

Himatsingka Seide Limited

10/24, Kumara Krupa Road, High Grounds, Bangalore - 560 001, India.

Ref: SEC:0001:2:1134:KGN

August 27, 2018

BSE Ltd
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001

National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor, Plot No. C/1
G Block, Bandra-Kurla Complex, Bandra (E)
Mumbai - 400 051

Dear Sirs,

Sub: Notice of 33rd Annual General Meeting of Himatsingka Seide Limited and Intimation of Remote e-voting facility.

Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

It is hereby informed that the 33rd Annual General Meeting of the Company is scheduled to be held on Saturday, September 22, 2018 at 3.00 pm at The LaLit Ashok, Kumara Krupa Road, High Grounds, Bangalore – 560 001. Copy of notice convening the Annual General Meeting is attached herewith.

Further Pursuant to Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is providing its members the facility to cast their vote by electronic means on all resolutions set forth in the Notice. The instructions for e-voting are mentioned in the said notice.

Kindly take the above on records.

Thanking you,

Yours faithfully,
For Himatsingka Seide Limited.



Ashok Sharma
Company Secretary

NOTICE

NOTICE IS HEREBY GIVEN THAT the Thirty Third Annual General Meeting of the Company will be held, as scheduled below:

Day : Saturday
Date : September 22, 2018
Time : 3:00 P.M.
Place : The LaLiT Ashok, Bengaluru

To transact the following business:

As Ordinary Business:

- 1. To consider and adopt the financial statements (including consolidated financial statements) of the Company for the Financial Year ended March 31, 2018 and Reports of the Board of Directors and Auditors thereon.**
- 2. To declare final dividend of ₹ 2.50 per equity share for the financial year ended March 31, 2018.**
- 3. To elect a Director in place of Mr. V. Vasudevan (DIN: 07521742), who retires by rotation and being eligible, offers himself for re-appointment.**

As Special Business:

- 4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to provisions of Sections 196, 197, 198 and 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, and subject to such approvals or permissions from any authorities as may be necessary and subject to such modifications or stipulations as may be advised/stipulated by such authorities, Mr. Shrikant Himatsingka (DIN: 00122103), be and is hereby re-appointed as Managing Director & CEO of the Company, not liable to retire by rotation, as recommended by the Nomination & Remuneration Committee for a period of 5 years with effect from June 03, 2018 on the following terms and remunerations:

- Salary : ₹ 9,90,000 per month in the scale of ₹ 9,90,000-99,000-13,86,000/-. This will include dearness allowance and all other allowances not otherwise specified herein.
- Perquisites as follows:
 - Housing: Provision of a furnished accommodation, owned / hired by the Company and to deduct 10% of the monthly salary. If no accommodation is provided by the Company, house rent allowance will be payable at 50% of salary.
Explanation:
The expenditure incurred by the Company on electricity, water and furnishing, will be valued as per the Income Tax Rules, 1962,
 - Leave Travel concession for self and family
 - Club Fee
 - Personal Accident Insurance
 - Medical expenses and Medical Insurance for self & family
 - Company maintained Car with Driver for official and personal use
 - Telecommunication facilities at residence
 - Contribution to Provident Fund, Pension Fund, Superannuation Fund, and Annuity Fund to the extent the same are not taxable under the Income Tax Act, 1961
 - Gratuity as per the provisions of the Payment of Gratuity Act, 1972 or as per the Gratuity scheme of the Company, whichever is higher
 - Leave unavailed of, to be allowed to be accumulated/ encashed as per the rules of the Company
- Commission: Such amount of commission (in addition to salary and perquisites hereinabove stated) calculated with reference to the net profit of the Company for each financial year as may be fixed by the Board of Directors or a Sub-Committee of Directors which together with the salary and monetary value of perquisites shall not exceed the ceiling laid down in Section 197 of the Companies Act, 2013".

"RESOLVED FURTHER THAT in the event of inadequacy or absence of profit in any financial year, Mr, Shrikant Himatsingka, shall be paid the same remuneration as stated hereinabove, as minimum remuneration but subject to the upper limit, if any, prescribed under the Companies Act, 2013 from time to time."

"RESOLVED FURTHER THAT in the event of loss of his office as Managing Director & CEO, Mr, Shrikant Himatsingka, shall be paid compensation in the manner and to the extent permissible under the provisions of Section 202 of the Companies Act, 2013."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby further authorized to take all such steps and to do all such acts, deeds and things, as may be necessary to implement the above resolution."

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Section 188 of the Companies Act, 2013 read with rules made thereunder, Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such approvals or permissions from any authorities as may be necessary and subject to such modifications or stipulations as may be advised/stipulated by such authorities, the approval of the Company be and is hereby accorded for appointment of Mrs, Akanksha Himatsingka as Head Business Development Europe & Asia Pacific (Home Textiles) for the Bed Linen business of Himatsingka Seide Limited, on the following terms & conditions:

Terms and conditions:

Sl.No	Particulars	Per month (in ₹)	Per Annum (in ₹)
1.	Basic	1,50,000	18,00,000
2.	HRA	75,000	9,00,000
3.	PF Contribution	18,000	2,16,000
4.	Perquisite	3,300	39,600
5.	Medical premium	1,250	15,000
	Total	2,47,550	29,70,600

In addition to the above Mrs, Akanksha Himatsingka will be eligible for a performance based variable pay as per the Company's Policy.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, matters and things as may be required/necessary to give effect to the above resolution."

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 and Article 87 of the Article of Association, a sum not exceeding one percent per annum of the net profit of the Company, calculated in accordance with the provisions of Section 198 of the Companies Act, 2013 be paid to and distributed amongst the Directors of the Company or some or any of them (Other than the Managing/Whole-time Directors) in such amounts or proportions and in such manner and in all respects as may be directed by the Board of Directors and such payments shall be made in respect of the profits of the Company for each year, for a period of five years commencing from April 1, 2019"

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

"RESOLVED THAT in accordance with the provisions of Section 42, Section 62 and Section 71 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), and

- subject to the relevant provisions of the Memorandum and Articles of Association of the Company;
- subject to the requirements of the Listing Agreement entered into by the Company with the Stock Exchanges read with SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015,
- subject to the provisions of the Foreign Exchange Management Act, 1999 (FEMA), as amended, and all applicable regulations framed and notifications issued thereunder;
- subject to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("SEBI Regulations), as applicable; including the Regulations for Qualified Institutions Placement prescribed in Chapter VIII thereof;
- pursuant to all other applicable rules, regulations, circulars, notifications, guidelines issued by the Government of India, Ministry of Finance, the Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI) and all other governmental or regulatory bodies in India;
- subject to obtaining and compliance with all necessary approvals, consents, permissions and /or sanctions, as applicable from Government of India (GOI), Ministry of Finance, Ministry of Commerce and Industry, the Foreign Investment Promotion Board (FIPB), RBI, SEBI, relevant Stock Exchanges whether in India or overseas, all other appropriate regulatory and governmental authorities whether in India or overseas, any institutions, lenders and any other third parties and subject to such conditions and modifications as may be prescribed by any of them whilst granting such approvals, permissions, consents and sanctions and

which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board"; which term shall include any Committee(s) constituted or to be constituted for the purpose of any offering(s) to be made by the Company in pursuance of this Resolution);

consent of the Members/Company be and is hereby accorded to the Board to create, offer, issue and allot: i) in the course of one or more domestic offering(s), and /or ii) in the course of one or more international offering(s), in one or more foreign markets such number of equity shares of the Company ("Equity Shares"), including those to be issued pursuant to Rights Issue, Qualified Institutions Placements (QIPs), Private Placement, Global Depository Receipts (GDRs), Foreign Currency Convertible Bonds (FCCBs), and / or convertible bonds, debentures and /or any other securities fully or partly convertible into or exchangeable with Equity Shares and /or other securities convertible into Equity Shares at the option of the Company and /or the holder(s) of such securities and /or securities linked to Equity Shares and /or securities with or without detachable /non-detachable warrants and /or warrants with a right exercisable by the warrant holders to subscribe to Equity Shares and /or any instruments which would be converted into /exchanged with Equity Shares at a later date whether rupee denominated or denominated in any foreign currency, naked or otherwise, either in registered or bearer forms or any combination of the Equity Shares and securities, with or without premium or at Discount as the Board in its sole discretion may decide, whether secured by way of creating charge on the assets of the Company or unsecured (hereinafter collectively referred to as "the Securities"), in one or more tranches, with or without green shoe option, to any eligible person including but not limited to foreign, resident (whether institutions, incorporated bodies, Banks, Trusts, Insurance Companies, Mutual Funds and /or individuals or otherwise) Qualified Institutional Buyers, Foreign Institutional Investors, Indian and /or Multilateral Financial Institutions, Non-resident Indians, and / or other categories of investors whether they be holders of Equity Shares in the Company or not (collectively called as "Investors") who are eligible to acquire the Securities in accordance with all applicable laws, rules, regulations, guidelines and approvals including those of the Government of India through public issue(s), right issue, qualified institutional placement, preferential issue(s), private placement(s) or any combination thereof, through prospectus, offer document, offer letter, offer circular, placement document, information memorandum, private placement memorandum or otherwise, at such time or times and at such price or prices subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, at a discount or premium to market price or prices in such manner and on such terms and conditions including as regards security, rate of interest, etc. as may be deemed appropriate by the Board in its discretion, for an aggregate amount, in one or more offering(s) and / or in one or more tranches, not exceeding an amount of ₹ 500 Crores (Rupees Five Hundred Crores) inclusive of any premium, green shoe or over- allotment option, as may be approved by the Board, who shall have the discretion to determine the categories of investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of investors and the time of such offer, issue and allotment considering the prevailing market conditions and all other relevant factors, and wherever necessary, in consultation with Advisor(s), Lead Manager(s) and Underwriter(s)."

"RESOLVED FURTHER THAT approval be and is hereby accorded for borrowing/raising funds in INR/Foreign Currency by issue of debt instruments (including bonds, non-convertible debentures etc.), secured or unsecured, in one or more tranches (the "Debentures") by way of private placement or public issue or otherwise and as per the structure and within the limits permitted by RBI, MCA and other regulatory authorities from eligible investors of an amount not exceeding ₹ 300 Crores (Rupees Three Hundred Crores) during the period of one year from the date of passing of this resolution within the overall limit of ₹ 500 Crores (Rupees Five Hundred Crores) as aforesaid."

"RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid offering(s) of Securities, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, may have all or any terms, or combination of terms, in accordance with accepted practice, including but not limited to, conditions in relation to payment of interest, additional interest, premium(s) on redemption, prepayment and any other debt service payments whatsoever and all such terms as are provided in domestic / international offerings of this nature including terms for issue of such Securities or variation of the conversion price of the Securities during the duration of the Securities."

"RESOLVED FURTHER THAT the Board is entitled to appoint, enter into and execute all such agreements with any Advisor(s), Lead Manager(s), Underwriter(s), Guarantor(s), Depository (ies), Trustee(s), Custodian(s), Legal Counsel(s) and all such other relevant agencies as may be involved or concerned in such offerings of Securities and to remunerate all such agencies including by payment of commissions, brokerage, fees or the like."

"RESOLVED FURTHER THAT the Board may, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, issue receipts and / or certificates representing the Securities with such features and attributes as are prevalent in international and / or domestic capital markets for instruments of such nature and to provide for the tradability or transferability thereof as per the international and / or domestic practices and regulations, and in the forms and practices prevalent in such international and / or domestic markets."

"RESOLVED FURTHER THAT the Company may enter into any arrangement with any agency or body authorized by the Company for the issue of Securities with such features and attributes as are prevalent in capital markets for instruments of this nature and to provide for the tradability or free transferability thereof as per the domestic and/or international practice and regulations, and under the norms and practices prevalent in securities markets."

"RESOLVED FURTHER THAT the Company do apply for listing of the Securities, as may be issued pursuant to this Resolution, on the domestic stock exchanges and / or one or more international stock exchanges, as may be necessary and permissible, and to apply for admission thereof to the domestic and / or international Depositories."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion, redemption or cancellation of any of the Securities or as may be necessary in accordance with

the terms of the offering(s), all such Equity Shares shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu with the existing Equity Shares of the Company in all respects, except as may be provided under the terms of the issue and in the offer document, if any."

"RESOLVED FURTHER THAT in the event the Equity Shares are issued in the course of QIP under Chapter VIII of SEBI (ICDR) Regulations, as amended from time to time, the pricing shall be in accordance with regulation 85 of Chapter VIII of the SEBI (ICDR) Regulations, as amended from time to time, The Company may offer a discount of not more than 5% (Five percent) on the price calculated for the QIP or such other discount as may be permitted under SEBI (ICDR) Regulations, as amended from time to time."

"RESOLVED FURTHER THAT the "relevant date" means the date of the meeting in which the Board decides to open the proposed issue or such date that may be determined in accordance with applicable laws, rules, regulations, guidelines and approvals."

"RESOLVED FURTHER THAT such of the Securities to be issued and not subscribed may be disposed off by the Board to such persons and in such manner and on terms as the Board in its absolute discretion thinks fit in the best interest of the Company and as permissible at law."

"RESOLVED FURTHER THAT for the purpose of giving effect to these resolutions and any issue or allotment of Securities as described in the above paragraphs, the Board be and is hereby authorized, on behalf of the Company, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, to do all such acts, deeds, matters and things as it may, in its discretion, deem necessary or desirable for such purpose, as regards, inter-alia, the issue and /or allotment of Securities, the utilization of issue proceeds and with power, on behalf of the Company, to settle any questions, difficulties or doubts that may arise in regard to any such issue or allotment as it may, in its discretion, deem fit."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to finalise, approve and make all filings including as regards the requisite listing application /prospectus /offer document /offer letter /offer circular /placement document / information memorandum / private placement memorandum or otherwise, or any draft(s) thereof, or any amendments or supplements thereof, and of any other relevant documents with the stock exchanges, RBI, SEBI and such other authorities or institutions in India and / or abroad for this purpose."

"RESOLVED FURTHER THAT the acts, deeds and things already done by the Board in this regard be and are hereby confirmed, approved and ratified."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of its powers herein conferred to any Committee along with the authority to the said Committee to further delegate specific powers to anyone or more Directors / Executives of the Company, in order to give effect to the aforesaid Resolution."

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

"RESOLVED THAT pursuant to provisions of Sections 196, 197, 198 and 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, and subject to such approvals or permissions from any authorities as may be necessary and subject to such modifications or stipulations as may be advised/stipulated by such authorities, the approval of the Company be and is hereby accorded for the continuation of holding office of Executive Chairman by Mr. D. K. Himatsingka (DIN :00139516), liable to retire by rotation, who will be attaining the age of Seventy years on November 29, 2018 upto the expiry of his existing term which is up to March 31, 2019 on the following existing terms and remuneration as approved by the members of the Company at their meeting held on September 17, 2016:

- a. Salary: ₹ 825,000 per month in the scale of ₹ 825,000 – 82,500 – 990,000/-. This will include dearness allowance and all other allowances not otherwise specified herein.
- b. Perquisites as follows:
 - (i) Housing: Provision of a furnished accommodation, owned / hired by the Company and to deduct 10% of the monthly salary. If no accommodation is provided by the Company, house rent allowance will be payable at 50% of salary.
Explanation:
The expenditure incurred by the Company on electricity, water and furnishing, will be valued as per the Income Tax Rules, 1962.
 - (ii) Leave Travel concession for self and family.
 - (iii) Club Fee
 - (iv) Personal Accident Insurance
 - (v) Medical expenses and Medical Insurance for self & family.
 - (vi) Company maintained Car with Driver for official and personal use

- (vii) Telecommunication facilities at residence.
 - (viii) Contribution to Provident Fund, Pension Fund, Superannuation Fund, and Annuity Fund to the extent the same are not taxable under the Income Tax Act, 1961.
 - (ix) Gratuity as per the provisions of the Payment of Gratuity Act, 1972 or as per the Gratuity scheme of the Company, whichever is higher.
 - (x) Leave unavailed of, to be allowed to be accumulated / encashed as per the rules of the Company.
- c. Commission: Such amount of commission (in addition to salary and perquisites hereinabove stated) calculated with reference to the net profit of the Company for each financial year as may be fixed by the Board of Directors or a Sub-Committee of Director which together with the salary and monetary value of perquisites shall not exceed the ceiling laid down in Section 197 of the Companies Act, 2013."

"RESOLVED FURTHER THAT in the event of inadequacy or absence of profit in any financial year, Mr. D. K. Himatsingka, shall be paid the same remuneration as stated herein above, as minimum remuneration but subject to the upper limit, if any, prescribed under the Companies Act, 2013 from time to time."

"RESOLVED FURTHER THAT in the event of loss of his office as Executive Chairman, Mr. D.K. Himatsingka, shall be paid compensation in the manner and to the extent permissible under the provisions of Section 202 of the Companies Act, 2013."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby further authorized to take all such steps and to do all such acts, deeds and things, as may be necessary to implement the above resolution."

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

"RESOLVED THAT pursuant to provisions of Sections 196, 197, 198 and 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, and subject to such approvals or permissions from any authorities as may be necessary and subject to such modifications or stipulations as may be advised/stipulated by such authorities, Mr. D K Himatsingka (DIN: 00139516), be and is hereby re-appointed as Executive Chairman of the Company, liable to retire by rotation, as recommended by the Nomination & Remuneration Committee for a period of 5 years with effect from April 1, 2019 on the following terms and remuneration:

- a. Salary : ₹ 9,90,000 per month in the scale of ₹ 9,90,000-99,000-13,86,000/- . This will include dearness allowance and all other allowances not otherwise specified herein,
- b. Perquisites as follows:
 - (i) Housing: Provision of a furnished accommodation, owned / hired by the Company and to deduct 10% of the monthly salary. If no accommodation is provided by the Company, house rent allowance will be payable at 50% of salary.
 Explanation:
 The expenditure incurred by the Company on electricity, water and furnishing, will be valued as per the Income Tax Rules, 1962.
 - (ii) Leave Travel concession for self and family
 - (iii) Club Fee
 - (iv) Personal Accident Insurance
 - (v) Medical expenses and Medical Insurance for self & family
 - (vi) Company maintained Car with Driver for official and personal use
 - (vii) Telecommunication facilities at residence
 - (viii) Contribution to Provident Fund, Pension Fund, Superannuation Fund, and Annuity Fund to the extent the same are not taxable under the Income Tax Act, 1961
 - (ix) Gratuity as per the provisions of the Payment of Gratuity Act, 1972 or as per the Gratuity scheme of the Company, whichever is higher
 - (x) Leave unavailed of, to be allowed to be accumulated / encashed as per the rules of the Company
- c. Commission: Such amount of commission (in addition to salary and perquisites hereinabove stated) calculated with reference to the net profit of the Company for each financial year as may be fixed by the Board of Directors or a Sub-Committee of Directors which together with the salary and monetary value of perquisites shall not exceed the ceiling laid down in Section 197 of the Companies Act, 2013."

"RESOLVED FURTHER THAT in the event of inadequacy or absence of profit in any financial year, Mr. D K Himatsingka, shall be paid the same remuneration as stated hereinabove, as minimum remuneration but subject to the upper limit, if any, prescribed under the Companies Act, 2013 from time to time"

"RESOLVED FURTHER THAT in the event of loss of his office as Executive Chairman, Mr. D K Himatsingka, shall be paid compensation in the manner and to the extent permissible under the provisions of Section 202 of the Companies Act, 2013."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby further authorized to take all such steps and to do all such acts, deeds and things, as may be necessary to implement the above resolution."

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

"RESOLVED THAT, Pursuant to Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, consent of the Company be and is hereby accorded for Dr. K. R. S. Murthy (DIN: 00167877) to continue as an Independent Director of the Company till the completion of his present term i.e, up to February 10, 2020."

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

"RESOLVED THAT pursuant to Section 233 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 read with Rule 25 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and subject to the approval of the National Company Law Tribunal, if applicable, Registrar of Companies, Regional Director and such other authorities as may be necessary and creditors of the Company and subject to such terms and conditions and modification(s), as may be imposed, prescribed or suggested by the appropriate authorities, the approval of the Company be and is hereby accorded to the Scheme of Arrangement, by Himatsingka Seide Limited ("Transferee Company") with its wholly owned subsidiary Himatsingka Wovens Private Limited ("Transferor Company") whereby the retail business division of 'Transferor Company', is proposed to be demerged to the 'Transferee Company', in terms of Scheme of Arrangement."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all such acts, deeds, matters and things, as may be considered requisite, desirable, appropriate or necessary to implement the Scheme and to accept such modification(s), amendment(s), limitation(s) and/or condition(s), if any, which may be required and/or imposed by the NCLT, if applicable, and/or any other authority(ies) or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise for giving effect to the scheme"

Registered Office:
10/24, Kumara Krupa Road
High Grounds,
Bengaluru-560 001
Date: August 9, 2018

By order of the Board
for **Himatsingka Seide Ltd,**

Ashok Sharma
Company Secretary

Notes:

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF PAID UP SHARE CAPITAL OF THE COMPANY.**
- 2) Statement setting out material facts pursuant to the provisions of Section 102 of the Companies Act, 2013 (the "Act") in respect of Item Nos. 4 to 11 of the Notice is annexed hereto.
- 3) The copies of the following documents as prescribed under Rule 25(3) of The Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 are being circulated along with this notice and the same forms an integral part of the notice:-
 - (i) Statement with prescribed disclosures under rule 25(3)(a) read with rule 6(3) of the companies (compromises, arrangements and amalgamations)rules, 2016 as a part of explanatory statement.
 - (ii) Proposed scheme of amalgamation;
 - (iii) Declaration of Solvency in form CAA-10;
- 4) The Register of members and share transfer books of the Company shall remain closed from September 15, 2018 to September 22, 2018 (both days inclusive).
- 5) Members desiring any information as regards accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
- 6) Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (Seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred, under Section 124 of the Companies Act, 2013, to the

Investor Education and Protection Fund, established under Section 125 of the Companies Act, 2013. As per Section 124(6) of the Act read with the IEPF Rules as amended, all the shares in respect of which dividend has remained unpaid/unclaimed for seven consecutive years or more are required to be transferred to an IEPF Demat Account.

Pursuant to IEPF rules, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on the last AGM on the website of the Company (www.himatsingka.com) and also on the website of the Ministry of Corporate Affairs. Members may approach the IEPF authority to claim the unclaimed dividend transferred by the Company to IEPF. Members may approach the Company Secretary for claiming the unclaimed dividend which is yet to be transferred to IEPF by the Company. The status of the dividends remaining unclaimed /unpaid with the respective due dates of transfer to IEPF is provided in the Corporate Governance report of the annual report.

- 7) 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 participants with whom they are maintaining their demat accounts. Members holding shares in physical mode can submit their PAN to the Company / KARVY.
- 8) Members are requested to notify immediately any change of name, address, bank details, e-mail address, contact numbers etc., to the Company/ Registrars (for shares held in physical form) and Depository Participants (for shares held in dematerialized form).
- 9) With the aim of curbing fraud and manipulation risk in physical transfer of securities, SEBI has notified the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 on June 8, 2018 to permit transfer of listed securities only in the dematerialized form with a depository. In view of the above and the inherent benefits of holding shares in electronic form, we urge the shareholders holding shares in physical form to opt for dematerialization.
- 10) The Notice of the AGM along with the Annual Report 2017-18 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
- 11) To support the green initiative, the Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register the same by sending a written request signed by the first / sole holder to the Registrar and Transfer Agents, Karvy Computershare Private Limited quoting details of Folio No. If any shareholder requires the Annual Report and other documents in physical form, they are requested to inform the Company's RTA by sending e-mail to the following e-mail address (einward.ris@karvy.com) or sending a letter to the RTA.
- 12) The relevant documents referred in the Notice will be open for inspection by the members at the Registered Office of the Company during working days (except Saturdays, Sundays & Public Holidays) between 09.30 a.m. to 5.00 p.m upto September 22, 2018.
- 13) Additional information, pursuant to Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India and Regulation-36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of Directors seeking appointment/re-appointment at the Annual General meeting is enclosed as an Annexure to the Notice.
- 14) Voting through electronic means:

In compliance with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to inform that all the resolutions as stated in the notice can be transacted by electronic voting system and the Company has provided members with the facility to exercise their right to vote by electronic means through e-voting services provided by M/s. Karvy Computershare Private Limited.
- 15) At the 32nd Annual General Meeting of the Company held on September 23, 2017, the members approved appointment of M/S BSR & Co., LLP, Chartered Accountants (Registration No. 101248W/W-100022) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that Annual General Meeting till the conclusion of the 37th Annual General Meeting, subject to ratification of their appointment by members at every Annual General Meeting.

Vide notification dated May 7, 2018, the Ministry of Corporate Affairs has done away with the requirement of seeking ratification of members for appointment of auditors at every Annual General Meeting. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the 33rd Annual General Meeting.
- 16) The instructions for e-voting are given in the enclosed e-voting instruction slip.

Registered Office
10/24, Kumara Krupa Road
High Grounds
Bengaluru-560 001
Date: August 9, 2018

By order of the Board
for **Himatsingka Seide Ltd.,**

Ashok Sharma
Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM 4

The Board at their meeting held on May 25, 2018 on the recommendation of Nomination and Remuneration Committee approved the re-appointment of Mr. Shrikant Himatsingka (DIN: 00122103) as Managing Director & CEO of the Company, not liable to retire by rotation, for a term of five years and revised the remuneration w.e.f. June 3, 2018. The terms and condition as set out in the resolution are considered to be fair, just and reasonable.

The Company has received (i) consent in writing from Mr. Shrikant Himatsingka in Form DIR-2 pursuant to Rule 8 of The Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of The Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013. The re-appointment of Mr. Shrikant Himatsingka requires the approval of shareholders by an ordinary resolution. The draft of the contract of service to be entered is open for inspection at the registered office of the company, during business hours on any working day upto September 22, 2018.

The following persons are interested in the resolution:

Sl.No	Name	Relationship with the Company	Nature of Interest
1.	Mr. Shrikant Himatsingka	Managing Director & CEO	Self
2.	Mr. D.K. Himatsingka	Executive Chairman & Member	Relative
3.	Mrs. Rajshree Himatsingka	Member	Relative
4.	Mrs. Priyadarshini Himatsingka	Member	Relative
5.	Mrs. Akanksha Himatsingka	Head Business Development Europe & Asia Pacific (Home Textiles)	Relative

Except above, none of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is interested in this resolution. The Board recommends the resolution for the approval of the members.

ITEM 5

In terms of the first proviso to Sub Section (1) of Section 188 of the Companies Act, 2013, read with Rule 15(3) (b) of the Companies (Meeting of Board and its Powers) Rules, 2014, appointment of a related party to any office or place of profit in the Company at a monthly remuneration exceeding Rs. 2.50 lacs requires prior approval from Members by means of Ordinary Resolution.

In terms of Section 188(1)(f) of the Companies Act, 2013, the Board of Directors, at their Meeting held on May 25, 2018 on the recommendation of Audit Committee at its meeting held on that day, appointed Mrs. Akanksha Himatsingka, wife of Mr. Shrikant Himatsingka, Managing Director & CEO as Head Business Development, Europe & Asia Pacific (Home Textiles) w.e.f. May 25, 2018 subject to approval by the Members of the Company by Ordinary Resolution, at a remuneration to be paid to her as approved by the Nomination and Remuneration Committee in accordance with the Remuneration Policy of the Company and detailed below:

Sl.No	Particulars	Per month (in ₹)	Per Annum (in ₹)
1.	Basic	1,50,000	18,00,000
2.	HRA	75,000	9,00,000
3.	PF Contribution	18,000	2,16,000
4.	Perquisite	3,300	39,600
5.	Medical premium	1,250	15,000
	Total	2,47,550	29,70,600

In addition to the above Mrs. Akanksha Himatsingka will be eligible for a performance based variable pay as per the Company's Policy.

Mrs. Akanksha Himatsingka, age 38 years, did her education from The Art Institute of Pittsburgh, Pittsburgh, PA (U.S.A.) and N.M. College of Commerce and Economics, Mumbai, India. She has been associated with in the past with Crest Animation Studios Ltd, Mumbai, Prana Studios Pvt. Ltd., Mumbai. Previously she was Managing Director, Himatsingka Wovens Pvt. Ltd. She is the wife of Mr. Shrikant Himatsingka, Managing Director & CEO of the Company. She is a Director of Priya Resources Ltd, Orient Silk Private Limited, Bihar Mercantile Union Limited, Aditya Resources Limited, Awdhan Trading Co Limited, Himatsingka Energy Pvt Ltd and Himatsingka Ventures Pvt Ltd. Her Last drawn salary as Managing Director of Himatsingka Wovens Private Limited was Rs. 2,32,780 per month.

The following persons are interested in the resolution:

Sl.No	Name	Relationship with the Company	Nature of Interest
1.	Mrs. Akanksha Himatsingka	Head Business Development Europe & Asia Pacific (Home Textiles)	Self
2.	Mr. Shrikant Himat singka	Managing Director & CEO	Relative

Except above, none of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is interested in this resolution. The Board recommends the resolution for the approval of the members.

ITEM 6

The shareholders, in their meeting held on September 23, 2014, had approved payment of commission to Directors other than the Managing Director/Whole Time Directors, for a period of five years with effect from April 1, 2014, of a sum not exceeding one percent per annum of the net profits of the Company, calculated in accordance with the provisions of Section 198 of the Companies Act, 2013. It is proposed to seek approval from shareholders for payment of commission for a further period of five years w.e.f. April 1, 2019. The commission will be distributed amongst all or some of the Directors, other than Managing/ Whole time Directors, in accordance with the directions given by the Board. Payment of commission to Directors requires the approval of shareholders by an ordinary resolution. The Board recommends the resolution for the approval of the members.

Except the Executive Directors and key managerial personnel and their relatives all other Directors along with their relatives are interested in this resolution.

ITEM 7

With a view to augment long term financial resources for funding its growth, meeting working capital requirements, reducing the debt of the company and/or for general corporate purposes, the Company proposes to raise an amount not exceeding INR 500 Crores (Rupees Five Hundred Crores). This amount will be raised by way of issue of further Equity Shares against either of Qualified Institutions Placements (QIPs), Right Issues, Global Depository Receipts (GDRs), Foreign Currency Convertible Bonds (FCCBs), and / or convertible bonds, debentures and /or any other securities fully or partly convertible into or exchangeable with Equity Shares and /or other securities convertible into Equity Shares at the option of the Company and /or the holder(s) of such securities and /or securities linked to Equity Shares and /or securities with or without detachable /non-detachable warrants and /or warrants with a right exercisable by the warrant holders to subscribe to Equity Shares and /or any instruments which would be converted into /exchanged with Equity Shares at a later date (collectively "Securities").

The proposed Special Resolution seeks the enabling authorization of the Members of the Company for the Board of Directors, without the need of any further approval from the Members, to undertake the issue of such Securities in accordance to applicable laws and subject to consents of concerned governmental and regulatory authorities. Pursuant to above the Board may, in one or more tranche(s), issue and allot equity shares and Securities on such date as may be determined by the Board.

Section 42, Section 62 and Section 71 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, provide, inter alia, that where it is proposed to increase the subscribed share capital of the Company by allotment of further shares, such further shares shall be offered to persons who on the date of the offer are holders of equity shares of the Company, in proportion to the capital paid up on those shares as of that date unless the Members decide otherwise. The Special Resolution seeks the consent and authorization of the Members to the Board of Directors to make the proposed issue of the Securities, in consultation with Lead Managers, Legal Advisors and other intermediaries and in the event it is decided to issue Securities convertible into equity shares, to issue to the holders of such convertible Securities in such manner and such number of equity shares as may be required to be issued in accordance with the terms of the issue, keeping in view the then prevailing market conditions and in accordance with the applicable provision of rules, regulations or guidelines.

The Board of Directors at their meeting held on August 9, 2018 approved the proposal and accordingly recommends the resolution set out in Item No. 7 of the notice as a Special Resolution.

None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is interested in this resolution.

ITEM 8 & 9

The Board and the Shareholders of the Company at their meeting held on February 06, 2014 and September 23, 2014 respectively approved the re-appointment of Mr. D K Himatsingka (DIN: 00139516) as Managing Director of the Company, for a term of five years w.e.f. April 01, 2014 as per the remuneration approved by the Remuneration Committee at their meeting held on February 06, 2014.

The Board of Directors at their meeting held on May 21, 2016 on the recommendation of Nomination and Remuneration Committee approved the change in designation of Mr. D K Himatsingka from Managing Director to Chairman & Executive Director and revised the remuneration w.e.f. May 21, 2016.

Mr. D K Himatsingka, Executive Chairman will be attaining the age of 70 years w.e.f., November 29, 2018. The Company seeks consent of the members by way of special resolution for continuation of his holding of existing office after the age of 70 years during the current term of his appointment i.e. March 31, 2019, under the provisions of Section 196 (3) (a) of the Companies Act, 2013.

Further the Board at their meeting held on August 9, 2018 on the recommendation of Nomination and Remuneration Committee approved the re-appointment of Mr. D K Himatsingka (DIN: 00139516) as Executive Chairman of the Company, liable to retire by rotation, for a term of five years and revised the remuneration w.e.f. April 1, 2019. The terms and condition as set out in the resolution are considered to be fair, just and reasonable.

The Company has received (i) consent in writing from Mr. D K Himatsingka in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of The Companies (Appointment & Qualification of Directors)

Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013. The re-appointment of Mr. D K Himatsingka requires the approval of shareholders by a Special Resolution. The draft of the contract of service to be entered is open for inspection at the registered office of the company, during business hours on any working day upto September 22, 2018.

The following persons are interested in the resolution:

Sl.No	Name	Relationship with the Company	Nature of Interest
1.	Mr. D.K. Himatsingka	Executive Chairman & Member	Self
2.	Mr. Shrikant Himatsingka	Managing Director & CEO	Relative
3.	Mrs. Rajshree Himatsingka	Member	Relative
4.	Mrs. Priyadarshini Himatsingka	Member	Relative
5.	Mrs. Akanksha Himatsingka	Head Business Development, Europe & Asia Pacific (Home Textiles)	Relative

Except above, none of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is interested in this resolution. The Board recommends the resolution for the approval of the members.

ITEM 10

The Members of the Company on September 15, 2015 approved the appointment of Dr. K R S Murthy as an Independent Director of the Company for a period of five years with effect from February 11, 2015. Dr. Murthy will complete his present term on February 10, 2020.

In terms of the recently notified SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, consent of the Members by way of Special Resolution is required for continuation of a Non-Executive Director beyond the age of Seventy five years. Dr. K R S Murthy has already attained the age of Seventy five years.

The Nomination & Remuneration Committee and the Board of Directors of the Company are of the view that in order to take advantage of Dr. K R S Murthy counsel and advice, it would be appropriate that he continues to serve on the Board till the completion of his present term of appointment as already approved by the Members. The Board recommends the resolution for the approval of the members.

Apart from Dr. K R S Murthy and his relatives, none of the Directors or Key Managerial Personnel or any relative of any of the Directors of the Company or the relatives of any Key Managerial Personnel are interested in this resolution.

ITEM 11

The Board at its meeting held on May 25, 2018 approved draft Scheme of Arrangement between Himatsingka Seide Limited ("Transferee Company") and its wholly owned subsidiary Himatsingka Wovens Private Limited ("Demerged Company") whereunder the retail business division of the Demerged Company is proposed to be transferred to the Transferee Company by way of a demerger. Himatsingka Wovens Private Limited, is engaged in retail business and rental income from immovable property. To integrate the retail businesses of the Transferor Company in order to consolidate manufacturing, and sale / retail business at Transferee Company level. The integration of the retail business will optimise utilization of resources, operations on economies of scale, achieve cost savings and reduction in administrative overheads, reduction in multiplicity of legal and regulatory compliances, aid rationalization and simplification of business process, optimize resources and provide focused leadership / management attention to the retail business and enhance such business by bringing in operational synergies. Himatsingka Wovens Private Limited will continue to commercially exploit the immovable property and earn rental income, which is a separate business vertical. The rationale is further dealt with in detail in the proposed Scheme of Arrangement, a copy of which is enclosed and circulated along with the present notice and statement.

PARTICULARS TO BE DISCLOSED UNDER RULE 25(3)(a) OF COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

Sl. No	PARTICULARS	TRANSFEREE/RESULTING COMPANY	TRANSFEROR/DEMERGED COMPANY
1	Name of the Company	Himatsingka Seide Limited	Himatsingka Wovens Private Limited
2	Corporate Identification Number (CIN)	L17112KA1985PLC006647	U17116KA1995PTC017552
3	Global Location Number (GLN)	N.A.	N.A.
4	Permanent Account Number (PAN)	AAACH3507N	AABCA6710F
5	Date of incorporation	23/01/1985	05/04/1995

Sl. No	PARTICULARS	TRANSFeree/RESULTING COMPANY	TRANSFEROR/DEMERGED COMPANY
6	Type of the company (whether public or private or one-person company)	Public Limited (Listed Company)	Private Limited (Unlisted Company)
7	Registered office address	#10/24, Kumara Krupa Road, High Grounds, Bengaluru - 560001	#10/24, Kumara Krupa Road, High Grounds, Bengaluru - 560001
8	E-mail address	corporate@himatsingka.com	corporate@himatsingka.com
9.	Summary of main object as per the Memorandum of association; and main business carried on by the company	<p>(1) To carry on all or any of the business of silk mercers, silk spinners and reelers, silk weavers and printers, doublers, combers, linen manufacturers, cotton spinners, worsted spinners, yarn merchants including silk yarn, worsted stuff manufacturers, bleachers and dyers and to purchase, comb, prepare, spin, reel, dye, print and deal in silk, cotton, wool, polyester, viscose and other fibrous substances or otherwise manufacture, buy and sell and deal in silk of all varieties including silk yarn, silk waste and silk goods linen cloth and other goods and fabrics.</p> <p>(2) To carry on the business of manufacturers, buyers, sellers, dealers, importers, exporters and agents in textile goods and readymade garments of all fabrics cotton, woolen, silk, terene, terecotton, linen and such fabrics which may come into market as an advent of scientific development and suitable for manufacture of garments, industrial and furnishing cloth and printing, knitting, dyeing and colouring of all kinds of fabrics and yarn.</p>	<p>(1) To carry on all or any of the business of mercers, spinners and reelers, weavers and printers, doublers, combers, embroidering, bleachers and dyers of silk, cotton, wool, rayon, polysters, viscose, canvas, jute and other fibrous substances; and of manufacturers including worsted stuff manufacturers, tailors, dress makers, clothiers, lace manufacturers, designers, feather dressers, buyers, sellers, retailers, dealers, importers, exporters and agents of textile goods, fabrics, made-ups, blankets, comforters, duvets, bed sheet sets, cotton gaddis, bolsters, pillows, curtains and other home textiles, shawls, tweeds, carpets, durries, mats, rugs, namdas, hemp fabrics, cashmere, flannel and readymade garments and accessories made out of all fabrics, cotton, woolen silk, terrene, terecotton, jute, linen, fibre, felt, leather, synthetic leather, rubber, plastic and similar goods and such fabrics which may come into market as an advent of scientific development and suitable for manufacture of home textiles, garments, apparels, industrial and furnishing cloth and printing, knitting, dyeing and colouring of all kinds of fabrics and yarn including silk yarn, silk waste and silk goods, linen cloth, and other goods and fabrics.</p> <p>(2) To carry on the business of manufacturers, designers, buyers, sellers, retailers, dealers, importers, exporters and agents of all types of interior decorative and life style products and personal accessories and all articles of personal and household use, decoration or ornament, such as designer fabrics, wall hanging textiles, hand bags, photo frames, porcelain or ceramic articles, crockery, drums, containers, boxes, perfumes/ oils, soaps, designer lamps, candles and other kinds of lighting articles, different kinds of papers, envelopes, books and related stationery, inks, furniture such as poofs, bean bags and other similar furniture and accessories and such other articles, all made out of / any combination of different types of fabric, cotton, cotton fillers, silk including silk waste, linen, wool, felt, hemp fabrics, foam, Styrofoam, thermocol, synthetic fibres and blends, polyester, filament yarns and other kinds of plastic materials, resins and other plant/ tree or flower extracts, different types of wood and metals, leather, synthetic leather, rubber, plastic, paper boards, card boards, and similar goods.</p>
10	Details of change of name, registered office and objects of the company during the last five years	There has been no change of name, registered office and objects of the Company during the last five years.	There has been no change of name, registered office and objects of the Company during the last five years.
11	Name of the stock exchange (s) where securities of the company are listed, if applicable	BSE Limited and National Stock Exchange of India Limited	Unlisted

Sl. No	PARTICULARS	TRANSFeree/RESULTING COMPANY			TRANSFEROR/DEMERGED COMPAN		
12	Details of the capital structure of the company including authorised, issued, subscribed and paid up share capital	<p>The Present Authorized Share Capital of the Company is Rs.67,00,00,000/- (Rupees Sixty Seven Crores only) divided into 13,40,00,000 (Thirteen Crores and Forty Lacs) Equity Shares of Rs.5/- (Rupees Five only) each.</p> <p>The Present Issued Capital of the Company is Rs. 49,24,80,800 (Forty Nine Crores Twenty Four Lakhs Eighty Thousand and Eight Hundred) divided into 9,84,96,160 (Nine Crores Eighty Four Lakhs Ninety Six Thousand One Hundred and Sixty) Equity Shares of Rs. 5 each.</p> <p>The present subscribed and paid-up capital of the Company is Rs. 49,22,85,800 (Forty Nine Crores Twenty Two Lakhs Eighty Five Thousand and Eight Hundred) divided into 9,84,57,160 (Nine Crores Eighty Four Lakhs Fifty Seven Thousand One Hundred and Sixty) Equity Shares of Rs. 5 each. (The difference in the Issued, Subscribed and Paid-up Capital as 39000 Equity Shares are kept in abeyance.</p>			<p>The Present Authorized, Issued and paid-up Share Capital of the Company is Rs.17,50,00,000/- (Rupees Seventeen Crores Fifteen Lacs only) divided into 17,50,000 (Seventeen Lacs Fifty Thousand) Equity Shares of Rs.100/- (Rupees Hundred only) each.</p>		
13	Names of the promoters and directors along with their addresses	Sl.	Name & Address	Designation	Sl.	Name & Address	Designation
		1.	D. K. Himatsingka, 173, 8th B Main Road RMV Extension Bengaluru-560080	Promoter & Executive Chairman	1.	Himatsingka Seide Limited 10/24, Kumara Krupa Road, High Grounds, Bengaluru-560001	Holding Company & Promoter
		2.	Shrikant Himatsingka, 3/1, 5th Floor, Mulberry House, Ali Asker Road, Cunningham Road, Vasanthnagar, Bengaluru 560001	Managing Director and CEO	2.	D. K. Himatsingka, 173, 8th B Main Road RMV Extension Bengaluru-560080	Managing Director
		3.	Rajshree Himatsingka 173, 8th B Main Road RMV Extension Bengaluru-560080	Promoter	3.	Shrikant Himatsingka, 3/1, 5th Floor, Mulberry House, Ali Asker Road, Cunningham Road, Vasanthnagar, Bengaluru 560001	Director
		4.	Priyadarshini Himatsingka 173, 8th B Main Road RMV Extension Bengaluru-560080	Promoter	4.	Rajiv Khaitan 203, Salarpuria Paradise 31, Aga Abbas Ali Road Bengaluru 560042	Independent Director
		5.	Orient Silk Pvt, Ltd, 10/24 Kumara Krupa Road, High Grounds, Bengaluru-560001	Promoter	5.	Dr. K R S Murthy 355, 1st E Cross, 6th Block, 2nd Phase BSK 3rd Stage Bengaluru 560085.	Independent Director
		6.	Bihar Mercantile Union Ltd, 10/24 Kumara Krupa Road, High Grounds, Bengaluru-560001	Promoter			
		7.	Priya Resources Ltd, 10/24 Kumara Krupa Road, High Grounds, Bengaluru-560001				

Sl. No	PARTICULARS	TRANSFEEE/RESULTING COMPANY			TRANSFEROR/DEMERGED COMPAN		
		SL.	Name & Address	Designation	SL.	Name & Address	Designation
		8.	Awdhan Trading Co. Ltd, 25, Ashutosh Chowdhury Lane, Kolkata - 700019	Promoter			
		9.	Aditya Resources Ltd., 10/24 Kumara Krupa Road, High Grounds, Bengaluru-560001	Promoter			
		10.	V, Vasudevan The Embassy, No 131, 2nd Floor Ali Askar Raod Bengaluru 560052	Executive Director			
		11.	Rajiv Khaitan 203, Salarpuria Paradise 31, Aga Abbas Ali Road Bengaluru 560042	Independent Director			
		12.	Dr. K R S Murthy 355, 1st E Cross, 6th Block, 2nd Phase BSK 3rd Stage Bengaluru 560085	Independent Director			
		13.	Sangeeta Kulkarni No,14, 5th C Cross, 18th Main, IAS Colony BTM Layout, Bengaluru 560078	Independent Director			
14.	The fact and details of any relationship subsisting between both the Transferor and Transferee Company	Himatsingka Seide Limited (Transferee Company) is holding 100% of paid-up share capital of Himatsingka Wovens Private Limited (Transferor Company), therefore the Transferor Company is wholly owned subsidiary of Transferee Company.					
15.	The date of the Board Meeting at which the Scheme was approved by the board of directors	May 25, 2018.					
16.	The name of the directors who voted in favour and against of the Resolution	The Resolution was passed unanimously by all the Directors at the Board Meeting held on May 25, 2018.			The Resolution was passed unanimously by all the Directors at the Board Meeting held on May 25, 2018.		
		SL.	Name & Address	Designation	SL.	Name & Address	Designation
		1.	D. K. Himatsingka	Executive Chairman	1.	D. K. Himatsingka	Managing Director
		2.	Shrikant Himatsingka	Managing Director & CEO	2.	Shrikant Himatsingka	Director
		3.	V.Vasudevan	Executive Director	3.	Rajiv Khaitan	Independent Director
		4.	Rajiv Khaitan	Independent Director	4.	Dr. K R S Murthy	Independent Director
17.	Parties to the Scheme of Arrangement	The present Scheme of Arrangement is by and between Himatsingka Seide Limited ("Transferee Company") and Himatsingka Wovens Private Limited ("Transferor Company") and Himatsingka Wovens Private Limited is a Wholly Owned Subsidiary of Himatsingka Seide Limited.					
18.	Appointed Date	March 30, 2018					

Sl. No	PARTICULARS	TRANSFeree/RESULTING COMPANY	TRANSFEROR/DEMERGED COMPANY
19.	Effective Date	As per Clause 1.7 of Part II of the Scheme of Arrangement the Effective Date shall be the date on which the certified copies of order/s sanctioning the Scheme passed by the Authority under Section 233 of the Act is duly filed with the Registrar of Companies, Karnataka.	
20.	Summary of valuation report (if applicable) including basis of valuation and fairness opinion of the registered valuer, if any, and the declaration that the valuation report is available for inspection at the registered office of the company;	Since the Transferor Company is the wholly owned subsidiary of the Transferee Company and hold the entire share capital of Demerged Company by itself and its nominees, upon the Scheme being sanctioned, there will be no issue and allotment of shares of the Transferee Company as a consideration for the transfer of the Demerged Undertaking. Accordingly, no valuation report is required to be prepared.	
21.	Details of capital or debt restructuring, if any	Since the Transferor Company is the wholly owned subsidiary of the Transferee Company and hold the entire share capital of Demerged Company by itself and its nominees, upon the Scheme being sanctioned, there will be no issue and allotment of shares of the Transferee Company as a consideration for the transfer of the Demerged Undertaking. Accordingly, there is no capital or debt restructuring.	
22.	Rationale for the compromise or arrangement;	The rationale/objectives for the compromise or arrangement is enumerated in Clause II of Part-I of the Scheme of Arrangement which forms part of this Notice of AGM.	
23.	Benefits of the compromise or arrangement as perceived by the Board of directors to the company, members, creditors and others (as applicable);	The Board of Directors of both the companies are of the view that it would be better to demerge the retail business division of the Demerged Company into the Transferee Company and additionally take advantage of the economies arising out of integration of the retail and manufacturing business under one entity. The benefits are further enumerated and dealt in the proposed Scheme of Arrangement, a copy of which is enclosed and circulated along with the present notice and statement.	
24.	Amount due to unsecured creditors	₹ 27,449.00 Lacs as on 30 th June, 2018.	₹ 5,727.39 Lacs as on 30 th June, 2018.
25.	Effect of the Scheme of Amalgamation on (a) key managerial personnel; (b) directors; (c) promoters; (d) non-promoter members; (e) depositors; (f) creditors; (g) debenture holders; (h) deposit trustee and debenture trustee; (i) employees of the company;	<p>Directors and Key Managerial Personnel: Since only the retail business division of the Transferor Company is proposed to be transferred to the Transferee Company by way of a demerger, there will be no effect on Directors and Key Managerial Personnel of both Transferor and Transferee companies.</p> <p>Promoter: The respective Promoters of the Transferor and Transferee Companies shall remain unchanged pursuant to the demerger.</p> <p>Non-promoter Members: There would be no non-promoter member as the transferor company is closely held.</p> <p>Depositors: There are no depositors in the Transferor and Transferee Companies.</p> <p>Creditors: The rights and interest of the secured and unsecured creditors of companies involved in the Scheme will not be prejudicially affected by the Scheme, upon the Scheme coming into effect, the Transferee Company shall meet the liabilities of the retail division of the Transferor Company as they arise in the ordinary course of business. Further the rights and interest of the creditors will not be prejudicially affected by the Scheme as no sacrifice or waiver is, at all, called from them nor are their rights sought to be modified in any manner.</p> <p>Debenture holders, deposit trustee and debenture trustee: There are no Debenture holders, deposit trustee and debenture trustee in the Transferor and Transferee Companies.</p> <p>Employees: Upon the coming into effect of this Scheme, all employees substantially engaged with the Demerged Undertaking as on such date shall become the employees of the Transferee Company, and, subject to the provisions hereof, on terms and conditions not less favourable than those on which they are engaged by the Demerged Company, without any interruption of service as a result of the demerger of Demerged Company into the Transferee company.</p>	

Sl. No	PARTICULARS	TRANSFeree/RESULTING COMPANY	TRANSFEROR/DEMERGED COMPANY
26.	Investigation or proceedings, if any, pending against the Company under the Act;	There are no investigations or proceedings which are pending against the Transferor Company as well as Transferee Company under the Companies Act, 2013 and/or Companies Act, 1956.	
27.	Details of approvals, sanctions or no-objection(s), if any, from regulatory or any other governmental authorities	The Scheme of Arrangement filed with the Registrar of Companies in the Form GNL-1 vide SRN G94818788 dated August 1, 2018 has been approved on August 04, 2018.	The Scheme of Arrangement filed with the Registrar of Companies in the Form GNL-1 vide SRN G94819877 dated August 1, 2018 has been approved on August 04, 2018.
28.	Documents for Inspection:		
	<p>The following documents are open for inspection, at the Registered Office of the Company during business hours (10.00 a.m. to 5.00 p.m.) on all working days except Saturdays and Sundays, up to and including the date of the Meeting of the Members of the Company and shall also be available for inspection at the venue of the proposed meeting of Members till the conclusion of the said meeting.</p> <p>(a) Latest audited financial statements of Transferee Company for the Financial Year Ended 31st March, 2018 (Standalone and Consolidated) and of Transferor Company for the Financial Year Ended 31st March, 2018.</p> <p>(b) Copy of Scheme of Arrangement;</p> <p>(c) Certificate issued by Auditor of the Companies to the effect that the accounting treatment proposed in the scheme is in conformity with the Accounting Standards prescribed under section 133 of the Companies Act, 2013;</p> <p>(d) Copies of the Board Resolutions passed by the respective directors of both the companies.</p>		
29.	A statement to the effect that the persons to whom the notice is sent may vote in the meeting either in person or by proxies or where applicable, by voting through electronic means.	Members to whom the notice is sent may vote in the meeting either in person or by proxies or by voting through electronic means.	Voting through electronic means is not applicable.

The Company has duly served an advance copy of the Scheme of Arrangement under Form CAA-9 before the offices of Registrar of Companies in terms of Rule 25(1) of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

The Board recommends the resolution for the approval of the members. None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is interested in this resolution.

Registered Office
10/24, Kumara Krupa Road
High Grounds
Bengaluru-560 001
Date: August 9, 2018

By order of the Board
for **Himatsingka Seide Ltd.,**

Ashok Sharma
Company Secretary

Additional Information on Director seeking election at the Annual General Meeting

The following paragraphs provide biographical data about the Director seeking re-election or recommended for appointment as a Director.

Mr. V Vasudevan, Age 62, is the Executive Director of the Company from May 21, 2016. Having completed his graduation from the Institute of Chemical Technology from Bombay in the year 1978, He has been associated with the textile industry for over 33 years. He is a member of the Share Transfer Committee & Risk Management Committee. He is not related to promoters, He does not hold Directorship in any other Company. He has attended 8 Board meetings during Financial Year 2017-18. He does not hold any share in the Company. The salary last drawn by Mr. V. Vasudevan was ₹ 198.84 Lacs p.a.

Mr. Shrikant Himatsingka, Age 39, is the Managing Director & CEO of the Company and has been a Director of the Company since June 2003. He has obtained a degree of Bachelor of Science in Economics from the Leonard Stern School of Business, New York University. His subject majors included Financial Accounting, Management and organizational behavior. He has over 16 years of experience.

He has been instrumental in taking forward the various growth initiatives of the group. He is a member of Audit Committee, Corporate Social Responsibility Committee, Risk Management Committee, Finance & Investment Committee & Share Transfer Committee. He is a Director of Himatsingka Wovens Pvt Ltd, Priya Resources Ltd, Himatsingka America Inc, USA, Himatsingka Singapore Pte Ltd, Singapore, Himatsingka Holdings NA Inc, USA, Himatsingka Energy Pvt Ltd, Himatsingka Ventures Pvt Ltd, Bihar Mercantile Union Ltd and Himatsingka Europe Ltd. Mr. Shrikant Himatsingka holds 84,80,964 Equity shares in the Company. He has attended 8 Board meetings during Financial Year 2017-18. His last drawn salary was ₹ 824.61 Lacs p.a.

Mr. D.K. Himatsingka, Age 69 is the founder and Executive Chairman of the Company and has been director of the Company since January 1985. He received a Bachelor of Arts from Calcutta University with honors in Economics. He is responsible for the overall management of the Company. Under his able leadership, the Company has grown from strength to strength. His visionary emphasis in style and designing of fabrics has led him to be known as an innovative producer of silk fabrics in the industry circles. He has over 43 years of experience.

He is a member of the Stakeholder Relationship Committee, Corporate Social Responsibility Committee, Finance & Investment Committee and Share Transfer Committee of the Board. He is a Director of Bihar Mercantile Union Ltd, Orient Silk Pvt Ltd, Himatsingka Wovens Pvt Ltd, Himatsingka America Inc., USA, Himatsingka Holdings NA, Inc., USA. Mr. D.K. Himatsingka holds 11,968,000 Equity shares in the Company. He has attended 6 Board meetings during F.Y 2017-18. His last drawn salary is ₹ 828.75 Lacs p.a.

Dr. K.R.S. Murthy, age 80 years, has been a Director of the Company since September, 2005. He obtained his Doctorate in Business Administration from the Harvard Business School and his Masters in Management from Sloan School, MIT. He studied Statistics for his graduate and under graduate programmes at Maharaja's College, University of Mysore. He is the Former Director, Indian Institute of Management, Bangalore and former Chairman, Board of Information Technology Education Standards, BITES. He is the member of Audit Committee, Nomination & Remuneration Committee, Risk Management Committee, Corporate Social Responsibility Committee and Stakeholder Relationship Committee of the Company. As the Public Interest Director on the Board of National Stock Exchange of India Ltd, he is a member of the regulatory oversight committees. He is a Director and Chairman of Shareholder Grievances Committee of Brigade Enterprises Ltd. He is a Director of Himatsingka Wovens Pvt. Ltd. He has attended 8 Board meetings during Financial Year 2017-18. Dr. K.R.S. Murthy holds 1,000 shares in the Company. The performance evaluation of Dr. Murthy was done by the Board at its meeting held on 25th May, 2018 and his performance was found to be appropriate to his role.

**Scheme of Arrangement
Between
HimatsingkaWovens Private Limited
And
Himatsingka Seide Limited
And
Their Respective Shareholders
Under Section 233 read with section 230 of the Companies Act, 2013 and other
appropriate provisions and rules framed thereunder.**

This Scheme of Arrangement is presented pursuant to Section 233 and other applicable provisions of the Companies Act, 2013 for demerger of the retail business division ("**Demerged Undertaking**") of HimatsingkaWovens Private Limited ("**Demerged Company**" or "**Transferor Company**") into Himatsingka Seide Limited ("**Resulting Company**" or "**Transferee Company**").

The Scheme is divided into the following parts:

- (i) PART I – Introduction and objectives of the Scheme.
- (ii) PART II –Definitions and details of share capital.
- (iii) PART III – Scheme of Arrangement of HimatsingkaWovens Private Limited and Himatsingka Seide Limited.
- (iv) PART IV- Remaining Business of the Demerged Company
- (v) PART V - General terms and conditions.

PART I

Introduction and Objective of the Scheme

I. INTRODUCTION

Resulting Company or Transferee Company -Himatsingka Seide Limited

Himatsingka Seide Limited ("**Resulting Company**" or "**Transferee Company**") is a Company incorporated under the Companies Act, 1956 having its registered office at 10/24, Kumara krupa Road, High Grounds, Bangalore – 560001. The Transferee Company was incorporated on January 23, 1985 with CIN: L17112KA1985PLC006647. The shares of the Transferee Company are listed on the stock exchanges.

The Transferee Company is a vertically integrated home textile major that designs, develops, manufactures, retails, and distributes home textile products.

Demerged Company or Transferor Company - Himatsingka Wovens Private Limited

HimatsingkaWovens Private Limited ("**Demerged Company**" or "**Transferor Company**") is a company incorporated under the Companies Act, 1956 having its registered office at 10/24, Kumarakrupa Road, High Grounds, Bangalore – 560001, Karnataka, India. The Demerged Company was incorporated on April 5, 1995 with CIN U17116KA1995PTC017552.

The Demerged Company was set up to carry on the business of buying, selling, importing, retailing, dealing, exporting, manufacturing of textile goods and fabrics.

II. OBJECTIVES OF THE SCHEME

The circumstances that have necessitated or justified the proposed Scheme and its main benefits are, inter alia, summarised as under:

- (i) The Board of Directors of both the companies intend to bring the retail businesses of the Demerged Company and the Transferee Company under one entity, since they recognize the fact that combining both the business divisions will enable the Transferee Company to optimize the utilization of the specialized skills and knowledge, cash flow profiles, and operational and training requirement. In this scenario, the Board of Directors of both the companies are of the view that it would be better to demerge the retail business division of the Demerged Company into the Transferee Company and additionally take advantage of the economies arising out of integration of the textile business under one entity. The demerger would also result in streamlining and realigning the current holding structure and eliminate multi-layered shareholding structure.
- (ii) This arrangement will help in optimal utilization of resources, operations on economies of scale, achieve cost savings, reduction in multiplicity of legal and regulatory compliances, and would aid rationalization, simplify business process and optimize resources and administrative expenses and provide focused leadership and management attention on the retail business activity of the group and to bring about operation synergies in the business operations.

- (iii) Overall, the Scheme of Arrangement is intended to consolidate group business and operations to enable better and more efficient management, control and running of its various businesses and offering opportunities to the management of both the companies to vigorously pursue growth and expansion. The Scheme of Arrangement will lead to the emergence of a fully integrated single entity positioned to provide more extensive and integrated retail services in the textile sector.
- (iv) The Scheme of Arrangement would result in enhanced potential for increase in revenues and profits over time for the Transferee company and its members. The demerger would provide synergistic linkages besides economies in costs and other benefits resulting from the economies of scale, by combining the businesses (including specific industry expertise thereto) and thus contribute to the profitability over time of the Transferee company by rationalization of management and administrative structure.

PART – II

Dealing with Definitions and Share Capitals

1. DEFINITIONS

- 1.1** **“Act”** means the Companies Act, 2013 and shall include any statutory modifications, re-enactment or amendment thereof.
- 1.2** **“Appointed Date”** means March 30, 2018 or such other date as may be approved by the Regional Director or such other authority as may have jurisdiction under the Act to sanction the scheme.
- 1.3** **“Authority”** shall mean the Regional Director, South East Region, Ministry of Corporate Affairs or such other authority having jurisdiction under the Act to sanction the Scheme;
- 1.4** **“Companies”** collectively mean the Demerged Company and the Transferee Company.
- 1.5** **“Demerged Company” or “Transferor Company”** means Himatsingka Wovens Private Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office situated at 10/24, Kumarakrupa Road, High Grounds, Bangalore – 560001, Karnataka, India.
- 1.6** **“Demerged Undertaking”** means the retail business division of Demerged Company which is being transferred to the Transferee Company, as laid out in Part A of Schedule I of the Scheme. Demerged Undertaking shall include (without limitation):
- (a) All assets wherever situated, whether movable or immovable, leasehold or freehold, tangible or intangible, including all plant and machinery, installations, equipments, capital work-in-progress, vehicles, furniture, fixtures, office equipment, computer installations, electrical appliances, accessories, investments, including stocks, receivables, goodwill, industrial and other licenses and rights, brand names, software products, design, developments, tools, operating systems, trademarks and other industrial property rights, leases and tenancy rights, other interests, rights or powers of every kind, nature and description whatsoever pertaining to or relating to the Demerged Undertaking but excluding any land or building;
 - (b) All liabilities present and future and the contingent liabilities pertaining to or relating to the Demerged Undertaking, if any;
 - (c) All rights and licenses, all assignments and grants thereof, all permits, approvals, registrations, notifications, quota rights, import quotas, rights (including rights under any agreement, contracts, applications, letters of intent, or any other contracts), subsidies, grants, tax credits and losses, incentives or schemes of Central /State Governments, quality certifications and approvals (both Indian and foreign), product registrations (both Indian and foreign), regulatory approvals, entitlements, industrial and other licenses, the registrations / benefits under various schemes and such other schemes, registrations/approvals/licenses from the Central Government, any State Government, any local authority, Customs, Central Excise, Service tax, Sales Tax, VAT, GST, Local Body Tax (LBT), etc, municipal permissions, goodwill, approvals, sanctions, NOCs, consents, tenancies, if any, in relation to the project and/or residential properties for the employees, investments and/or interest (whether vested, contingent or otherwise) in projects undertaken by the Demerged Undertaking, either solely or jointly with other parties, cash balances, bank balances, bank accounts, deposits, advances, recoverable, receivables, easements, advantages, financial assets, hire purchase and lease arrangements, the benefits of bank guarantees issued by the Demerged Company in relation to the Demerged Undertaking, privileges, all other claims, rights and benefits (including under any powers of attorney issued by the Demerged Company in relation to the Demerged Undertaking or any powers of attorney issued in favour of the Demerged Company or from or by virtue of any proceeding before a legal, quasi-judicial authority or any other statutory authority to which the Demerged Company was party), powers and facilities of every kind, nature and description whatsoever, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity, water and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests, in connection with or relating to the Demerged Undertaking;
 - (d) All deposits and balances with Government, semi-Government, local and other authorities and bodies, customers and other persons, earnest monies and/or security deposits paid or received by the Demerged Company, directly or indirectly in connection with or in relation to the business of the Demerged Undertaking;
 - (e) All books, records, files, papers, product specifications and process information records, standard operating procedures, computer programmes along with their licenses, manuals and back-up copies, drawings, other manuals, data catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form, directly or indirectly in connection with or relating to the business of the Demerged Undertaking;

- (f) All trademarks, trade names, patents and domain names, copyrights, industrial designs, licenses, trade secrets, product registrations and other intellectual property and all other interests exclusively relating to the goods or services being dealt with by the business of the Demerged Undertaking but shall not include any assets or liabilities relating to the Remaining Business of the Demerged Company;
- (g) Amounts claimed by or due to the Demerged Company from any government or taxing or statutory / local / municipal authority in relation to refund of any tax, duty, cess or any excess payment including interest claims thereunder pertaining to the Demerged Undertaking;
- (h) Right to any claim not preferred or made by the Demerged Company in respect of any refund of tax, duty, cess, set-off, or any other tax benefits including interest claims thereto;(i) Investment of the Demerged Company in the shares of Himatsingka Singapore Pte. Limited, an entity based in Singapore, which was undertaken to expand the retail business of the Demerged Company in Singapore.

It is intended that the definition of the Demerged Undertaking under this clause would enable the transfer of all properties, assets and liabilities of the Demerged Company as per Part A of Schedule-I comprising of the retail business division, on a going concern basis to the Transferee Company pursuant to the Scheme. The Demerged Undertaking will however, exclude the assets detailed in Part B of Schedule 1, which will continue to remain with the Demerged Company.

- 1.7 “Effective Date”** means the date on which the certified copies of order/s sanctioning the Scheme passed by the Authority under Section 233 of the Act is duly filed with the Registrar of Companies, Karnataka.
- 1.8 “Remaining Undertaking” or “Remaining Business”** means all the assets, liabilities, activities and operations of the Demerged Company other than the assets and liabilities of the Demerged Undertaking as mentioned above in Clause 1.6.
- 1.9 “Resulting Company or Transferee Company”** means Himatsingka Seide Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office situated at 10/24, Kumarakrupa Road, High Grounds, Bangalore – 560001, Karnataka, India.
- 1.10 “Scheme”** means the Scheme of Arrangement as set out herein in its present form, or with any modification(s) approved or imposed or directed by the Authority or such other authority having jurisdiction over the companies in respect of the scheme, as the case may be.

2. OPERATIVE DATE

The Scheme set out herein in its present form with any modification(s) approved or imposed or directed by the Authority shall be operative from the Effective Date but shall be deemed to be effective from the Appointed Date.

3. BACKGROUND

- 3.1 The share capital of the Transferee Company as of March 31, 2018 is as follows:

Particulars	Amount in ₹
Authorized Share Capital	
13,40,00,000 equity shares of ₹ 5 each	67,00,00,000
Issued share capital	
9,84,96,160 equity shares of ₹ 5 each	49,24,80,800
Subscribed and paid-up share capital	
98,457,160 equity shares of ₹ 5 each	49,22,85,800

- 3.2 The authorised, issued, subscribed and paid up share capital of the Demerged Company as of March 31, 2018 is ₹ 17,50,00,000/- comprising of 17,50,000 equity shares of ₹ 100 each.
- 3.3 The Demerged Company is the wholly owned subsidiary of the Transferee Company.

PART – III

Scheme of arrangement of Himatsingka Wovens Private Limited and Himatsingka Seide Limited

4. The demerger of the Demerged Undertaking of the Demerged Company into the Transferee Company under this Scheme of Arrangement will be effected under the provisions of Section 233 of the Act. This Scheme has been drawn up to comply with the conditions relating to “Demerger” as specified under Section 2(19AA) read with provisions of Section 47 of the Income Tax Act, 1961 such that:
- 4.1 All the properties of the Demerged Undertaking being held by the Demerged Company (excluding the assets in Part B of Schedule 1 to this Scheme) immediately before the demerger, becomes the properties of the Transferee Company by virtue of the demerger;

- 4.2 All the liabilities relating to the Demerged Undertaking being transferred by the Demerged Company, immediately before the demerger, become the liabilities of the Transferee Company by virtue of the demerger;
- 4.3 The properties and the liabilities, if any, relating to the Demerged Undertaking being transferred by the Demerged Company are transferred to Transferee Company at values appearing in the books of the Demerged Company on the Appointed Date;
- 4.4 Since the Transferor Company is the wholly owned subsidiary of the Transferee Company and holds the entire share capital of Demerged Company by itself and its nominees, upon the Scheme being sanctioned, there will be no issue and allotment of shares of the Transferee Company as a consideration for the transfer of the Demerged Undertaking.
- 4.5 The transfer of the Demerged Undertaking to the Transferee Company will be on a going concern basis. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the above provisions at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with conditions contained in Section 2(19AA) of the Income Tax Act, 1961. Such modification will however not affect other parts of the Scheme.

5. TRANSFER OF ASSETS

- 5.1 With effect from the Appointed Date, the entire business and undertaking comprising of the business activities together with all the assets of the Demerged Undertaking comprising amongst others, all plant and machinery, installations, capital work-in-progress, vehicles, investments, stocks, receivables, goodwill, furniture and fixtures, computers, lab equipments, apparatus, servers and networking equipment, office equipment, electrical installations, telephones, facsimile and other communication facilities and business licenses, trademarks, patents, permits, authorizations, if any, rights and benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals, shall without further act or deed, but subject to the charges affecting the same be transferred and/or deemed to be transferred to and vested in the Transferee Company so as to become the properties of Transferee Company.
- 5.2 All assets and properties of the Demerged Undertaking which are moveable in nature, including investments, or are otherwise capable of transfer by physical delivery or by endorsement and delivery, shall be so transferred by the Demerged Company, without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company.
- 5.3 The assets of the Demerged Company detailed in Part B of Schedule 1 to this Scheme shall continue to remain with the Demerged Company and shall not be transferred to the Transferee Company pursuant to the demerger.

6. TRANSFER OF LIABILITIES

With effect from the Appointed Date, all the debts, liabilities, contingent liabilities, duties and obligations and any accretions and additions or reductions thereto of the Demerged Undertaking shall be deemed to be transferred to and vested in the Transferee Company so as to become the liabilities of the Transferee Company.

7. TRANSFER OF THE DEMERGED UNDERTAKING ON A GOING CONCERN BASIS

- 7.1 With effect from the Appointed Date, the Demerged Undertaking of the Demerged Company would be transferred on a going concern basis to the Transferee Company.
- 7.2 In the event of any doubt on which of the assets, contracts and employees belong to the Demerged Undertaking, the Board of Directors of the Demerged Company shall decide on the same and whose decision will be final and binding on the Demerged Company and the Transferee Company.

8. APPOINTED DATE

- 8.1 The transfer of property and liabilities and the continuance of proceedings by the Demerged Company under clauses 4, 5 and 6 above shall not affect any transaction or proceedings already concluded by Demerged Company on or after the Appointed Date till the Effective Date to the end and intent that Transferee Company accepts and adopts all acts, deeds and things done and executed by Demerged Company in regard thereto as done and executed by Transferee Company on behalf of itself. Furthermore, as from the Appointed Date, Demerged Company shall be deemed to have carried on and to be carrying on its business on behalf of and in trust for Transferee Company until such time as the Scheme takes effect.
- 8.2 It is clarified that all debts, liabilities, contingent liabilities, duties and obligations of the Demerged Undertaking, as on the Appointed Date whether provided for or not in the books of accounts of the Demerged Company and all other liabilities which may accrue or arise after the Appointed Date but which relates to the period on or up to the day of the Appointed Date, shall be the debts, liabilities, duties and obligations of Transferee Company including any encumbrance on the assets of Demerged Company or on any income earned from those assets.

9. TRANSFER OF EMPLOYEES

- 9.1 Upon the coming into effect of this Scheme, all employees substantially engaged with the Demerged Undertaking as on such date shall become the employees of the Transferee Company, and, subject to the provisions hereof, on terms and conditions not less favourable than those on which they are engaged by the Demerged Company, without any interruption of service as a result of the demerger of Demerged Company into the Transferee Company.

9.2 The Transferee Company agrees that the services of all employees with the Transferor Company prior to the transfer, as aforesaid, shall be taken into account for the purpose of all benefits to which the said employees may be eligible, including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident fund schemes, superannuation plans and other retirement benefits and accordingly, shall be reckoned from the date of their respective appointment in the Transferor Company.

9.3 Upon the Scheme coming into effect, the accounts of the employees, who are employed by Demerged Company, relating to Provident Fund, Gratuity Fund and Pension and/or Superannuation Fund and any other Fund, shall be identified, determined and transferred to the respective funds of Transferee Company and the employees shall be deemed to have become members of such trusts/funds of Transferee Company.

10. LEGAL PROCEEDINGS

10.1 All legal proceedings of whatsoever nature by or against in regard to the Demerged Undertaking pending and/or arising at the Appointed Date or its properties, assets, debts, liabilities, duties and obligations referred to in clause 4, 5 and 6 shall be continued and/or enforced until the Effective Date as desired by the Transferee Company and as and from the Effective Date shall be continued and enforced by or against Transferee Company in the manner and to the same extent as would or might have been continued and enforced by or against the Demerged Undertaking.

11. CONTRACTS, DEEDS, ETC.

11.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments, if any, of whatsoever nature, relating to which the Demerged Undertaking of the Transferor Company is a party and is subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of Transferee Company, as the case may be, and may be enforced by or against Transferee Company as fully and eventually as if, instead of the Demerged Company, the Transferee Company had been a party thereto. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required. Further, Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of Demerged Company and to implement or carry out all formalities required on the part of the Demerged Undertaking of Demerged Company to give effect to the provisions of this Scheme.

12. TRANSACTIONS BETWEEN APPOINTED DATE AND EFFECTIVE DATE

12.1 With effect from the Appointed Date and up to the Effective Date,

- (i) The Demerged Company shall carry on and be deemed to have carried on the business and activities in relation to the Demerged Undertaking and shall be deemed to have held and stood possessed of and shall hold and stand possessed of the Demerged Undertaking for and on account of and in trust for the Transferee company. The Demerged Company undertakes to hold its said assets with utmost prudence until the Effective Date.
- (ii) All the profits or income accruing or arising to the Demerged Company or expenditure or losses arising or incurred by the Demerged Company in relation to the Demerged Undertaking shall for all purposes be treated and deemed to be and accrue as the profits or income or expenditure or losses (as the case may be) of the Transferee company; and
- (iii) The Demerged Company shall carry on its business and activities with reasonable diligence and business prudence and shall not, except in the ordinary course of business or without prior written consent of the Resulting Company, alienate, charge, mortgage, encumber or otherwise deal with or dispose of any business or part, pertaining to the Demerged Undertaking of the Demerged Company, thereof.
- (iv) The Demerged Company shall not vary the terms and conditions of employment of any of their employees, pertaining to the Demerged Undertaking of the Demerged Company, except in the ordinary course of business or without the prior consent of the Resulting Company or pursuant to any pre-existing obligation undertaken by them, as the case may be, prior to the Appointed Date.
- (v) The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which Transferee Company may require to carry on the business of the Demerged Undertaking.
- (vi) All accretions and depletions to the Demerged Undertaking shall be for and on account of the Resulting Company.
- (vii) With effect from the Effective Date, the Resulting Company shall commence and carry on and shall be authorized to carry on the business carried on by the Demerged Undertaking of the Demerged Company in addition to the business of the Resulting Company.
- (viii) The Demerged Company shall not utilize the profits or income of Demerged Undertaking, if any, for the purpose of declaring or paying any dividend or for any other purpose except in the ordinary course of Demerged Undertaking, without the prior written consent of the Resulting Company.

13. CONSIDERATION AND ISSUE OF SHARES

Since the Transferee Company hold the entire share capital of Demerged Company by itself and its nominees, upon the Scheme being sanctioned, there will be no issue and allotment of shares of the Transferee Company as a consideration for the transfer of the Demerged Undertaking under the Scheme from the Demerged Company to the Transferee Company.

14. ACCOUNTING TREATMENT

14.1 In the books of the Demerged Company:

- a) The accounts representing the assets and liabilities of the Demerged Undertaking, shall stand closed on transfer to the Transferee Company, including the corporate loans, term loans, advances and borrowings relatable or pertaining to the Demerged Undertaking which will be transferred in entirety to the Transferee Company in accordance with the provisions of this Scheme. The Demerged Company will reduce the book value of assets and liabilities pertaining to the Demerged Undertaking transferred to the Transferee Company.
- b) The assets and the liabilities of the Demerged Undertaking being transferred to the Transferee Company shall be at values appearing in books of account of Demerged Company on the Appointed Date.
- c) The difference between the values of assets and liabilities transferred pursuant to the Scheme shall be appropriated and adjusted against the "Capital Reserves"/"Reserve on restructuring" of the Transferor Company.

14.2 In the books of the Transferee company:

- a) Upon coming into effect of this Scheme and upon the arrangement becoming operative, Transferee Company shall record the assets and liabilities comprised in the Demerged Undertaking transferred to and vested in it pursuant to this Scheme, at the same value appearing in the books of the Demerged Company at the close of business of the day immediately preceding the Appointed Date.
- b) Upon coming into effect of this Scheme, the Transferee Company shall account for in the books in accordance with the applicable accounting standard prescribed under Section 133 of the Act and / or as per generally accepted accounting principles.
- c) The difference arising between the values of the net assets (excluding the inter corporate transactions between the Demerged Company and the Transferee Company including but not limited to trade receivables, short term borrowings, trade payables relatable or pertaining to the Demerged Undertaking) transferred pursuant to this Scheme shall be adjusted against "Capital Reserves"/"Reserve on restructuring" of the Transferee Company.
- d) In case of any differences in accounting policies between the Demerged Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference till the Appointed Date will be quantified and adjusted against Reserves, to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policies.
- e) Upon coming into effect of the Scheme, stamp duty expenses incurred by Transferee Company on registration of the Scheme and other acquisition costs shall be debited to free reserves

15. TAX

- 15.1 All taxes (including income tax, sales tax, VAT, Excise duty, Customs duty, Service tax, Local Body Tax (LBT), GST, etc.) paid or payable by the Transferor Company pertaining to the Demerged Undertaking, insofar as they relate to the tax payment (including, without limitation, Sales tax, Excise duty, Custom duty, Income tax, Service tax, LBT, GST, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation on or after the Appointed Date for the Demerged Undertaking, the same shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly
- 15.2 Upon the Scheme becoming effective, the Transferee Company and/or Demerged Company may revise, if it becomes necessary, their financials, income tax returns, withholding tax returns, Sales tax returns, VAT returns, Excise and Cenvat returns, Service tax returns, GST returns, other tax returns and to restore input credit of duties/ taxes adjusted earlier or claim refunds/ credits pursuant to the provisions of this Scheme.
- 15.3 Upon the Scheme becoming effective, all or any refunds and claims, including refunds or claims pending with the revenue authorities and including the right of carry forward of accumulated losses or unabsorbed depreciation and right to claim minimum alternate tax credit, if any, of the Demerged Company pertaining to the Demerged Undertaking, shall, for all purposes, be treated as refunds, claims, accumulated losses or unabsorbed depreciation and tax credit of the Transferee Company.
- 15.4 Upon the Scheme becoming effective, Transferee Company is expressly permitted to claim refunds/credits on account of Duties/ tax in accordance with the provisions of sales tax, VAT, Excise duty, Customs duty, Service tax, Local Body Tax (LBT), GST, etc. pertaining to the Demerged Undertaking.
- 15.5 The benefit of all the balances relating to CENVAT, Sales tax, VAT, Service tax, LBT or GST unutilized tax credits, if any, relating to the Demerged Company for the Demerged Undertaking shall be transferred to the credit of the Transferee Company, as if all such

unutilized credits were lying to the account of the Transferee Company. The Transferee Company shall accordingly be entitled to set off all such unutilized credits against the tax payable by it, without limitation.

- 15.6 All the benefits, incentives, losses (including but not limited to book losses, tax losses), book unabsorbed depreciation, tax unabsorbed depreciation, Credits (including but not limited to Income tax, Minimum Alternate Tax, tax deducted at source, etc.) of the Demerged Company pertaining to the Demerged Undertaking shall be available and vest in the Transferee Company as arising on account of the Demerged Undertaking.
- 15.7 Any tax liabilities under the Income Tax Act, 1961 (including the rules thereunder) and other laws dealing with taxes/ duties/ levies of the Demerged Company pertaining to the Demerged Undertaking to the extent not provided by the tax provision in the books of accounts made as on the appointed date, shall be transferred to Transferee company.
- 15.8 All tax payments made by the Demerged Company pertaining to the Demerged Undertaking on or after the Appointed Date shall be deemed to be made by the Transferee Company.
- 15.9 Any tax deducted at source by the Demerged Company pertaining to the Demerged Undertaking on transactions with the Transferee Company, if any (from Appointed Date to Effective Date) shall be deemed to be advance tax paid by the Transferee Company.
- 15.10 Tax assessment proceedings / appeals by or against the Transferor Company shall be continued or enforced by / against the Transferor Company until the Effective Date. From the Effective date, the proceedings shall be continued / enforced by the Transferee Company to the extent of the Demerged Undertaking.

PART IV

Remaining Business of Demerged Company

16. All the assets, liabilities and obligations pertaining to the Remaining Business shall continue to belong to and be managed by the Demerged Company.
17. The Remaining Business shall continue to belong to and be vested in and be continued to be owned and managed by the Demerged Company pursuant to sanction of the Scheme. All legal, taxation or other proceedings by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted in future whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Undertaking (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Remaining Business) shall be continued and enforced by or against the Demerged Company. The Transferee Company shall in no event be responsible or liable in relation to any such legal, taxation or other proceeding against the Demerged Company in relation to the Remaining Business.
18. Notwithstanding the demerger of the Demerged Undertaking to the Transferee Company, with effect from the Appointed Date:
 - (i) The Demerged Company shall be deemed to have been carrying on all business and activities relating to the Remaining Business for and on its own behalf; and
 - (ii) All profits and cash accruing to the Demerged Company thereon or losses arising or incurred by it relating to the Remaining Business shall, for all purposes, be treated as the profits/cash or losses, as the case may be, of the Demerged Company.
19. All the assets and properties acquired by the Demerged Company in relation to the Remaining Business on and after Appointed Date shall belong to and continue to remain vested in the Demerged Company.

PART-V

Dealing with General Terms and Conditions

20. CONDITIONALITY OF THE SCHEME

20.1 This Scheme is and shall be conditional upon and subject to:

- (i) The approval by the requisite majority of the members and creditors of Demerged Company and Transferee company;
- (ii) The Scheme being sanctioned by the Authority;
- (iii) The certified copies of the Order of the Authority sanctioning the Scheme being filed with the Registrar of Companies of Karnataka.

21. APPLICATION TO THE REGIONAL DIRECTOR

- 21.1 The Companies shall, with all reasonable dispatch, make application to the Regional Director under whose jurisdiction the registered offices of the companies are situated, for sanctioning the Scheme of Arrangement under Section 233 of the Act.

22. MODIFICATION OR AMENDMENTS TO THE SCHEME

22.1 The Demerged Company and the Transferee Company, by their respective Boards of Directors, may assent to any modifications/ amendments to the Scheme or to any conditions or limitations that the Authority and/or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e., the Board of Directors). The Demerged Company and the Transferee Company, by their respective Boards of Directors, shall be authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

23. EFFECT ON NON-RECEIPT OF APPROVAL

23.1 In the event of any of the approvals or condition enumerated in the Scheme not being obtained or complied with, or for any other reason, this Scheme cannot be implemented, then the Board of Directors of the Companies shall, in accordance with law, mutually waive such condition as they may consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement the Scheme shall become null and void and each party shall bear and pay their respective cost, charges and expenses in connection with the scheme.

24. COSTS, CHARGES AND EXPENSES

All costs, charges, taxes including duties, stamp duty, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the Transferee Company.

25. BINDING EFFECT

Upon the Scheme becoming effective, the same shall be binding on the Demerged Company / Residual Transferor Company, Resulting Company and the Transferee Company and all concerned parties without any further act, deed, matter or thing.

SCHEDULE I

Part A

Schedule of Assets and Liabilities as at March 30, 2018 of the Demerged Undertaking of HimatsingkaWovens Private Limited (Demerged Company) to be taken over by Himatsingka Seide Limited,

As at March 30, 2018

	Amount in ₹
A. Non-current assets	
I. Property, plant and equipment	
a. Leasehold Improvements	23,822,459
b. Plant and Machinery	3,272,053
c. Furniture and Fixtures	5,916,087
d. Office Equipment	3,193,957
II. Intangible assets	
Computer software	4,780,044
III. Other financial assets	
Security deposits	15,322,124
IV. Deferred tax assets, (net)	153,628,232
V. Non-current Income tax assets, (net)	5,173,000
VI. Other non-current assets	5,192,604
Total non-current assets (A)	220,300,560
B. Current Assets	
I. Inventories	280,705,299
II. Other Financial Assets	
a. Trade receivables	53,389,114
b. Cash and cash equivalents	8,110,488
c. Bank balances other than (b) above	467,000
d. Loans	82,000
e. Deemed income receivable on financials guarantee contracts	8,559,113

III. Other current assets	
a. Advances to suppliers	1,527,400
b. Prepayments	1,686,846
c. Interest subsidy receivable	108,000
d. Others	10,196,716
Total current assets (B)	364,831,976
Total assets (A+B)	585,132,536
C. Non-current liabilities	
I. Financial liabilities	
a. Borrowings	139,796,000
II. Provisions	2,465,000
Total non-current liabilities (C)	142,261,000
D. Current Liabilities	
I. Financial liabilities	
a. Trade payables	358,793,347
b. Other financial liabilities	33,990,700
II. Provisions	229,000
III. Other current liabilities	
a. Advances received from customers	2,517,000
b. Statutory dues	2,461,136
c. Other payable	350,178
Total current liabilities (D)	398,341,361
Total liabilities (C+D)	540,602,361

SCHEDULE I

Part B

Details of the properties of the Demerged Company that will not form a part of the Demerged Undertaking

As at March 30, 2018

	Amount in ₹
A. Non-current assets	
I. Property, plant and equipment	
a. Freehold Land	180,171,000
b. Buildings	20,684,272
II. Investment property	7,107,659
Total Non-current assets (A)	207,962,931
B. Other current assets	
I. Rent receivable	213,933
Total other current assets (B)	213,933
Total Assets (A+B)	208,176,864
C. Non-current liabilities	
I. Financial liabilities	
Security deposit received	4,048,000
II. Deferred tax liabilities (net)	24,952,232
Total non-current liabilities (C)	29,000,232
D. Current Liabilities	
Other current liabilities	432,000
Total current liabilities (D)	432,000
Total liabilities (C+D)	29,432,232

FORM NO. CAA.10
[Pursuant to section 233(1)(c) and rule 25(2)]
Declaration of solvency

1. (a) Corporate identity number (CIN) of company: **L17112KA1985PLC006647**
(b) Global location number (GLN) of company: **NA**
2. (a) Name of the company: **Himatsingka Seide Limited**
(b) Address of the registered office of the company: **10/24, Kumara Krupa Road, High Grounds, Bengaluru – 560 001**
(c) E-mail ID of the company: **corporate@himatsingka.com**
3. (a) Whether the company is listed: **YES**
(b) If listed, please specify the name(s) of the stock exchange(s) where listed:
Bombay Stock Exchange, Security Code [514043]; National Stock Exchange [HIMATSEIDE]
4. Date of Board of Directors' resolution approving the scheme: **May 25, 2018**

Declaration of solvency

We, the directors of **M/s Himatsingka Seide Limited** do solemnly affirm and declare that we have made a full enquiry into the affairs of the company and have formed the opinion that the company is capable of meeting its liabilities as and when they fall due and that the company will not be rendered insolvent within a period of one year from the date of making this declaration.

We append an audited statement of company's assets and liabilities as at **March 31, 2018** being the latest date of making this declaration, We further declare that the company's audited annual accounts including the Balance Sheet have been filed upto date with the Registrar of Companies, Karnataka

Signed for and behalf of the Board of Directors,

Signature

Name	Shrikant Himatsingka	D. K Himatsingka
Designation	Managing Director & CEO	Executive Chairman
Date:	May 25, 2018	May 25, 2018
Place:	Bengaluru	Bengaluru

Verification

We solemnly declare that we have made a full enquiry into the affairs of the company including the assets and liabilities of this company and that having done so and having noted that the scheme of demerger of retail business division of Himatsingka Wovens Private Limited into Himatsingka Seide Limited is proposed to be placed before the shareholders and creditors of the company for approval as per the provisions of sub-section of (1) of section 233 of the Companies Act, 2013, we make this solemn declaration believing the same to be true,

Verified this day the 25th day of May, 2018

Signature

Name	Shrikant Himatsingka	D. K Himatsingka
Designation	Managing Director & CEO	Executive Chairman
Date:	May 25, 2018	May 25, 2018
Place:	Bengaluru	Bengaluru

Solemnly affirmed and declared at Bangalore the 22nd day of August, 2018 before me, Commissioner of Oaths and Notary Public

Attachments:

- a) Copy of board resolution; b) Statement of assets & liabilities; c) Auditor's report on the statement of assets & liabilities

ANNEXURE

Statement of assets and liabilities as at March 31, 2018

Name of the Company: Himatsingka Seide Limited

(₹ Lacs)

SI.No	Assets	Book Estimated Value	Realizable Value
1.	Balance at Bank	10,365.28	10,365.28
2.	Cash in hand	10.97	10.97
3.	Marketable securities	11,893.12	11,893.12
4.	Bills receivables	-	-
5.	Trade debtors	40,786.05	40,786.05
6.	Loans & advances	23,891.38	23,891.38
7.	Other non-current assets	6,846.94	6,846.94
8.	Unpaid calls	-	-
9.	Stock-in-trade / Finished goods	7,405.93	7,405.93
10.	Work in progress (inventory)	12,037.62	12,037.62
11.	Raw materials, stores and spares	9,755.72	9,755.72
12.	Other current assets	36,968.85	36,968.85
13.	Freehold property	21,816.68	21,816.68
14.	Leasehold property	8.09	8.09
15.	Plant and machinery	106,867.97	106,867.97
16.	Furniture, fittings, utensils, etc.	1,406.68	1,406.68
17.	Patents, trademarks, etc.	471.65	471.65
18.	Investments other than marketable securities	30,565.48	30,565.48
19.	Other property	42,558.67	42,558.67
20.	Capital work in progress	2,804.03	2,804.03
	TOTAL	366,461.11	366,461.11

Liabilities Estimated to rank for Payment (to the nearest rupee)

(₹ Lacs)

SI.No	Assets	Book Estimated Value
1.	Secured on specific assets	124,449.53
2.	Secured by floating charge(s)	64,172.37
3.	Estimated cost of liquidation and other expense including interest accruing until payment of debts in full.	-
4.	Unsecured creditors (amounts estimated to rank for payment)	
	a) Trade accounts	19,860.61
	b) Bills payable	-
	c) Accrued expense	485.72
	d) Other liabilities	28,881.65
	e) Unsecured loans	-
	f) Advances / Security Deposits	1,416.88
	g) Provision for employee benefits	2,500.68
	h) Provision for tax	3,000.56
	i) Contingent liabilities	35,863.76
	TOTAL	280,631.76
	Total estimated value of assets	366,461.11
	Total liabilities	280,631.76
	Estimated surplus after paying debts in full.	85,829.35

Signature

Name

Designation

Date:

Place:

Shrikant Himatsingka
Managing Director & CEO
May 25, 2018
Bengaluru

D. K. Himatsingka
Executive Chairman
May 25, 2018
Bengaluru

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF HIMATSIINGKA SEIDE LIMITED AT ITS MEETING HELD ON FRIDAY, MAY 25, 2018 AT THE REGISTERED OFFICE OF THE COMPANY

"RESOLVED THAT pursuant to Section 233 of the Companies Act, 2013 and other applicable provisions, if any and rules made thereunder, and subject to the approval of the National Company Law Tribunal, Registrar of Companies, Regional Director and such other authorities as may be necessary and the consent from the shareholders and creditors of the Company and subject to such terms and conditions and modification(s), as may be imposed, prescribed or suggested by the appropriate authorities, the approval of the Board be and is hereby accorded to the Scheme of Arrangement, whereby the retail business division of Himatsingka Wovens Private Limited, a wholly owned subsidiary of the Company, is proposed to be demerged to the Company, in terms of Scheme of Arrangement placed before the meeting and initialed by the Chairman for the purposes of identification."

"RESOLVED FURTHER THAT Mr. D.K. Himatsingka, Executive Chairman, Mr. Shrikant Himatsingka, Managing Director & CEO and Mr. V. Vasudevan, Executive Director of the Company, Mr. K.P. Rangaraj, President Finance & Group CFO and Mr. Ashok Sharma, Company Secretary are hereby severally authorized to do all such acts deeds and things as may be required to give effect to the said Scheme of Arrangement and to carry out such alterations in said scheme and assent or consent to such conditions as may be imposed by the shareholders and creditors of the Company and/or the appropriate authorities while sanctioning the said scheme."

"RESOLVED FURTHER THAT Mr. D.K. Himatsingka, Executive Chairman, Mr. Shrikant Himatsingka, Managing Director & CEO, Mr. V. Vasudevan, Executive Director, Mr. K.P. Rangaraj, President Finance & Group CFO and Mr. Ashok Sharma, Company Secretary of the Company, be and are hereby authorized to severally, sign, submit and execute all applications, petitions, forms, returns, deeds and documents for and on behalf of the Company in relation to the filing of the Scheme of Arrangement between Himatsingka Wovens Private Limited and Himatsingka Seide Limited before the Regional Director, Ministry of Corporate Affairs."

CERTIFIED TO BE TRUE
For Himatsingka Seide Limited

Ashok Sharma
Company Secretary

ROUTE MAP TO AGM VENUE



Himatsingka Seide Limited

Registered Office:
10/24 Kumara Krupa Road, High Grounds, Bengaluru-560 001
CIN : L17112KA1985PLC006647

PROXY FORM

(Form No. MGT-11)

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s)

Registered Address:

E-mail id

Folio No. / Client id:

DPID:

I/We, being the member(s) of shares of the above named company, hereby appoint

Name: Email:

Address:

..... Signature

Or failing him/ her

Name: Email:

Address:

..... Signature

Or failing him/ her

Name: Email:

Address:

..... Signature

as my/our proxy to vote for me/us on my/our behalf at the THIRTY THIRD ANNUAL GENERAL MEETING of the Company to be held on September 22, 2018 and at any adjournment thereof in respect of resolutions as are indicated below:



Item no.	Resolution	Type of resolution (Ordinary/Special)	I assent to the resolution Please tick (✓)	I dissent from the resolution Please tick (✓)
Ordinary business				
1	Adoption of financial statements (including consolidated financial statements) of the Company for the financial year ended March 31,2018 and Reports of the Board of Directors and Auditors thereon.	Ordinary		
2	To declare final dividend for the financial year ended March 31, 2018	Ordinary		
3	Re-appointment of Mr. V Vasudevan (DIN: 07521742), Director retiring by rotation, who has offered himself for re-appointment	Ordinary		
Special business				
4.	To re-appoint Mr. Shrikant Himatsingka as Managing Director & CEO	Ordinary		
5.	Appointment of Mrs. Akanksha Himatsingka under Section 188 of the Companies Act, 2013.	Ordinary		
6.	Approve payment of commission to Non-Executive Directors	Ordinary		
7.	Approval to create, offer, issue and allot securities of the Company	Special		
8.	Approval U/S 196(3)of the Companies Act, 2013, for continuation of Mr. D.K Himatsingka as Executive Chairman.	Special		
9.	To re-appoint Mr. D.K. Himatsingka as Executive Chairman for a term of five years w.e.f. April 1, 2019	Special		
10.	Approval for continuation of Dr. K R S Murthy, Independent Director.	Special		
11.	To approve Scheme of Arrangement between the Company and Himatsingka Wovens Private Limited.	Special		

Signed this day of 2018

Signature

Re.1/-
Revenue
Stamp

Note: This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

Himatsingka Seide Limited
Registered Office:
10/24 Kumara Krupa Road, High Grounds, Bengaluru-560 001
CIN : L17112KA1985PLC006647

ATTENDANCE SLIP

AGM – September 22, 2018

Registered Folio No. No. of shares

Or

DP ID No.

Client ID No.

I certify that I am a Registered Shareholder/Proxy for the Registered Shareholder of the Company

I hereby record my presence at the **THIRTY THIRD ANNUAL GENERAL MEETING** of the Company at **The LaLiT Ashok, Bengaluru.**

Member's / Proxy's name in BLOCK Letters:

Member's / Proxy's Signature:

Note : Please fill in this Attendance Slip and hand it over at the Entrance of the Meeting Hall.

INSTRUCTIONS FOR E-VOTING

- A For Members who receive notice of Annual General Meeting through email:
- i) Launch internet browser by typing the URL: <http://evoting.karvy.com>.
 - ii) Enter the login credentials (i.e. User ID and password mentioned overleaf). Your Folio No. / DP ID- Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
 - iii) After entering these details appropriately, click on "LOGIN".
 - iv) You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - v) You need to login again with the new credentials.
 - vi) On successful login, the system will prompt you to select the "EVENT" i.e., Himatsingka Seide Limited.
 - vii) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut off Date under "FOR / AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR / AGAINST" taken together not exceeding your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
 - viii) Shareholders holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat accounts.
 - ix) Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
 - x) You may then cast your vote by selecting an appropriate option and click on "Submit".
 - xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
 - xii) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutiniser at e mail prakash@pjkamath.in with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Himatsingka Seide Limited, 33rd Annual General Meeting".
- B. For Members who receive the notice of Annual General Meeting in physical form :
- (i) User ID and initial Password mentioned overleaf.
 - (ii) Please follow all steps from Sl. No. (i) to Sl. No. (xii) above, to cast vote.

GENERAL INSTRUCTIONS :

- I) In case of any queries relating to e-voting please visit Help & FAQ section of <http://evoting.karvy.com> (Karvy Website).
- II) You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- III) The e-voting period commences on 19.09.2018 (9.00 AM) and ends on 21.09.2018 (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 14.09.2018, may cast their votes electronically in the manner and process set out herein above. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further the Members who have cast their vote electronically shall not vote by way of poll, if held at the meeting.
- IV) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the (cut-off date) 14.09.2018.
- V) The Board of Directors has appointed Mr. Prakash Kamath, Practicing Company Secretary as the Scrutiniser to scrutinize the e-voting process in a fair and transparent manner.
- VI) The Scrutinizer shall, immediately after the conclusion of voting at the meeting, would first count the votes cast at the meeting, there after 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 meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman or a person authorised by the Chairman for counter signature.
- VII) The Results shall be declared on or after the AGM of the Company and the resolution will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolution(s).
- VIII) The results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.himatsingka.com and on the website of Karvy (<http://evoting.karvy.com>) immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to BSE Limited & National Stock Exchange of India Limited.