollen Division of the Company is Rs. 134.18 Crores as against Rs. 93.86 Crores in the previous year. During the year under review the turnover of the Yarn Division of the Company is Rs. 88.45 Crores as against Rs. 53.27 Crores in the previous year. Your company has been able to generate the profit of Rs. 7.94 Crores during the year under review as against Rs. 1.72 Crores in previous year.

There is no change in the nature of business of the Company during the financial year under review.

### POST COVID-19 PHASE & GEO-POLITICAL SITUATION

The post COVID-19 phase from September '21 onward changed the business opportunity for worsted industry. Due to exhausted supply chain line, almost all sectors of worsted textiles generated demand & Indian worsted yarn supplier benefitted because of this. Chinese Zero tolerance policy fueled Indian industry in very positive manner. Demand from Australian wool remained either stable or showing slight increase in price terms, which largely eliminated the volatility in raw material prices. This was also possible, because of less consumption of wool from Chinese manufacturer & COVID policy followed by China. The Company continued to monitor any major change in future economic conditions and consequential impact on the financial Statements.

However, recent change in Geo-Political situation in Europe is expected to give some reversal jolt in current upward moving business & Indian economy. Since, we have major business in Europe & realization coming from GBP & EURO, company is monitoring the orders in hand & future plans of order in order to operate safe. Apart from this, overall cost of manufacturing also seems going to be higher in current scenario, which company is prepared to incorporate in system periodically as and when required.

### SHARE CAPITAL

The authorized Share Capital of the Company stood at Rs. 185,00,00,000. During the year under review, there was no change in the authorized share capital of the Company. The paid up Equity Share Capital as at March 31, 2022 stood at Rs. 34,77,51,600. During the financial year under review company has redeemed 75,000 – 16% cumulative redeemable preference shares (CRPF) series II of the face value of Rs. 100/- each and 25,000 – 16.50% cumulative redeemable preference shares (CRPF) series I of the face value of Rs. 100/- each issued and allotted to Oriental Insurance Company Limited (OICL) as one time settlement (OTS) of the said CRPS.

During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity or warrants. As on March 31, 2022, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

### TRANSFER TO RESERVES

The Company has not transferred any amount to reserves during the year under review.

### DIVIDEND

In view of accumulated losses, your directors are unable to declare any dividend for the year under review.

### EXPORTS

Govt of India specially textile ministry is very active in formulating Textile related policy & their implementation. Over all Export target has also been kept higher & looking into the demand from overseas market, dream came true. Comparing the last year performance, this year export as well as domestic demand remained firm & profitable in 2<sup>nd</sup> half of the year. Growth of export is very much bullish & it is continued to be next year.

During the year under review the export turnover of the company was of Rs. 79 Crores as against Rs. 60 Crores in the previous year. This year company started manufacturing & exporting RWS (Responsible Wool Standard) & GRS (Global Recycled Standard) products along with certification to ensure commitment towards environment & supplying sustainable yarn in global market. Product branding & certification is one of the key area in order to penetrate high end European & Japanese market.

### FUTURE PROSPECTS

The International Wool Textile Organisation (IWTO), with significant assistance from Australian Wool Innovation (AWI), continues to push for more accurate representation of the environmental footprint of textiles, based on proven science & future prospects looks very positive among various type of fibers.

Free trade agreement with India & Australia is going to give another push to Indian Worsted industry.

Exhibition held in September, Première Vision Paris continues to build on its success with its new summer positioning. Designed to better cater to the evolving cycles of the fashion industry, as well as to the needs of manufacturers, this calendar change has won the market's approval. A 32% growth in the creative offer (vs. September 2021), the return of international visitors, and the industry's reinforced commitment to eco-responsibility issues addressed by Première Vision all confirm the event's strategic choices.

### MSME CERTIFICATE

Your Company has getting registered under MSME vide UDYAM Registration Number – UDYAM-RJ-07-0000022.

### FINANCE AND ACCOUNTS

As mandated by the Ministry of Corporate Affairs, the financial statements for the year ended on March 31, 2022 has been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "The Act") read with the Companies (Accounts) Rules, 2014 as amended from time to time. The estimates and judgments relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2022. The Notes to the Financial Statements form an integral part of this Report.

Accounting policies have been consistently applied except where a newly issued accounting standard, if initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an ongoing basis. The Company discloses financial results on a quarterly basis which are subjected to limited review.

### FIXED DEPOSITS

The Company has neither accepted nor renewed any fixed deposits during the year under review within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### Directors

The Board of Directors on the recommendations of the Nomination and Remuneration Committee vide its meeting held on 30th May, 2022 has re-appointed Shri Rajesh Ranka (DIN: 03438721) as Chairman & Managing Director of the Company w.e.f. 01.07.2022 for a further period of three years with remuneration, subject to approval of shareholders in the ensuing Annual General Meeting.

Further, subject to the approval of the shareholders, the Board of Directors has, on the recommendation of the Nomination and Remuneration Committee, appointed Shri Ram Awatar Kabra (DIN: 00945603) as an Additional Director under the category Whole-Time Director of the Company w.e.f. 19/11/2021. As an Additional Director,