



LAKSHMI AUTOMATIC LOOM WORKS LIMITED

Registered Office : 686, Avanashi Road, Pappanaickenpalayam, Coimbatore – 641037

E-mail: contact@lakshmiautomatic.com, Website: www.lakshmiautomatic.com

Phone No: + 91 422-2245484, 2245485, Fax : + 91 422-2244887,

CIN : L29269TZ1973PLC000680

Notice to the Shareholders

Notice is hereby given that an Extra-Ordinary General Meeting of the Shareholders of the Company will be held on Wednesday, the 24th day of March, 2021 at 11.00 A.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") for transacting the following business:

AGENDA

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

"RESOLVED THAT pursuant to the provisions of Section 61 and other applicable provisions, if any of the Companies Act, 2013 read with rules made thereunder (including any statutory modifications, amendments or re-enactments thereof for the time being in force) and pursuant to Article 56(a) of Articles of Association which empowers the Company for consolidation of shares and subject to approvals, consents, permissions and sanctions, if any, required from any authority and subject to such conditions as may be agreed to by the Board of Directors of the Company (hereinafter referred to as the Board) and subject to consent of the Members, consent of the Board is hereby accorded to consolidate 10 (Ten) Equity Shares of Rs.10/- each (Rupees Ten) into 1 (one) Equity Share of Rs.100/- each (Rupees Hundred) fully paid up and consequently the paid up Share Capital of the Company of Rs.6,68,75,020/- comprising of 66,87,502 Equity Shares of the face value of Rs.10/- each be consolidated to 6,68,750 Equity Shares of Rs.100/- each aggregating to Rs.6,68,75,000/- with effect from the " Record date " to be determined by the Board for this purpose."

"RESOLVED FURTHER THAT pursuant to consolidation of the Equity Shares of the Company, 10 (Ten) Equity Shares of the face value of Rs.10/- each shall stand consolidated into 1 (One) Equity Share of Rs.100/- each fully paid up with effect from the Record date."

"RESOLVED FURTHER THAT on consolidation, 1 (One) Equity Share of Rs.100/- each issued in lieu of 10 (Ten) Equity Shares of Rs.10/- each, subject to the terms of the Memorandum and Articles of Association of the Company shall rank pari passu in all respects and carry the same rights as the existing fully paid Equity Shares of Rs.10/- each of the Company and shall be entitled to dividend to be declared after the consolidation of Equity Shares."

"RESOLVED FURTHER THAT upon consolidation of Equity Shares of the Company as aforesaid the existing Share Certificates in relation to the existing Equity Shares of Rs.10/- each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the Record date and that no Letter of Allotment shall be issued to the Allottees of the new Equity Shares of Rs.100/- each on consolidation and the Company may, without requiring the surrender of existing Share Certificate, directly issue and dispatch the new Share Certificate of the Company, in lieu of such existing Share Certificate within the period prescribed. In case of shares held in dematerialized form, the number of consolidated Equity Shares be credited to the respective beneficiary accounts of the shareholders with the Depository Participants, in lieu of existing credits representing the Equity Shares before consolidation."

"RESOLVED FURTHER THAT the fractional shares caused by consolidation of capital shall be transferred without requiring any further action to a Committee of the Board of Directors formed for this purpose."

"RESOLVED FURTHER THAT the Committee shall sell the consolidated shares held by the Committee / any two of the members of the Committee jointly and / or severally as may be prescribed by the appropriate regulatory authority, in the open market at the best available price in one or more lots. The decision of the Committee to the timing and method of sale and the price which such sale has been given effect to in that behalf shall be final and binding on all concerned. The Committee shall hold the net sale proceeds of all such shares after defraying them from all costs, charges and expenses of such sale and shall thereafter distribute such sale proceeds to the Members of the

Company in proportion to their fractional entitlements.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to fix a Record date and to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things and to give, from time to time such directions as may be necessary, proper and expedient or incidental for the purpose of giving effect to this resolution.”

“RESOLVED FURTHER that the Board of Directors and Company Secretary be and are hereby authorized, jointly and/or severally to do all such acts, deeds and things, as may be required to give effect to the above stated resolution.”

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

Alteration of the Nominal Value of the Equity Shares of the Company with consequential amendments to the Capital Clause in the Memorandum of Association & Articles of Association of the Company.

“RESOLVED THAT pursuant to the provisions of Sections 13, 14, 61 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) read with the Rules framed there under, as may be amended from time to time and Article 3 and other enabling provisions of the Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions, if any, required from any authority, the consent of the Shareholders be and is hereby accorded for reclassification of the Authorized Share Capital of the Company from Rs.15,50,00,000 (Rupees Fifteen Crores and Fifty Lakhs only) divided into (a) 1,15,00,000 (One Crore and Fifteen Lakhs) Equity Shares of Rs.10/- each (Rupees Ten only), (b) 2,00,000 (Two Lakhs) 6% Non Cumulative Compulsorily Convertible Preference Shares of Rs.100/- each (Rupees Hundred only) and (c) 2,00,000 (Two Lakhs) 6% Non Cumulative Optionally Convertible Preference Shares of Rs.100/- each (Rupees Hundred only) into Rs.15,50,00,000 (Rupees Fifteen Crores and Fifty Lakhs only) divided into (a) 11,50,000 (Eleven Lakhs Fifty Thousand) Equity Shares of Rs.100/- each (Rupees Hundred only) (b) 2,00,000 (Two Lakhs) – 6% Non Cumulative Compulsorily Convertible Preference Shares of Rs.100/- each (Rupees Hundred only) and (c) 2,00,000 (Two Lakhs) – 6% Non Cumulative Optionally Convertible Preference Shares of Rs.100/- each (Rupees Hundred only).”

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 13, 14, 61 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed there under (including any statutory modification or re-enactment thereof, for the time being in force) and applicable Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions, if any, required from any statutory authority consequent to the reclassification of the Authorised Capital, the existing Clause V of the Memorandum of Association & Article 3 of the Articles of Association be altered by deletion of the existing Clause & Article respectively and by substitution thereof with the following:

a) Clause V – Memorandum of Association

“The Authorised Share Capital of the Company shall be Rs.15,50,00,000 (Rupees Fifteen Crores and Fifty Lakhs only) divided into (a) 11,50,000 (Eleven Lakhs Fifty Thousand) Equity Shares of Rs.100/- each (Rupees Hundred only) (b) 2,00,000 (Two Lakhs) – 6% Non Cumulative Compulsorily Convertible Preference Shares of Rs.100/- each (Rupees Hundred only) and (c) 2,00,000 (Two Lakhs) – 6% Non Cumulative Optionally Convertible Preference Shares of Rs.100/- each (Rupees Hundred only) with a right on the part of the Company to increase, decrease and / or reclassify the same.”

b) Article 3 – Articles of Association

“The Authorised Share Capital of the Company shall be Rs.15,50,00,000 (Rupees Fifteen Crores and Fifty Lakhs only) divided into (a) 11,50,000 (Eleven Lakhs Fifty Thousand) Equity Shares

of Rs.100/- each (Rupees Hundred only) (b) 2,00,000 (Two Lakhs) – 6% Non Cumulative Compulsorily Convertible Preference Shares of Rs.100/- each (Rupees Hundred only) and (c) 2,00,000 (Two Lakhs) – 6% Non Cumulative Optionally Convertible Preference Shares of Rs.100/- each (Rupees Hundred only) with a right on the part of the Company to increase, decrease and / or reclassify the same.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board (which expression shall also include a Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things, including delegation of all or any of its powers herein conferred to its Directors, Company Secretary or any other Executive(s) of the Company.”

By Order of the Board of Directors

Place : Coimbatore

R.Muthukumar

Date :11.02.2021

Company Secretary and Compliance Officer

Notes:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020 and December 31, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Extra-Ordinary General Meeting (“EGM”) through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the EGM of the Company is being held through VC/ OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the EGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this EGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the EGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Corporate Members intending to authorize their representatives to attend the EGM through VC/ OAVM on its behalf and to vote through remote e-voting are requested to send a scanned copy (PDF/JPG Format) of the Board Resolution to the Scrutinizer by email through its registered email address to bk.scrutiniser@gmail.com with a copy marked to evoting@nsdl.co.in.
4. Members attending the EGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. In case of joint holders attending the meeting through VC/OAVM, only such joint holder who is higher in the order of names will be entitled to vote.
6. An Explanatory Statement under Section 102 of the Companies Act, 2013 is annexed herewith and forms part of this notice.
7. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the Members at the Registered Office of the Company on all working days, during business hours up to the date of the Meeting.
8. Members whose shareholding is in the electronic mode are requested to update bank account details (Bank Account No., Name of the Bank, Branch, IFSC code, MICR code and place with Pincode) to their respective Depository Participants. Members whose shareholding is in the physical mode are requested to send the above details to the Company or to the RTA.
9. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the Share Certificates to RTA M/s.S.K.D.C.Consultants Ltd. for consolidation into a single folio.
10. **Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc., from the Company electronically.**

11. As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the transfer of shares in physical mode is not allowed from 1st April 2019. Members are requested to dematerialize their shares. However, transmission / transposition of Shareholders name are allowed by following due process and documentation. Necessary intimation has been sent to the concerned Shareholders in this regard. For any Clarifications, Members may contact the Registrar and Share Transfer Agents M/s.SKDC Consultants Ltd., Kanapathy Towers, 3rd Floor, 1391/A1, Sathy Road, Ganapathy, Coimbatore – 641 006.
12. In line with the MCA Circulars and SEBI Circular dated 12th May 2020, the Notice calling the EGM is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the EGM Notice will also be made available on the Company's website at www.lakshmiautomatic.com, website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and website of NSDL (Agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
13. Since the EGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

A. VOTING THROUGH ELECTRONIC MEANS

- I.** In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide Members the facility to exercise their votes by electronic means for all the resolutions detailed in the Notice of the Extra Ordinary General Meeting scheduled to be held on Wednesday the 24th day of March, 2021 at 11.00 A.M. The Company has engaged the services of National Securities Depository Limited (NSDL) as the authorized agency to provide the remote e-voting facilities as per instructions below.
- II.** Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- III.** A member even after exercising his right to vote through Remote e-voting may attend the Extra Ordinary General Meeting through VC/OAVM but shall not be allowed to vote again.

IV. Instructions to Members for e-voting are as under:

- (a) Date and time of commencement of voting through electronic means: 21st March, 2021 (Sunday) at 9.00 A.M.
- (b) Date and time of end of voting through electronic means beyond which voting will not be allowed 23rd March, 2021 (Tuesday) at 5.00 P.M.
- (c) Details of Website : www.evoting.nsdl.com
- (d) Details of persons to be contacted for issues relating to e-voting:

S.K.D.C. Consultants Ltd,
Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road,
Ganapathy, Coimbatore - 641 006
Phone : +91 422 4958995, 2539835 - 36
Fax : +91 422 2539837, Email Id: info@skdc-consultants.com
Website: www.skdc-consultants.com

The Remote e-voting module shall be disabled for voting on 23rd March, 2021 at 5.00 P.M. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting right of Members shall be in proportion to their share in the paid up Equity Share Capital of the Company as on 17th March, 2021 (cut-off date).

V. The process and manner for Remote e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :

- (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio

No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder - Login
- (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of Remote e-voting opens. Click on Remote e-voting: Active Voting Cycles.
- (vii) Select "EVEN" of "**Lakshmi Automatic Loom Works Limited**".
- (viii) Now you are ready for Remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to bk.scrutiniser@gmail.com with a copy marked to evoting@nsdl.co.in.

B. In case of a Member whose email IDs are not registered with the Company / Depository Participant(s) for procuring User id and password and registration of e mail ids for e-voting for the Resolutions set out in this Notice:

- (i) In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the Share Certificate (front and back), PAN (self-attested scanned copy of PAN card), Aadhaar (self-attested scanned copy of Aadhaar Card) by email to green@skdc-consultants.com.
- (ii) In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), Aadhaar (self-attested scanned copy of Aadhaar Card) to evoting@nsdl.co.in.
- (iii) Please follow all steps from Sl. No. (i) to Sl. No. (xii) above, to cast vote.

- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and Remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on Toll Free No.: 1800 103 0990, 1800 224 430.
- VII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- VIII. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. 17th March, 2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or info@skdc-consultants.com.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following Toll Free No.: 1800 103 0990, 1800 224 430 or you can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.

- IX. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of Remote e-voting.
- X. Sri B.Krishnamoorthi, Practising Chartered Accountant (Membership No. 20439) has been appointed as the Scrutinizer to scrutinize the voting and Remote e-voting process in a fair and transparent manner.
- XI. The Scrutinizer shall after the conclusion of the Extra Ordinary General Meeting, unblock the votes cast through Remote e-voting in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, within 2 days of conclusion of the meeting to the Chairman of the Company who shall countersign the same and declare the results of the voting forthwith.
- XII. The results declared along with the Scrutinizer's Report shall be available on the Company's website: www.lakshmiautomatic.com and on the website of NSDL and communicated to the BSE Limited, Mumbai immediately after the declaration of the result by the Chairman or the person authorized in this regard.

B. INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

- 1. The procedure for e-Voting on the day of the EGM is same as the instructions mentioned above for remote e-voting.
- 2. Only those Members, who will be present in the EGM through VC/OAVM facility and have not casted their vote on the Resolutions through Remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM.
- 3. Members who have voted through Remote e-Voting will be eligible to attend the EGM. However, they will not be eligible to vote at the EGM.
- 4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM shall be the same person mentioned for Remote e-voting.

C. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM THROUGH VC / OAVM ARE AS UNDER:

- 1. Members will be able to attend the EGM through VC or OAVM can view the live webcast of EGM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-voting login credentials and selecting the EVEN for Company's AGM.

Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further Members can also use the OTP based login for logging into the e-voting system of NSDL.

- 2. Facility of joining the EGM through VC / OAVM shall open 30 minutes before the time scheduled for the EGM and will be available for Members on first come first served basis.
- 3. Members who need assistance before or during the EGM, can contact NSDL on evoting@nsdl.co.in / 1800 103 0990, 1800 224 430 or contact Ms.Pallavi Mhatre, Manager – NSDL at +91 22 2499 4545.
- 4. Members desiring any additional information or having any question or query pertaining to the business to be transacted at the EGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/Folio Number, PAN, Mobile Number at cs@lakshmiautomatic.com before 17.03.2021. Those Members who have registered themselves as a speaker will only be allowed to seek any additional information or questions pertaining to the business during the EGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the EGM.

By Order of the Board of Directors

Place : Coimbatore

Date : 11.02.2021

R.Muthukumar
Company Secretary and Compliance Officer

Explanatory Statement

(Pursuant to Sections 102(1) of the Companies Act, 2013)

Item No. 1

The Resolution proposed is consequential amendments proposed to the Capital Clause of the Memorandum of Association and Articles of Association of the Company, consequent to consolidation of the Equity Shares.

The Board of Directors of the Company noted that out of the total number of 8734 shareholders, 4000 shareholders are holding less than 10 shares of Rs.10/- each and the total number of shares held by these shareholders are 19,462 Shares of Rs.10/- each fully paid up. Accordingly the Board felt that consolidating the shares will not only reduce the over head cost incurred on servicing these fragment shareholdings but will also result in reduced cost of trading for the shareholders. Hence it is proposed to consolidate the Equity Shares of the Company by which the face value of each share would be Rs.100/- each (Rupees Hundred only). Accordingly, 10 (Ten) Equity Shares of nominal value of Rs.10/- (Rupees Ten only) each, of the Company existing on the Record date shall stand consolidated to 1 (One) Equity Share of Rs.100/- (Rupees Hundred only) each. The proposed consolidation is required to be approved by the shareholders by passing of a special resolution. Hence the resolution under Item No. 1 is proposed for the approval of the Members.

None of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested in the resolution except to the extent of their shareholding in the Company.

Item No. 2

To facilitate the proposed conversion of face value of Equity Shares from Rs.10/- to Rs.100/-, it is necessary to reclassify the present Authorised Share Capital of the Company of Rs.15,50,00,000 divided into (a) 1,15,00,000 (One Crore and Fifteen Lakhs) Equity Shares of Rs.10/- each (Rupees Ten Only), (b) 2,00,000 (Two Lakhs) 6% Non Cumulative Compulsorily Convertible Preference Shares of Rs.100/- (Rupees Hundred) each and (c) 2,00,000 (Two Lakhs) 6% Non Cumulative Optionally Convertible Preference Shares of Rs.100/- each (Rupees Hundred only) into Rs.15,50,00,000 (Rupees Fifteen Crores and Fifty Lakhs only) divided into (a) 11,50,000 (Eleven Lakhs Fifty Thousand) Equity Shares of Rs.100/- each (Rupees Hundred only) (b) 2,00,000 (Two Lakhs) – 6% Non Cumulative Compulsorily Convertible Preference Shares of Rs.100/- each (Rupees Hundred) and (c) 2,00,000 (Two Lakhs) – 6% Non Cumulative Optionally Convertible Preference Shares of Rs.100/- each (Rupees Hundred). Consequent to the said reclassification, the Capital Clause V of Memorandum of Association and Article 3 of Articles of Association of the Company are also required to be altered.

Hence, the Board of Directors recommends the amendment of Memorandum of Association and Articles of Association for the consent of the Members by way of Special Resolution in terms of Section 13, 14 and 61 of the Companies Act, 2013.

None of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested in the resolution.

A draft of the altered Memorandum of Association and Articles of Association of the Company shall be available for inspection by the Members of the Company on any working day between 10.00 A.M. and 1.00 P.M. up to March, 24th 2021 (Wednesday) at the Registered Office of the Company.