GTN
TEXTILES

Ref. GTNC/2019-20
21.7.2020

Listing Department,
The National Stock Exchange of India Ltd.
Exchange Plaza,
Bandra-Kurla Complex, Bandra (E),
MUMBAI – 400 051

Kind Attn: Ms. Nishi Mehta, Deputy Manager – Listing Approvals

Dear Madam,

Sub: Your email dated 15.7.2020 seeking clarification on explanatory statement stated in the Postal Ballot Notice on issue of Compulsorily Convertible Debentures on a private placement basis in compliance with Regulation 163 of ICDR Regulations, 2018

Ref: GTN Textiles Limited

This has reference to the telephonic discussion the undersigned had with you regarding Postal Ballot Notice uploaded in NSE Portal on 30.6.2020.

We regret to inform you that by oversight, the postal ballot notice uploaded in the NSE portal did not have page nos. 2 and 6. We really apologize for the inconvenience caused to you in this regard and a copy is attached herewith for your kind perusal. Please advise us whether we can upload a full Notice in the NSE portal.

Once again, we apologize for the inconvenience caused to you in this regard.

Thanking you,

Yours faithfully,
For GTN TEXTILES LIMITED

E.K.Balakrishnan
Company Secretary

GTN TEXTILES LIMITED
CIN: L18101KL2005PLC018062

MARKETING / HEAD OFFICE :
3rd Floor, Palal Towers, M.G. Road, Ravipuram, Kochi-682 016, India
Phone : 91-484-3928300, Fax: 91-484-2370812/3928380
E-mail: cs@gtntextiles.com

REGISTERED OFFICE :
Door No. VIII/911, Erumathala P.O., Aluva - 683 112, India
Phone: 91-484-3080100, Fax: 91-484-2838585
E-mail: alw@gtntextiles.com

CORPORATE OFFICE :
43, Mittal Chambers, 4th Floor, 228, Nariman Point, Mumbai-400 021 India
Phones: 91-22-2202 1013 / 22028246 Fax: 91-22-2287 4144

GTN TEXTILES LIMITED
L18101KL2005PLC018062
Registered Office: VIII/911, Erumathala PO, Aluva, Kochi – 683112
Phone : +91 0484-2661900 I Fax : +91 0484 2661980
Website: www.gtntextiles.com I Email : cs@gtntextiles.com

POSTAL BALLOT NOTICE

Dear Member(s),

Notice is hereby given that pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read together with Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force) that the resolution(s) appended below are proposed to be passed by way of Postal Ballot.

The Member's consideration and approval is being sought for the Resolutions annexed hereto. A Statement pursuant to Section 102 of the Companies Act, 2013, pertaining to the said resolutions, setting out material facts and the reasons thereof is annexed hereto along with the Postal Ballot Form for your consideration.

The Board of Directors of the Company has appointed Shri MRL Narasimha (Membership No.2851, CP.NO 799), Practicing Company Secretary or failing him, Shri. Abhilash N.A, Practicing Company Secretary (Membership No. 22601 CP.No. 4524) as Scrutinizer for conducting the postal ballot (physical & e-voting) process in a fair and transparent manner in accordance with the provisions of Rule 22 of the Companies (Management and Administration) Rules, 2014.

The Scrutinizer will submit the report to the Chairman of the Company, upon completion of scrutiny of postal ballots in a fair and transparent manner and the result of the postal ballot will be announced on/or before Saturday, 1st August 2020 at the Registered Office of the Company.The result of the postal ballot will be posted on the Company's website viz. www.gtntextiles.com and on CDSL's website viz. www.cdslindia.com besides communicating to the Stock Exchanges where the shares of the Company are listed.

By Order of the Board of Directors
E.K BALAKRISHNAN
Company Secretary
Membership No. ACS7629

Place : Kochi
Date : 19th June, 2020

TEXT OF THE PROPOSED RESOLUTIONS ALONGWITH EXPLANATORY STATEMENT

1) 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 Sections 23, 42, 71, 179(3) and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Companies (Share Capital and Debentures) Rules, 2014 (hereinafter collectively referred to as "the Rules"), as may be amended from time to time and other applicable rules under the Act, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2015 and any other applicable regulations and guidelines issued by the Securities and Exchange Board of India (including any statutory modification(s) and amendment(s) thereof), and any circulars, notifications, clarifications, guidelines, rules and regulations, if any, prescribed by any relevant authority and in accordance with the Memorandum and Articles of Association of the Company, and subject to such approvals, consents, sanctions, permissions as may be necessary from various statutory and regulatory authorities, and subject to such conditions and modifications as may be prescribed by the respective statutory and / or regulatory authorities while granting such approvals, consents, sanctions, permissions, which may be agreed to by the Board of Directors, approval of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board") to offer, issue and allot unsecured 0.01% Compulsorily Convertible Debentures (CCD), in one or more tranches, aggregating Rs.5.10 crores (Rupees Five Crores Ten Lacs only), on a private placement basis, during the period of twelve months from the date of passing of the Special Resolution by the members, within the overall borrowing limits of the Company, as the Board may in its sole discretion decide and on such terms and conditions as may be finalized by the Board.

Details of which is mentioned below:-

S.No.	Name of Debenture Holder	No. of CCDs	Face Value	Amount	Tenure
1.	Seajuli Developers & Finance Limited	5,10,000	100	5,10,00,000	within 10 years from the date of allotment

"RESOLVED FURTHER THAT the said 0.01% Unsecured CCDs shall be issued on following terms and conditions:

Mode of Offer:

Through issuance of Private Placement Offer Letter in the prescribed Form PAS-4 under Rule 14(1) of the Companies (Prospectus & Allotment) Rules, 2014. The allotment shall be made in one or more tranches, as and when the debenture application money is received.

Issue Size

Rs. 5,10,00,000 (Rupees Five Crore ten lakhs Only) consisting of 5, 10,000 nos. of 0.01% Unsecured Compulsorily Convertible Debentures of face value of Rs. 100/- each.

Transferability

The 0.01% Unsecured Compulsorily Convertible Debentures shall be non-transferable

Tenure

The 0.01% Unsecured Compulsorily Convertible Debentures shall have to be converted into Equity and / or Preference Shares within a period of 10 (ten) years from the date of allotment.

Conversion

The 0.01% Unsecured Compulsorily Convertible Debenture shall be converted into Equity shares with voting rights and / or Preference Shares without voting rights, at the option of the Company any time after 3 (Three) years but within a period of 10 (Ten) years from the date of allotment by giving written notice to the investing company

In case of conversion into equity shares, the price will be decided as per SEBI (ICDR) Regulation 2018 as amended up to date and in case of Conversion into Preference shares without voting rights, the fair value shall be decided by the Board of Directors based on the valuation reports from 2 (two) Independent Registered Valuers.

Listing

The 0.01% Unsecured Compulsorily Convertible Debentures shall not be listed on Stock Exchanges. However, on conversion into equity, the shares shall be listed at the stock exchange pursuant to compliance of SEBI (ICDR) Regulations, 2018 as amended up to date. In case conversion into preference shares without voting rights, the same shall not be listed.

"**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to take all such steps and actions and give such directions as it may in its absolute discretion deem necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the Members or otherwise to this effect and intent that the Members shall be deemed to have given their approval hereto expressed by the authority of this resolution"

By Order of the Board of Directors
E.K BALAKRISHNAN
Company Secretary
Membership No. ACS7629

Place : Kochi
Date : 19th June 2020

NOTES:-

1. An Explanatory Statement as required under Section 102 of the Companies Act, 2013 is annexed hereto.
2. The Postal Ballot notice is being sent to the Members whose names appear on the Register of Members / List of Beneficial Owners as received from NSDL & CDSL as on Friday, 26th June 2020 in electronic form to the email addresses registered with their Depository Participants.
3. Resolutions passed by the members through Postal ballot are deemed to have been passed as if they have been passed at a General Meeting of the Members.
4. In case a Member is desirous of obtaining a printed postal ballot form or a duplicate, he / she may send an email to cs@gtntextiles.com.
5. The Members can opt only one mode of voting, i.e voting either by physical ballot or e-voting. In case Members casts their votes through both the modes, voting done by e-voting shall prevail and votes casts through physical ballot forms will be treated as invalid.
6. A Member cannot exercise his vote by Proxy on Postal Ballot.
7. The Resolution, if passed by requisite majority, shall be deemed to have been passed on the last date specified by the company for the receipt of duly completed postal ballot forms or e-voting i.e. on Thursday, 30th July, 2020.
8. All documents referred to in the postal ballot notice and explanatory statement are open for inspection by the Members at the Registered office of the Company between 11.00 a.m. and 1.00 pm. on all working days except Saturdays, Sundays and public holidays upto the date of announcement of results of this postal ballot.
9. The Special Resolution mentioned above shall be declared as passed if the number of votes cast in its favour is not less than three times the number of votes cast against the said resolution.
10. The Scrutinizer will submit the report to the Company after completion of scrutiny of the Postal Ballot Forms and e-voting.
11. Instructions for Voting by Physical Postal Ballot Form :
12. Member desirous of exercising his vote by postal ballot shall complete the enclosed postal ballot form and with assent(for) or dissent (against) by filling the necessary details by putting the signature at the marked place in the postal ballot directed to The Scrutinizer, GTN Textiles Limited, 5th Floor, Palal Towers, MG Road, Ravipuram, Ernakulam 682016, to reach on or before Thursday, 30th July, 2020. The Postal Ballot Form received after Thursday, 30th July, 2020 would be strictly treated as if reply from the shareholder has not been received.
13. The Company is offering E-Voting facility also as an alternate to Individual Members as required under Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and other applicable provisions of the Act, which would enable the shareholders to cast the votes electronically, instead of Physical Postal Ballot form. For this purpose, the Company has entered in to an agreement with M/s Central Depository Services (India) Limited for facilitating e-Voting to enable the Shareholders to cast their votes electronically instead of dispatching Postal Ballot Form.
14. The e-voting period commences on the Wednesday, 1st July, 2020 at 9:00 A.M. and ends on Thursday, 30th July, 2020 at 5:00 P.M. During this period, the Members of the Company holding shares in physical form or in dematerialized form, as on the cut-off date, being Friday 26th June, 2020 may cast their vote by electronic means in the manner and process set out hereinabove. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
15. The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company, subject to the provisions of the Section 108 of the Companies Act, 2013 and Rules made thereunder, as amended, as on the cut-off date, being Friday, 26th June, 2020.
16. The Results declared along with the Scrutinizer's Report(s) shall be placed on the Company's website (www.gtntextiles.com) and on the website of CDSL (www.evotingindia.com) and communicated to BSE Limited and the National Stock Exchange of India Limited.

Instructions for Voting:

Voting through Physical Postal Ballot Form

The Members are requested to carefully read the instructions printed in the Postal Ballot form and return the Postal Ballot Form duly completed with the Assent (for) or Dissent (against) , so as to reach the Scrutinizer on or before the closing of the working hours i.e., 5.00 P.M. on Thursday,30th July, 2020 to be eligible for being considered, failing which it will be strictly treated as no reply has been received from the member. The Members are requested to exercise their voting rights by using attached Postal Ballot Form only. No other Forms or photocopy of the Form is permitted.

In pursuance of Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is pleased to offer e-voting facility as an alternative, for its shareholders to enable them to cast their vote electronically instead of dispatching physicial Postal Ballot Form. The instructions for members for voting electronically are as under:

The instructions for members for voting electronically (both for physical shareholders a well as demat holders) are as under:

(i) The voting period begins on Wednesday, 1st July, 2020 at 9.00 A.M. and ends on Thursday, 30 thJuly, 2020 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date on Friday,26th June, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on Shareholders.

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

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

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

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

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant "GTN TEXTILES LIMITED" on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be

displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

(xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

(xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

“The following person shall be responsible to address grievances concerned with facility for remote e-voting:

Contact Name – Mr. Rakesh Dalvi, Designation - Deputy Manager, Address - 16th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400001. Contact No.18002005533.
Email id - helpdesk.evoting@cdslindia.com”

By Order of the Board of Directors
E K BALAKRISHNAN
Company Secretary
Membership No. ACS7629

Place : Kochi
Date: 19th June, 2020

Statement pursuant to Section 102 of the Companies Act, 2013

ITEM NO. 1

Your Company is engaged in business of manufacture of high quality combed cotton yarn both for domestic and international markets.

The Company has suffered substantial losses over the last few years due to external challenges in the form of fluctuating cotton prices, demand constraints and tight liquidity conditions, therefore, the margins of the Company have been under pressure.

In view of the same, for augmenting Working Capital Resources of the Company, the Board of Directors at their meeting held on 14th March, 2020 as well as on 19th June 2020 have approved, subject to the approval of the share-holders, the issue of unsecured Compulsorily Convertible Debentures on private placement basis, on such terms and conditions and at such time as mentioned in the resolution of this Notice.

The Board of Directors recommends the resolution as set out in the Notice for approval of the shareholders as a Special Resolution. The Board at its meeting held on 14th March, 2020 as well as on 19th June 2020 have approved the issue of unsecured Compulsorily Convertible Debentures on private placement basis in the manner stated above subject to approval of shareholders by way of Special Resolution.

None of the Directors or any Key Managerial Personnel or any relative of any of the Directors/Key Managerial Personnel of the Company is interested, financial or otherwise in the resolution set out in the Notice.

Additional information as per Rule 14 (1) of Companies (Prospectus and Securities) Rule 2014

a) Particulars of the offer including date of passing of Board resolution
   The meeting of the Board of Directors held on 14th March, 2020 as well as on 19th June 2020 passed the resolution for issue of unsecured Compulsorily Convertible Debentures (CCD) on private Placement basis
b) Kinds of securities offered and the price at which security is being offered
   0.01% Unsecured Compulsorily Convertible Debentures (CCD) of Rs. 100 each on Private Placement basis
c) Price at which the security is being offered including the premium, if any, along with justification of the price
   CCDs are issued at Face value of Rs. 100 each.
d) Name and address of valuer who performed valuation
   Not Applicable
e) Amount which the company intends to raise by way of such securities
   Rs. 5,10,00,000 (Rupees Five Crores Ten lakhs only)
f) Material terms of raising such securities, proposed time schedule, purposes or objects of offer, contribution being made by the Promoters or Directors either as part of the offer or separately in furtherance of objects; principle terms of assets charged as securities

Type of Instrument	Unsecured Compulsorily Convertible Debentures (CCD) on private placement basis
Issue Size	Rs.5,10,00,000 (Rupees Five Crores Ten Lakhs Only) to be issued in one or more tranches
Coupon Rate	0.01% P.A.
Face Value	Rs 100 each
Security	CCD shall be unsecured
Listing	CCD shall not be listed on Stock Exchange
Conversion	The 0.01% Unsecured Compulsorily Convertible Debenture shall be converted into Equity shares with voting rights and / or Preference Shares without voting rights, at the option of the Company any time after 3 (Three) years but within a period of 10 (Ten) years from the date of allotment by giving written notice to the investing company In case of conversion into equity shares, the price shall be decided as per SEBI (ICDR) Regulation 2018 as amended up to date and in case of Conversion into Preference shares without voting rights, the fair value shall be decided by the Board of Directors based on the valuation reports from 2 (two) Independent Registered Valuers.
Any other terms	Any other terms shall have the meaning assigned to them respectively in Article of Association of the Company

Place : Kochi
Date : 19th June, 2020

By Order of the Board of Directors
E K BALAKRISHNAN
Company Secretary
Membership No. ACS7629

GTN TEXTILES LIMITED
L18101KL2005PLC018062
Registered Office: VIII/911, Erumathala PO, Aluva, Kochi – 683112
Phone : +91 0484 2661900 I Fax : +91 0484 2661980
Website: www.gtntextiles.com I Email : cs@gtntextiles.com

POSTAL BALLOT FORM

1	Name & Registered Address of : the first named Shareholder	
	Name(s) of the Joint Holder(s), (If any)	
	Registered Folio Number/ DP ID No. /Client ID No.* *(Applicable to investors holding Shares in dematerialized form)	
	Number of Share(s) held :	
	EVSN (E-Voting Sequence Number) :	

I/We hereby exercise my/our votes in respect of the Special Resolutions set out in the Notice dated 19.6.2020 as set out below to be passed by means of Postal Ballot by sending my/our assent or dissent to the said Resolutions by placing the (√) mark at the appropriate box below (tick in both boxes for the same resolution, will render the ballot invalid) :

SN	Description	Type of Resolution	No. of Shares	**(For)** I/WE assent	**(Against)** I/WE dissent
1	Issue of 0.01% unsecured Compulsorily Convertible Debentures on private placement basis	Special			

Place :
Date : Signature of the Member

INSTRUCTIONS

1. A Shareholder desiring to exercise voting rights by Postal Ballot may complete the Postal Ballot Form and send to the Scrutinizer at GTN Textiles Limited, 5th floor, Palal Towers, M G Road, Ravipuram, Kochi-682016, Kerala on or before Thursday, 30th July, 2020. The Postal Ballot Form received after the date will be treated as reply from the shareholders has not been received. The Postal Ballot Form(s) may also be deposited personally.
2. This Form should be completed and signed by the Member as per the specimen signature(s) registered with the Company/furnished by the Depositories. In case of joint shareholding, this Form should be completed and signed by the first named Member and in his/her absence, by the next named Member.
3. Unsigned, incomplete, improperly or incorrectly tick marked Postal Ballot Forms will be rejected. A form will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the member or the votes in favour or against or of the signature cannot be verified.
4. Duly completed Postal Ballot forms should reach the Company not later than 5:00 p.m. IST on Thursday,30th July, 2020 Postal Ballot Forms received after this date will be strictly treated as invalid.
5. Members can opt only one mode of voting i.e. either by Ballot or through e-voting. In case you are opting for voting by Ballot, then please do not cast your vote by e-voting and vice-versa. In case Members cast their votes both by Postal Ballot and e-voting, the votes cast through e-voting shall prevail and the votes cast through Postal Ballot shall be considered invalid.
6. In the case of shares held by companies, financial institutions, trusts, societies etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of the relevant Board Resolution/Authorisation.
7. Voting rights in the Ballot/e-voting cannot be exercised by a proxy. However, corporate and institutional shareholders shall be entitled to vote through their authorised representative with proof of their authorisation, as stated above.
8. The Scrutinizer's decision on the validity of Postal Ballot Form will be final.

GTN TEXTILES LIMITED
5th Floor, Palal Towers,
M.G. Road, Ravipuram,
Ernakulam - 682 016