



KALLAM TEXTILES LIMITED

(Formerly Known as "Kallam Spinning Mills Limited")

CIN -L18100AP1992PLC013860

Chowdavaram, GUNTUR - 522 019. A.P., INDIA.

Ph: 0863-2344016 : Fax:0863-2344000

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GSTIN: 37AAACK9363M1ZY



Dear Fellow Shareholder(s),

Greetings from Kallam Textiles Limited,

You are cordially invited to attend the 26th Annual General Meeting of the members of Kallam Textiles Limited (Formerly known as "Kallam Spinning Mills Limited") to be held on Saturday, 22nd September, 2018 at 3:00 p.m IST at the Registered office of the Company situated at Chowdavaram, Guntur 522019, Andhra Pradesh.

The Notice of the meeting, containing the business to be transacted, is enclosed herewith. As per Section 108 of the Companies Act, 2013, read with the related rules and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide 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 enclosed herewith.

Yours Truly,

P.Venkateswara Reddy

Managing Director

DIN : 00018677

NOTICE TO SHAREHOLDERS

Members of Kallam Textiles Limited are hereby given notice for the 26th Annual General Meeting of the Company, the schedule of which and the business to be transacted therein, are given below:

Date : 22-09-2018

Day : Saturday

Time : 03-00 P.M

Venue : Registered Officer of the Company, Chowdavaram, Guntur - 522019

Ordinary Business

1. To receive, consider and adopt the Audited Standalone Financial Statements of the company for the year ended 31st March, 2018, and the Reports of Directors' and Auditors' thereon.
2. To declare a final dividend of Rs 0.20 per equity share of the Company for the financial year 2017-18.
3. To appoint a Director in place of Sri M.V.Subba Reddy (DIN: 00018719), liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.

Special Business :

4. **To consider and if thought fit to pass with or without modification the following resolution as an ordinary resolution:**

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) approval of the members be and is hereby accorded to re-appoint Sri P.Venkateswara Reddy (DIN-00018677) as a Managing Director of the Company, for a further period of 3 (Three) years from the expiry of his present term of office, that is, with effect from 29th June, 2018 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit;

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

5. **To consider and if thought fit to pass with or without modification the following resolution as an ordinary resolution:**

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) approval of the members be and is hereby accorded to re-appoint Sri G.V.Krishna Reddy (DIN-00018713) as a Joint Managing Director & CEO of the Company, for a further period of 3 (Three) years from the expiry of his present term of office, that is, with effect from 29th June, 2018 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and /or remuneration as it may deem fit;

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

6. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the remuneration payable to P.Srinivas, Cost Accountant (Membership No. 21170), appointed by the Board of Directors as Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2019, amounting to Rs. 30,000/- (Rupees Thirty Thousand only) as also the payment of service tax as applicable and re-imbursement of out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified and confirmed.”

7. Approval of Kallam Textiles Ltd Employees Stock Option Plan 2018 I (ESOP-I 2018) under SEBI (Share Based Employee Benefits) Regulations, 2014

To consider and, if thought fit, to give assent or dissent, to the following resolution to be passed as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and in accordance with the Memorandum and Articles of Association of the Company, provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”), provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“SEBI SBEB Regulations”), and subject to such other approvals, permissions and sanctions as may be necessary and such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent of the member(s) of the Company be and is hereby accorded to the formulation and implementation of 'KTL Employees Stock Option Plan-I 2018' (hereinafter referred to as “ESOP-I 2018” or the “Scheme”) and authorising the Board of Directors of the Company (hereinafter referred to as the “Board”) which term shall be deemed to include any committee, including the Nomination & Remuneration / Compensation Committee, which the Board has constituted to exercise certain powers, including the powers, conferred by this resolution) to create, grant, offer, issue and allot from time to time, in one or more tranches, not exceeding 4,28,194 (Four Lakh Twenty Eight Thousand One Hundred and Ninety Four) Stock Options to or for the benefit of such (i) permanent employees of the Company who has been working in India or outside India; (ii) Director of the Company, whether a Whole-time Director or not but excluding an Independent Director; (iii) an employee as defined in clauses (i) or (ii) of a subsidiary, whether working in India or outside India, or of a holding company of the company but does not include- (a) an employee who is a promoter or a person belonging to the promoter group; or (b) a director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company and as may be approved by the Board, from time to time, which would give rise to the issue of equity shares not exceeding 4,28,194 (Four Lakh Twenty Eight Thousand One Hundred and Ninety Four) equity shares at such price, in one or more tranches and on such terms and conditions, as contained in the Scheme and summarized in the Explanatory Statement annexed hereto and to provide for grant and subsequent vesting and exercise of options by eligible employees in the manner and method contained in the Explanatory Statement, as the Board may decide in accordance with the provisions of the applicable laws and the provisions of ESOP-I 2018.

RESOLVED FURTHER THAT the equity shares to be issued and allotted as mentioned herein before shall rank paripassu with the then existing equity shares of the Company for all purposes.

RESOLVED FURTHER THAT in case of any corporate action(s) such as right issues, bonus issues, change in capital structure, merger, split, consolidation of shares, sale of division/undertaking and others, the ceiling as aforesaid of 4,28,194 (Four Lakh Twenty Eight Thousand One Hundred and Ninety Four) shares shall be deemed to be increased/ decreased, as may be determined by the Board,

to facilitate making a fair and reasonable adjustment to the entitlements of participants under ESOP-I 2018.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take requisite steps for listing of the equity shares allotted under ESOP-I 2018, from time to time, on the Stock Exchanges where the equity shares of the Company are listed.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SEBI Share Based Employee Benefit Regulations, 2014 and any other applicable laws and regulations to the extent relevant and applicable to ESOP-I 2018.

RESOLVED FURTHER THAT the Board be and is hereby authorized to formulate, decide upon and bring into effect the ESOP-I 2018 as per the terms approved in this resolution and at any time to modify, change, vary, alter, amend, suspend or terminate ESOP-I 2018 subject to compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the members and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of ESOP-I 2018 and do all other things incidental to and ancillary thereof.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary including authorizing the Board to appoint various intermediaries, Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of ESOP-I 2018 as also to make applications to the appropriate Authorities, for their requisite approvals as also to initiate all necessary actions for and to settle all such questions, difficulties or doubts whatsoever that may arise and take all such steps and decisions in this regard.”

8. Approval of Kallam Textiles Ltd Employees Stock Option Plan II-2018 (ESOP-II 2018) under SEBI (Share Based Employee Benefits) Regulations, 2014

To consider and, if thought fit, to give assent or dissent, to the following resolution to be passed as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and in accordance with the Memorandum and Articles of Association of the Company, provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”), provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“SEBI SBEB Regulations”), and subject to such other approvals, permissions and sanctions as may be necessary and such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent of the member(s) of the Company be and is hereby accorded to the formulation and implementation of 'KTL Employees Stock Option Plan II 2018' (hereinafter referred to as “ESOP II-2018” or the “Scheme”) and authorising the Board of Directors of the Company (hereinafter referred to as the “Board”) which term shall be deemed to include any committee, including the Nomination & Remuneration / Compensation Committee, which the Board has constituted to exercise certain powers, including the powers, conferred by this resolution) to create, grant, offer, issue and allot from time to time, in one or more tranches, not exceeding 4,28,194 (Four Lakh Twenty Eight Thousand One Hundred and Ninety Four) Stock Options to or for the benefit of such (i) permanent employees of the Company who has

been working in India or outside India; (ii) Director of the Company, whether a Whole-time Director or not but excluding an Independent Director; (iii) an employee as defined in clauses (i) or (ii) of a subsidiary, whether working in India or outside India, or of a holding company of the company but does not include- (a) an employee who is a promoter or a person belonging to the promoter group; or (b) a director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company and as may be approved by the Board, from time to time, which would give rise to the issue of equity shares not exceeding 4,28,194 (Four Lakh Twenty Eight Thousand One Hundred and Ninety Four) equity shares at such price, in one or more tranches and on such terms and conditions, as contained in the Scheme and summarized in the Explanatory Statement annexed hereto and to provide for grant and subsequent vesting and exercise of options by eligible employees in the manner and method contained in the Explanatory Statement, as the Board may decide in accordance with the provisions of the applicable laws and the provisions of ESOP II-2018.

RESOLVED FURTHER THAT the equity shares to be issued and allotted as mentioned herein before shall rank paripassu with the then existing equity shares of the Company for all purposes.

RESOLVED FURTHER THAT in case of any corporate action(s) such as right issues, bonus issues, change in capital structure, merger, split, consolidation of shares, sale of division/undertaking and others, the ceiling as aforesaid of 4,28,194 (Four Lakh Twenty Eight Thousand One Hundred and Ninety Four) shares shall be deemed to be increased/ decreased, as may be determined by the Board, to facilitate making a fair and reasonable adjustment to the entitlements of participants under ESOP II- 2018.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take requisite steps for listing of the equity shares allotted under ESOP II-2018, from time to time, on the Stock Exchanges where the equity shares of the Company are listed.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SEBI Share Based Employee Benefit Regulations, 2014 and any other applicable laws and regulations to the extent relevant and applicable to ESOP II-2018.

RESOLVED FURTHER THAT the Board be and is hereby authorized to formulate, decide upon and bring into effect the ESOP II-2018 as per the terms approved in this resolution and at any time to modify, change, vary, alter, amend, suspend or terminate ESOP II-2018 subject to compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may in its absolute discretion deems fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the members and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of ESOP II-2018 and do all other things incidental to and ancillary thereof.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary including authorizing the Board to appoint various intermediaries, Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of ESOP II-2018 as also to make applications to the appropriate Authorities, for their requisite approvals as also to initiate all necessary actions for and to settle all such questions, difficulties or doubts whatsoever that may arise and take all such steps and decisions in this regard."

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him/herself and the proxy need not be a member of the company. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other person or shareholder.
2. The proxy form in order to be effective must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
3. Corporate Members intending to send their authorized representative to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of the relevant Board Resolution together with the respective specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the Meeting.
4. Members, Proxies and Authorised representatives are requested to bring to the Meeting, the attendance slips enclosed herewith duly completed and signed mentioning therein details of their DP ID and Client ID/Folio No.
5. Members are informed that in case of joint holders attending the AGM, only such joint holder who is first in the order of names will be entitled to vote.
6. An Explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of item nos. 4 to 8 of the Notice set out above, is annexed hereto.
7. M/s Big Share Service Private Limited is the Registrar and Share Transfer Agent of the Company.
8.
 - a) The Company has notified closure of Register of Members and Share Transfer Books from **16th September, 2018 to 22nd September, 2018** (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
 - b) The dividend as recommended by the Board of Directors, if approved by the Shareholders at the 26th Annual General Meeting, will be paid within 30 days from the date of declaration to those members whose names stand on the Register of Members of the Company as on the closing hours of business on **15th September, 2018** and the dividend in respect of shares held in dematerialized form in the depository system will be paid to the beneficial owners of the shares as on the closing hours of business on **15th September, 2018** as per the details furnished by the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
9. Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 [erstwhile Section 205A(5) and 205C of the Companies Act, 1956], the dividends for the Financial Year 2010-11 and thereafter, which remain unpaid / unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund ("IEPF") constituted by the Central Government. Members, who have not encashed their dividend warrant for the Financial Year 2010-11 or any subsequent financial year, are requested to claim such amount from the Secretarial Department of the Company / Share Transfer Agent. The due date for transfer of the unclaimed dividend amount for the financial year 2010-11 to the Investor Education and Protection Fund of the Central Government is 01st October, 2018.
10. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 [erstwhile Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012], the

Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 29th September, 2017 (date of last Annual General Meeting) on the website of the Company (www.ksml.in), as also on the website of the Ministry of Corporate Affairs.

11. The members / claimants whose unclaimed dividend has been transferred to the Fund may apply for refund by making an application to the IEPF Authority in form IEPF-5 (available on iepf.gov.in) along with the requisite fees. The member / claimant can file only one consolidated claim in a financial year as per the IEPF Rules.
12. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
13. The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
14. Additional information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the directors seeking appointment/re-appointment at the ensuing Annual General Meeting is furnished and forms part of the Notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
15. Members desiring to seek any information on the Annual Accounts to be explained at the meeting are requested to send their queries in writing to the Company at the Registered Office of the Company so as to reach at least 7 days before the date of the meeting to provide the required information.
16. Copy of the Annual Report 2017-18 including the Notice of the 26th AGM of the Company inter alia indicating the process and manner of e-voting along with the Attendance Slip, Proxy Form are being sent by electronic mode to the members whose email addresses are registered with the Company/ Depository Participant(s), unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copy of the Annual Report 2017-18 including the Notice of the AGM are being sent by the permitted mode.
17. The accounts, the reports and all other documents required under the law to be annexed thereto will be available for inspection between 10.00 A.M to 01.00 P.M at the Registered Office of the Company on any working day prior to the date of the Annual General Meeting.
18. Pursuant to Section 72 of Companies Act, 2013, member(s) of the Company may nominate a person in whom the shares held by him/her/them shall vest in the event of his/her/their unfortunate death. Member(s) holding shares in physical form may file nomination in the prescribed Form SH-13 and any variation/ cancellation thereof can be made by giving notice in Form SH-14, as prescribed under the Companies (Share Capital and Debentures) Rules, 2014 with the Share Transfer Agent of the Company. **The Forms can be obtained from the Share Department of the Company or Share Transfer Agent or from the Website of the Ministry of Corporate Affairs at www.mca.gov.in.** In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.
19. Members holding shares in physical form are requested to notify/send the following to the Company's Registrar and Transfer Agent at: Big share Services Private Limited, 306, 3rd Floor, Right Wing, Amrutha Ville, Opp. Yashodha Hospital, Raj Bhavan Road, Somajiguda, Hyderabad 500 082 at the earliest not later than **15th September, 2018.**
 - Any change in their address/mandate/Bank details; and
 - Particular of their Bank Account, in case the same has not been sent earlier.

In order to update their Bank details already registered with Big share Services Pvt Ltd or register their bank details by submitting the duly completed Electronic Clearing Services (ECS) mandate form duly

attached to this annual report and fill the required fields and forward the same to the above mentioned address of Company's Registrar and Share Transfer Agent in order to enable the company to remit the Dividend amount through ECS.

20. Members holding shares in the electronic form are advised to inform change in address/bank mandate directly to their respective Depository Participants. The address/bank mandate as furnished to the Company by the respective Depositories viz. NSDL and CDSL will be printed on the dividend warrant.
21. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. In view thereof, members who have not furnished PAN are requested to furnish the same as under :

Members holding shares in Physical form are submit their PAN details to the Registrar and Transfer Agents

Members holding shares in Electronic form are submit their PAN details to their Depository Participants with whom they are maintaining their de mat accounts.

and for securities market transactions and off market transactions involving transfer of shares in physical form of listed companies, it shall be mandatory for transferee(s) to furnish a copy of PAN Card to the Share Transfer Agent for registration of such transfer of shares.

22. As a part of "green initiative in the corporate governance", the ministry of corporate affairs vide its circular no's.17/2011 and 1/2011 dated 21.04.2011 respectively, has permitted the companies to serve the documents, namely, notice of the general meeting, balance sheet, profit and loss account, auditors' report, directors' report, etc. to the members through E-mail. The shareholders holding shares in physical form are requested to register their E-mail address with the Registrar and share transfer agents (Big Share Services Pvt. Ltd.,) by sending duly signed requested letter quoting their Registered folio no., name, address and E-mail ID to be registered in the E-MAIL REGISTRATION FORM, which is attached along with this Notice and in case of shares held in demat form, the shareholders may register their E-mail addresses with their DPs (Depository Participants).
23. The Company has fixed Friday, 03rd August, 2018 as the Cut-off date for the purpose of ascertaining the names of shareholders entitled to receive the Annual Report including the Notice of Annual General Meeting.

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

ITEM NO 4 OF THE SPECIAL BUSINESS:

Pursuant to Section 196, 197, 203 and other applicable provisions, if any, of Companies Act, 2013 read with Schedule V to the said act, the shareholders at their 23rd Annual General Meeting held on 26th September, 2015 appointed Sri P. Venkateswara Reddy as a Managing Director for a period of Three years with effect from 29th June, 2015. The Term of his appointment would come to an end on 28th June, 2018. It is necessary to Re-appointment him for another period of Three years. Hence the Board at their meeting held on 28th May, 2018 decides to Re-appoint him as a Managing Director for another period of Three years on the recommendations of the Remuneration Committee.

The Board of Directors of the Company ("the Board") at its meeting held on May 28th, 2018 has, subject to approval of members in ensuing Annual General Meeting, reappointed Sri P. Venkateswara Reddy (DIN-00018677) as a Managing Director of the company, for a further period of 3 (three) years from the expiry of his present term, that is, June, 29 2018, on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to seek members' approval for the re-appointment of and remuneration payable to Sri P.Venkateswara Reddy as a Managing Director of the Company, in terms of the applicable provisions of the Act.

Broad particulars of the terms of re-appointment of and remuneration payable to Sri P.Venkateswara Reddy are as under:

REMUNERATION DETAILS OF MD:

I. Remuneration:

- a) Salary : Rs. 2,75,000/-p.m.
- b) Commission : Commission is payable 0.5% on profits computed under section 198 of the Companies Act, 2013.
- c) Housing : House Rent Allowance (HRA) of 10% of Salary
- d) Car & Telephone : The Company shall provide a car and telephone at residence and further agrees to provide one mobile phone.
- e) Health and Accidental insurance premium : The Company agrees to bear the Health Insurance premium for self and family for a value of Rs. 20 Lakhs per person.
Accidental Insurance premium will be paid for self covering a risk of Rs. Five Crores and beneficiary being the Spouse.
- f) The medical expenses incurred and not reimbursed by Health insurance company, to be reimbursed for self and family all together to a limit of one month's salary in a year or three months salary over a period of three years.
- g) The Company also agrees to reimburse, with the approval of the Board, the additional Medical expenses, if any, incurred in excess of the expenses not covered by point (f).
- h) Club Fees: The Company agrees to pay annual subscription to a club/Health centre / Gym. Life time membership/ Lumpsum deposit will not be covered in the above.
- i) Payment of Gratuity at the end of the tenure shall not exceed 15 days salary for each completed year of continuous service rendered in the company i.e Since September 2002 or at the rate as may be notified by the government from time to time.
- j) Reimbursement of Leave Travel Assistance with in india or abroad for self and family once in a year subject to a maximum of one month salary.

II. Minimum Remuneration:

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. P.Venkateswara Reddy, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, incentive, remuneration, benefits, perquisites and allowances as specified above.

The Board recommends the Resolution as mentioned in Item No:4 of the Notice for your approval.

None of the other Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 4

ITEM NO 5 OF THE SPECIAL BUSINESS:

Pursuant to Section 196, 197, 203 and other applicable provisions, if any, of Companies Act, 2013 read with Schedule V to the said act, the shareholders at their 23rd Annual General Meeting held on 26th September, 2015 appointed Sri G.V.Krishna Reddy as a Joint Managing Director for a period of Three years with effect from 29th June, 2015. The Term of his appointment would come to an end on 28th June, 2018. It is necessary to Re-appointment him for another period of Three years. Hence the Board at their meeting held on 28th May, 2018 decides to Re-appoint him as a Joint Managing Director & CEO for another period of Three years on the recommendations of the Remuneration Committee.

The Board of Directors of the Company ("the Board") at its meeting held on May 28th, 2018 has, subject to approval of members in ensuing Annual General Meeting, reappointed Sri G.V.Krishna Reddy (DIN: 00018713) as a Joint Managing Director & CEO of the company, for a further period of 3 (three) years from the expiry of his present term, that is, June, 29 2018, on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to seek members' approval for the re-appointment of and remuneration payable to G.V.Krishna Reddy (DIN: 00018713) as a Joint Managing Director & CEO of the Company, in terms of the applicable provisions of the Act.

Broad particulars of the terms of re-appointment of and remuneration payable to G.V.Krishna Reddy (DIN: 00018713) as a Joint Managing Director & CEO are as under:

REMUNERATION DETAILS OF JMD & CEO :

I. Remuneration:

- a) Salary : Rs. 2,75,000/-p.m.
- b) Commission : Commission is payable 0.5% on profits computed under section 198 of the Companies Act, 2013.
- c) Housing : House Rent Allowance (HRA) of 10% of Salary
- d) Car & Telephone : The Company shall provide a car and telephone at residence and further agrees to provide one mobile phone.
- e) Health and Accidental insurance premium: The Company agrees to bear the Health Insurance premium for self and family for a value of Rs. 20 Lakhs per person.
Accidental Insurance premium will be paid for self covering a risk of Rs. Five Crores and beneficiary being the Spouse.
- f) The medical expenses incurred and not reimbursed by Health insurance company, to be reimbursed for self and family all together to a limit of one month's salary in a year or three months salary over a period of three years.
- g) The Company also agrees to reimburse, with the approval of the Board, the additional Medical expenses, if any, incurred in excess of the expenses not covered by point (f).
- h) Club Fees: The Company agrees to pay annual subscription to a club/Health centre/Gym. Life time membership/ Lumpsum deposit will not be covered in the above.
- i) Payment of Gratuity at the end of the tenure shall not exceed 15 days salary for each completed year of continuous service rendered in the company from 21st June, 1993 or at the rate as may be notified by the government from time to time.

- j) Reimbursement of Leave Travel Assistance with in India or abroad for self and family once in a year subject to a maximum of one month salary.

II. Minimum Remuneration:

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. G.V.Krishna Reddy, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, incentive, remuneration, benefits, perquisites and allowances as specified above.

The Board recommends the Resolution as mentioned in Item No: 5 of the Notice for your approval.

None of the other Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 5

ITEM NO 6 OF THE SPECIAL BUSINESS:

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of Mr. P.Srinivas, Cost Accountant (Membership No: 21170), Hyderabad, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2019. In terms of the Provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a) (ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration, amounting to Rs.30,000/- (Rupees Thirty Thousand only) as also the payment of GST as applicable and reimbursement of out of pocket expenses incurred in connection with the aforesaid audit, payable to the Cost Auditor is required to be ratified by the Members of the Company.

Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors.

None of the Directors or Key Managerial Personnel and their relatives, are concerned or interested (financially or otherwise) in this Resolution.

The Board recommends the Ordinary Resolution set out at Item No. 6 for the approval of Members of the Company

ITEM NO 7 OF THE SPECIAL BUSINESS:

KALLAM TEXTILES LIMITED EMPLOYEE STOCK OPTION PLAN -I 2018

a) Brief description of the scheme:

In order to create a sense of ownership and participation amongst the employees of spinning division, to reward long term employee loyalty towards the Company, to motivate the employees with incentives, inspire loyalty and reward opportunities, to provide means to enable the Company to attract and retain appropriate human talent in the employment of the Company and to achieve sustained growth of the Company the Board of Directors in its meeting held on 28th May, 2018 have approved and proposed for the approval of the shareholders for issue of Stock Options as per which employees, who comply with certain eligibility criteria would be granted stock options to subscribe a specified number of equity shares of the Company offered to them at a price to be determined. The proposed plan would be subject to and in conformity with the SEBI Guidelines.

b) Total number of options to be granted:

- (i) The maximum aggregate number of shares that may be granted under the proposed plan is 1% of the total issued capital i.e 4,28,194 equity shares of the face value of Rs. 2 / - each.
- (ii) One option entitles the holder of the options to apply for one equity share of the company subject to corporate action.

c) Eligibility criteria for the employees to participate:

The following are eligible to participate in the proposed plan of the Company:

- (i) a permanent employee of the company who has been working in India or outside India; or
- (ii) a director of the company whether a whole time director or not but excluding an independent director; or
- (iii) an employee as defined in clauses (i) or (ii) of a subsidiary, in India or outside India, or of a holding company of the company but does not include-
 - (a) an employee who is a promoter or a person belonging to the promoter group; or
 - (b) a director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the company.

d) Requirements of vesting:

There shall be a minimum period of one year between the grant of options and vesting of options. However, in case where options are granted by a company under the proposed plan in lieu of options held by the employee under an ESOP plan in another company which has merged or amalgamated with that company, the period during which the options granted by the transferor company were held by him shall be adjusted against the minimum vesting period of one year.

e) Vesting:

The vesting shall happen in one or more tranches as may be decided by the Nomination & Remuneration Committee and communicated to the employee at the time of grant.

f) Exercise price or price formula:

The exercise price for the conversion of one option into one equity share shall be as decided by the Nomination & Remuneration Committee.

g) Exercise Period and the Process of Exercise:

- (i) Exercise period shall be Three years from the date of vesting of the options.
- (ii) If an eligible employee's employment with the company terminates otherwise than due to "Cause", the eligible employee shall be eligible to exercise all the vested options within 30 days of his termination of employment with the company or such extended period as decided by the Nomination & Remuneration Committee.

"Cause" for the purpose of the Plan shall mean, as determined by the Nomination & Remuneration Committee and shall include,

- (a) the engaging by the eligible employee in wilful, reckless or grossly negligent conduct which is determined by Nomination & Remuneration Committee to be detrimental to the interest of the Company or any of its affiliates, monetarily or otherwise.
 - (b) fraud, misfeasance, breach of trust or wrongful disclosure of any secret or confidential information about the Company.
 - (c) the eligible employee pleading guilty to or conviction of a felony.
 - (d) violation of any terms of employment contract.
- (iii) If an eligible employee's employment with the company terminates due to Death or Permanent disability, the eligible employee / nominee shall be eligible to exercise all the options within 30 days or such period as decided by the Nomination & Remuneration Committee.

(iv) The options will be exercisable by the employees by a written application to the Nomination & Remuneration Committee to exercise the options, in such manner and on execution of such documents as may be prescribed by the Nomination & Remuneration Committee under the proposed plan.

(v) The options will lapse if not exercised within the specified exercise period.

h) Parameters/Process for determining the eligibility of employees to the ESOP Scheme:

(i) Employees would be granted stock options based on their tenure in the Company or such other parameters as may be decided by the Nomination & Remuneration Committee from time to time.

(ii) The Nomination & Remuneration Committee may at its discretion extend the benefits of the proposed plan to a new entrant or any existing employee on such other basis as it may deem fit.

(i) Maximum number of options to be issued per employee and in aggregate:

(i) The maximum number of options to be granted to each employee will depend upon the rank/designation of the employee as on the date of grant of options. However no employee shall be entitled to more than such number of options exceeding the limit fixed by the SEBI or any other relevant regulation as is applicable to such options.

(ii) The maximum aggregate number of shares that may be granted under the proposed plan is 1% of the total issued Share Capital i.e 4,28,194 shares.

(iii) The Nomination & Remuneration Committee shall decide on the number of options to be granted to each employee within this limit.

j) Maximum quantum of benefits to be provided per employee:

The maximum quantum of benefit to be provided per employee shall depend upon various factors e.g. number of option granted, exercise price and Fair Market Value on exercise date. However no employee shall be entitled to more than such number of options exceeding the limit fixed by the SEBI or any other relevant regulation as is applicable to such options.

k) Mode of Implementation and administration of Scheme:

The scheme shall be directly implemented and administrated by the Company through the Nomination & Remuneration Committee.

l) Issuance of shares under the Scheme:

The company shall issue fresh shares as and when application for exercise of options are received by the Company from the employees.

m) Accounting Methods:

The Company shall confirm to the accounting policies specified in the SEBI Guidelines and/or such other guidelines as may be applicable from time to time.

n) Method of valuation of the options:

The Company shall use the prescribed method for valuation of the options.

Clause 6 of the SEBI Guidelines requires that any ESOP Scheme for offering stock options to the employees of the Company must be approved by the shareholders by way of a Special Resolution in the General Meeting and furthermore, as the Scheme will entail further shares to be offered to persons other than the existing shareholders of the company, consent of the members is required by way of a Special Resolution pursuant to the provisions of sub section (b) of Section 62 of the Companies Act,

2013 for the Item No. 7 and all other applicable provisions of the law for the time being in force.

None of the Directors or Key Managerial Personnel and their relatives, are concerned or interested (financially or otherwise) in this Resolution.

The Board recommends the Special Resolution set out at Item No. 7 for the approval of Members of the Company

ITEM NO 8 OF THE SPECIAL BUSINESS:

KALLAM TEXTILES LIMITED EMPLOYEE STOCK OPTION PLAN-II 2018

a) Brief description of the scheme:

In order to create a sense of ownership and participation amongst the employees of weaving & dyeing divisions, to reward long term employee loyalty towards the Company, to motivate the employees with incentives, inspire loyalty and reward opportunities, to provide means to enable the Company to attract and retain appropriate human talent in the employment of the Company and to achieve sustained growth of the Company the Board of Directors in its meeting held on 28th May, 2018 have approved and proposed for the approval of the shareholders for issue of Stock Options as per which employees, who comply with certain eligibility criteria would be granted stock options to subscribe a specified number of equity shares of the Company offered to them at a price to be determined. The proposed plan would be subject to and in conformity with the SEBI Guidelines.

b) Total number of options to be granted:

- (i) The maximum aggregate number of shares that may be granted under the proposed plan is 1% of the total issued capital i.e 4,28,194 equity shares of the face value of Rs. 2/- each.
- (ii) One option entitles the holder of the options to apply for one equity share of the company subject to corporate action.

c) Eligibility criteria for the employees to participate:

The following are eligible to participate in the proposed plan of the Company:

- (i) a permanent employee of the company who has been working in India or outside India; or
- (ii) a director of the company whether a whole time director or not but excluding an independent director; or
- (iii) an employee as defined in clauses (i) or (ii) of a subsidiary, in India or outside India, or of a holding company of the company but does not include-
 - (a) an employee who is a promoter or a person belonging to the promoter group; or
 - (b) a director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the company.

d) Requirements of vesting:

There shall be a minimum period of one year between the grant of options and vesting of options. However, in case where options are granted by a company under the proposed plan in lieu of options held by the employee under an ESOP plan in another company which has merged or amalgamated with that company, the period during which the options granted by the transferor company were held by him shall be adjusted against the minimum vesting period of one year.

e) Vesting:

The vesting shall happen in one or more tranches as may be decided by the Nomination & Remuneration Committee and communicated to the employee at the time of grant.

f) Exercise price or price formula:

The exercise price for the conversion of one option into one equity share shall be as decided by the Nomination & Remuneration Committee.

g) Exercise Period and the Process of Exercise:

(i) Exercise period shall be Five years from the date of vesting of the options.

(ii) If an eligible employee's employment with the company terminates otherwise than due to "Cause", the eligible employee shall be eligible to exercise all the vested options within 30 days of his termination of employment with the company or such extended period as decided by the Nomination & Remuneration Committee.

"Cause" for the purpose of the Plan shall mean, as determined by the Nomination & Remuneration Committee and shall include,

(a) the engaging by the eligible employee in wilful, reckless or grossly negligent conduct which is determined by Nomination & Remuneration Committee to be detrimental to the interest of the Company or any of its affiliates, monetarily or otherwise.

(b) fraud, misfeasance, breach of trust or wrongful disclosure of any secret or confidential information about the Company.

(c) the eligible employee pleading guilty to or conviction of a felony.

(d) violation of any terms of employment contract.

(iii) If an eligible employee's employment with the company terminates due to Death or Permanent disability, the eligible employee / nominee shall be eligible to exercise all the options within 30 days or such period as decided by the Nomination & Remuneration Committee.

(iv) The options will be exercisable by the employees by a written application to the Nomination & Remuneration Committee to exercise the options, in such manner and on execution of such documents as may be prescribed by the Nomination & Remuneration Committee under the proposed plan.

(v) The options will lapse if not exercised within the specified exercise period.

h) Parameters/Process for determining the eligibility of employees to the ESOP Scheme:

(i) Employees would be granted stock options based on their tenure in the Company or such other parameters as may be decided by the Nomination & Remuneration Committee from time to time.

(a) The Nomination & Remuneration Committee may at its discretion extend the benefits of the proposed plan to a new entrant or any existing employee on such other basis as it may deem fit.

(i) Maximum number of options to be issued per employee and in aggregate:

(i) The maximum number of options to be granted to each employee will depend upon the rank/ designation of the employee as on the date of grant of options. However no employee shall be entitled to more than such number of options exceeding the limit fixed by the SEBI or any other relevant regulation as is applicable to such options.

(ii) The maximum aggregate number of shares that may be granted under the proposed plan is 1% of the total issued Share Capital i.e 4,28,194 shares.

(iii) The Nomination & Remuneration Committee shall decide on the number of options to be granted to each employee within this limit.

j) Maximum quantum of benefits to be provided per employee:

The maximum quantum of benefit to be provided per employee shall depend upon various factors e.g. number of option granted, exercise price and Fair Market Value on exercise date. However no employee shall be entitled to more than such number of options exceeding the limit fixed by the SEBI or any other relevant regulation as is applicable to such options.

k) Mode of Implementation and administration of Scheme:

The scheme shall be directly implemented and administrated by the Company through the Nomination & Remuneration Committee.

l) Issuance of shares under the Scheme:

The company shall issue fresh shares as and when application for exercise of options are received by the Company from the employees.

m) Accounting Methods:

The Company shall confirm to the accounting policies specified in the SEBI Guidelines and/or such other guidelines as may be applicable from time to time.

n) Method of valuation of the options:

The Company shall use the prescribed method for valuation of the options.

Clause 6 of the SEBI Guidelines requires that any ESOP Scheme for offering stock options to the employees of the Company must be approved by the shareholders by way of a Special Resolution in the General Meeting and furthermore, as the Scheme will entail further shares to be offered to persons other than the existing shareholders of the company, consent of the members is required by way of a Special Resolution pursuant to the provisions of sub section (b) of Section 62 of the Companies Act, 2013 for the Item No. 8 and all other applicable provisions of the law for the time being in force.

None of the Directors or Key Managerial Personnel and their relatives, are concerned or interested (financially or otherwise) in this Resolution.

The Board recommends the Special Resolution set out at Item No. 8 for the approval of Members of the Company

Place : Chowdavaram, Guntur

Date : 09-08-2018

By the order of Board of Directors

P.Venkateswara Reddy

Managing Director

DIN : 00018677

Brief Note on the Directors seeking Appointment/Re-appointment at the 26th Annual General Meeting

Pursuant to Secretarial Standards- 2 and Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, brief particulars of the directors proposed for re-appointment/appointment at the Annual General Meeting are given below (Item No 3,4 & 5 to the Notice of the Shareholders)

Name of the Director	Movva Venkata Subba Reddy
Director Identification Number	00018719
No. of Shares held in the Company	4,28,125
Nature of Expertise in Specific functional areas	Mr M.V.Subba Reddy is aged about 60 years and he hails from Agricultural Family. He is associated with the Company Since 1996. He is a Post Graduate in Commerce from Andhra University, Visakhapatnam. He looks after day to day administration of Spinning Unit at Chowdavaram. He is also Chief Financial Officer of the Company.
Directorships in other Listed Companies	NIL

Name of the Director	Poluri Venkateswara Reddy
Director Identification Number	00018677
No. of Shares held in the Company	11,51,250
Nature of Expertise in Specific functional areas	Mr P. Venkateswara Reddy is aged about 67 years and he also hails from Agricultural Family. He is associated with the Company Since September 2002. Mr P.V. Reddy handles the Purchase of Raw Cotton, Ginning, Civil Constructions and Administration of Spinning Unit At Chowdavaram.
Directorships in other Listed Companies	NIL

Name of the Director	G.V.Krishna Reddy
Director Identification Number	00018713
No. of Shares held in the Company	35,13,723
Nature of Expertise in Specific functional areas	Mr G.V.K Reddy is aged about 60 years. He is a graduate in Mechanical Engineering with Distinction and 1st Rank Holder from Andhra University, Visakhapatnam. He did his M.Sc. in Marine Engineering from Royal Naval Engineering College, Plymouth, UK. He was commissioned in Indian Navy in 1977 . He looks after the day to day administration of Weaving and Dyeing Units. In addition to the above, he also looks after the Marketing and Finance Management of the entire Company.
Directorships in other Listed Companies	NIL

SHARE HOLDERS INSTRUCTIONS FOR E-VOTING

Instructions for Voting through electronic means:

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company has also provided e-voting facility through Central Depository Services (India) Limited (CDSL) for its members to enable them to cast their votes electronically on all resolutions set forth in the notice convening the 26th Annual General Meeting held on Saturday, 22nd September, 2018 at 3.00 p.m., IST

EVEN (E-VOTING EVENT NUMBER) : 180821015

- i) The e-voting period begins on Wednesday, 19th September, 2018 at 9.00 a.m. (IST) and ends on Friday, 21st September, 2018 at 5.00 p.m. (IST). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Saturday, 15th September, 2018 may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. (IST) on Friday, 21st September, 2018.
- ii) The shareholders should log on to the e-voting website: www.evotingindia.com
- iii) Click on "Shareholders" tab to cast your vote.
- iv) Now Enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v) Next enter the Image Verification as displayed and Click on Login.

For Members holding shares in Demat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Date of Birth (DOB)	Enter the Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records for the said demat account or folio no.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio no.</p> <p>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</p>

- vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- vii) If you are a first time user, follow the steps given below:
- Viii) After entering these details appropriately, click on “SUBMIT” tab.
- ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi) Click on the EVSN along with "Kallam Textiles Limited" from the drop down menu and click on "SUBMIT".
- xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same, the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii) Click on the “RESOLUTIONS FILE” link if you wish to view the entire Resolution details.
- xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi) You can also take out print of the voting done by you by clicking on “CLICK HERE TO PRINT” option on the Voting page.
- xvii) If you as a Demat account holder have forgotten the existing password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii) Share holders can also cast there vote using CDSLs' mobile app m-voting available for android based mobiles. The m-voting app can be downloaded from google play store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xix) Note for Non Individual Shareholders and Custodians :
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates and Custodians respectively
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details, a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts, they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.Com
- xxi) M/s K. Srinivasa Rao & Co. Company Secretaries, Guntur (Entity ID : 34721) has been appointed as the Scrutinizer to Scrutinize the e-voting process in a fair and transparent manner.



KALLAM TEXTILES LIMITED
(Formerly Known as "Kallam Spinning Mills Limited")
CIN : L18100AP1992PLC013860

Chowdavaram, Guntur-522019, AP, INDIA.
Ph: 0863-2344016 - Fax : 0863-2344000 Email : corp@ksml.in

**PROXY FORM**

(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) :	E-mail Id :
Registered Address :	Folio No/ Client ID :
	DP ID :

I/We, being member ofshares of Kallam Textiles Limited, hereby appoint

- 1).....ofhaving email ID or failing him
2).....ofhaving email ID or failing him
3).....ofhaving email ID

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my /our behalf at the 26th ANNUAL GENERAL MEETING of the company to be held at Chowdavaram, Guntur -522019, Andhra Pradesh, India, on 22ND September, 2018 at 3.00 pm and at any adjournment(s) thereof in respect of such resolutions as are indicated below.

Resolutions	For	Against
1) Consider and Adopt: Audited Financial Statements, Reports of the Board of Directors and Auditors		
2) Declaration of Dividend on Equity Shares		
3) Re-appointment of Sri M.V. Subba Reddy (DIN : 00018719) who retires by rotation		
4) Re-appointment of Sri PVenkateswara Reddy (DIN : 00018677) as a Managing Director of the Company		
5) Re-appointment of Sri G.V.Krishna Reddy (DIN : 00018713) as a Joint Managing Director & CEO of the Company		
6) Ratification of the remuneration of Mr. P.Srinivas, Cost Accountant for the financial year ending 31 st March, 2019		
7) Approval of Kallam Textiles Ltd Employees Stock Option Plan (ESOP) - I, 2018		
8) Approval of Kallam Textiles Ltd Employees Stock Option Plan (ESOP) - II, 2018		

Signed this.....day of2018

Signature of the member

Affix
Revenue
Stamp

Signature of the first proxy holder

Signature of the Second proxy holder

Signature of the Third proxy holder

Note: this form, in order to be effective should be duly stamped, completed, signed and deposited at the Registered Office of the Company, Not Less than 48 hours before the meeting



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**ATTENDANCE SLIP**

DP Id	
Client Id	

Folio No.	
No. of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the 26th ANNUAL GENERAL MEETING of the Company held on Saturday, The 22nd September, 2018 at 3.00 P.M. at Chowdavaram, Guntur- 522019, Andhra Pradesh, India.

Name of the member/Proxy (IN BLOCK LETTERS)

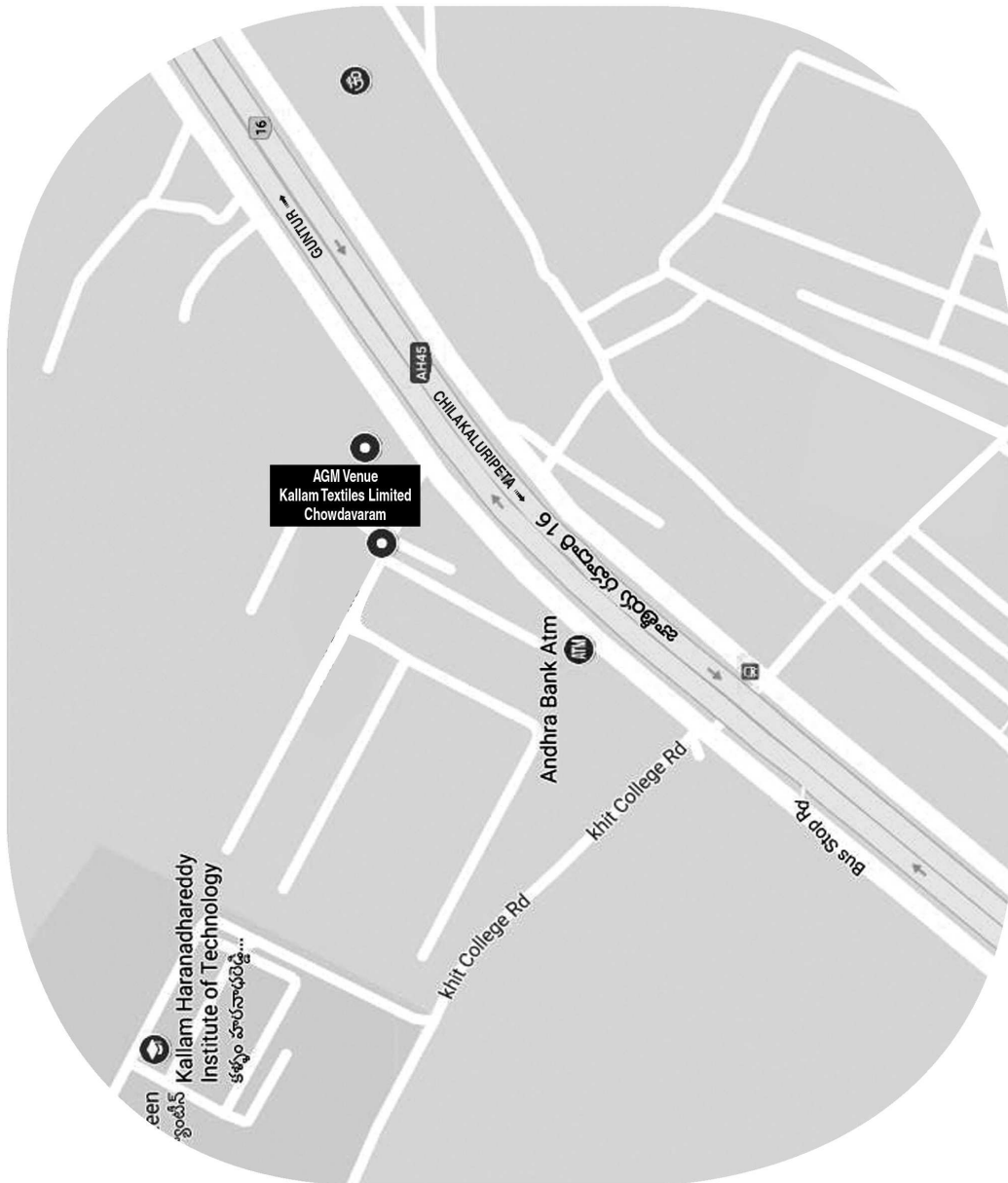
Signature of the member/Proxy

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall, Members are requested to bring their copies of the Annual Report to the meeting.



ROUTE MAP

For the Venue of the 26th Annual General Meeting of Kallam Textiles Limited



KALLAM TEXTILES LIMITED
Chowdavaram,
GUNTUR-522019, AP, INDIA.
Web : www.ksml.in

For queries, contact us

Ph : 0863-2344016

Fax : 0863-2344000

Email : corp@ksml.in



To
Big Share Services Pvt Ltd.,
306, 3rd Floor, Right Wing,
Amrutha Ville,
Opp. Yashodha Hospital,
Raj Bhavan Road, Somajiguda,
Hyderabad – 500082
Ph : 040-23374967
Fax : 040-23370295

Dt :

Dear Sir/Madam,

Payment of Dividend through NECS (NECS Mandate Form)

I/We hereby give my/our mandate to credit my/our Dividend on the shares held by me/us under the Folio mentioned hereunder, directly to my/our bank account through the National Electronic Clearing Service (NECS)

The details are given below :

Folio No.	
Name of First / Sole Shareholder	
First Shareholders Address	
Email Id	
Mobile No.	

Bank Particulars :

Name of Bank in Full		
Branch Name & Address		
IFS Code		
9 Digits Code Number of the Bank and branch as appearing on the MICR cheque		
Account No		
Type of Account (Please tick (✓) at Appropriate Box)	<input type="checkbox"/> Savings	<input type="checkbox"/> Current

I/We, hereby, declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/we would not hold the Company or Registrar and Share Transfer Agent of the Company responsible. I/We undertake to inform any subsequent changes in the particulars of my account to facilitate updation of records for purpose of credit of dividend amount through NECS.

Place:

(Signature of Sole/First holder)

Please attach the photocopy of a cheque or a blank cancelled cheque issued by your Bank relating to your above account for verifying the accuracy of the 9 digit code number.



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(Formerly Known as "Kallam Spinning Mills Limited")
CIN : L18100AP1992PLC013860

Chowdavaram, Guntur-522019, AP, INDIA.
Ph: 0863-2344016 - Fax : 0863-2344000 Email : corp@ksml.in



E-MAIL REGISTRATION FORM

(exclusively for Shareholders holding shares in physical form)

To
Big share Services Pvt. Ltd.,
306, 3rd Floor, Right Wing,
Amrutha Ville,
Opp. Yashodha Hospital,
Raj Bhavan Road, Somajiguda,
Hyderabad – 500082.
Ph No.040-23374967
Fax No.040-23370295.

Dear Sir,

Sub: **Registration of E-mail**

Green Initiative in Corporate Governance

I am the Shareholder of the Company. I want to receive all communication from the Company including the Notices, Annual Reports and any other related documents through E-mail. Kindly register my E-mail ID, which is mentioned below, in your records for sending communication through E-mail.

Regd. Folio No. : _____

Name of First Shareholder : _____

Name(s) of Joint Shareholder(s) : _____

E-mail ID to be registered : _____

Address : _____

Date :

Signature of the first named Shareholder

Notes :

1. On registration of E-mail, all the communications, including the Annual Reports, will be sent at the said registered E-mail.
2. Holders of Shares in demat form are requested to register/update their E-mail Id with their respective Depository Participant.