



SHIVA TEXYARN LIMITED

A TECHNICAL TEXTILE COMPANY

41st ANNUAL REPORT 2022

www.shivatex.in

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BOARD OF DIRECTORS

Sri S V Alagappan	Chairman
Dr S V Kandasami	Director
Sri S K Sundararaman	Managing Director
Smt S Sujana Abirami	Director
Sri K N V Ramani	Director
Sri S Marusamy	Director
Sri A Dhananjayan	Director
Sri D Satish Krishnan	Director

AUDITORS

M/s. Deloitte Haskins & Sells LLP
Chartered Accountants
Coimbatore.

INTERNAL AUDITORS

M/s B M & Associates
Chartered Accountants
Coimbatore.

COST AUDITOR

Sri M Nagarajan
Coimbatore.

CHIEF FINANCIAL OFFICER

Sri C Krishnakumar

COMPANY SECRETARY

Sri R Srinivasan

BANKERS

Canara Bank
Indian Overseas Bank
R B L Bank Ltd
Bank of Baroda
Karur Vysya Bank
Axis Bank Limited

REGISTERED OFFICE

(new address w.e.f. 01.04.2021)
52, East Bashyakaralu Road, R S Puram
Coimbatore - 641 002 Tamilnadu
Phone : 91-422-2544955
E-mail : secretary@shivatex.co.in
Website : www.shivatex.in
CIN : L65921TZ1980PLC000945

SHARE TRANSFER AGENT

(new address w.e.f. 16.07.2021)

M/s. SKDC Consultants Ltd
"Surya", 35, May Flower Avenue,
Behind Senthil Nagar,
Sowripalayam Road,
Coimbatore – 641 028.
Email : info@skdc-consultants.com
Phone: 0422- 4958995, 2539835 /836



NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 41st Annual General Meeting of the shareholders of the Company will be held on Monday the 12th September 2022 at 11.00 AM through Video Conferencing (VC) / Other Audio Visual Means (OAVM) with their virtual presence to transact the business set out in the agenda given below:

You are requested to make it convenient to attend the meeting.

AGENDA

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2022, the reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in the place of Dr. S V Kandasami (DIN: 00002470) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Statutory Auditors of the Company

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

RESOLVED THAT pursuant to Section 139, 142 and all 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) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. VKS Aiyer & Co., Chartered Accountants, having Firm Registration No. 000066S be and are hereby appointed as the Statutory Auditors of the Company for a term of five consecutive years, who shall hold office from the conclusion of this 41st Annual General Meeting till the conclusion of the 46th Annual General Meeting of the Company at a remuneration of Rs. 14,00,000/- p.a. (Rupees Fourteen Lakhs Only) payable in one or more instalments plus applicable taxes and re-imbursement of out-of-pocket expenses to conduct the audit.

SPECIAL BUSINESS

5. **TO CONSIDER AND APPROVE THE RE-APPOINTMENT OF SRI S K SUNDARARAMAN AS A MANAGING DIRECTOR AND A KEY MANAGERIAL PERSONNEL (DIN:00002691) OF THE COMPANY W.E.F 31.08.2022 AND APPROVAL OF HIS REMUNERATION**

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 Section 196, 197, 198, 199, 203 and other applicable provisions, if any, of the Companies Act, 2013 and Schedule V thereto and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provision(s) of SEBI (Listing



Obligations and Disclosure Requirements), Regulations, 2015, if any, including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force and pursuant to the recommendations of Nomination and Remuneration Committee and the Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded to re-appoint Sri S K Sundararaman (DIN:00002691) as Managing Director of the Company for a period of three years, not liable to retire by rotation i.e. with effect from 31.08.2022 to 30.08.2025 on his cessation of present term of office on 30.08.2022 upon the terms and conditions including the remuneration as follows:

1. REMUNERATION:

BASIC SALARY	: Rs.3,00,000/- (Rupees Three Lakhs only) per month;
ALLOWANCES	: An amount not exceeding annual Basic Salary
COMMISSION	: 5% on the Net Profits of the Company as calculated under Section 198 of the Companies Act, 2013 (over and above the aforesaid salary and allowances).

2. PERQUISITES (not included in the above remuneration):

- Contribution to Provident Fund @ 12% on basic salary.
- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

RESOLVED FURTHER THAT the above remuneration and perquisites (except the Commission) shall be payable to Sri S K Sundararaman, Managing Director (DIN:00002691) during his tenure, even the Company having no profit or inadequate profit in any financial year.

RESOLVED FURTHER THAT Sri S K Sundararaman, Managing Director (DIN:00002691) will be carrying out the powers and functions under the superintendence, control and directions of Board of Directors of the Company from time to time.

RESOLVED FURTHER THAT pursuant to Section 203 of the Companies Act, 2013 read with the applicable rules and provisions, Sri S K Sundararaman, Managing Director (DIN:00002691) shall be the Key Managerial Personnel of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all the acts and take all necessary steps as may be necessary, proper or expedient to give effect to this resolution.



6. Ratification of remuneration payable to Sri M Nagarajan, Cost Auditor of the Company

To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendation of Audit Committee the remuneration of Rs. 1,00,000/- (Rupees One Lakh Only) (besides reimbursement of out of pocket expenses incurred by him for the purpose of Audit) payable to Sri M Nagarajan, Cost Auditor (Firm Registration No. 102133), as approved by the Board of Directors for conducting the Audit of the Cost Records of the Company for the Financial Year ending 31st March 2023, be and is hereby ratified and confirmed.

Coimbatore
25th May, 2022

By Order of the Board

S V ALAGAPPAN
CHAIRMAN
(DIN 00002450)

**Notes:**

1. In view of continuing Covid-19 pandemic, Ministry of Corporate Affairs (MCA) General Circular Ref. Nos: 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 02/2021 dated January 13, 2021, 19/2021 dated 08.12.2021 and 21/2021 dated 14.12.2021, 2/2022 dated 05.05.2022 and SEBI Notification Nos. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13.05.2022 (permitted to conduct the holding of Annual General Meeting (AGM) through Video Conferencing / Other Audio Visual Means (VC/OAVM) without the physical presence of the members at the common Venue. In compliance with these MCA Circulars, the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the Annual General Meeting of the members of the Company is being held through VC/OAVM.
2. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since, this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation etc., authorising its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to sharpcs1@gmail.com with copies marked to the Company at shares@shivatex.co.in and to its Registrar and Share Transfer Agent at info@skdc-consultants.com.
4. Members are requested to submit the queries in advance on the e-mail address shares@shivatex.co.in.
5. As per relevant MCA / SEBI Circulars dispatching of physical copies of the financial statements (including Board's Report, Auditor's Report or other documents required to be attached therewith), such statements shall be sent only by e-mail to the members and hence sending of Annual Report by physical mode has been dispensed with.
6. The members attending the meeting through VC / OAVM shall be reckoned for the purpose of quorum as stipulated under Section 103 of the Companies Act, 2013.
7. All the resolutions will be passed through the facility of e-voting system only.
8. Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts relating to Special Business in respect of items starting from 5 and 6 of the Agenda are annexed hereto.



9. Previous year figures are given in brackets for the purpose of comparison.
10. The Register of Members and the Share Transfer Books of the Company will remain closed from 06.09.2022 to 12.09.2022 (both the days are inclusive) as per Section 91 of the Companies Act, 2013 and Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.
11. Electronic copies of the Register of Directors' and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members during the AGM.
12. The dividend, if declared at the Annual General Meeting will be paid to those members within 30 days from the date of declaration, whose names appear on the Register of Members of the Company as on 5th September 2022. In respect of the dematerialized shares dividend will be paid on the basis of the beneficial ownership furnished by the National Securities Depository Limited and Central Depository Services (India) Limited at the end of the business hours on 5th September 2022. Dividend is paid subject to deduction of applicable taxes as per the relevant provisions of Income Tax, 1961 and rules made thereunder.
13. The dividend remaining unclaimed for a period of 7 years pertaining to the period 2014-2015 and the respective shares will be transferred to the Investor Education And Protection Fund (IEPF) account and the investors may claim the same from the Central Government as per the applicable provisions. The list of shares transferred will be made available in the website of the Company www.shivatex.in.
14. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to offer the facility of voting through electronic means (remote e-voting) from a place other than the venue of AGM /e-voting at the meeting to all the members to enable them to cast their votes.
15. The voting through electronic means will commence on 9th September 2022 at 10.00 A.M and will end on 11th September 2022 at 5.00 P.M. The Members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting system shall be disabled for voting thereafter. The persons those who are holding shares as on the cut-off date of 5th September 2022 are only eligible to cast their e-voting.
16. **Registration of email ID and Bank Account details:**

In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/Depositories, log in details for e-voting are being sent on the registered email address.



In case the shareholder has not registered his/her/their email address with the Company/its RTA/Depositories and or not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:

- i) Members holding shares in physical mode are requested to communicate their change of postal address (enclose copy of Aadhar Card), e-mail address if any, self-attested copy of PAN Card and bank account details (enclose cancelled cheque leaf) quoting their folio nos. to the Registrar and Share Transfer Agents M/s. SKDC Consultants Limited, "Surya", 35, May Flower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore – 641 028 **(Please take note that the said office change is w.e.f. 16.07.2021)**.

ii) In the case of Shares held in Demat mode:

The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

17. The Notice of the Annual General Meeting along with the Annual Report for the financial year 2021-22 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/ Depositories in accordance with the aforesaid MCA Circulars and circular issued by SEBI dated May 13, 2022. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2021-22 will also be available on the Company's website www.shivatex.in; websites of the Stock Exchanges i.e. National Stock Exchange of India Ltd and BSE Limited at nseindia.com and bseindia.com respectively. Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.
18. The Company has appointed Mr. R Dhanasekaran, Practicing Company Secretary, to act as the Scrutinizer for conducting the voting process in a fair and transparent manner.
19. Instructions for e-voting and joining the Annual General Meeting are as follows:
20. Instructions for shareholders to vote electronically:

Remote e-Voting Instructions for shareholders

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.



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

1. Individual Shareholders holding securities in demat mode with NSDL

1. Existing IDeAS user can visit the e-Services website of NSDL viz... <https://eservices.nsdl.com> 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 name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.
2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com>. Select "Register Online for IDeAS Portal" or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>.
3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://eservices.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 (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 name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

2. Individual Shareholders holding securities in demat mode with CDSL

1. Existing users who have opted for Easi / Easiest, 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 <https://web.cdslindia.com/myeasi/home/login> or www.cdslindia.com and click on New System Myeasi.
2. After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
3. If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>.