SOMA TEXTILES & INDUSTRIES LTD.

A GOVT. RECOGNISED EXPORT HOUSE
CIN : L51909WB1940PLC010070
REGD. OFFICE : 2, RED CROSS PLACE, KOLKATA - 700 001, INDIA
TEL : (033) 2248-7406/07, FAX : (033) 2248-7045
E-mail : rssharma@somatextiles.com / investors@somatextiles.com
Website : www.somatextiles.com

20th August, 2018

National Stock Exchange of India Ltd, "Exchange Plaza", 5th Floor, Plot No.C/1, G-Block, Bandra-Kurla Complex, Bandra (E) Mumbai – 400 051	The Corporate Relationship Dept. BSE Ltd. Floor 25, P.J. Towers Dalal Street Mumbai – 400 001

Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)

Dear Sir/ Madam,

Pursuant to Regulation 30 of the SEBI (LODR) Regulations, 2015, please find attached herewith a copy of Notice of 80th Annual General Meeting of the Company to be held on Thursday, 13th September, 2018 at Somany Conference Hall of MCC Chamber of Commerce & Industry, 15B, Hemanta Basu Sarani, Kolkata – 700001.

Kindly treat this as a disclosure under Regulation 30(6) of the Listing Regulations, read with Para A of Schedule III to the said Listing Regulations.

This is for your information and record.

Thanking you,

Yours faithfully,
For **Soma Textiles & Industries Limited**

A.K. Mishra

(A. K. Mishra)
Company Secretary & Compliance Officer

Encl as above

NOTICE OF THE 80th ANNUAL GENERAL MEETING

TO THE SHAREHOLDERS

NOTICE is hereby given that the Eightieth (80th) Annual General Meeting of the Members of Soma Textiles & Industries Limited will be held at Somany Conference Hall of MCC Chamber of Commerce & Industry, 15B, Hemanta Basu Sarani, Kolkata - 700 001, on Thursday, the 13th day of September, 2018 at 3-00 P.M. to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2018 (both Standalone and Consolidated basis), together with the Reports of the Auditors and the Board of Directors thereon.

2. To appoint a Director in place of Shri S. B. Bhat (DIN: 00650380), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

To consider and if thought fit, to pass with or without modification(s), the following resolutions:-

3. Re-appointment of Shri Shrikant Bhat as Whole-time Director, designated as Executive Director, being a Key Managerial Personnel

   As a Special Resolution

   "RESOLVED THAT pursuant to the provisions of Sections 196 and 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and rules made thereunder and any amendments thereto (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to the approval of Central Government, if required, and such other approvals, permissions and sanctions as may be required and subject to such conditions and modifications as may be imposed and/or prescribed by any of the authorities while granting such approvals, permissions and sanctions and as are agreed to by the Board of Directors (hereinafter referred to as 'the Board' which terms shall include any committee constituted/to be constituted by the Board and any person authorized by the Board in this behalf) and acceptable to Shri Shrikant Bhat, the consent of the Company be and is hereby accorded to the re-appointment of Shri Shrikant Bhat (Shri Bhat), as Whole-time Director, designated as Executive Director, being a Key Managerial Personnel, of the Company, who shall be subject to retirement by rotation in terms of Section 152 read with other relevant provisions including Section 160 of the Companies Act, 2013 for a period of Three (3) years with effect from 18th January, 2019 to 17th January, 2022, on such remuneration by way of salary, bonus/ex-gratia in lieu of bonus, perquisites, allowances and/or benefit(s), within and up to the maximum limit as have been determined, fixed and approved by the Board subject to overall limit, stipulated in Sections 197 of the Companies Act, 2013 and subject further to obtaining Members' approval by virtue of this Special Resolution, proposed to be passed at this meeting and on such other terms, conditions and stipulations (including remuneration) as contained in the "Draft Agreement" to be entered into between the Company of the ONE PART and Shri Bhat of the OTHER PART, and duly specified in the Statement, annexed to the Notice of 80th Annual General Meeting of the Company ("AGM Notice"), which forms the part of this resolution and Draft of the AGREEMENT, as placed before this meeting and initialed by the Chairman of the Company for the purpose of identification, is hereby specifically approved and sanctioned.

   "RESOLVED FURTHER THAT Board may in its absolute discretion pay to Shri Bhat, a Whole-time Director, designated as Executive Director, being a Key Managerial Personnel, lower remuneration within the said maximum limits as stipulated in the Draft Agreement and the Statement hereinabove referred to."

   "RESOLVED FURTHER THAT the Whole-time Director, designated as Executive Director, being a Key Managerial Personnel, shall not be entitled to any sitting fee for attending meeting of the Board and/or Committee(s) thereof."

   "RESOLVED FURTHER THAT, within the terms of remuneration as set out in the Statement and the 'Draft Agreement' referred to hereinabove and as approved herein by the shareholders, the Board of Directors of the Company be and is hereby authorised to revise, vary or increase the remuneration (salary, bonus/ex-gratia in lieu of bonus, perquisites and allowances) payable to Shri Bhat from time to time, to the extent the Nomination and Remuneration Committee of the Board of Directors and/or the Board of Directors may consider appropriate and as may be permitted or authorised in accordance with any provisions under the Act, for the time being in force, provided however, that the remuneration payable to Shri Bhat shall be within the limits set out in the Act including Schedule V to the Act or any amendments thereto or any modifications or statutory enactment thereof and/or rules or regulations framed thereunder without any further reference to the Members of the Company in the General Meeting and accordingly the terms of the aforesaid 'Draft Agreement' between the Company and Shri Bhat shall be suitably modified to give effect to such variation or increase as the case may be."

"RESOLVED FURTHER THAT notwithstanding anything contained hereinabove where in any financial year during the term of employment of Shri Bhat, the Company has no profits or its profits are inadequate, the Company do pay to Shri Bhat, subject to requisite approval, the existing remuneration or the revised remuneration, as may be approved by the Board, as a "Minimum Remuneration" per month by way of salary, bonus/ex-gratia in lieu of bonus, perquisites, allowances and/or benefits, as specified in the 'Draft Agreement' and also in the Statement annexed to the AGM Notice, subject to and within the maximum ceiling limits laid down under Section II of Part II of Schedule V to the Act as applicable to the Company at the relevant time depending upon the effective capital of the Company or such other limits as may be prescribed by the Central Government from time to time as to minimum remuneration or any amendments thereto or any modifications or statutory re-enactment thereof and/or any rules or regulations framed thereunder unless otherwise prior approval of the Central Government is obtained if and to the extent necessary."

"RESOLVED FURTHER THAT, in the event Central Government approval is sought for, the remuneration payable to Shri Bhat, as set out in 'Draft Agreement' and also in the Statement annexed to the Notice of 80th AGM and referred to hereinabove will be subject to such modifications/amendments/changes as the Central Government may suggest or require or direct and which the Board of Directors/Nomination and Remuneration Committee is authorised to accept on behalf of the Company and as may be acceptable to Shri Bhat."

"RESOLVED FURTHER THAT in the event of any statutory amendments, modifications, substitutions, relaxations or re-enactments by the Central Government to Schedule V to the said Act, the Board of Directors of the Company be and is hereby authorised and empowered to vary, alter, increase, enhance or widen the scope of remuneration including salary, commission, perquisites, allowances and/or benefits, to the extent but within the maximum permissible limits for payment of managerial remuneration specified in Schedule V to the said Act and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time, without any further reference to the Members of the Company in General Meeting."

"RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution the Board of Directors of the Company be and is hereby authorised to execute and sign the agreement and other documents and take such steps and do all such act, deeds, matters and things, as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any questions, difficulties or doubts that may arise in this regard in order to implement and give effect to the foregoing resolution."

4. To ratify the remuneration of the Cost Auditors for the financial year ending 31st March, 2019

As an Ordinary Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. N. D. Birla & Company, the Cost Auditors, appointed as Cost Auditors of the Company by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2019, be paid the remuneration by way of Cost Audit Fee of Rs. 48,000/- (Rupees Forty-Eight Thousands Only) plus Goods and Service Tax (GST), as applicable and reimbursement of out of pocket expenses, if any, incurred in the course of their audit and the said reimbursement is hereby confirmed and ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters, things and take all such steps as may be considered necessary, desirable, proper or expedient to give effect to this resolution."

5. Payment of Remuneration by way of Commission to Non-executive Directors of the Company in the event of profits (other than the Managing and Whole-time Directors)

As a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 197, 198 and any other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules made thereunder, as applicable, (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to all other approvals, permissions or sanctions, as may be required, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to decide and pay the remuneration by way of commission (over and above the payment of Sitting fees for attending Board Meetings or Committee Meetings), to its the Non-Executive Directors (including Independent Directors) of the Company (other than the Managing and Whole-time Director(s) of the Company), at a rate not exceeding 1% (one percent) per annum of the net profits of the Company in each year, computed in the manner referred to in Section 198 of the Act and the Rules made thereunder, for a period of five (5) years from the financial year commencing on and from April, 2018 and ending on 31st March, 2023, without any monetary limit, but subject to such ceiling if any, per annum, as the Board or its Committee may from time to time fix in that behalf for each financial year and the same to be divided amongst them in such manner as the Board or its Committee may, from time to time, determine and in default of such determination equally.

FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company (including any Committee constituted or to be constituted by the Board) be and is hereby authorised to take all actions and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard."

Registered Office:
2, Red Cross Place,
Kolkata – 700 001

By order of the Board
A. K. Mishra
(Company Secretary & Compliance Officer)

Dated, the 29th May, 2018

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENRAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT ANY OTHER PERSON AS HIS/HER PROXY TO ATTEND AND VOTE ON A POLL, INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

   A BLANK PROXY FORM IS ATTACHED AND IF INTENDED TO BE USED, IT SHOULD BE DULY COMPLETED, STAMPED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF COMMENCEMENT OF THE MEETING.

   A person can act as a proxy on behalf of Members (not exceeding fifty (50) Members) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights. A Member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or a Member.

2. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means (remote e-voting). The facility for voting through Ballot Paper will also be made available at the AGM and the members attending the AGM who have not cast their votes by remote e-voting shall be able to exercise their votes at the AGM through Ballot Paper. Members who have cast their votes by remote e-voting prior to the AGM, may attend the AGM, but shall not be entitled to cast their votes again. Instructions and other information relating to e-voting are given in this Notice under Note No. 20.

3. A Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business under Item Nos. 3, 4 & 5, to be transacted at the ensuing Annual General Meeting is annexed hereto and forms part of this Notice.

4. Corporate Members/Trust/Society intending to send their authorized representatives to attend and vote at the Annual General Meeting are requested to send to the Company a duly certified copy of the Board Resolution authorising their representatives to attend and vote on their behalf at the Annual General Meeting.

5. 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.

6. The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, the 4th September, 2018 to Thursday, the 13th September, 2018 (both days inclusive) for the purpose of 80th Annual General Meeting of the Company.

7. Members, holding Shares in dematerialized mode (electronic form) are requested to intimate or notify all changes pertaining to their bank details/NECS/mandates, nominations, power of attorney, change of address/name, PAN details, etc. to their Depositories Participants ('DP') with whom they are maintaining their demat accounts and not to the Company's RTA. Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and its RTA provide efficient and better service to the members.

   In case of Members, holding Shares in physical form, such information is required to be provided quoting their folio number to the Company and/or Link Intime India Private Limited, the Registrar & Transfer Agents (RTA) of the Company.

8. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the details of such folios together with share certificates to Link Intime India Private Limited, the Registrar & Share Transfer Agents, for consolidation into a single folio.

9. Members, Proxies and Authorised Representatives are requested to bring to the Meeting, their attendance slips duly completed and signed mentioning details of their DP ID and Client ID/ Folio No.

10. SEBI HAS MANDATED SUBMISSION OF PERMANENT ACCOUNT NUMBER (PAN) BY EVERY PARTICIPANT IN THE SECURITIES MARKET. MEMBERS HOLDING SHARES IN ELECTRONIC FORM ARE, THEREFORE, REQUESTED TO SUBMIT THEIR PAN DETAILS TO THEIR DEPOSITORY PARTICIPANTS. MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO SUBMIT THEIR PAN DETAILS TO THE COMPANY'S RTA.

11. AS PER THE NOTIFICATION NO. LIST/COMP/15/2018-19 DATED 5TH JULY, 2018, ISSUED BY THE SEBI, SECURITIES OF LISTED COMPANIES WOULD BE TRANSFERRED IN DEMATERIALISED FORM ONLY, WITH EFFECT FROM 5TH DECEMBER, 2018. IN VIEW OF THE SAME MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO CONSIDER CONVERTING THEIR HOLDINGS TO DEMATERIALISED FORM TO ELIMINATE ALL RISKS ASSOCIATED WITH PHYSICAL SHARES AND FOR EASE OF PORTFOLIO MANAGEMENT. MEMBERS CAN CONTACT THE COMPANY'S RTA FOR ASSISTANCE IN THIS REGARD.

12. Pursuant to the provisions of Section 124 of the Companies Act, 2013 and IEPF Rules, the dividend which remains unclaimed/unpaid for a period of Seven (7) Years from the date of transfer to the unpaid dividend account of the Company, is required to be transferred to the IFPF of the Central Government.

    Pursuant to the provisions of Section 124 read with Section 125 of the Companies Act, 2013, the Company has transferred all the unpaid and/or unclaimed dividends up to the financial year ended 31st March, 1998, from time to time on due dates, to the Investor Education and Protection Fund ("IEPF") established by the Central Government. The Company has however not declared any dividend thereafter since the financial year ended 31st March, 1999 and up to the year ended 31st March, 2018. However, members may please note that no claim shall lie against the Company in respect of any individual amounts which were unclaimed and unpaid for a period of Seven (7) years from the date(s), they first became due for payment, once transferred to the said fund.

    Further, as per Section 124(6) of the Act read with IEPF Rules, all shares in respect of which dividend has not been paid or claimed for seven (7) years has to be transferred under sub-section 5 of the Act, to the demat account of IEPF Authority with one of the Depository Participants as may be identified by the IEPF Authority, within thirty (30) days of such shares becoming due to be transferred to the IEPF. Please note that no claim shall lie against the Company in respect of the shares so transferred to IEPF.

    The Statement containing details of Name, Address, Folio No., Demat Account No. and No. of shares, if any, due for transfer to IEPF Authority is made available on the Company's website www.somatextiles.com.

    In the event of transfer of shares and the unclaimed dividends to IEPF, members are entitled to claim the same from IEPF by submitting an online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the Form IEPF-5. Members can file only one consolidated claim in a financial year as per the IEPF Rules.

13. In accordance with the provisions of Section 72 of the Companies Act, 2013, Members are entitled to make nominations by filing Form No. SH.13 in respect of the Equity Shares held by them, in physical form, duly completed and signed to the Company or its Registrar & Share Transfer Agents (RTA) in their own interest. Members holding shares in demat may get their nomination recorded with their respective Depository Participant (DP).

14. Electronic copy of the Annual Report for 2017-18 comprising the Notice of the 80th Annual General Meeting of the Company inter-alia indicating the process and manner of e-voting along with attendance slip and proxy form is being sent to all Members whose email IDs are registered with the Company/Depository Participants for communication purposes unless any Member has requested for a hard copy of the same.

    For members who have not registered their email address, physical copies of the Annual Report for 2017-18 comprising the Notice of the 80th Annual General Meeting of the Company inter-alia indicating the process and manner of e-voting along with attendance slip and proxy form is being sent in the permitted mode.

15. Members who wish to obtain any information, on the Company or its Accounts and operation may send their queries to the Company at least ten (10) days before the Meeting so as to enable the management to keep the information ready at the Meeting.

16. Members may also note that the Notice of the 80th Annual General Meeting and the Annual Report for 2017-18 will also be available on the Company's website www.somatextiles.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Kolkata for inspection during normal business hours on working days.

17. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the members may also send requests to the Company's investor email id: investors@somatextiles.com.

18. Members who hold shares in dematerialised form are requested to bring their Depository ID and Client ID Numbers for easier identification of attendance at the Annual General Meeting.

19. All documents referred to in the notice and the statement shall be available for inspection by the Members at the Registered Office of the Company during office hours on all working days between 12:00 Noon to 2:00 P.M. on all days except Saturdays, Sundays and public holidays, from the date hereof up to the date of the annual general meeting.

20. **Voting through electronic means**

I. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with the Rules framed thereunder duly amended and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Members are provided with the facility to cast their vote by using an electronic voting system from a place other than venue of the AGM ('remote e-voting'), through the e-voting services provided by Central Depository Services India Limited ("CDSL") on all the resolutions set forth in this Notice. The facility for voting, through ballot paper, will also be made available at the AGM and the members attending the AGM, who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting may attend the AGM, but shall not be entitled to cast their votes again at the AGM.

The procedure and instructions for e-voting are as under:-

(i) The e-voting period commences on Monday, the 10th September, 2018 (9:00 A.M. IST) and ends on Wednesday, the 12th September, 2018 (5:00 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-off Date (record date) of 7th September, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

(ii) Log on to the e-voting website **www.evotingindia.com**

(iii) Click on "Shareholders" tab

(iv) Now, select the "Electronic Voting Sequence Number (EVSN) – 180803019 along with "SOMA TEXTILES AND INDUSTRIES LIMITED" from the drop down menu and click on "SUBMIT".

(v) Now enter your User ID :-

(a) For **CDSL** – 16 digits beneficiary ID,

(b) For **NSDL** – 8 Characters DP ID followed by 8 Digits Client ID,

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

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

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

(viii) If you are a first time user follow the steps given below (Applicable for both demat shareholders as well as physical shareholders).

(ix) Now, fill up the following details in the appropriate boxes:

	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 last 8 digits of the sequence number in PAN Field. The Sequence Number is printed on a separate sheet enclosed (with Annual Report). • In case the sequence number is less than 8 digits enter the applicable number of 0's (Zero's) before the number, after the first two characters of the name in CAPITAL letters. Eg. If your name is Ravi Kumar with sequence number 1 then enter RA00000001 in the PAN Field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

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

(xi) 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.

(xii) You can also update your mobile number and e-mail id in the user profile details of the folio, which may be used for future Communication(s).

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

(xiv) Click on Electronic Voting Sequence Number (EVSN) - 180803019 for "**SOMA TEXTILES & INDUSTRIES LIMITED"** to vote.

(xv) 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.

(xvi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolutions.

(xvii) 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.

(xviii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xix) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xx) If Demat account holder has forgotten his password, then enter the User ID and the Image Verification Code and click on Forgot Password & enter the details as prompted by the system.

(xxi) 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. iPhone 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 through your mobile.

(xxii) Note for Non-Individual Shareholders and Custodians:

- Institutional 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 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.

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

(xxiv) Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice of AGM and holds shares as on the cut-off date i.e. 7th September, 2018, may obtain the User ID and Password by sending a request (alongwith Name, Folio No./DP ID & Client ID, as the case may be and shareholding) to RTA at ahmedabad@linkintime.co.in to vote through remote e-voting procedure.

(xxv) The voting rights of the Members shall be in proportion to the paid-up value of their shares in the Equity Capital of the Company as on the cut-off i.e. 7th September, 2018. A person, whose name is recorded in the Register of Members/Lists of Beneficial Owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot.

(xxvi) In case of members receiving the physical copy they are advised to follow all the steps from serial no. (ii) to (xxi).

II. 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. together with attested specimen signature of the duty authorized signatory(ies) who are authorized to vote (including through e-mail) to the Scrutinizer at its e-mail droliapravin@yahoo.co.in with a copy marked to helpdesk.evoting@cdslindia.com without which the vote shall not be treated as valid.

III. **Voting facility at AGM:**

In addition to the remote e-voting facility as described above, the Company shall make a voting facility available at the venue of the AGM, by way of ballot paper. Members may participate in the AGM even after exercising right to vote through remote e-voting as above but shall not be allowed to vote again at the meeting. Only such members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right to vote at the meeting.

IV. Mr. P. K. Darolia, Practising Company Secretary (Membership No. 2366, CP No.1362), Kolkata, has been appointed as the Scrutinizer for conducting the remote e-voting process and voting at the venue of the AGM in a fair and transparent manner.

V. At the AGM, at the end of discussion on the resolutions on which voting is to be held, the Chairman shall, with the assistance of the Scrutinizer, order voting through ballot paper for all those members who are present but have not cast their votes electronically using the remote e-voting.

VI. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than three (3) days from the conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and shall declare the results of the voting forthwith. The manner in which the members have cast their votes shall remain secret and not made available to the Chairman, Scrutinizer or any other person till the votes are cast in the AGM.

VII. The Results on Resolutions shall be declared after receiving Consolidated Scrutinizer's Report of the total votes cast, by the Chairman of the Company or by any other persons duly authorized in this regard. The Resolutions will be deemed to be passed on the date of Annual General Meeting subject to receipt of the requisite number of votes. The Results declared along with the Consolidated Scrutinizer's Report shall be placed on the Company's website www.somatextiles.com and on the website of CDSL immediately after the result is declared and simultaneously, communicated to the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE), where the equity shares of the Company are listed, for placing the results on its and their website.

21. Members can choose only one of the two options, namely e-voting (remote e-voting) or voting by means of Ballot Paper at the AGM. In case the votes are casted through both the formats, then votes casted through remote e-voting shall prevail over those votes casted by means of Ballot Paper at the AGM and the vote cast by means of Ballot Paper shall be treated as invalid and cancelled.

IMPORTANT COMMUNICATION TO MEMBERS

The green initiative circulars issued by Ministry of Corporate Affairs (MCA) as well as Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 permits sending of soft copies of annual reports to all those Members who have registered their e-mail addresses for the purpose.

The Companies Act, 2013 has also recognized serving of documents to any Member through electronic mode. In terms of the Circular No. NSDL/CIR/II/10/2012 dated March 9, 2012 issued by National Securities Depository Limited (NSDL), email addresses made available by the Depository for your respective Depository Participant accounts as part of the beneficiary position downloaded from the Depositories from time to time will be deemed to be your registered email address for serving notices/documents including those covered under Sections 101 and 136 of the Companies Act, 2013 read with Section 20 of the Companies Act, 2013 and the underlying rules relating to transmission of documents in electronic mode. In light of the requirements prescribed by the aforesaid circulars, for those Members whose Depository Participant accounts do not contain the details of their email address, printed copies of the Notice of Annual General Meeting and Annual Report for the year ended 31st March, 2018 would be dispatched.

The Notice of Annual General Meeting and the copies of audited financial statements, directors' report, auditors' report etc. will also be displayed on the website www.somatextiles.com of the Company and the other requirements as applicable will be duly complied with. Members holding shares in electronic mode are requested to ensure to keep their

e-mail addresses updated with the Depository Participants. Members holding shares in physical mode are also requested to register their e-mail address with our Registrar & Share Transfer Agent – M/s. Link Intime India Private Limited, at 5th Floor, 506 to 508, Amarnath Business Centre – I (ABC - I), Besides Gala Business Center, Near St. Xavier's College Corner, Off. C. G. Road, Navarangpura, Ahmedabad, Gujarat – 380009, quoting their folio nos. at E-mail ID: rnthelpdesk@linkintime.co.in. Such registration of e-mail address may also be made with the Company at its Registered Office as per the address mentioned above or at the E-mail ID: investors@somatextiles.com. Any changes in the E-mail address may also be communicated from time to time.

Brief Resume and other information in respect of the Director, retiring by rotation seeking re-appointment at the 80th Annual General Meeting of the Company, as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:-

Shri Shrikant Bhat (DIN: 00650380) ('Shri Bhat'), aged about 53 years, is a Commerce Graduate and a Member of Institute of Chartered Accountants of India. He has experience and expertise in a wide range of fields like Corporate Finance, Finance Restructuring, Tax Laws and Company Law spanning over 28 years. He was appointed as an Additional Director and a Whole time Director designated as an Executive Director of the Company, liable to retire by rotation with effect from 18th January, 2008. He looks after the affairs of the Company. He holds office of Director in Somany Evergreen Knits Limited. He does not hold any shares in the Company.

Shri Bhat retires from the Board by rotation at this meeting and being eligible, offers himself for re-appointment as Director of the Company.

Shri Shrikant Bhat's present term of appointment expires by efflux of time on 17th January, 2019. Therefore his re-appointment for further term of 3 years effective from 18th January, 2019, was to be considered, well in advance to seek Shareholders approval at the ensuing Annual General Meeting of the Company.

Registered Office:
2, Red Cross Place,
Kolkata – 700 001

By order of the Board
A. K. Mishra
(Company Secretary & Compliance Officer)

Dated, the 29th May, 2018

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 3

At the 77th Annual General Meeting (AGM) of the Company held on 17th September, 2015, the Members had approved of the appointment and terms of remuneration of Shri Shrikant Bhat ('Shri Bhat') as Whole-time Director designated as Executive Director of the Company for a period of Three (3) years from 18th January, 2016 to 17th January, 2019, as specified in the statement annexed to the Notice of the 77th AGM.

The present tenure of Shri Shrikant Bhat ("Shri Bhat") as rotational Whole-time Director designated as Executive Director of the Company liable to retire by rotation, will expire by an efflux of time on 17th January, 2019.

The Board of Directors of the Company ('the Board') at its meeting held on 29th May, 2018, have re-appointed Shri Bhat as Whole-time Director, designated as Executive Director, being a Key Managerial Personnel, for a period of 3 (Three) years , effective from 18th January, 2019.

Shri Bhat, aged about 53 years, is a Commerce Graduate and a qualified Chartered Accountant from the Institute of Chartered Accountants of India (ICAI) and has over 28 years of working experience with Corporates including about 16 years with our Company. He has rich experience of managing Corporate Finance, Financial planning and analysis, taxation and Financial Restructuring. He is functioning in a professional capacity and is neither a shareholder nor related to any Director or any other Key Managerial Personnel or Promoter of the Company, at any time during the last two years before or after the date of appointment. The remuneration offered to him is in line with the Company's Nomination and Remuneration Policy as well as present corporate trends taking due account of his expertise as well as the considerable acumen that he brings to the Company.

At its meeting held on 29th May, 2018, the Board, has, subject to approval of the Shareholders in the ensuing 80th Annual General Meeting (AGM) at the recommendation of Nomination and Remuneration Committee, approved the remuneration payable to Shri Bhat, upon his re-appointment as Whole-time Director, designated as Executive Director, being a Key Managerial Personnel, within and up to the ceiling or maximum limit for the remuneration of the whole-time Director, as have been determined, fixed subject to overall ceiling contained in Section 197, read with Schedule V to the Companies Act, 2013 ('the Act') and other applicable provisions, if any of the Act and herein proposed by the Board with absolute authority to the Board to decide, fix and thereafter revise the remuneration of Shri Bhat, from time to time for a given year/

period within and upto the maximum limit for remuneration of whole-time Director as herein proposed and contained in the Draft Agreement to be entered into between the Company and Shri Bhat, subject to overall permissible limit laid down under Sections 197 and all other applicable provisions of the Companies Act, 2013 or any amendments thereto as may be made from time to time or under the Companies Act, as may be re-codified.

An abstract of the main terms and conditions as laid down in Draft Agreement relating to re-appointment of Shri Bhat as the Whole-time Director, designated as Executive Director, being a Key Managerial Personnel, of the Company together with the Memorandum of Interest is set out below:-

1) **Period of Appointment:** Three (3) years, effective from 18th January, 2019.

2) **Nature of Duties:** Subject to the superintendence, control and direction of the Board, Shri Bhat shall perform such duties and exercise such powers as may from time to time be entrusted to or vested in him by the Board and shall devote the whole of his time and attention to his service as the Executive Director of the Company.

3) **Remuneration (including maximum limit):**

Shri Bhat, Executive Director, shall be entitled to the following remuneration with effect from 18th January, 2019 for the period of his office from 18th January, 2019 to 17th January, 2022 or as may be determined and revised by the Board at its discretion from time to time within the maximum permissible limit.

A) **Salary (Basic + D.A)** : At Rs. 1,87,140/- per month, with such increments and/or accelerated increments as may be decided by the Board of Directors of the Company, first increment from 1st April, 2019 and thereafter from 1st April each year, upon due recommendation of the Nomination and Remuneration Committee, at is absolute discretion from time to time and with proportionate increase in all perquisites or allowances related to and depending upon the quantum of salary, within and up to a maximum of Rs. 7,00,000/- (Rupees Seven Lacs) per month.

Salary may include basic salary, additional salary, special allowances and any other allowances as may be determined by the Board from time to time subject to within and upto a maximum Salary of Rs. 7.00 Lacs per month or Rs. 84 Lacs per annum.

Provided that the above remuneration would be doubled, if the Special Resolution as proposed to the shareholders, is passed at the ensuing AGM.

B) **Bonus/Ex-gratia**, **in lieu of Bonus** : In addition to Salary, Shri Bhat shall also be entitled to bonus/ ex-gratia in lieu of bonus, subject to ceiling of one month's salary for each financial year or as may be fixed and determined by the Board of Directors of the Company from time to time at its absolute discretion, within and up to such amount or percentage of Bonus/Ex-gratia, as may be decided by the Board/Nomination and Remuneration Committee of the Company at its discretion from time to time, subject however up to and within an overall ceiling prescribed in Section 197, read with Schedule V to the Companies Act, 2013. (5% of the net profits in case of one whole-time Director and 10% of the net profits for more than one whole-time Director).

C) **Perquisites Allowances & Benefits** : In addition to Salary & Bonus/Ex-gratia, in lieu of Bonus, Shri Bhat shall also be entitled to all the following perquisites, allowances & benefits, subject however to a ceiling restricted to 100% of his annual Salary.

Unless the context otherwise requires, perquisites are classified into three categories A, B and C as follows:

CATEGORY – A

This will comprise of house rent allowance, leave travel concession, medical reimbursement, fees on clubs, personal accident insurance and such other benefits, facilities and allowances as may be available and allowed to Shri Bhat, as per rules of the Company. These may be provided for as under:

Housing

i) The expenditure incurred by the Company on hiring furnished accommodation for Shri Bhat will be subject to the ceiling 60 (Sixty) percent of the Salary, over and above 10 (Ten) percent payable by Shri Bhat.

ii) In case the accommodation is owned by the Company, 10 (Ten) percent of the salary of Shri Bhat shall be deducted by the Company.

iii) In case no accommodation is provided by the Company, Shri Bhat shall be entitled to House Rent Allowance subject to the ceiling laid down under Clause (i) above.

Explanation:

The expenditure incurred by the Company on Gas, Electricity, Water and Furnishings shall be valued as per the Income Tax Rules, 1962. This shall, however, be subject to a ceiling of 10 (Ten) percent of the salary of Shri Bhat.

Medical Reimbursement

Expenses incurred for Shri Bhat and his family subject to a ceiling of one month's salary in a year or three months' salary over a period of three years.

Leave Travel Concession

For Shri Bhat and his family once in a year, while on leave, incurred in accordance with the Rules of the Company.

Club Fees

Fees of Clubs subject to a maximum of two clubs as may be permissible by the Company. This will not include admission and life membership fees.

Personal Accident Insurance

Of an amount, the annual premium of which shall be paid as per Rules of the Company.

Other benefits and Allowances

Any other benefits, facilities and allowances as may be available and allowed to Shri Bhat, as per rules of the Company or as the Board of Directors, may from time to time decide.

The value of the perquisites for the purpose of calculating the above annual ceiling shall be evaluated as per Income Tax Rules wherever applicable, otherwise at actuals.

Explanation:

For the purpose of CATEGORY –'A', Family means, the spouse, the dependent children and dependent parents of Shri Bhat.

NOTE:

All the perquisites/ allowances/ benefits will be inter-changeable i.e., any excess in a particular perquisites may be permissible by corresponding reduction in or more of the perquisites/ allowances/ benefits.

CATEGORY – B

i) Contributions to Provident Fund and Superannuation/ Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

ii) Gratuity payable should not exceed half a month's salary for each completed year of service, subject to such ceiling as may be fixed by the Government from time to time and will not be included in the computation of the ceiling on perquisites.

iii) Encashment of Leave at the end of the tenure will be permitted as per the Rules of the Company and will not be included in the computation of the ceiling on perquisites.

These perquisites as specified in paragraph 1 of Section IV of Part II of Schedule V to the Act, however shall not be included in the computation of the ceiling on the minimum remuneration specified under Section II of Part II of Schedule V to the Act.

For the purpose of Provident Fund, Gratuity and Leave benefit, the service of Shri Bhat, Executive Director, will be considered as continuous service from the date of his joining the Company without considering any break in the service.

CATEGORY – C

Provision of Car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of Car for private purpose shall be billed by the Company to Shri Bhat.

Provided the aggregate of remuneration payable by way of salary, bonus/ex-gratia in lieu of bonus and perquisites, allowances and benefits to Shri Bhat, as contemplated under Clauses (A), (B) and (C) of the Remuneration clause 3 above shall not, in any financial year exceed the overall ceiling stipulated in Sections 197 and other applicable provisions of the Act read with Schedule V of the Act (5% of the net profits in case of One Whole-time Director and 10% of the net profits for more than One Whole-time Director as calculated in accordance with Section 197 of the Act).

Overall Remuneration

Subject to an overall limit of 5% of the net profits individually and 10% of the net profits collectively payable to the Managing Director and Executive Director(s) as calculated in accordance with Section 197 and other applicable provisions of the Companies Act, 2013 for each financial year, read with Schedule V to the said Act, as may for the time being in force.

Minimum Remuneration

In the event of loss or inadequacy of profits under Sections 198 of the Companies Act, 2013, in any financial year(s) during the currency of tenure of office of Shri Bhat, the Company shall pay him in respect of such financial year(s) remuneration by way of consolidated salary, Bonus or Ex-gratia in lieu of Bonus, perquisites and allowances as minimum remuneration as he may be then drawing as specified in Clauses (A), (B) & (C) of the Remuneration Clause 3 above, subject to an overall limits laid down under Section II of the Part II of Schedule V to the Companies Act, 2013, as applicable to the Company at the relevant time depending upon the effective capital of the Company or such other limits, as may be provided by the Central Government from time to time as to minimum remuneration.

The perquisites specified under category 'B' of Remuneration Clause 3, above in terms of paragraph 1 of Section IV of Part II of Schedule V to the Act, however shall not be included in the computation of the ceiling on the minimum remuneration specified under Section II of Part II of Schedule V to the Act.

Sitting Fee

Shri Bhat shall not so long as he acts as the Executive Director of the Company be paid any sitting fees for attending any meetings of the Board or any Committee thereof.

Other Terms

Shri Bhat shall not during the continuance of his employment hereunder or at any time thereafter, divulge or disclose to any person or make use whatever for his own or for any other purpose any confidential information or knowledge acquired by him during his employment under the Company as to the business or affairs of the Company or as to any trade secret or secrets processes of the Company and shall during the continuance of his employment hereunder use his best endeavours to prevent any other person from doing so.

Shri Bhat hereby undertakes that so long as he functions as the Executive Director of the Company he shall not become interested or otherwise concerned, directly or indirectly, or through his wife and/or minor children in any selling agency of the Company in future without the prior approval of the Central Government.

Nothing herein contained shall entrust or be deemed to entrust Shri Bhat with substantial powers of management of the affairs of the Company.

The Board of Directors may, in their discretion, revise or modify any of the terms of appointments and remuneration from time to time within the limits laid down in Schedule V to the Act.

Retirement by Rotation

Shri Bhat shall be liable to retire by rotation in accordance with the provision of Section 152 of the Companies Act, 2013. If at any time Shri Bhat ceases to be a Director of the Company for any cause whatsoever he shall cease to be a Whole-time Director of the Company hitherto designated as Executive Director.

Termination

Notwithstanding anything contained in this Agreement, either party, shall be entitled to determine this Agreement by giving two calendar months' notice in writing in that behalf to the other party and on the expiry of the period of such notice, this Agreement shall stand terminated. The Company shall also be entitled without assigning any reason whatsoever to terminate the Agreement on giving to Shri Bhat two month's salary as specified in Clause (A) of the Remuneration Clause 3 above and/or the Agreement entered/to be entered in to by the Company with Shri Bhat in lieu of two calendar months' notice required to be given under this Clause.

Service of Notice

Any notice to be given hereunder shall be sufficiently given or served in the case of Shri Bhat by being delivered either personally to him or left for him at his address last known to the Company or sent by Registered Post addressed to him at such address and in the case of the Company by being delivered at or sent by Registered Post addressed to its Registered Office; any such notice if so posted shall be deemed served on the day following that on which it was posted.

With the approval of the Members to the proposed Resolution, the Board will have the discretion and delegated authority of the Members of the Company to fix and revise the salary within overall ceiling (I) as specified under the relevant provisions of Companies Act, 2013 and (II) as approved by the Members hereinunder this Resolution, whichever is lower.

The limits specified in the Statement attached to this Notice of 80th AGM in regard to Resolution set out at item No. 3 are only the maximum limits and the Board may in exercise of the delegated authority pay Shri Bhat, a lower remuneration and may revise the same from time to time within the maximum limits stipulated in the Statement attached to the notice forming part of the Resolution.

However, in the absence, or inadequacy of profits in any financial year, during the tenure of Shri Bhat, Executive Director of the Company, the minimum remuneration payable by the Company to him by way of salary, bonus/ex-gratia in lieu of bonus and perquisites shall not exceed the maximum limit of Rs. 84 Lacs per annum plus 0.01% of the effective capital in excess of Rs. 250 Crores, as prescribed under Section II(A) of Part II of Schedule V of the Act, unless otherwise approved by the Central Government, as envisaged under the said Schedule V of the Act.

Therefore, any payment of remuneration to Shri Bhat in excess of Rs. 84 Lacs per annum plus 0.01% of the effective capital in excess of Rs. 250 Crores, which is the maximum permissible under Section II(A) of Part II of Schedule V to the Act, would require the approval of the Central Government, as prescribed under the Act.

Pursuant to Section II(A) of Part II of Schedule V of the Act, a Statement in the prescribed format is required to be sent to all shareholders, containing the information specified therein along with the Notice calling the Annual General Meeting of the Company.

Accordingly this Resolution at item no. 3 is intended for seeking Members' approval to this Resolution which fixes the ceiling or the maximum limit for remuneration payable to Shri Bhat, Whole-time Director, designated as Executive Director, being a Key Managerial Personnel, and delegates authority to the Board to decide on the specifics of changes in Remuneration for Shri Bhat, under the provisions of Sections 197 and other applicable provisions of the Companies Act, 2013, and modification(s) thereto, and also for the purpose of seeking approval to the appointment of and Remuneration payable to Shri Bhat, within the overall limits as specified and laid down by the Company.

The Board therefore recommends passing of this Resolution by Members of the Company.

MEMORANDUM OF INTEREST

Save and except Shri Bhat, none of the Directors of the Company is in any way concerned or interested or deemed to be concerned or interested in passing of the said Resolution relating to appointment and payment of remuneration.

INSPECTION OF DOCUMENTS

The copy of the Service Agreement entered into between the Company and Shri Bhat in connection with his appointment as Whole-time Director is available for inspection of the Members at the Registered Office of the Company on any working day between 12-00 Noon and 2-00 P.M. upto and including the date of Annual General Meeting or any adjournment or adjournments thereof. The same will also be available at the meeting.

ABSTRACT OF TERMS AND CONDITIONS OF APPOINTMENT UNDER SECTION 190 OF THE COMPANIES ACT, 2013

The terms and conditions of re-appointment and remuneration payable to Shri Bhat as Whole-time Director, designated as 'Executive Director', being a Key Managerial Personnel of the Company, as set out in the Agreement referred to and Statement, duly annexed to the accompanying Notice should be treated as an 'ABSTRACT' of the terms of his re-appointment and Memorandum of Interest under Section 190 of the Companies Act, 2013.

The requisite information required to be provided to the Shareholders of the Company in the Notice convening the Annual General Meeting of the Company in terms of Part–II, Section II of Schedule V to the Companies Act,2013 is set out below :-

i) The proposed remuneration has been approved by a Resolution of the Nomination and Remuneration Committee as well as the Board;

ii) The Company has not made any default in repayment its debt (including public deposits) or debentures or interest payable for a continuous period of thirty days in the preceding financial year;

iii) A Special Resolution is being passed at the forthcoming Annual General Meeting for payment of the remuneration for a period not exceeding three years;

iv) A statement containing further specified information is set out hereunder:

I. General Information:-

(1)	Nature of Industry	:	Manufacturer of Textile and Cotton Yarn.
(2)	Date or expected date of commencement of commercial production	:	1969.

(3) Financial performance on given indicators : (Rs. in Lacs)

Year ending 31st March	Sales	Operating Profit/(Loss)	Profit/(Loss) before Tax	Net Profit/(Loss) after Tax
2014	27,293	234	(1,769)	(1,334)
2015	22,554	(960)	(4,375)	(3,358)
2016	17024	435	(1786)	(1423)
2017	12732	791	(904)	(1114)
2018	8226	458	(343)	(823)

(4) Export performance and net foreign exchange earnings : Due to stiff competition, the Company was able to export for Rs. 170 lacs as against the export of Rs. 991 lacs achieved in the previous year.

Foreign exchange earned and used during the financial year 2017-18 and 2016-17 :-

(Rs. in lacs)

	2017-18	2016-17
Foreign Exchange earned	170	991
Foreign Exchange used	258	433

(5) Foreign Investments or Collaborators, if any : Holdings of FIIs/NRIs and other non-residents is 0.29% in the Company as at 31st March, 2018.

The Company has no foreign Collaborator.

II. Information about the appointee:-

(1) Background details : **Shri Shrikant Bhat**

Shri Shrikant Bhat (Shri Bhat), aged about 53 years, is a Graduate in Commerce and Chartered Accountant by qualification and presently the Whole-time Director designated as Executive Director, being a Key Managerial Personnel of the Company. His long standing experience and knowledge is useful to the Company. Shri Bhat has contributed significantly towards improvement and growth of the Company. He has over 28 years of experience in Corporate Finance and Taxation. Shri Bhat does not hold any shares in Soma Textiles & Industries Limited as on 31st March, 2018.

(2) Past remuneration : 2013-2014 : Rs. 24,01,269/-
2014-2015 : Rs. 26,85,781/-
2015-2016 : Rs. 30,32,311/-
2016-2017 : Rs. 30,22,487/-
2017-2018 : Rs. 35,03,555/-

(3) Job profile and his suitability : Shri Shrikant Bhat the Whole-time Director of the Company, shall devote his whole-time and attention to the business and affairs of the Company and carryout such duties, as may be entrusted to him from time to time by the Board of Directors of the Company ("the Board") and exercise such powers as may be assigned to him by the Board subject to the superintendence, control and directions of the Board in connection with and in the best interest of the Company and the business of its associated and/or subsidiary Company(ies), as the case may be.

The Board is of the opinion that Shri Bhat has the requisite qualifications, expertise and experience for the job, he is presently holding.

(4) Remuneration proposed : (a) Salary (Basic + DA) at Rs. 1,87,140/- per month within and up to a maximum of Rs. 7,00,000/- per month with authority to the Board to fix the salary and to consider an annual increment/accelerated increment at its discretion upto and within the said maximum amount of salary, upon recommendation of the Remuneration Committee;

(b) Bonus/Ex-gratia in lieu of Bonus, subject to a ceiling of one month's salary (BASIC + D.A.) for each financial year or as may be determined by the Board from time to time and;

(c) Perquisites, allowances and benefits, as spelt out in the Statement annexed to the Notice convening the 80th Annual General Meeting of the Company subject to a ceiling restricted to 100% of his annual salary (BASIC + D.A.) or as may be determined by the Board from time to time within the maximum limit for remuneration fixed by the Company provided the aggregate of salary, bonus/ex-gratia in lieu of bonus, perquisites, allowances and benefits as contemplated under items (a) (b) & (c) above shall not exceed the overall limits prescribed under Sections 197 and other applicable provisions of the Companies Act, 2013, read with Schedule V of the said Act as may for the time being in force. (5% of the net profits in case of one Whole-time Director and 10% of the net profits for more than one Whole-time Director as calculated under Sections 197 of the Companies Act, 2013).

(5)	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	:	After taking into the size of the Company, the profile of Shri Shrikant Bhat the responsibilities shouldered by him and the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar level counterparts in other similar Companies.
(6)	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	:	Besides the remuneration proposed to be paid the Whole-time Director does not have any other pecuniary relationship directly or indirectly with the Company or relationship with any of the managerial personnel of the Company.

III. Other Information:-

(1)	Reasons for loss or inadequate profits	:	Ever increasing input costs, high interest rates, high debt burden coupled with high volatility in forex market, adverse market conditions and general economic slow-down had severe adverse impact on the workings and the financial performance of the Company. All these factors collectively resulted in continuing loss in the Company from the year 2007-08 and onwards.
(2)	Steps taken or proposed to be taken for improvement	:	The Management is taking necessary and adequate steps to improve workings and profitability of the Company. Various measures and steps have been taken in the matter of cost control, product mix borrowing at cheaper rates and process improvement for improving efficiency. The Company would continue its endeavors to increase the revenues to improve its productivity and profits in the coming years.
(3)	Expected increase in productivity and profits in measurable terms	:	Steps, as aforesaid, being taken by the Company, would increase the productivity of the Company. The Company continues to undertake constant measures for improvement in its productivity and profits. The Management expects reasonable growth in business, gross revenue and profit of the Company. However it is difficult to predict profits in the measurable terms, in the present business scenario for the coming years.

IV. Disclosures :

(1)	The Shareholders shall be informed of the remuneration package of the managerial person	:	Yes, the Remuneration package has been fully disclosed under the Statement, in regard to special resolution set out at item no. 3 of the Notice relating to re-appointment and remuneration payable to Shri Shrikant Bhat, the Whole-time Director duly annexed to the Notice convening the 80th Annual General Meeting of the Company, as determined and fixed by the Board subject to overall ceiling laid down in Sections 197 & other applicable provisions of the Companies Act, 2013, including Schedule V to the Act, to seek members' approval.
(2)	All elements of remuneration package such as salary benefits, bonuses, stock option, perquisites of all the Directors	:	The Remuneration package and other terms applicable to the Directors have been disclosed in the Corporate Governance Report forming part of the Annual Report for the year 2017-2018.

(3)	Details of fixed components and performance linked incentives along with performance criteria	:	
(4)	Service contracts, notice period, severance fees etc	:	Service Agreement is for Three (3) years from 18th January, 2019 to 17th January, 2022. Notice period is 2 (Two) months. No severance fee is payable on termination.
(5)	Stock option details, if any and whether the same has been insured at a discount as well as the period over which accrued and over which exercisable	:	The Company has not issued any stock options to any of its Directors or Managerial Personnel.

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

The Board recommends the Special Resolution set out at Item No. 3 of the Notice for approval by the shareholders.

Item No. 4

The Board on the recommendation of Audit Committee has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2019.

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 has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2019.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives are in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item No. 4 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

Item No. 5

At the 75th Annual General Meeting held on Monday, the 9th day of September 2013, the Members had approved the payments of commission to Directors of the Company (other than the Managing and Whole-time Directors of the Company), at a rate not exceeding 1% (One percent) of the net profits of the Company, computed in the manner laid down in Section 198 of the Companies Act, 1956, referred to in Sub-section (5) of the Companies Act, 1956, for each of the Financial year for a period of Five (5) years commencing from the 1st day of April 2013 and ending on the 31st day of March 2018 in conformity with the requirement under Section 309(7) of the Companies Act, 1956.

Accordingly it is proposed that in terms of the provision of Section 197 of the Companies Act, 2013 ("the Act"), the Non-Executive Directors (including Independent Directors) be paid remuneration by way of commission not exceeding in aggregate 1% (One percent) of the net profits of the Company, computed in the manner laid down in Section 198 of the Act, for each of the five (5) financial years with effect from 1st April, 2018 for a further period of five (5) consecutive years.

The Resolution set out in Item No.5 of the convening Notice is an enabling resolution to seek fresh approval of the Members for the purpose of continuity of payment of such remuneration as commission for each Financial Year in pursuance of Section 197 and 198 of the Companies Act, 2013 for a further period of Five (5) years i.e. from 1st April, 2018 to 31st March, 2023, Directors accordingly recommend the same for approval by the Shareholders.

The said remuneration to the Non-Executive Directors shall be in addition to the sitting fees payable to them for attending meetings of the Board and Committees thereof and reimbursement of expenses for participation in the Board or the Committee Meetings.

Non-Executive Directors (including Independent Director) may be deemed to concerned or interested in the Resolution to the extent of remuneration as commission that may be received by them. Save and except, none of the other Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at item no.5 of the Notice.

Registered Office:
2, Red Cross Place,
Kolkata – 700 001

By order of the Board
A. K. Mishra
(Company Secretary & Compliance Officer)

Dated, the 29th May, 2018

ROUTE MAP OF THE VENUE OF THE ANNUAL GENERAL MEETING

