SHIFTING Gears

Trident Texofab Limited

Annual Report 2019-20

TRIDENT™ TEXOFAB LTD.

“We should keep moving forward, opening new doors, and doing new things, because we're curious and curiosity is what leads down to new paths.”

- Walt Disney

Strategic transformation is critical to survive and thrive in an evolving business environment. At Trident Texofab Limited, we are transforming to build capabilities for the future.

Our dedicated efforts have helped us set the right foot on our journey to transform: In the last year, we have moved from heavy reliance on trading to manufacturing excellence, from stagnation to relentless dynamism. This reflects our strong execution and savvy business decisions. Above all, it reflects the incredible journey, ingenuity and our adaptability in moving forward without compromising on our previously established beliefs and principles.

This journey of transformation encompasses everything from being ever - vigilant in manufacturing highest quality products for our customers to thinking ahead about ways to shape the company for the future, we are investing today to see a brighter tomorrow. But even as we grow from strength to strength, delivering value to all our stakeholders will always remain our true north.

Our strategic transformation is enabling us with a right to win. During the year we have embarked upon an exciting and eventful voyage, which will help us discover new horizons of growth and sustainability. We are building on our legacy with new energy and platforms. We are focusing on outperforming our retrospective achievements.

We are Shifting Gears.

Vision

With our quality products and services, we at Trident Texofab, understand the need to constantly add value to our clients and try to provide maximum customer satisfaction. Our purpose is to craft a robust brand in the minds of our customers along with a stellar industry reputation.

Mission

We have decided to dig deeper into our industry and come out with our own brands in segments such as home furnishing products, garments, shirting and other fabrics. We will continue to scout for new opportunities and strive to explore retail & B2C customer segments of our present businesses.

FY20 Highlights

9,096.41 Lakh
Revenue from Operations, up from 8689.74 Lakhs in FY19

5.01%
Operating Profits %, up from 2.76% in FY19

455.93 Lakh
Operating Profits, up from 239.75 Lakhs in FY19

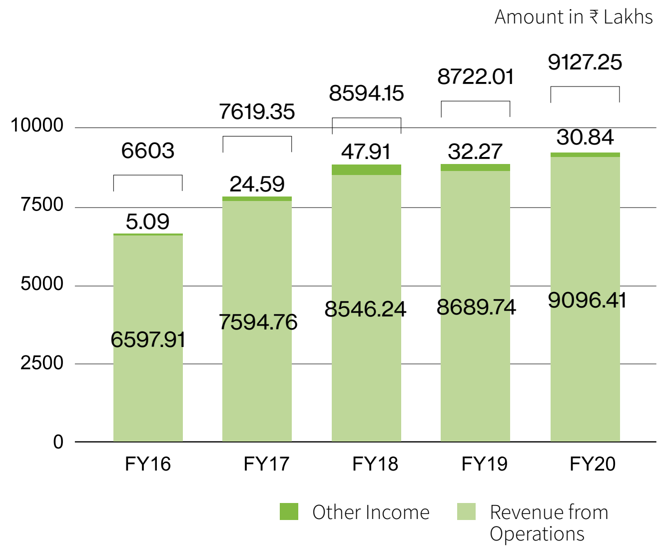
1,185.43 Lakh
Shareholder's Fund up from 1,099.54 Lakhs in FY19

Contents

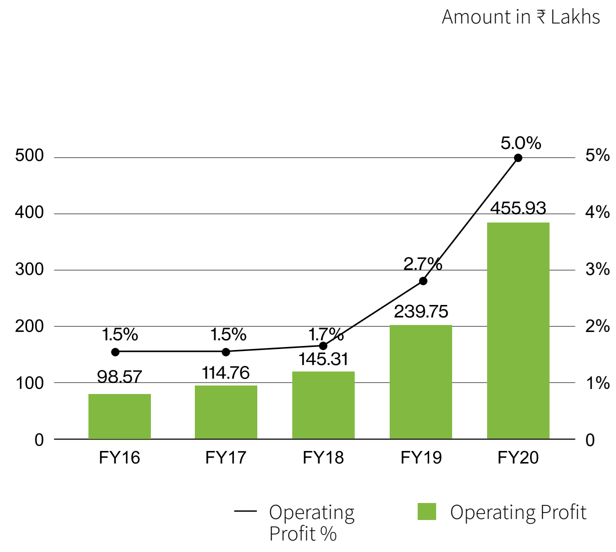
Numbers that matter

Credit Rating **CARE BB Stable** on Long Term Facilities

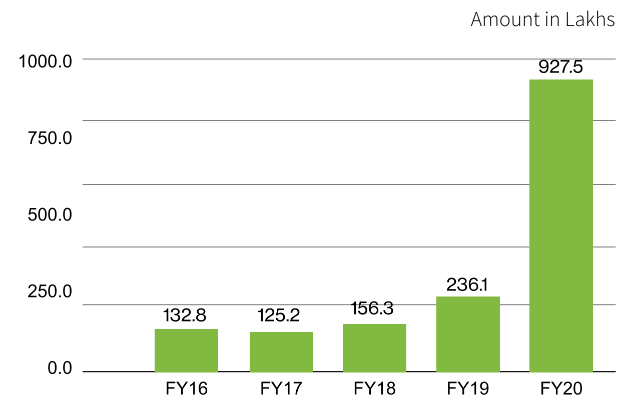
Revenue from Operations and Total Income



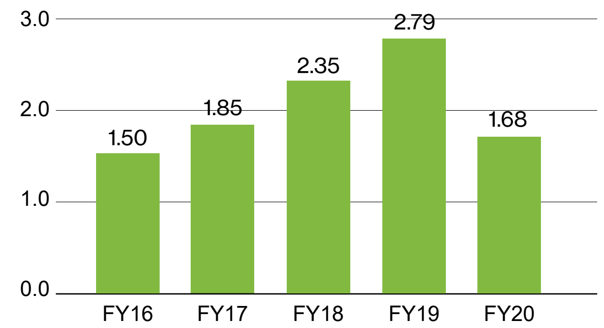
Operating Profit & Operating Profit %



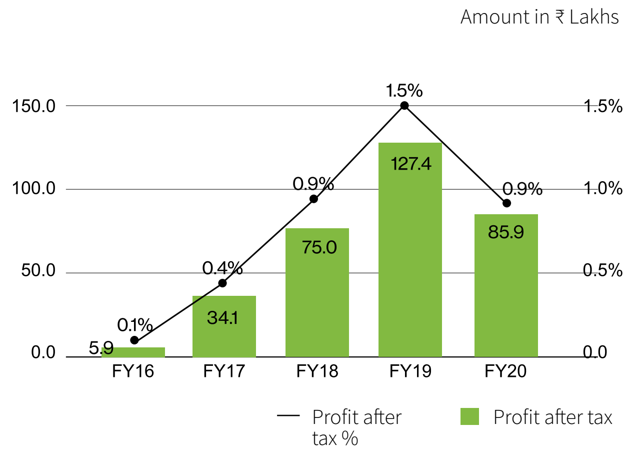
Net Block



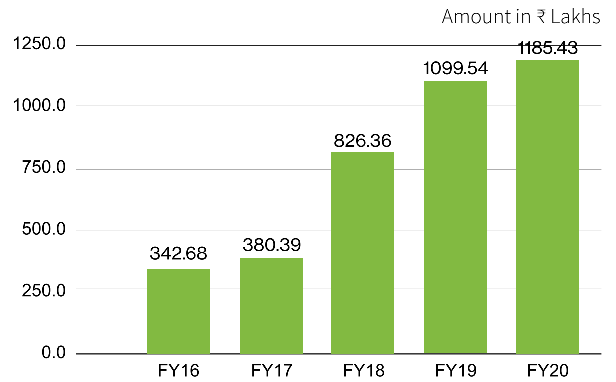
Interest Coverage Ratio



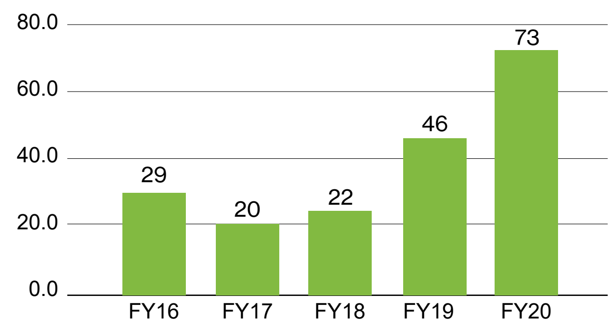
Profit after tax and Profit after tax %



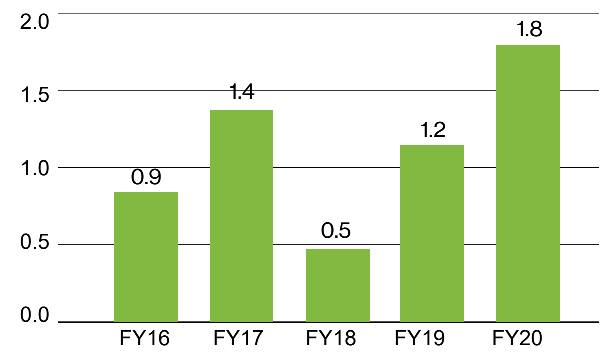
Shareholder's Fund



Working Capital Days



Total Debt to Equity



Chairman's Letter

"Two shortlisted CAPEX projects, out of which at least one will be commenced in the financial year 2020-21"

"The financial year 2019-20 was the first complete year in which we had our first phase of a completely integrated manufacturing setup."

"We believe, after a certain level of operations this anomaly will start correcting itself and the results will be visible on our bottom-line."

Dear Shareholders,

It gives me immense pleasure to present to you the Trident Texofab Limited Annual Report 2019-20. To begin with, I hope every one of you is well and healthy. The financial year 2019-20 has truly been a litmus test for corporates, institutions, and governments in India and abroad. Never before have we seen such a massive and devastating health care crisis, which has taken no time to turn into an economic crisis.

While the world adjusts itself to live alongside COVID-19, we as a company also must adapt ourselves to new realities. It is time to re-evaluate our plans, make necessary improvements, and prepare for what might come next. Keeping this philosophy in mind, the company has decided to enter certain product categories, in line with its business, that are the need of the hour. Trident Texofab has started dealing in various kinds of PPE Kits and Face Masks. We believe these products will give a much need boost to our volumes in the near future, and will help us tide over this time comfortably.

As far as our manufacturing operations are concerned, the financial year 2019-20 was the first complete year in which we had our first phase of a completely integrated manufacturing setup. After the commissioning of the Waterjet unit in April 2019, we have been able to bring a massive improvement in our operational performance. As you all must have observed during the year, our operating profit margins have started shifting their trajectory in a significant manner, from 2.76% blended OPM% in FY19 we have witnessed a growth of 2.25% or 82% increase to 5.01% blended OPM% in FY20. This has been the result of our first phase of investments towards manufacturing operations. We still believe there is a lot of scope and appetite for further capital investments in our manufacturing division. Although the adverse external environment has made this endeavor much more uncertain, we are confident of our Shifting Gears strategy. We certainly will be much more prudent and cautious towards any further capital investments. As of now, the company has shortlisted two CAPEX projects, out of which at least one will be commenced in the financial year 2020-21, we will keep you all posted when there are further developments.

In the face of an adverse business environment and subdued sales due to COVID-19, the company has decided to implement major cost-cutting programs wherever possible. To begin with, the top-level management has voluntarily decided to forego 50% of their salaries for FY2020-21, at the mid and lower levels also there have been certain pay cuts in the range of 15%-35%. We have also decided to cut down on many frivolous and non-essential expenses.

Apart from the economic repercussions arising out of the lockdowns due to COVID-19, there was also a lot of chaos in the movement of people, especially the migrant laborers. This has led to a shortage in the supply of labour in many states and since textile is a labour-intensive industry, this was a big challenge for the industry incumbents. For Trident Texofab this was not a concern since we had prior arrangements to accommodate the labour, there has been no production loss at Trident Texofab due to the availability of labour.

Performance Review

Revenue from operations is at an all-time high of 9096.41 Lakhs in FY2020, up 4.7% from 8689.74 Lakhs in FY2019. This was despite a significant sales deferral and loss in the second half of March 2020, when we expect a decent amount of sales to been booked each year. Our operating profits were also at an all-time high of 455.93 Lakhs in FY2020, up 90.2% from 239.75 Lakhs in FY2019. Our Profits after tax stood at 85.89 Lakhs, down 32.6% from 127.42 Lakhs in FY19. The massive increase in operating profits has not been passed on to net profitability, primarily due to two reasons a) Increased finance cost due to increased level of borrowed funds used to finance the expansions and b) increased depreciation expenses due to the newly added manufacturing facility. We believe, after a certain level of operations this anomaly will start correcting itself and the results will be visible on our bottom-line.

Going ahead

The COVID-19 pandemic may have an extended impact, it may present opportunities as well as challenges never seen before. The idea is to stay agile and adaptable to changing realities. The Board, through its engagement with the management, will guide the company in recalibrating its growth & expansion strategies to seek its vision.

Before I conclude, I wish to thank all my Board Members, regulatory authorities, our management, employees, bankers and our shareholders for guidance and support.

Hardik Desai,
Chairman

Management Discussion Analysis

Global Textile Industry

As of FY2017-18 textiles and apparel contributed nearly 2.1% of India's GDP, 12.65% of industrial production and about 12% of Indian exports. India is second only to China, for the production of man-made fiber and filament accounting for a 14% market share globally. India also ranks second to China in the consumption of polyester fiber, however, the per capita consumption of India is far lower than that of China. India's per capita consumption in all the fibers ranks 50% lesser to the global per capita consumption, in 2018. This also highlights the substantial unrealized potential of Indian consumption.

The global textile market size is projected to cross the USD 1 trillion benchmark by ***2025 expanding at a CAGR of 4.24%.***

Indian Textile Industry

Industry at glance

USD 100bn

Estimated Domestic Market Size

65% Share of Cotton in the total Fiber Consumption

2nd Largest Employer after Agriculture

2.1% GVA

Textiles & Apparel as Share of GDP

12.65% GVA

Textiles and Apparel as Share of Manufacturing GVA

4.5+ cr

DIRECT EMPLOYMENT GENERATED

USD 40bn

Textile and Apparel Exports

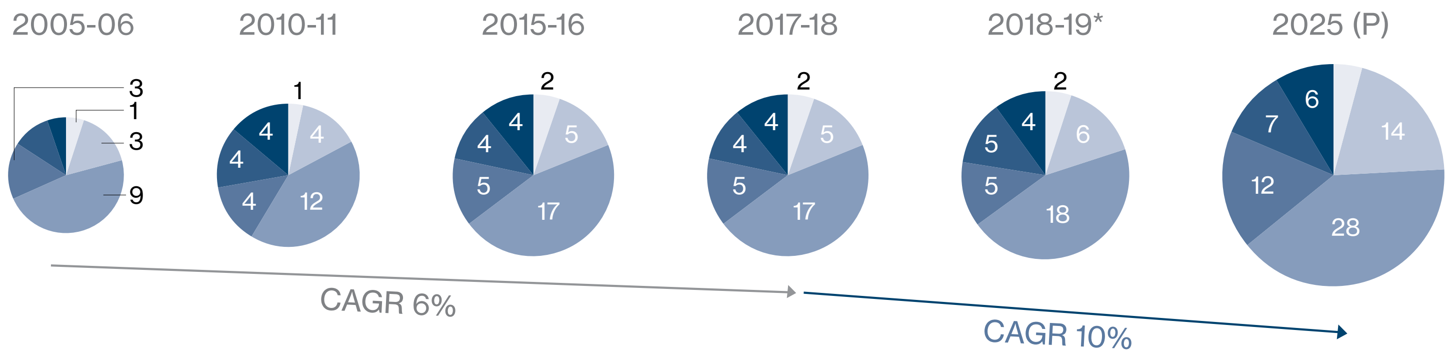
Largely unorganized and fragmented, with select large corporates

Contribution to Total Indian Exports — 12% (Indian Export)

Industry Overview

Textile is the oldest manufacturing industry in India, dating back centuries. Indian Textile Industry is one of the largest in the world having an ample raw material base and strengths across the value chain. India holds a key place in the global textile space through its proficiency in manufacturing a wide range of yarns & fabrics, including natural fibers like cotton, jute, silk, wool, etc.; and man-made fibers like polyester, nylon, viscose and acrylic. Textiles, apparel & leather products manufacturing accounted for 2.04% of the total GVA in FY2018-19. Simultaneously it also contributed to 7.07% of the industrial GVA and 12.67% of the manufacturing GVA. In FY2017-18 textiles and apparel contributed nearly 2.1% of India's GDP, 12.65% of industrial production, and about 12% of Indian exports. Textiles and apparel contribute nearly USD 40bn in exports each year, this figure has compounded at ~6% annually for the last 15 years. Given the high growth rates, Indian exports in textiles and apparel are expected to expand to USD 80bn by the year 2025.

Indian Textile and Apparel Exports (USD Billion)



Data Source : Ministry of Textile & Wazir Analysis

*Estimated

India's textile landscape is dominated by Cotton due to an abundance of cotton farming in the country. India ranks first in terms of Cotton acreage and grows all four known species of Cotton. Cotton accounts for nearly 2/3rd of the total fiber consumption in the country. India is second to China in the production of man-made fiber and filament, accounting for a 14% market share globally.

Industry Structure

In terms of the industry structure, the Indian textile market is largely unorganized, fragmented and privatized. Majority of the market share is held by a large number of small and medium enterprises with a select, few large-sized corporates. India also has a presence across the entire textile value chain including - spinning, weaving, knitting, processing, and garments. In terms of capacity, India hosts 24% of the world's spindle capacity, 8% of global rotor capacity and 63% of loom capacity (including handlooms) as of FY2017-18

Recent Developments

a) COVID-19 Outbreak

The unprecedented COVID 19 health care crisis has caught the entire world off-guard. To say the least, it has devastated manufacturing operations, supply chains and has sent shocks to the global economy. Governments worldwide had imposed indefinite lockdowns, restrictions on movement, and thus any sort of economic activity. The national lockdown in India was one of the most severe and longest in duration. Manufacturing activities, barring a few essential goods & services, had come to a standstill for a little less than two months.

The effects of this lockdown were even more severe in labour-intensive industries such as Textiles, which directly and indirectly employees ~4.5 Cr and ~6.0 Cr people. An unexpected and sudden lockdown led to an unplanned and chaotic movement of migrant labourers across the country, as the majority of the workforce was trying to make back to their homes with negligible transportation services available.

It is extremely difficult to provide an industry outlook, given the context that this is a constantly evolving and still unfolding situation. To comment on anything about demand normalization and revival is a little premature for the time being. That being said, the industry should be completely prepared for a remarkably challenging external environment for the foreseeable future.

b) New Textile Policy 2020

The Indian textile and apparel sector faces a lot of structural challenges and regulatory issues. This has allowed other smaller developing countries to catch up with India in terms of production and exports, despite of India possessing good fundamentals and inherent strengths in this sector. In December 2019, the Government of India announced its intent to launch a 'New Textiles Policy 2020', which will replace the 20-year-old policy currently in force. It has been indicated that the new policy will contain measures & solutions to various impediments faced by the industry. It will be including but not limited to enhancing the skills of textile workers, enhancing exports and modifications to the taxation policy currently in place.

c) Good and Service Tax

Introduction of Goods and Service Tax (GST) in July 2017 has introduced quite a few changes in the industry. The unorganized industry was hit hard by the implementation of GST, the organized industry, on the other hand, has grown at the cost of the unorganized industry. GST has diluted the tax arbitrage that was previously available to unorganized players, thereby creating a level-playing field for organized players.

For the textile industry, rates of 5% and 12% are imposed on cotton and man-made fiber respectively, while silk and jute are completely exempted. On the apparel side, goods costing less than Rs. 1,000 attract a 5% GST rate while goods costing more than Rs. 1,000 attract a 12% GST rate. While the unorganized space has faced the heat of GST far more intensely than organized space in domestic markets, it has been equally challenging for organized space in the export front. The introduction of GST discontinued many export incentives, making Indian manufacturers less competitive globally. Added to this was subdued demand from UK and USA, which are the world's largest textile consumption markets.

Growth Drivers

a) Per capita spend on apparel

Per capita spending on apparel in developing countries like India is expected to increase by more than 2 times in the next 10 years (at a CAGR of 9-11%). This will make developing countries the drivers of incremental growth in the global textile consumption.

b) Increase in disposable income

Strong economic growth is expected to increase per capita income, resulting in more disposable income to spend on fashionable clothes. The increase in income would improve the general standard of living, which in turn would further propel the demand for apparel.

c) Increasing urbanization

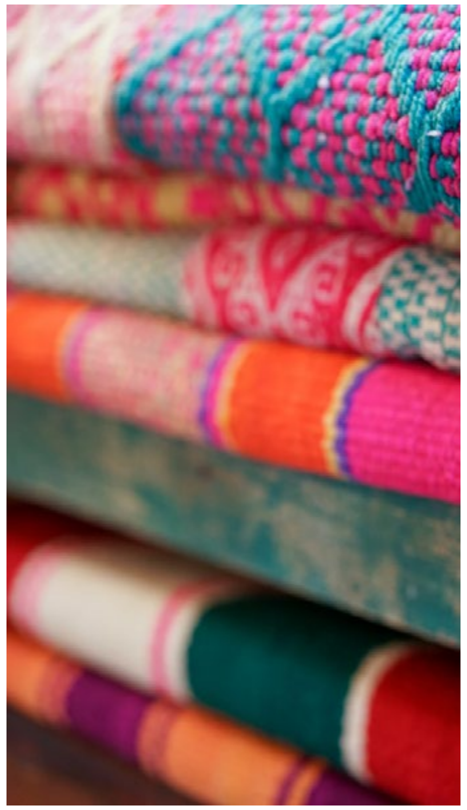
Rising urbanization leads to an increase in demand for new designs and fashions to match new lifestyles. A large percentage of these new city dwellers are expected to be in their twenties thus possibly making first-time independent choices for various categories of clothing items including denims, shirts, and footwear.

d) E-commerce

With the changing lifestyle and rising incomes, people are left with less spare time. E-commerce has leveraged this opportunity and is providing consumers with what they want, with just a few simple clicks, creating a seamless and faster shopping experience. The huge success of e-commerce companies led Indian textile companies to explore the online market through their own e-commerce platforms. Textiles companies are increasingly looking to build up consumer loyalty by selling their products on their websites and establishing a direct connection with their consumers.

e) Foreign Direct Investments (FDI)

The government has allowed 100% FDI in this sector. The textiles industry in India is experiencing a significant increase in collaboration between global majors & domestic companies. FDI in textiles (including dyed, printed) grew at a CAGR of 17.13% during the period from FY10 to FY17.



Business Model

Company Overview

Incorporation & History

Trident Texofab Limited (TTFL) was incorporated in the year 2008, by Mr. Hardik Desai and Mr. Chetan Jariwala. Based in the textile hub Surat, Trident Texofab started out as a textile trading company dealing prominently in home furnishing products such as bedsheets, curtains, upholstery, etcetera. Apart from home furnishing, TTFL was also involved in other textile categories such as scarfs, pareos, suiting, shirting, and many more.

Shift towards Manufacturing

After a decade of steady progress in trading operations and achieving a decent size of operations, the company decided to go public via an IPO on BSE in 2017. The idea was to take its business one notch up. From the money raised through its public issue and the following preferential issue, the company decided to venture into manufacturing operations in the textile industry. In 2018, TTFL commenced manufacturing operations via its first greenfield investments in Surat, Gujarat. By the end of FY19, the company had in place units to manufacture grey fabrics, finished garments, and provide other value-added services such as embroidery, stitching, and digital printing.

Trident Texofab Today

We are a composite textile company with interests in manufacturing and trading of semi-composite home furnishing, garments, technical textiles and various polyester and poly-blend fabrics.

IPO The company decided to go public via an IPO on BSE in 2017

By the end of FY19, the company had in place units to manufacture grey fabrics, finished garments, and provide other value-added services such as embroidery, and digital printing.

Business Segments

Trading

Manufacturing

Trading

In the last decade, trading of textile products has single-handedly driven the growth of TTFL. Prior to the financial year 2018-19, almost 100% of the business was contributed by trading operations.

Unlike the typical trading model of buying and selling goods, the company is present across the entire value chain. The company engages right from the receipt of order, identification of a manufacturer, placing an order, supervising manufacturing and delivery of the finished product. This process helps us in providing superior customer satisfaction to our clients. TTFL has numerous manufacturing partners who are prominently, if not 100%, engaged in the contract manufacturing of the company. Having various manufacturing partners helps us in functioning with the flexibility & benefits of a manufacturer, without actually investing in the same.

Product Basket

We deal in a wide range of products, in categories like home furnishing including bed sheets, curtains, cushion covers, etcetera and clothing articles like scarfs, pareos, suiting, shirting, technical textile fabrics and many more. Our product basket includes finished and semi-finished fabrics.

Performance in FY2019-20

Trading operations contributed 74.6% of revenue from operations in the FY2019-20 as compared to 75.1% in FY2018-19, recording a growth of -0.6% year on year.

Manufacturing

In 2018, the company started with its investments in the manufacturing operations of textile products. Initial investments were to establish our first unit engaged in value-added segments like digital printing and embroidery. The initial set-up was of 10 digital printing machines, 2 heat transfer machines, and 7 embroidery machines. This was expanded further. To further its strength in manufacturing operations the company commenced manufacturing of grey fabrics at its newly established unit in Surat by early 2019. Hence, with the beginning of the financial year 2019-20, the company had fully integrated manufacturing operations with the ability to produce finished garments, semi-finished clothing articles, and grey fabrics. The company also engages in contract manufacturing for its clients.

The stitching unit was shortly sold-off by the end of 2019 for reasons including a) subdued benefits b) competitive prices and c) better capital appropriation in more remunerative manufacturing units.

Product Basket

Our product basked can be categorized into two categories. Finished products including embroidered fabrics, digital printed fabrics, bed sheets, technical textiles, suiting, and various polyester and poly-blend fabrics. Semi-Finished products include grey fabrics and where company does contract manufacturing for digital printing and other value-added products in embroidery.

Manufacturing Capacity

Embroidery Unit

37 Lakh

Stitch/ Day

7 Machines

Digital Printing Unit

7,200

Meter/ Day

6 Machines

Waterjet Unit (Grey Fabric)

7.5 Lakh

Meter/ Month

60 Machines

Performance in FY2018-19

Manufacturing operations contributed 25.4% of revenue from operations in the FY2019-20 as compared to 24.9% in FY2018-19.

Changing Business Dynamics

In the last two years, the company has transformed from being a pure trading enterprise to become a fully-integrated manufacturing unit cum trading company. Both of these businesses have an inherent difference in business dynamics. Hence, convergence of these businesses, with an expanding manufacturing base, means a lot of changes in the functioning of the company and its financials, some of them are mentioned below.

Fixed Assets

In the last two financial years, the company has built an additional netblock of 771 Lakhs totaling to 927 Lakhs. This increase has been on account of investment in plant and machinery for the new manufacturing units. With an increase in netblock, we are also witnessing additional depreciation expenses in the year under review. Depreciation expense has grown from 30 Lakhs in FY2018-19 to 80 Lakhs in FY2019-20.

Margin Profile

In general, manufacturing operations record superior profitability margins as compared to trading operations. With the commencement of manufacturing operations in the financial year 2018-19 and full-fledged functioning since 2019-20, we have witnessed an increase in the gross margins from 4.5% in FY2017-18 to 7.0% in FY2018-19 and 13.3% in FY2019-20. On the other hand, operating margins (EBITDA excluding other income/expense) expanded from 1.7% in FY2017-18 to 2.7% in FY2018-19 and 5.0% in FY2019-20. With a growing contribution from manufacturing operations, the blended profitability margins of the company are expected to increase. The rise in gross and operation profitability has not translated proportionately into net profits due to an increase in front-loaded expenses associated with manufacturing and an increase in depreciation & finance cost.

Working Capital Cycle

Prior to the expansion in manufacturing operations, in the last two financial years, we have historically maintained a net working-capital cycle of under 30 days. This has been possible due to the rigorous management of inventory, debtors, and creditors. However, manufacturing operations inherently have a longer working capital cycle as compared to trading operations. In the coming years, we expect to see a stretch in the working capital cycle due to an increase in inventory levels arising out of an increase in manufacturing.

Human Resource

We have increased our team size nearly X times in the last two financial years. The majority of addition has been on the manufacturing front.We have a total team strength of XX people at end of FY2019-20. Subsequently, we have also witnessed an increase in employee benefit expenses from 192 Lakhs in FY2018-19 to 246 lakhs in FY2019-20.

Capital Structure

In the last two financial years, the company has witnessed a massive increase in total capital employed (debt and equity) from 1,243 Lakhs in FY2017-18 to 2,366 Lakhs in FY2018-19 and 3,313 Lakhs in FY2019-20. Majority of the additional capital was deployed in fixed assets, on account of the recent greenfield investments, followed by working capital. The company has used a prudent mix of owners and borrowed funds. The company has increased its borrowings from 417 lakhs in FY2017-18 to 1267 lakhs in FY2018-19 and 2,132 in FY2019-20. To balance the increase in borrowed funds the company had raised 203 lakhs in the preceding financial year via a preferential issue. This year witnessed an increase in the total debt to equity ratio from 1.17 times in FY2018-19 to 1.80 times in FY2019-20. However, the interest coverage also deteriorated 2.79 times in FY2018-19 to 1.68 times in FY2019-20.

> “With a growing contribution from manufacturing operations, the blended profitability margins of the company are expected to increase.”

Outlook

The company remains steadfast on its strategy to grow manufacturing operations whilst keeping trading operations staus-quo. Trident Texofab plans to invest all additional capital into its manufacturing operations for the foreseeable future. Over the next 3 years, the company will aim to achieve a 60% revenue contribution from manufacturing operations, which should drastically improve its net profitability.

Strategy going forward

Improved Customer Satisfaction with the commencement of manufacturing operations, the company has been able to serve its clients better through all kinds of products and contract manufacturing services such as weaving, printing, and embroidery under one roof. This will also help us in onboarding more clients with a variety of requirements.

Expanding Geographical Reach

Export operations are expected to commence soon. The same could not be done in the previous financial year due to multiple unfavorable conditions.

Quality Assurances

We strive to maintain the best quality of products in each of our business segments, be it manufacturing or trading. Engaging with select manufacturing partners helps us in managing our internal quality benchmarks and controlling the quality of output that comes out of the company.

Improving Operational Efficiencies and Cost Competitiveness

We at TTFL, intend to maintain the highest level of operational efficiencies in our manufacturing operations. We aim to bring down our cost of operations without compromising the quality of our products.

Risks and Concerns

- Presence in a highly competitive market.
- Dependence on government & policy support.

Opportunities

- Shift from a pure trading business model to integrated manufacturing as well as trading business model.
- Expansion into value-added products.

Threats

- Price competitiveness and under-cutting in a highly competitive market.
- A slowdown in the consumption of textile products.

Financial Ratio	FY2019-20	FY2018-19	% Change	Remarks
Debtors Turnover	3.26	2.86	15%	The company has been able to increase its debtor turnover ratio by consistently reducing trade receivables through stringent working capital management policy.
Inventory Turnover	6.48	10.11	-36%	The inventory turnover ratio has decreased because of higher inventories on account of a greater proportion of manufacturing activities in FY20 over FY19. The manufacturing business has inherent requirements to maintain higher inventories.
Interest Coverage Ratio	1.68	2.79	-40%	The interest coverage ratio has deteriorated because of higher finance costs on account of increased borrowed funds in FY20 as compared to FY19.
Current Ratio	1.39	1.35	3%	The current ratio has remained almost the same, with a minor 3% change.
Debt to Equity Ratio	1.80	1.17	54%	The debt to equity ratio has increased in FY20 due to higher borrowings, both short-term and long-term, that were used to finance the manufacturing operations of the company.
Operating Profit Margin (%)	5.01%	2.76%	82%	The operating margins have been on a consistent rise due to a higher proportion of completely integrated manufacturing operations in the FY20 as compared to FY19.
Net Profit Margin (%)	0.94%	1.46%	-36%	The net profit margins have deteriorated, even though the operating profit margins have expanded, primarily due to higher finance and depreciation costs, on account of newly commissioned manufacturing capacities.

Internal Controls and Adequecy

The company has in place an adequate system of internal control commensurate with the size and nature of its business. These have been designed to provide reasonable assurance that all assets are safeguarded and protected against loss from unauthorized use or disposition and that all transactions are authorized, recorded and reported correctly and the business operations are conducted as per the prescribed policies and procedures of the company. The Audit Committee and the management have reviewed the adequacy of the internal control systems and suitable steps are taken to improve the same.

Human Resource Development and Industrial Relations

Our company firmly believes that its human resources are key enablers for the growth of the company and therefore an important asset. Hence, the success of the company is closely aligned with the goals of the human resources of the company. Taking this into account, our company continued to invest in developing its human capital and establishing its brand on the market to attract and retain the best talent. Employee relations during the period under review continued to be healthy, cordial and harmonious at all levels. and The company is committed to maintaining good relations with the employees.

Cautionary Statement

Statements in the Management Discussion and Analysis, describing the company's objective, projections, estimates and expectations may be forward-looking statements. Actual results may differ materially from those expressed or implied due to various risks and uncertainties. Important factors that could make a difference to the company's operations include economic and political conditions in India and other countries in which the company may operate, volatility in interest rates, changes in government regulations and policies, tax laws, statutes and other incidental factors. The company does not undertake to update these statements.

Corporate Information

Board of Directors and Key Managerial Personnel:

Name	Designation	Date of Appointment
Mr. Hardik Jigishkumar Desai (DIN: 01358227)	Chairman & Managing Director	05.09.2008
Mr. Chetan Chandrakant Jariwala (DIN: 02780455)	Whole Time Director	20.02.2013
Mrs. Maniya Hardik Desai (DIN: 05351685)	Non-Executive Non-Independent Director	01.06.2017
Ms. Natasha Francis Dsouza (DIN: 07846132)	Non-Executive Independent Director	09.06.2017
Mrs. Ankita Jignesh Saraiya (DIN: 08057276)	Non-Executive Independent Director	01.02.2018
Mr. Deepak Prakashchandra Gandhi (DIN: 08256996)	Executive Director	15.10.2018
Mrs. Vrusti Bhumik Patel (DIN: 08772077)	Non-Executive Independent Director	25.06.2020
Mr. Jenish B. Jariwala (PAN: AJYPJ1986B)	Chief Financial Officer	01.06.2017
Mr. Mehul N. Amareliya (PAN: BFPPA7066D)	Company Secretary and Compliance Officer	24.02.2018

For details of change in management please refer director report attached herewith.

Committees:

1. Audit Committee:

Mrs. Vrusti Bhumik Patel-Chairperson

Mrs. Natasha Francis Dsouza- Member

Mrs. Ankita Jignesh Saraiya - Member

Mrs. Maniya Hardik Desai - Member

2. Nomination And Remuneration Committee:

Mrs. Vrusti Bhumik Patel-Chairperson

Mrs. Natasha Francis Dsouza- Member

Mrs. Ankita Jignesh Saraiya - Member

Mrs. Maniya Hardik Desai - Member

3. Stakeholders Relationship Committee:

Mrs. Maniya Hardik Desai -Chairperson

Mrs. Vrusti Bhumik Patel- Member

Mrs. Natasha Francis Dsouza- Member

Mrs. Ankita Jignesh Saraiya - Member

4. Management Committee:

Mr. Hardik J. Desai -Chairman

Mr. Chetan C. Jariwala - Member

Mr. Deepak P. Gandhi -Member

5. Statutory Auditors

M/s. Shah Kailash & Associates
Chartered Accountants
505, 21st Century Business Center,
Nr. World Trade Center,
Ring Road, Surat-395 003
Email: skt@sktllp.com

Secreterial Auditor:

Mr. Praful N. Vekariya
Practicing Company Secretary
8-A, Hira Panna Complex,
Opp. Rajhans Point (Gitanjali),
Varachha Road, Surat-395006
Email:pnvekariya12@gmail.com

Internal Auditor

Mr. Dhaval K. Baman
Surat

Banker of the Company:

BANK OF BARODA
Man Darwaja Branch,
Near Kinneri Cinema, Ring Road,
Surat, Gujarat 395002

Registered Office:

2004, 2nd Floor, North Extension,
Falsawadi, Begumpura, Nodh-4/1650,
Sahara Darwaja, Surat-395003, Gujarat

Tel.: +91-261-2451274/2451284
Email: info@tridenttexofab.com
Website: www.tridenttexofab.com

Factory:

B-15/11, Hojiwala Industrial Estate
Sachin Palsana Road, Surat-394230,
Gujarat

Digital Division:

Plot No. 21/1/2, Chorawala Compound,
Road No.12, Nr. Komal Circle, Bamroli
Road, Surat-394210

Embroidery Division:

Plot No.99-100,Vishal Industrial Society,
Nr. Navjivan Circle, Surat-395007,
Gujarat

Registrar and Share Transfer Agent::

KFin Technologies Private Limited
Selenium Tower B, Plot Nos. 31 & 32
| Financial District Nanakramguda |
Serilingampally Mandal |
Hyderabad – 500032
Phone: 040 6716 1606/1776
Email: raghu.veedha@kfintech.com
Website: www.kfintech.com

Corporate Identity Number:

L17120GJ2008PLC054976

Notice

NOTICE is hereby given that the 12th Annual General Meeting of the Members of Trident Texofab Limited will be held on Monday, September 21, 2020 at 11.00 A.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

1. Adoption of the financial statements:

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2020 together with the Reports of the Board of Directors and Auditors thereon.

"RESOLVED THAT the Audited Standalone Financial Statements of the Company including the balance sheet as at March 31, 2020, the statement of profit & loss, the cash flow statement for the year ended on that date and the reports of the Board of Directors and Auditors, thereon be and are hereby received, considered and adopted."

2. To appoint a Director in place of Mr. Deepak Gandhi (DIN- 08256996), who retires by rotation and being eligible, offers himself for re-appointment:-

"RESOLVED THAT pursuant to the provisions of section 152(6) of the Companies Act, 2013 and the rules made there under, Mr. Deepak Gandhi (DIN- 08256996), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as the Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

3. To appoint Mrs. Vrusti B. Patel as an Independent Director 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 recommendation of Nomination and Remuneration Committee and Board of Directors, Mrs. Vrusti B. Patel (DIN: 08772077) who was appointed as an Additional Independent Director of the Company by the Board of Directors w.e.f. 25th June, 2020 under section 161 of the Companies Act, 2013 (the act) and who holds office up to the date of the Annual General Meeting, but who is eligible for appointment and in respect of whom the company has received a notice in writing from a member under section 160 of the Act proposing her candidature for the office of the Director of the Company, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provision of the Section 149, 152 and other applicable provisions, if any, of the Act and rules made there under read with Schedule IV of the Act as amended from time to time, Mrs. Vrusti B. Patel, who has submitted a declaration that she meets the criteria for independence as provided under section 149(6) of the Act and who is eligible for appointment be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5(Five) consecutive years w.e.f. 25.06.2020 and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, as it may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company."

4. Approval of loans, investments, guarantee or security under section 185 of Companies act, 2013:

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

"RESOLVED THAT in suppression of earlier resolution passed in this regard on July 10, 2018 and pursuant to Section 185 and all other applicable provisions of the Companies Act, 2013 read with Companies (Amendment) Act, 2017 and Rules made thereunder as amended from time to time, the consent of the Company be and is hereby accorded to authorize the Board of Directors of the Company (hereinafter referred to as the Board, which term shall be deemed to include, unless the context otherwise required, any committee of the Board or any director or officer(s) authorised by the Board to exercise the powers conferred on the Board under this resolution) to advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the company is interested upto an aggregate sum of Rs. 15 Crores (Rupees Fifteen Crores Only) in their absolute discretion deem beneficial and in the interest of the Company, provided that such loans are utilized by the borrowing company for its principal business activities."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors of the Company be and are hereby authorised to do all acts, deeds and things in their absolute discretion that may be considered necessary, proper and expedient or incidental for the purpose of giving effect to this resolution in the interest of the Company."

REGISTERED OFFICE:

2004, 2nd Floor, North Extension,
Falsawadi, Begumpura, Nodh-4/1650,
Sahara Darwaja,
Surat-395003, Gujarat
Tel.: +91-261-2451274/2451284

Email: info@tridenttexofab.com

Website: www.tridenttexofab.com

By Order of the Board
Trident Texofab Limited

Sd/-

Mehul N. Amareliya

Company Secretary &
Compliance Officer
M. No. A54306

Date: 13.08.2020

Place: Surat