



September 05, 2023

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400001

Ref: H.P. Cotton Textile Mills Limited (Scrip Code: 502873)

Sub: Notice of the 42nd Annual General Meeting of H.P. Cotton Textile Mills Limited

Dear Sir,

Pursuant to Regulation 30 read with Para A, Part A of Schedule III, of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, attached herewith is the Notice of the 42nd AGM of the Company to be held on Thursday, September 28, 2023 at 12:30 PM (IST) via Video Conference / Other Audio-Visual Means, in accordance with the applicable Circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India.

You are requested to kindly take the same on your record.

Yours Faithfully,

For H.P. Cotton Textile Mills Limited

Shubham Jain

Company Secretary and Compliance Officer

Encl: As above



H.P. Cotton Textile Mills Limited

(A Government of India recognised Star Export House)

Corporate Office:

F-0, The Mira Corporate Suites,
1 & 2, Old Ishwar Nagar, Mathura Road,
New Delhi - 110065, India

www.hpthreads.com

T: +91 11 26927387, 49073415
+91 11 41540471/72/73

F: +91 11 49073410

E: info@hpthreads.com

Regd. Office & Works:

15 K.M. Stone, Delhi Road,
V.P.O Mayar, Hisar - 125 044,
Haryana, India

CIN NO. L18101HR1981PLC012274



ISO 9001 : 2008

H.P. COTTON TEXTILE MILLS LIMITED

CIN: L18101HR1981PLC012274 | ISIN: INE950C01014 | BSE SCRIP CODE: 502873

Registered Office: 15th K.M. Stone, Delhi Road, V.P.O. Mayar, Hisar-125044

E-mail: info@hpthreads.com | Tel: +91 11 41540471/72/73 | Fax: +91 11 49073410 | Website: www.hpthreads.com

Notice of the Annual General Meeting

NOTICE is hereby given that the Forty-Second (**42nd**) Annual General Meeting (“AGM”) of the Members of H.P. Cotton Textile Mills Limited will be held on **Thursday, the 28th day of September, 2023 at 12:30 PM IST** through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”) to transact the following businesses:

ORDINARY BUSINESSES:

- To consider and adopt (a) the audited financial statements of the Company for the financial year ended March 31, 2023 and the report of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2023 and the report of Auditors thereon and in this regard to consider and, if thought fit, to pass the following resolutions as **Ordinary Resolutions**:

- “RESOLVED THAT** the Audited Financial Statements of the Company for the Financial Year ended March 31, 2023 and the Reports of the Board of Directors and Auditors thereon, as circulated to the Members, be considered and adopted.”
- “RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2023 and the Report of Auditors thereon, as circulated to the Members, be considered and adopted.”

- To appoint a director in place of Mrs. Ritu Bansal (DIN: 03619069), who retires by rotation and being eligible, seeks re-appointment, and in this regard to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT Mrs. Ritu Bansal (DIN: 03619069), who retires by rotation and being eligible for re-appointment, be re-appointed as a Director of the Company.”

- To appoint the Statutory Auditors of the Company other than retiring auditors and fix their remuneration and in

this regard to consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and pursuant to recommendation and consent of the Audit committee and the Board of Directors, to appoint M/s D. Kothary & Co., Chartered Accountants (FRN: 105335W), in respect of whom the Company has received a Special Notice under Section 140(4) of the Companies Act, 2013 from a member, proposing their appointment in place of the retiring auditors and who have confirmed their eligibility for appointment as Statutory Auditors in terms of Section 141 of the Companies Act, 2013 and applicable rules, M/s D. Kothary & Co., Chartered Accountants (FRN: 105335W) be and are hereby appointed as the Statutory Auditors of the Company for a term of five (5) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the Forty Seventh (47th) Annual General Meeting of the Company to be held in the year 2028, at such remuneration and reimbursement of travelling and out-of-pocket expenses and other applicable tax as may be agreed between the Statutory Auditors and the Board of Directors of the Company;

RESOLVED FURTHER THAT Mr. Kailash Kumar Agarwal, Chairman and Managing Director or Mr. Raghavkumar Agarwal, Executive Director, CEO & CFO or Mr. Shubham Jain, Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient to give effect to this Resolution.”

SPECIAL BUSINESSES:

- To re-appoint Mr. RaghavKumar Agrawal as a Whole-Time Director (Executive Director) of the Company and in this regard, 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 196, 197 and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Schedule V to the Companies Act, 2013 and Articles of Association of the Company, and such other applicable provisions (including any statutory modification or re-enactment thereof), if any and Regulation 17(6)(e), Regulation 23 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the recommendation of the Nomination and Remuneration Committee, Audit Committee and the Board of Directors of the Company, approval of the members be and is hereby accorded to re-appoint Mr. RaghavKumar Agarwal (DIN: 02836610) as a Whole Time Director of the Company for a period of 5 years, w.e.f. 30th May, 2024, designated as Executive Director (ED), Chief Executive Officer (CEO) and Chief Financial Officer (CFO) (“ED, CEO & CFO”) whose office shall be liable to retire by rotation on the following terms and conditions:

REMUNERATION:

Particulars	Amount (in ₹ per month)
Basic	1,60,000
House Rent Allowance (HRA)	80,000
Other/Special/Grade Allowance	2,14,800
Gross Salary (A)	4,54,800
Leave Travel Allowance (LTA) (B)	10,000
Provident Fund (Employer’s Contribution)	19,200
Statutory Annual Bonus / Ex Gratia	16,000
Other / Statutory Benefits (C)	35,200
Total Cost to Company (per month) – A+B+C	5,00,000
Total Cost to Company (per annum)	60,00,000

Important Points

1. LTA and Statutory Annual Bonus / Ex Gratia shall be Payable annually on Earned Basic Salary. In addition, he will be eligible for gratuity and superannuation and leave encashment as per the rules of the Company.
2. In addition to the above, the ED, CEO & CFO shall be entitled to a Performance Pay, based on his performance, and/or Commission as determined by the Board / Nomination and Remuneration

Committee of the Company, from time to time, which may exceed overall ceilings on managerial remuneration specified in Section 197 read with Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company (which shall be deemed to include the Nomination & Remuneration Committee of the Board of Directors) be authorized to do all such acts and take all such steps as it may consider necessary or desirable to give effect to this resolution and the they are further authorised to alter, vary increase, enhance, widen and/or revise the remuneration as it may, in its absolute discretion and full liberty, deem fit and as may be acceptable to Mr. RaghavKumar Agarwal, notwithstanding that the total Remuneration payable to him may exceed the overall ceiling of the total managerial remuneration as provided under Sections 197, 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

RESOLVED FURTHER THAT notwithstanding anything contained herein, where in any financial year during the tenure of Mr. Raghavkumar Agarwal, ED, CEO & CFO the Company has no profits or its profits are inadequate, the Company may pay to the ED, CEO & CFO the above remuneration and/or any revision in the remuneration as may be approved by the Board and/or the Nomination and Remuneration Committee in future during the currency of tenure of the ED, CEO & CFO, from time to time, as the minimum remuneration for a period of 3 (three) years from the date of re-appointment i.e. with effect from 30th May, 2024 or such other period as may be statutorily permitted by way of salary, perquisites, performance pay, other allowances, commission and benefits as specified hereinabove;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any Director or the Company Secretary of the Company be authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary document(s), application(s), return(s), form(s) and writings as may be necessary, proper, desirable or expedient.”

5. To adopt the new set of Articles of Association of the Company and in this regard, 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 provision of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof), approval of the members be and is hereby accorded for altering the Articles of Associations of the Company by replacing all the existing articles/clauses with the new articles/clauses as are prescribed under “Table F” of Schedule I of Companies Act, 2013, with any additions/modifications as the Board may think fit;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution all the Directors of the Company and Company Secretary of the Company, be and are hereby severally authorised, on behalf of the Company, to do all such acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary E- forms with the Registrar of Companies, NCT of Delhi and Haryana.”

By Order of the Board of Directors

Shubham Jain

Membership Number: A49541

Company Secretary &
Compliance Officer

New Delhi
August 12, 2023

Registered office:

15th K.M. Stone, Delhi Road,
V.P.O. Mayar, Hisar – 125044
Email id: cs@hpthreads.com
Website: www.hpthreads.com
Tel: +91 11 41540471/72/73

NOTES:

1. In view of the continuing COVID-19 global pandemic the Ministry of Corporate Affairs (“MCA”) vide its General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 10/2021 dated June 23, 2021, General Circular No. 19/2021 dated December 8, 2021, General Circular No. 02/2022 dated May 5, 2022 and General Circular No. 10/2022 dated December 28, 2022 (collectively referred to as the “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide its Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/ HO/CFD/CMD2/ CIR/P/2021/11 dated January 15, 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 on May 13, 2022 and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 on January 05, 2023 (collectively “SEBI Circulars”) have permitted companies to conduct the Annual General Meeting (“AGM”) through Video Conference (“VC”) / Other Audio-Visual Means (“OAVM”) subject to compliance of various conditions mentioned therein. In compliance with the aforesaid MCA and SEBI Circulars, applicable provisions of the Companies Act, 2013 and rules made thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“SEBI Listing Regulations”) the 42nd AGM of the Company is being convened and conducted through VC. The deemed venue for the AGM shall be the Registered Office of the Company.
2. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
3. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, setting

out the material facts and reasons for the resolutions in respect of the business set out above is annexed hereto.

4. The relevant details as required under Regulation 36(3) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and Secretarial Standard on General Meetings ('SS-2'), issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting ('AGM')/ 'the meeting') is also annexed as **Annexure-A**.
5. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
6. The Company is pleased to provide two-way VC facility through VC / OAVM.
7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India and MCA and SEBI Circulars the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system during the AGM will be provided by CDSL.
8. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
9. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
10. 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 at the Meeting.
11. The Voting rights of Members shall be in proportion to their shares of the paid-up Equity Share Capital of the Company as on Cut-off Date of **September 21, 2023**.
12. The Register of Members and the Share Transfer Books of the Company shall remain closed from closed from **September 22, 2023 to September 28, 2023** (both days inclusive).
13. Institutional/Corporate members (i.e. other than individuals/HUF, NRI etc) are required to send a scanned copy (PDF/JPEG format) of its Board or Governing Body resolution/authorisation etc authorising its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting pursuant to section 113 of the Act. The said resolution/ authorisation shall be sent to the Company via email through its registered email address at cs@hpthreads.com with a copy to siroyam@gmail.com.

DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE

14. In compliance with the Circulars, owing to the difficulties involved in dispatching of physical copies, the Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. The physical copies of the Annual Report will be sent to the shareholders based on the specific request at cs@hpthreads.com.
15. In line with the Circulars, the Notice calling the AGM has been uploaded on the website of the Company at www.hpthreads.com. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
16. Member(s) may also note that the Notice of the Meeting and the Annual Report for FY 2022-23 will also be available on the Company's website at <http://www.hpthreads.com/annual-reports.php>.
17. For receiving all communication (including Annual Report) from the Company electronically:

- a) Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by sending signed request letter mentioning your name, email-id, folio number, number of shares held, certificate number, distinctive number and Complete Address along with self-attested copy of PAN card to the Company's Registrar and Share Transfer Agent i.e. Alankit Assignments Limited at rta@alankit.com.
- b) Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participant

18. INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period begins on **September 25, 2023 at 9.00 A.M. and ends on September 27, 2023 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 (record date) of **September 21, 2023** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to

its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public noninstitutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) **Access through depositories CDSL/NSDL E-Voting system in case of Individual Shareholders holding shares in demat mode**

In terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by the Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/ NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p>

Type of shareholders	Login Method
	<ol style="list-style-type: none"> 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022-4886 7000 and 022-2499 7000

(v) **Access through CDSL E-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode**

1. The shareholders should log on to the e-voting website www.evotingindia.com.
2. Click on "Shareholders" module.
3. 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6. If you are a first time user follow the steps given below:

For Shareholders 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) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
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 (v).

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.

- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN of H.P. COTTON TEXTILE MILLS LIMITED on which you choose to vote.
- (x) 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.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) 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.
- (xvi) There is also an optional provision to upload BR/ POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) **Facility for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- 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 will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, 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.
- Alternatively, Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@hpthreads.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

- a) **For Physical Shareholders** - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company's Registrar and Share Transfer Agent (Alankit Assignments Limited) at rta@alankit.com.
- b) **For Demat shareholders** - Please update your email id & mobile no. with your respective Depository Participant (DP)
- c) **For Individual Demat shareholders** - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting through Depository.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:

- 19. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

20. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
21. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
22. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
23. Members who are holding shares in physical form or who have not registered their email address with the Company / Depository or any person who acquires shares of the Company and becomes a Member of the Company after the Notice has been sent electronically by the Company, and holds shares as on the cut-off date, i.e. **September 21, 2023**, he/she may write to the CDSL on the E-mail ID: helpdesk.evoting@cdslindia.com. However, if a member is already registered with CDSL for e-voting then existing User ID and password can be used for casting vote.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

24. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
25. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
26. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
27. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS

28. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@hpthreads.com. Speakers are requested to submit their questions at the time of registration, to enable the Company to respond appropriately.
29. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
30. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.
31. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@hpthreads.com. These queries will be replied to by the company suitably by email.

IEPF RELATED INFORMATION

32. Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ('IEPF').

The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

33. In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website at <https://hpthreads.com/unclaimed-dividend-and-iepf.php>. The

said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.

34. The Members are requested to claim their unclaimed/unpaid dividend by sending an email to cs@hpthreads.com or info@alankit.com, well within the permissible time period.

Due dates for transfer of unclaimed/unpaid dividends for the financial year 2015-16 and thereafter to IEPF:

FY ended	Declaration Date	Due Date
March 31, 2016	September 23, 2016	October 22, 2023
March 31, 2018	September 22, 2018	October 21, 2025
March 31, 2022	September 27, 2022	October 26, 2029

35. In light of the aforesaid provisions, the Company has, during the year under review, transferred to IEPF the unclaimed dividends outstanding for seven consecutive years of the Company. Further, shares of the Company, in respect of which dividend has not been claimed for seven consecutive years or more from the date of transfer to unpaid dividend account, have also been transferred to the demat account of IEPF Authority.

The details of unclaimed dividends and shares transferred to IEPF during the FY 2022-23 are as follows:

Financial Year	Amount of unclaimed dividend transferred (in ₹)	Number of shares transferred
March 31, 2015	163,493	8,560

36. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority, in Form No. IEPF-5 available on www.iepf.gov.in and sending a copy of the same, duly signed to the Company at cs@hpthreads.com, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend/shares so transferred. The Members / Claimants can file only one consolidated claim in a financial year as per the IEPF Rules.

GENERAL INFORMATION FOR SHAREHOLDERS

37. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.
38. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh

Dalvi, Manager, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

39. The Board of Directors of the Company has appointed Mr. Mukesh Siroya (Membership No. F5682; CoP No. 4157) Proprietor of M/s. M Siroya and Company, Practicing Company Secretaries or failing him Ms. Bhavyata Acharya (Membership No. A25734; CoP No. 21758), Practicing Company Secretary, as Scrutiniser to scrutinise the remote e-voting process and voting during the AGM in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the said purpose.
40. The voting results declared along with the report of the scrutinizer shall be placed on the Company's website and communicated to the Stock exchange immediately after the declaration of result by the Chairman or a person authorised by him in writing.
41. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the members in respect of the shares held by them. Member(s) holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent, Alankit Assignments Ltd. (RTA). In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.
42. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and arrangements in which directors are interested maintained under Section 189 of the Companies Act, 2013 and the relevant documents referred to in the Notice, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to cs@hpthreads.com.
43. Members holding shares in physical form, in identical order of names, in more than one folio, are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share

certificate will be issued to such Members after making requisite changes.

44. As per Regulation 40 of the SEBI Listing Regulations and notification issued by SEBI in this regard, the securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019, except in case of transmission or transposition of securities. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialise shares held by them in physical form. In case any clarification is needed in that regard, Members can contact the Company's RTA.

45. Members holding shares in dematerialised mode are requested to intimate all changes pertaining to their bank details/NECS/mandates, nominations, power of attorney, change of address/name, e-mail address, Permanent Account Number ('PAN') details, etc. to their Depository Participant only and not to the Company's RTA. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its RTA to provide efficient and better service to the members.

In case of members holding shares in physical form, such information is required to be provided to the Company's RTA.

46. Non-Resident Indian Members are requested to inform the Company's Registrar & Transfer Agent (RTA) immediately:

- a) The particulars of the Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank, if not furnished earlier.
- b) Any change in their residential status on return to India for permanent settlement.

47. The Securities and Exchange Board of India ('SEBI') has mandated the submission of Permanent Account Number ('PAN') by every participant in securities market. Members holding shares in electronic mode are, therefore, requested to submit their PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical mode can submit their PAN to the Company/RTA.

48. In all correspondence with the Company and/or the RTA, members are requested to quote their folio number and in case their shares are held in the dematerialised form, they must quote their DP ID and Client ID number for easy reference and speedy disposal thereof.

EXPLANATORY STATEMENT PURSUANT TO SECTIONS 102 OF THE COMPANIES ACT, 2013

Item No. 3

In compliance with Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the below explanatory statement is being given though it is not applicable under the provisions of Section 102 of the Companies Act, 2013.

The Members of the Company at the 37th Annual General Meeting ('AGM') held on September 22, 2018, had approved the appointment of M/s Walker Chandio & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013), as the Statutory Auditors of the Company for a period of 5 years commencing from the conclusion of the 37th AGM until the conclusion of the 42nd AGM. Accordingly, Walker Chandio & Co LLP would be completing its first term of five years at the conclusion of this 42nd AGM.

The Company has received a Special Notice under Section 140(4) read with Section 115 of the Companies Act, 2013 from Mr. Kailash Kumar Agarwal dated July 27, 2023, a shareholder of the Company and eligible to give such a Special Notice, proposing the appointment of M/s D. Kothary & Co., Chartered Accountants as Statutory Auditors of the Company in place of the retiring Auditor M/s Walker Chandio & Co LLP at the ensuing 42nd Annual General Meeting of the Company. The same was accordingly served to the retiring auditors as per the requirements of the Companies Act, 2013.

In accordance with the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014, the Board of Directors, at its meeting held on August 12, 2023, based on the recommendation of the Audit Committee, recommended the appointment of M/s D. Kothary & Co., Chartered Accountants (Firm Registration No. 105335W) for the term of five years to hold office from the conclusion of the 42nd AGM till the conclusion of the 47th AGM to be held in the year 2028, at such remuneration and reimbursement of travelling and out-of-pocket expenses and other applicable tax as may be agreed between the Statutory Auditors and the Board of Directors of the Company and proposed the same for approval of the members, in respect of whom the Company has received a Special Notice under Section 140(4) of the Act from a member, proposing their appointment in place of the retiring auditors and who have confirmed their eligibility for appointment as Statutory Auditors in terms of Section 141 of the Companies Act, 2013 and applicable rules.

The Audit Committee and Board considered various parameters like capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found M/s D. Kothary & Co., Chartered Accountants to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

M/s D. Kothary & Co., Chartered Accountants commenced its operations in the year 1989 under its founder Mr. Dhiren Kothary to provide professional services in the field of Assurance, Tax and Advisory. Since inception, the firm has built its credential and knowledge with expert advisory across various sector under the guidance of their experienced partners having cumulative experience of 100 plus years. Firm has built a reputation in knowledge driven assurance & advisory service to support organisations.

M/s D. Kothary & Co., Chartered Accountants has confirmed that they are independent, as required by the relevant ethical /independence requirements as enunciated in the Act and the Code of Ethics issued by the ICAI, that are relevant to their audit of the standalone and consolidated financial statements under the provisions of the Act and the Rules made thereunder. Further, M/s D. Kothary & Co., Chartered Accountants has consented to their appointment and confirmed that their appointment if made, would be in accordance with Section 139 read with Section 141 of the Act. M/s D. Kothary & Co., Chartered Accountants has also confirmed that they have subjected themselves to the peer-review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the "Peer Review Board of ICAI". M/s D. Kothary & Co., Chartered Accountants has also furnished a declaration confirming its independence in terms of section 141 of the Act and declared that it has not taken up any prohibited non-audit assignments for the Company.

The proposed remuneration payable to the Statutory Auditors amounting to ₹ 16.5 lacs for the financial year 2023-24, excluding applicable taxes and reimbursement of out-of-pocket expenses. The Board of Directors, in consultation with the Audit Committee, may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the statutory auditors. Besides the audit services, the Company would also obtain certifications from

the Statutory Auditors under various statutory regulations and certifications required by banks, statutory authorities, audit related services and other permissible non-audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms with the statutory auditors.

Further, the proposed remuneration of M/s D. Kothary & Co., Chartered Accountants is significantly less in comparison with the remuneration of M/s Walker Chandiook & Co LLP, Chartered Accountants, the retiring Auditors of the Company, which is in the best interest of the Company.

Based on the recommendation made by the Audit Committee, after considering their experience and expertise, the Board recommends the appointment of M/s D. Kothary & Co., Chartered Accountants as Statutory Auditors for the term of 5 years, as set out in the Resolution no. 3, for approval of the Members as a Special Resolution.

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 accompanying Notice for approval by the Members.

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

Item No. 4

The Board had appointed Mr. Raghavkumar Agarwal (DIN: 02836610) as a Whole Time Director (Executive Director) of the Company for a period of five years with effect from May 30, 2019 and the Shareholders of the Company on November 08, 2019 had, inter-alia, approved the appointment of Mr. Agarwal as Executive Director, Chief Executive Officer & Chief Financial Officer (ED, CEO & CFO) of the Company for a period of 5 years commencing from May 30, 2019.

Since, the term of Mr. Raghavkumar Agarwal (DIN: 02836610), Whole Time Director (Executive Director) of the Company is going to expire on May 29, 2024, the Board of Directors in its meeting held on August 12, 2023, re-appointed him as a Whole Time Director (Executive Director) of the Company for further period of five (5) years, in accordance with Nomination and Remuneration Policy and Article of Association of the Company and based on the recommendations of Nomination & Remuneration Committee ("NRC Committee") and Audit Committee, with effect from May 30, 2024 on such terms and conditions as decided by the Board of Directors of the Company subject to approval of the members.

Mr. Agarwal is not disqualified from being appointed as Whole Time Director in terms of section 196 and Schedule V of the Companies Act, 2013 ("Act") and other provisions of the act as applicable and has given his consent to act as Whole Time Director of the Company. The Company has also received declaration from Mr. Agarwal under Section 164 and 184 of the Act, that he is duly qualified for the above said post and he has not been convicted for any offence under any of the statutes enumerated in Part I of Schedule V to the Companies Act, 2013. He has also confirmed that he is not debarred from holding the office of Director by virtue of any order by SEBI or any other authority.

In the opinion of the Board, Mr. Agarwal possesses appropriate skills, experience & knowledge. Considering his experience, performance, efforts in establishing many new internal projects, improving the operational efficiency, and bringing in a new dynamic vision, road-map and professionalism for growth during his tenure, your directors proposed to re-appoint him as a Whole Time Director of the Company as proposed in the resolution set out at Item No. 4 for approval by the members.

Brief resume and other details of Mr. Agrawal are provided in the **Annexure - A** to the Notice, pursuant to the provisions of (i) SEBI (Listing and Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

The information as required to be disclosed under paragraph (iv) of the second proviso of Paragraph B of Section II of Part II of Schedule V to the Companies Act, 2013 is given in the **Annexure - B** to the Notice in respect of Mr. RaghavKumar Agarwal.

The terms and conditions of re-appointment and remuneration stated in Resolution No. 4 of the notice and its explanatory statement may be treated as a written memorandum setting out the terms of re-appointment and remuneration of Mr. Agarwal under Section 190 of the Act.

The Members are informed that, as per the provisions of Schedule V of the Act, payment of any managerial remuneration, in case of inadequate or no profits, requires approval of Members by special resolution, provided that the Company has not defaulted in payment of dues to its lenders viz. banks, non-convertible debenture holders or other secured creditors. The members are accordingly informed that the Company has not defaulted in payment of dues to its lenders.

Further, in accordance with the Regulation 17(6)(e) of SEBI Listing Regulations, the fees or compensation payable to executive directors who are promoters or members of

promoter group shall be subject to approval of Shareholders by Special Resolution if:

- i. the annual remuneration payable to such executive director exceeds rupees 5 crore or 2.5 per cent of the net profits of the listed entity, whichever is higher; or
- ii. where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the listed entity

Therefore, the shareholders are required to approve the remuneration of Mr. Raghavkumar Agarwal, Whole-Time Director designated as Executive Director, CEO & CFO of the Company by passing the Special Resolution on the recommendation of Audit Committee, NRC Committee and Board of Directors.

The NRC Committee, Audit Committee and the Board have at their respective meeting(s) held on August 12, 2023, subject to the approval of the members of the Company, accorded their approvals for re-appointment of Mr. RaghavKumar Agarwal w.e.f. May 30, 2024.

Given his experience, the Board considers it desirable and in the interest of the Company to have Mr. RaghavKumar Agrawal on the Board of the Company and accordingly the Board recommends the re-appointment of Mr. RaghavKumar Agrawal as a Whole-Time Director designated as Executive Director, CEO & CFO as proposed in the Resolution set out at Item No. 4 of the accompanying Notice for approval by the Members.

Save and except Mr. Kailash Kumar Agarwal, Managing Director and Mr. RaghavKumar Agarwal, Executive Director, CEO and CFO and their relatives to the extent of their respective shareholding interest, if any, in the Company for Item no. 4, none of the other Directors / Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out in Item no. 4.

This statement may also be regarded as an appropriate disclosure under the SEBI Listing Regulations.

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

Item No. 5

In the existing Articles of Association ("AOA"), several clauses/articles of AOA are no longer enforceable currently. Further, several clauses / articles of the existing AOA of the Company require alteration or deletion pursuant to changes in applicable laws. Therefore, it is considered expedient to wholly replace the existing AOA by a new set of Articles.

In accordance with Section 14 of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014, the members of the Company can alter/modify/adopt the AOA of the Company by passing Special Resolution in General Meeting of the Company. Therefore, it is proposed before the members, on recommendation of the Board of Directors of the Company, to alter/adopt a new set of Articles by replacing the existing AOA by passing the Special Resolution.

Copy of the draft AOA of the Company is available for inspection by the members of the Company. Please refer to Note No. 42 given in the Notice on inspection of documents.

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. 5 of the accompanying Notice for approval by the Members.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the members.

By Order of the Board of Directors

Shubham Jain

Membership Number: A49541

Company Secretary &

Compliance Officer

New Delhi
August 12, 2023

Registered office:

15th K.M. Stone, Delhi Road,
V.P.O. Mayar, Hisar – 125044
Email id: cs@hpthreads.com
Website: www.hpthreads.com
Tel: +91 11 41540471/72/73

ANNEXURE - A

Details of the Directors retiring by rotation/ re-appointment at the Annual General Meeting

[Pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings]

Name	Mrs. Ritu Bansal	Mr. Raghavkumar Agarwal
Directors Identification Number (DIN)	03619069	02836610
Designation	Non-Executive Director (Non-Independent Director)	Executive Director, CEO and CFO
Date of Birth	09-05-1975	05-10-1986
Age	48 years	36 years
Nationality	Indian	Indian
Qualification	B.Com (Hons.) from Delhi University, Fellow Member of Institute of Chartered Accountants of India and Member of Institute of Company Secretaries of India.	Bsc. in Management Science from Warwick Business School, University of Warwick, U K.
Brief Profile/ Experience (including expertise in specific functional area)	She holds a Bachelor Degree in Commerce (Hons.) from Delhi University and a fellow member of The Institute of Chartered Accountants of India (ICAI) with more than 23 years of experience in taxation and auditing. She also holds Certificate in Forensic Accounting & Fraud Detection (FAFD), Certificate in Concurrent Audit and Diploma in Information System Audit (DISA) issued by ICAI.	He holds a Bachelor Degree in Management Sciences, from Warwick Business School, University of Warwick, England, UK. He completed his industrial training in textiles from Manchester and having more than 17 years of experience in Textile Industry.
Terms and conditions of appointment and re-appointment	Liable to Retire by Rotation	Liable to Retire by Rotation
In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	NA	NA
Date of first appointment on the Board of the Company	29.05.2015	30.05.2019
Directorship in other companies (excluding HP Cotton Textile Mills Limited)	Nil	<ol style="list-style-type: none"> 1. Achhar Investments Limited 2. Sailesh Textile Mfg Co Ltd 3. Jainish Products Limited 4. Sacred Trading and Investment Company Limited 5. HP MMF Textiles Limited 6. Sanjay Mercantile Private Limited 7. HP Infratech Private Limited 8. HP Merchantainment Private Limited

Name	Mrs. Ritu Bansal	Mr. Raghavkumar Agarwal
Membership/Chairmanship of committee of Directors of other companies	Nil	Nil
Name of listed entities from which the person has resigned in the past three years	Nil	Nil
Relationship with other Directors, Manager and Key Managerial Personnel inter-se	Nil	Son of Mr. Kailash Kumar Agarwal
No. of Shares held as on 31-03-2023 either by self or as a beneficial owner	Nil	1,08,468
Number of Meetings of the Board attended during the financial year 2022-23	5(Five)	5(Five)
Remuneration last drawn (FY 2022-23) (including sitting fees, if any)	3.10 Lacs	58.62 Lacs
Details of remuneration sought to be paid	As per existing approved terms and conditions	As per the resolution at Item No. 4 of the Notice convening this Meeting read with explanatory statement thereto

By Order of the Board of Directors

Shubham Jain

Membership Number: A49541
 Company Secretary & Compliance Officer

New Delhi
 August 12, 2023

Registered office:

15th K.M. Stone, Delhi Road,
 V.P.O. Mayar, Hisar – 125044
 Email id: cs@hpthreads.com
 Website: www.hpthreads.com
 Tel: +91 11 41540471/72/73

Annexure - B

The Statement Containing Additional Information as Required Under Schedule V of the Act in Respect to Resolution No. 4 of the Notice

I. GENERAL INFORMATION

1. Nature of Industry

Established in 1981, HP Cotton Textile Mills Limited (HP Cotton), as a part of Dora Group, a leading textile group of India, specializes in manufacturing cotton yarns and threads with its integrated manufacturing plant at Hisar, and Corporate Office at New Delhi. The company is one of the largest exporter of Cotton Sewing Thread, exporting to more than 30 countries worldwide being a leader in its product segment globally.

2. Date or expected date of commencement of commercial production:

The Company was incorporated on September 03, 1981 and the Certificate of Commencement of Business was granted on January 05, 1982. Since then, the Company had commenced its business.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable

4. Financial performance based on given indicators:

(₹ In lacs)

Financial year	2022-23	2021-22	2020-21
Gross Revenue	8,605.57	13,449.82	9,788.69
Profit/(Loss) before Interest, Depreciation and Tax	(946.35)	1,565.72	1,068.58
Profit/(Loss) after Tax	(1,805.22)	703.96	359.76
Rate of Dividend	Nil	10%	Nil
Earning per Share	(46.66)	18.48	9.46

5. Foreign investments or collaborations, if any:

The Company has not entered into any material foreign collaboration and no direct capital investment has been made in the Company during the previous three financial years. The foreign investors, mainly comprising FIIs and NRIs are investors in the Company on account of past issuances of securities and/or secondary market purchases. As on March 31, 2023, the aggregate foreign shareholding in the Company was approx 0.63%.

II. INFORMATION ABOUT THE APPOINTEE(S):

Mr. RaghavKumar Agarwal, Whole-Time Director

a) Background details, Job Profile and his suitability:

Mr. RaghavKumar Agarwal, a Bsc in Management Sciences, from Warwick Business School, University of Warwick, England, UK. He completed his industrial training in textiles from Manchester and he currently holds the position of Executive Director, CEO and CFO the company. He has been full-time associated with the Company for more than 8 years now. He has been instrumental in transforming the Company's vision dynamically with the introduction of technology and modern manufacturing techniques and harnessing the human capital of the Company, with a core focus on achieving highest levels of efficiencies and has a strong vision for sustainable growth for the Company being achieved through economic, social and environmental sustainability.

His passion, commitment, knowledge and the dynamic approach towards the business, has resulted in tangible and intangible gains for the Company.

b) Past remuneration and remuneration proposed:

Details on proposed remuneration have been stated in Resolution no. 4 of the Notice. In monetary terms, the remuneration for the last 3 financial years is given hereunder:

(₹ In lacs)

Financial year	2022-23	2021-22	2020-21
Mr. RaghavKumar Agarwal	58.62	124.11	99.38

c) Recognition or awards:

Nil

d) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of origin):

Taking into consideration the size of the Company, the profile of the Whole-Time Director, CEO & CFO,

the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate and modest and is less than the remuneration packages paid to similar senior levels in other companies.

e) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:

Mr. RaghavKumar Agarwal has no pecuniary relationship with the Company or its Key Managerial Personnel other than his remuneration in the capacity of the Executive Director, CEO & CFO. As on date of this notice, he holds 1,08,468 shares in the Company in his personal capacity and is the son of Mr. Kailash Kumar Agarwal, Managing Director and Promoter of the Company.

III. OTHER INFORMATION:

1. Reason of loss or inadequate profits:

The Company has posted a loss during the financial year ended March 31, 2023, the main reason for loss/inadequacy is due to volatility in cotton prices and global recession resulting from the ongoing Russia-Ukraine conflict, thereby reducing the performance of the Company.

2. Steps taken or proposed to be taken for improvement:

The Company is making continuous efforts to add new geographies markets to its market portfolio, focussed on new product development, and lastly further seriously looking at technology upgradation to be at par with modern cost efficiency standards and benchmarks, besides de-bottlenecking and adding new allied product lines.

3. Expected increase in productivity and profits in measurable terms:

With increasing market portfolio and technology upgradation, the business is expected to improve in the coming financial year. With the introduction of new products and addition of geographies, the company is seeing a significant increase in demand for its products from global markets, also enhanced by quicker turnaround time. The management is cautiously optimistic towards the external economic environment and expects consumer demand to become more consistent and robust in the current financial year. Further, various policy decisions taken would act as growth channel for the Company which would contribute in increased revenues and higher margins.

IV. DISCLOSURES:

The disclosures on remuneration of Directors and details of all elements of remuneration package, details of fixed components and stock options details etc. are given in the Corporate Governance Report which forms an integral part of Annual Report.

By Order of the Board of Directors

Shubham Jain

Membership Number: A49541
Company Secretary &
Compliance Officer

New Delhi
August 12, 2023

Registered office:

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