



Kitex Garments Limited

(CIN: L18101KL1992PLC006528)

Building No. VI/496, Kizhakkambalam, Vilangu P.O, Aluva, Ernakulam - 683561, Kerala

Phone: 91 484 2585000, Fax: 91 484 2680604

Website: www.kitexgarments.com, E-mail: sect@kitexgarments.com

POSTAL BALLOT NOTICE

(Pursuant to Section 110 of the Companies Act, 2013 read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014)

To the Members of the Company,

Notice is hereby given that the resolutions set out below are proposed for approval by the members of Kitex Garments Limited (**“the Company”**) by means of Postal Ballot, only by remote e-voting process (**“e-voting”**) being provided by the Company to all its members to cast their votes electronically, pursuant to Section 110 of the Companies Act, 2013 (**“the Act”**), Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 (**“the Rules”**) and other applicable provisions of the Act and the Rules, General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020 read with other relevant circulars, including General Circular No. 09/2023 dated September 25, 2023 and General Circular No.9/2024 dated September 19, 2024 issued by the Ministry of Corporate Affairs (**“MCA Circulars”**), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“Listing Regulations”**), Secretarial Standard on General Meetings (**“SS-2”**) issued by the Institute of Company Secretaries of India and other applicable laws, rules and regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

The Explanatory Statement pursuant to Sections 102 (1) and other applicable provisions, if any, of the Act read with the Rules, setting out all the material facts relating to the resolutions proposed in this Postal Ballot Notice is also attached hereto for your consideration.

The Board of Directors of the Company has appointed CS Jayan K. (Membership No: FCS 8154, CP: 7363), Partner, SVJS & Associates, Practicing Company Secretaries, Kochi as Scrutinizer for conducting the Postal Ballot, through e-voting process, in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the said process. The Scrutinizer’s decision on the validity of the votes cast in the Postal Ballot shall be final.

The Company has engaged the services of Central Depository Services (India) Limited (**“CDSL”**) as the agency to provide an e-voting facility.

Members are requested to read the instructions given in the Notes to this Postal Ballot Notice so as to cast their vote electronically. The votes can be cast during the following voting period:

Commencement of e-voting:	Saturday, November 30, 2024 at 09.00 A.M (IST)
End of e-voting:	Sunday, December 29, 2024 at 5.00 P.M (IST)

The Scrutinizer will submit his report, after the completion of scrutiny, to the Chairman and Managing Director of the Company or any person authorized by him. The results of e-voting will be announced on or before Tuesday, December 31, 2024 at 4.00 P.M at the registered office of the Company, and will be displayed on the Company’s website at www.kitexgarments.com and the

website of CDSL at www.evotingindia.com. The results will simultaneously be communicated to the Stock Exchanges and will also be displayed at the registered office of the Company.

SPECIAL BUSINESS:

1. Issue of Bonus Shares

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

“RESOLVED THAT pursuant to the provisions of Section 63 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and other applicable regulations and guidelines issued by SEBI and Reserve Bank of India (RBI), as amended from time to time, relevant provisions of Memorandum and Articles of Association of the Company, subject to such approvals, consents, permissions, conditions and sanctions as may be considered necessary from appropriate authorities and subject to such terms and modifications, if any, as may be specified while according such approvals as may be required in this regard, approval of the members be and is hereby accorded to capitalize a sum not exceeding ₹ 13,30,00,000/- (Rupees Thirteen Crores and Thirty Lakhs only) or such amount as may be determined to be required by the Board, from and out of the amount standing to the credit of free reserves including general reserve and/or the retained earnings of the Company as at March 31, 2024, for the purpose of issuance of bonus shares to the fully paid equity shareholders of the Company in the proportion of 2:1 i.e. 2 (Two) New fully paid Equity Share for every 1 (One) existing Equity Share held on such date as may be fixed by the board for this purpose (‘Record Date’) and the new bonus share issued and allotted shall, for all purposes, be treated as an increase in the paid up Share Capital of the Company held by each such member.

RESOLVED FURTHER THAT the bonus equity shares so allotted shall rank pari passu in all respects with the fully paid-up equity shares of the Company as existing on the Record Date

RESOLVED FURTHER THAT the bonus equity shares so allotted shall always be subject to the terms and conditions contained in the Memorandum and Articles of Association of the Company

RESOLVED FURTHER THAT in accordance with the ICDR Regulations, the new equity shares to be allotted pursuant to the bonus issue shall be allotted in dematerialised form only and shall be credited to the respective beneficiary accounts of the members with their respective Depository Participant(s). With respect to the members holding equity shares in physical form, the Company shall credit the bonus equity shares to a new demat suspense account or to a demat account in the name of a trustee of a trust to be settled by the Company to hold these shares till they are credited to the beneficiary accounts of the respective members holding equity shares in physical form

RESOLVED FURTHER THAT the issue and allotment of the bonus equity shares to Non-Resident Members, Foreign Portfolio Investors / Foreign Institutional Investors and other Foreign

Investors, shall be subject to the approval, if any, of RBI under the FEMA or any other regulatory authority

RESOLVED FURTHER THAT the Board be and is hereby authorised to take necessary steps for listing of such bonus equity shares on the Stock Exchanges where the equity shares of the Company are presently listed as per the provisions of the Listing Regulations and other applicable regulations, rules and guidelines

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion, to delegate all or any of its powers conferred under this resolution to any Director or Key Managerial Personnel of the Company and to resolve all such issues, questions, difficulties or doubts whatsoever that may arise in this regard and all action(s) taken by the Company in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respect.”

2. To make investments, give loans, guarantees, and provide security under Section 186 of the Companies Act, 2013

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

“**RESOLVED THAT** in supersession of resolution passed by the members through Postal Ballot route dated February 18, 2023 and pursuant to the provisions of Section 186 of the Companies Act, 2013 (the ‘Act’) read with the Companies (Meetings of Board and its Powers) Rules, 2014, and other applicable provisions, if any, of the Act, Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification, amendment or re-enactment thereof for the time being in force) and other applicable laws and as recommended by Audit Committee, subject to such other approvals, consents, sanctions and permissions as may be required in that behalf and in terms of the Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company to: (a) give loan to any person or other body corporate; (b) give any guarantee or provide any security in connection with a loan to any other body corporate or person and; (c) acquire by way of subscription, purchase or otherwise the securities of any other body corporate, subject to however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of ₹ 3000 Crores (Rupees Three Thousand Crores only) which may, however, be over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such other acts, deeds and things as are necessary and expedient in this regard.”

By Order of the Board of Directors of
Kitex Garments Limited

Kizhakkambalam
November 22, 2024

Dayana Joseph
Company Secretary
(ICSI M. No. ACS 61808)

NOTES:

1. A statement, pursuant to the provisions of Section 102(1) and other applicable provisions of the Act read with the Rules, setting out all material facts relating to the resolutions mentioned in this Postal Ballot Notice is attached.
2. In compliance with the MCA Circulars, this Postal Ballot Notice is being sent only through electronic mode to those members whose names appear on the register of members / register of beneficial owners as on Friday, November 22, 2024 (“Cut-Off Date”) received from the Depositories and whose e-mail address is registered with the Company / Registrar and Transfer Agent / Depository Participants / Depositories. Physical copies of this Postal Ballot Notice along with postal ballot forms and pre-paid business reply envelopes are not being sent to members for this Postal Ballot.
3. This Postal Ballot Notice will also be available on the Company’s website at www.kitexgarments.com, websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL (agency for providing the remote e-voting facility) i.e. www.evotingindia.com.
4. In accordance with the MCA Circulars, the Company has made necessary arrangements for the members to register their e-mail address. Members who have not registered their e-mail address are requested to register the same (i) with the Depository Participant(s) where they maintain their demat accounts, if the shares are held in electronic form, and (ii) Members holding shares in physical mode, who have not registered/updated their e-mail address with the Company, are requested to register/update their e-mail address by submitting Form ISR-1 (available on the website of the Company at www.kitexgarments.com) duly filled and signed along with requisite supporting documents to M/s. Cameo Corporate Services Limited, Subramanian Building, No. 1, Club House Road, Chennai – 600002, Tamil Nadu, India.
5. Only a person, whose name is recorded in the register of members/register of beneficial owners, as on the Cut-Off Date, maintained by the Depositories shall be entitled to participate in the e-voting. A person who is not a member as on the Cut-Off Date should treat this Postal Ballot Notice for information purpose only.
6. Subject to the provisions of the Articles of Association of the Company, voting rights of a member / beneficial owner (in case of electronic shareholding) shall be in proportion to his /

her / its shareholding in the paid-up equity share capital of the Company as on the Cut-Off Date.

7. Pursuant to the provisions of Sections 108, 110 and other applicable provisions of the Act and the Rules made thereunder, the MCA Circulars, Regulation 44 of the Listing Regulations read with Section VI-C of the SEBI Master Circular bearing reference no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, as amended ("SEBI Master Circular"), and SS-2 and any amendments thereto, the Company is providing the facility to the members to exercise their right to vote on the proposed resolutions electronically. The instructions for e-voting are provided as part of this Postal Ballot Notice.
8. The e-voting period commences at 9:00 a.m. (IST) on Saturday, November 30, 2024 and ends at 5:00 p.m. (IST) on Sunday, December 29, 2024.

The e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be forthwith disabled by CDSL upon expiry of the aforesaid period.

9. The resolutions, if approved, shall be deemed to have been passed on the last date of e-voting i.e., Sunday, December 29, 2024.
10. All the documents referred to in this Postal Ballot Notice will be available for inspection by the Members at the Registered Office of the Company or electronically from 11 am to 5 pm on all working days from the date of dispatch of the Notice till the last date for e-voting.

Members seeking to inspect such documents can send an email to sect@kitexgarments.com mentioning his / her / its folio number / DP ID and Client ID.

11. PROCEDURE FOR E-VOTING:

(i) E-VOTING FACILITY:

- a. The Company is providing e-voting facility of CDSL to its members to exercise their right to vote on the proposed resolutions by electronic means.
- b. The e-voting facility will be available during the following voting period:

Commencement of e-voting:	Saturday, November 30, 2024 at 09.00 A.M (IST)
End of e-voting:	Sunday, December 29, 2024 at 5.00 P.M (IST)

The e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be forthwith disabled by CDSL upon expiry of the aforesaid period.

- c. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again.

(ii) INSTRUCTIONS FOR REMOTE E-VOTING:

Step 1: Access through Depositories CDSL/NSDL e-voting system in case of individual shareholders holding shares in demat mode

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on Saturday, November 30, 2024 (9.00 a.m. I.S.T) and ends on Sunday, December 29, 2024 (5.00 p.m. I.S.T). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, November 22, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

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

Pursuant to abovesaid SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & New System Myeasi Tab. After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting

	<p>service provider for casting your vote during the e-voting period. Additionally, there is also links provided to access the system of all e-voting service providers, so that the user can visit the e-voting service providers' website directly.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting service providers.</p>
Individual Shareholders holding securities in demat mode with NSDL Depository	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the e-voting period.</p> <p>2) If the user is not registered for IDeAS e-services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" "Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the e-voting period.</p>
Individual Shareholders (holding securities in	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After successful login, you will be able to see e-voting</p>

demat mode) login through their Depository Participants (DP)	option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the e-voting period.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

Step 2 : Access through CDSL e-voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (iv) Login method for e-voting for physical shareholders and shareholders other than individual holding in demat form.
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on “Shareholders” module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
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"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> 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.

- (v) After entering these details appropriately, click on “SUBMIT” tab.
- (vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the relevant Kitex Garments Limited on which you choose to vote.
- (ix) 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.
- (x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xi) 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.
- (xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

- (xiii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xiv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xv) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Voting.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; sect@kitexgarments.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), Aadhar (self attested scanned copy of Aadhar Card) by email to Company/RTA to investor@cameoindia.com with cc to sect@kitexgarments.com.
2. For demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For individual demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-voting through Depository.

If you have any queries or issues regarding e-voting from the CDSL e-voting system, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

EXPLANATORY STATEMENT

(As per Section 102 read with Section 110 of the Companies Act, 2013)

Item No. 1

The Board of Directors at its meeting held on November 22, 2024, have recommended the issue of bonus equity shares of ₹ 1/- (Rupee One only) each credited as fully paid-up to eligible members of the Company in the proportion of 2:1 i.e., 2 (Two) new fully paid-up equity share of ₹ 1/- (Rupee One only) each for every 1 (one) existing fully paid-up equity share of ₹ 1/- (Rupee One only) each by capitalizing a sum required for implementing the Bonus Issue of ₹ 13,30,00,000/- (based on the estimated number of bonus shares) out of free reserves including general reserve and/or retained earnings of the Company, as may be considered appropriate.

Article 71 to 73 of the Articles of Association of the Company permits capitalization of any part of the amount for the time being standing to the credit of any of the Company's reserve accounts (including securities premium account and capital redemption reserve account), or to the credit of the profit and loss account, or otherwise available for distribution by applying the same towards payment of unissued shares to be issued to the members as fully paid bonus shares.

Issue of bonus equity shares requires members' approval in terms of Section 63 of the Companies Act, 2013 and other applicable statutory and regulatory approvals.

Accordingly, approval of members is sought for passing the ordinary resolution set out at Item No. 1 of this Postal Ballot Notice.

Members are requested to note that in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, the new equity shares to be allotted pursuant to the bonus issue shall be allotted in dematerialized form only.

The Record Date for the aforesaid issue of bonus shares shall be fixed by the Board (including any Committee thereof) after the approval of the Members is obtained. Pursuant to the proviso to Regulation 295 of SEBI ICDR (Issue of Capital and Disclosure Requirements) Regulations, 2018 the bonus issue shall be implemented within two months from the date of the meeting of the Board of Directors wherein the decision to announce the bonus issue was taken subject to shareholders' approval.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 1 of this Postal Ballot Notice except to the extent of their shareholding in the Company.

The Board of Directors recommends the Ordinary Resolution set out in Item No.1 of this Notice for approval by the members.

Item No. 2

It is informed to the Members that the Company has been making investments, giving loans and guarantees to and providing security in connection with loans to various persons and bodies corporate (including its subsidiary) from time to time, in compliance with the applicable provisions of the Act. The provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended to date, provides that no company is permitted to, directly or indirectly, (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding 60% of its paid-up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more. Further, the said Section provides that where giving of any loan or guarantee or providing any security or the acquisition as provided under Section 186(2) of the Act, exceeds the limits specified therein, prior approval of shareholders by means of a Special Resolution is required to be passed at a general meeting. Since the aggregate amount of the loans and investments so far made, along with the loans, investments, guarantees, provide security to be made/ provided by the Company in the near future, may exceed the limits prescribed under the provision of section 186 (2) of the Companies Act, 2013, so, it is feasible for the Company to get the prior approval from the shareholders of the Company by way of Special Resolution for enhancing the limits specified under Section 186 of the Act.

In view of the above and considering the long term business plans of the Company, which requires the Company to make sizeable loans/ investments and issue guarantees/ securities to persons or bodies corporate, from time to time, the Board of Directors of the Company proposes to obtain approval of shareholders by way of special resolution as contained in the notice of the Postal Ballot for the purpose of aforesaid loan, investments, guarantees and securities for an amount not exceeding a sum of ₹ 3000 Crores (Rupees Three Thousand Crores only) in aggregate, outstanding at any time notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 2 of this Postal Ballot Notice except to the extent of their shareholding in the Company.

The Board of Directors recommends the Special Resolution set out in Item No.2 of this Notice for approval by the members.

By Order of the Board of Directors of
Kitex Garments Limited

Kizhakkambalam
November 22, 2024

Dayana Joseph
Company Secretary
(ICSI M. No. ACS 61808)